



**PUBLIC SUMMARY
RECERTIFICATION
FOR RSPO P&C CERTIFICATION**

**IOI GROUP
RSPO MEMBERSHIP NO: 2-0002-04-000-00
BUKIT LEELAU CERTIFICATION UNIT**

Muadzam Shah, Pahang, Malaysia


**Certificate Number: RSPO 0010
Date of First Certification: November 2010
Audit Date : 24 – 28 August 2015**

Prepared by:

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November 2015

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	RSPO RECERTIFICATION AUDIT REPORT	

CLIENT : IOI CORPORATION BHD – BUKIT LEELAU CERTIFICATION UNIT

TYPE (MILL, ESTATE AND MILL ETC)

- 1) Bukit Leelau Palm Oil Mill
- 2) Bukit Leelau Estate
- 3) Detas Estate
- 4) Merchong Estate
- 5) Mekassar Estate

LOCATION (MAP AND GPS), MILL AND/OR HECTARAGE:

(In the case of multisite certification, list additional sites in attachments) :

Operating Unit	Latitude	Longitude	Location Address	Hectares
Bukit Leelau Palm Oil Mill	03°18'00" N	103°08'24" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	-
Bukit Leelau Estate	03°18'00" N	103°07'48" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	2,095.10
Detas Estate	03°33'00" N	103°03'00" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	2,300.70
Merchong Estate	03°01'12" N	103°12'00" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	1,952.13
Mekassar Estate	02°59'24" N	103°10'12" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	1,215.67

AUDIT DATE : 24-28/8/2015

DURATION : 15 auditor days

STANDARD : RSPO MYNI:2014

SCOPE OF REGISTRATION (specify sites, tonnages and/or approved processes) :

Production of Crude Palm Oil and Palm Kernel Using Identity Preserved (IP) Model

NO OF EMPLOYEES (Applicable to the scope of activities audited) : 756

The following attachments form part of this report:

Non-conformity Report(s) 

List of additional site(s) 

Report by Audit Team Leader

Name : MOHD HAFIZ MAT HUSSAIN

Signature :

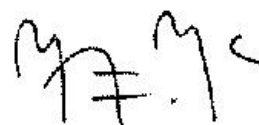


Date : 20/09/2015

Acknowledgement by Client's Representative

Name : YEO LEE NYA

Signature :



Date : 05/10/2015

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List of Abbreviation

BOD	Biochemical Oxygen Demand
B.Sc.	Bachelor of Science
CA	Collective Agreement
CB	Certification Body
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CU	Certification Units
DID	Drainage and Irrigation Department, Malaysia
DOE	Department of Environment
DOSH	Department of Occupational Safety and Health
EAI	Environmental Aspect Identification
EB	Executive Board
EFB	Empty Fruit Bunch
EIA	Environmental Impact Assessment
EIE	Environmental Impact Evaluation
EMP	Environmental Management Plan
EPF	Employees Provident Fund
EQA	Environmental Quality Act
ERT	Endangered, Rare and Threatened Species
FFB	Fresh Fruit Bunch
FMA	Factory and Machinery Act
FSC	Forest Stewardship Council
GAP	Good Agricultural Practice
GPS	Global Positioning System
Ha	Hectares
HCV	High Conservation Value
HIRARC	Hazard Identification, Risk Assessment and Risk Control
IPM	Integrated Pest Management
ISO	International Organization for Standardization
JCC	Joint Consultative Committee
MSDS	Material Safety Data Sheet
MPOA	Malaysian Palm Oil Association
MPOB	Malaysia Palm Oil Board
MYNI	Malaysia National Interpretation
MYNI – WG	Malaysia National Interpretation – Working Group
NADOPOD	Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease
NCR	Non-Conformity Report
NGO	Non-Governmental Organisation
OER	Oil Extraction Rate
OG	Oil & Grease
OSH	Occupational Safety and Health
OSHA	Occupational Safety and Health Act
OHSAS	Occupational Health and Safety Assessment Series
PIC	Person-In-Charge
PK	Palm Kernel
PMM	Proposal of Mitigation Measure
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PTW	Permit To Work
QMS	Quality Management System
RSPO	Roundtable on Sustainable Palm Oil
SDPSB	Sime Darby Plantations Sdn. Bhd.
SIA	Social Impact Assessment
SOCISO	Social Security Organization

SOP	Standard Operating Procedure
UKAS	United Kingdom Accreditation Services
USECHH	Use and Standards of Exposure of Chemicals Hazardous to Health
VOPS	Voluntary Oil Palm Seedlings

RSPO RECERTIFICATION AUDIT REPORT

A. INTRODUCTION :

1.0 Description of the organization :

1.1 Type (mill, estate and mill etc)

This recertification assessment report described a certification unit of IOI Corporation Berhad, Bukit Leelau Certification Unit (CU). The scope of this assessment covers all the company owned palm oil mill (POM) and FFB supplying estates. Bukit Leelau CU has notified SIRIM that two of its previous supply bases (Smallholders), namely Ladang Manna Enterprise and Ladang Haji Harun, are no longer supplying their FFB to Bukit Leelau POM with effective from January 2015. Therefore, as at this assessment, Bukit Leelau Certification Unit only consists of Bukit Leelau Oil Mill, Bukit Leelau Estate, Detas Estate, Merchong Estate and Mekassar Estate.

Bukit Leelau Oil Mill, Bukit Leelau Estate, Detas Estate and Mekassar Estate are the subsidiaries of Perusahaan Mekassar Sdn.Bhd. while Merchong Estate is the subsidiary of Syarikat Pukin Ladang Kelapa Sawit Sdn.Bhd. Both Syarikat Pukin Ladang Kelapa Sawit Sdn. Bhd. and Perusahaan Mekassar Sdn. Bhd. are direct subsidiaries of IOI Corporation Berhad. Hence, it was noted that, registration of RSPO Supply Chain in the RSPO e-trace for traceability of sustainable crude palm oil is under the name of Perusahaan Mekassar Sdn. Bhd.

As Bukit Leelau CU was fully developed, Principle 7 of the RSPO Principles & Criteria is therefore not applicable. The total workforce for Bukit Leelau CU was 756 and about 81% of them were migrant workers.

The Recertification Audit against the requirements of the RSPO MY-NI (2014) was conducted by SIRIM QAS International Sdn. Bhd. (SIRIM QAS International) on 24-28/8/2015.

1.2 Location (map and GPS), mill and or hectare statement

Bukit Leelau CU covers one palm oil mill and six oil palm estates, all located at Muadzam Shah, Pahang, Malaysia. The locations and area details of the mill and estates are shown in **Table 1** while the location map of Bukit Leelau CU (mill and estates) is shown in **Appendix 1, 2 and 3**.

Table 1: Location and addresses of mills and estates

Operating Unit	Latitude	Longitude	Location Address	Hectares
Bukit Leelau Palm Oil Mill	03°18'00" N	103°08'24" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	-
Bukit Leelau Estate	03°18'00" N	103°07'48" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	2,095.10
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Mekassar Estate	02°59'24" N	103°10'12" E	KM 75 Kuantan-Segamat Highway, Muadzam Shah, Pahang, Malaysia	1,215.67

1.3 Description of supply base (fruit sources)

The FFB is sourced from company owned estate in the Bukit Leelau CU and others estate which are under IOI Corporation Berhad. Details of the FFB contribution from each source to the Bukit Leelau POM are shown in the following tables:

Table 2: Actual and Estimated FFB production by the supply base since date of last reporting

Supply Base	Actual FFB production		Estimated production	
	August 2014 –July 2015		August 2015 –July 2016	
	Tonnes	%	Tonnes	%
Bukit Leelau Estate	35,094.16	27.53	31,230.00	22.39
Detas Estate	30,451.60	23.89	27,230.00	19.52
Merchong Estate	38,388.56	30.11	50,570.00	36.25
Mekassar Estate	22,794.48	17.88	30,460.00	21.84
Bukit Serampang	94.40	0.07	-	-
Shahzan 1	57.78	0.05	-	-
Shahzan 2	150.45	0.12	-	-
Bahau	11.82	0.01	-	-
Pukin	95.10	0.07	-	-
Sagil	67.79	0.05	-	-
Leepang A	178.79	0.14	-	-
Laukin A	92.30	0.07	-	-
TOTAL	127,476.73	100	139,490.00	100

Workforce Composition

The total and composition of the workforce at Bukit Leelau CU at the point of this assessment is as shown in Table 3.

Table 3: Workers Composition

Bukit Leelau CU	Number of workers		Total
	Local	Foreigner	
Bukit Leelau POM	65	55	120
Bukit Leelau Estate	31	183	214
Detas Estate	29	181	210
Merchong Estate	18	107	125
Mekassar Estate	0	87	87
Total	143	613	756

1.4 Date of plantings and cycle

Table 4a: Year of oil palm establishment

Estate	Year of oil palm establishment	Area (ha)				Planted Area (%)	
		Certified	Planted	Mature	Immature	Mature	Immature
Bukit Leelau Estate	1989	2,095.10	1,968.00	1,418.00	550.00	72	28
Detas Estate	1982	2,300.70	2,174.00	1,459.00	715.00	67	33
Merchong Estate	1986	1,952.13	1,806.00	1,806.00	-	100	-
Mekassar Estate	1986	1,215.67	1,128.00	1,128.00	-	100	-
Total		7,563.60	7,076.00	5,811.00	1,265.00	82	18

Table 4b: Year of oil palm establishment

Estate	Others (ha)		
	Conservation	HCV	Roads/Housing/etc.
Bukit Leelau Estate	-	0.02	127.08
Detas Estate	-	-	126.70
Merchong Estate	-	-	146.13
Mekassar Estate	-	0.13	87.54
Total	-	0.15	487.45

Table 5: Date of plantings and cycle

Estate	Planting	Planting Cycle	Maturity status	Planted Area (Ha)
Bukit Leelau	1989	1 st Generation	MATURE	137.00
	1990	1 st Generation	MATURE	1,180.00
	1992	1 st Generation	MATURE	8.00
	1998	1 st Generation	MATURE	93.00
	2014/2015	2 nd Generation	IMMATURE	550.00
Detas	1987	1 st Generation	MATURE	110.00
	1988	1 st Generation	MATURE	177.00
	2009	2 nd Generation	MATURE	105.00
	2010	2 nd Generation	MATURE	187.00
	2011	2 nd Generation	MATURE	180.00
	2012	2 nd Generation	MATURE	163.00
	1986	1 st Generation	MATURE	227.00
	1988	1 st Generation	MATURE	130.00
	2011	2 nd Generation	MATURE	180.00
	2013A	2 nd Generation	IMMATURE	92.00
	2013B	2 nd Generation	IMMATURE	156.00
	2014A	2 nd Generation	IMMATURE	135.00
	2014B	2 nd Generation	IMMATURE	332.00
Merchong	2003	2 nd Generation	MATURE	203.00
	2004	2 nd Generation	MATURE	291.00
	2005	2 nd Generation	MATURE	139.00
	2006	2 nd Generation	MATURE	367.00
	2007	2 nd Generation	MATURE	264.00
	2008	2 nd Generation	MATURE	144.00
	2010	2 nd Generation	MATURE	398.00
Mekassar	2004	2 nd Generation	MATURE	301.00
	2005	2 nd Generation	MATURE	285.00
	2006	2 nd Generation	MATURE	161.00
	2008	2 nd Generation	MATURE	101.00
	2009	2 nd Generation	MATURE	280.00

1.5 Other certification held (ISO etc)

The Bukit Leelau mill hold the certificate for ISCC, however all the estate did not hold any form of third-party certification on management systems.

1.6 Organisational information / contact person

The correspondence address and contact persons are as detailed below:

Contact person:

Name : YEO LEE NYA

Designation : Manager - Sustainability

Address : IOI Corporation Berhad, Level 8, TWO IOI Square, IOI Resort, 62502 Putrajaya

Telephone : +603 8947 8701
e-mail : yeo.leenya@ioigroup.com

Contact person (at Bukit Leelau CU)

Name : CHONG YEW KENG
Designation : Mill Manager
Address : KM 75 Kuantan - Segamat Highway, Muadzam Shah, Pahang, Malaysia
Telephone : +609 5460766
e-mail : blm@ioigroup.com

1.7 Tonnage certified

Table 6: Actual annual CPO and PK tonnage of Bukit Leelau POM (Aug 14 – July 15)

	Aug 14 – July 15
FFB Received	127,476.73
FFB Processed	127,476.73
CPO Production	28,235.81
PK Production	6,815.80
Certified CPO sold as SG	27,592.88
Certified PK sold SG	-
CPO sold as non-certified	-
PK sold as non-certified	6,981.14

Table 7: Estimated CPO and PK tonnage of Bukit Leelau POM (Aug 15 – July 16)

	Aug 15 – July 16
FFB Received	139,490.00
FFB Processed	139,490.00
CPO Production	30,349.00
PK Production	7,953.00
Certified CPO sold as IP	30,349.00
Certified PK sold IP	7,953.00
CPO sold as non-certified	-
PK sold as non-certified	-

1.8 Certification detail

Parent company : IOI Group
RSPO Membership Number : 2-0002-04-000-00
Member since : 17/05/2004
Certificate Number : RSPO 0010
Date of previous assessment: 08/09/2014
Date of certification : 19th November 2010

2.0 Assessment Process

2.1 Assessment methodology (program, site visits)

The recertification assessment was guided by the sampling formula of $0.8 \sqrt{y}$. Nonetheless, all the estates were visited in this assessment but were assessed with different elements of the standard. The mill is assessed in every assessment.

The assessment team carried out field and office assessments for conformance against the RSPO-MY principles and criteria. The visits also covered HCV habitats, labour lines, storage areas and other workplaces.

Common systems were identified and specific evidences were recorded for individual estates. Interviews, particularly those with employees, local communities and suppliers/contractors were conducted formally as well

as informally, without the presence of company management personnel. In addition to that, records as well as other related documentation were also reviewed.

It is important to note that the finding from this assessment is based on samples taken from the organization activities, procedures, records etc. Statistically, there is always a possibility that one or more problematic issues/areas will remain unidentified during the course of this audit. The absence of non-compliance in any area or activity does not necessarily imply that no lapses or non-compliance exist.

The assessment programme is in **Appendix 4**.

2.2 Date of next surveillance visit

The next surveillance audit will be conducted within nine (9) to twelve (12) month from the date of last audit

2.3 Lead assessor / assessment

Assessment Team	Role/Area of RSPO Requirement	Qualification and Experience
Mohd Hafiz Bin Mat Hussain	Assessment Team Leader / Safety & Environment	<ul style="list-style-type: none"> Over 100 days of auditing experience, having audited on: ISO 9001, ISO 14001, RSPO & MSPO. 4 years' experience in Oil Palm Plantation Management. Successfully Completed RSPO Lead Assessor Course – 2014 Successfully completed ISO 14001 EMS RABQSA/IRCA approved Lead Assessor – 2013 Successfully completed ISO 9001 QMS RABQSA/IRCA approved Lead Assessor – 2013 Successfully completed OHSAS 18001 OHSMS RABQSA/IRCA accredited Lead Assessor Course – 2013 B.Sc. (Hons) Plantation Management And Technology
Valence Shem	Assessor / HCV & Social	<ul style="list-style-type: none"> Collected more than 250 Auditor days in auditing ISO 14001 and RSPO Nine years' experience in Oil Palm Plantation management Successfully completed IEMA accredited Lead Assessor training for ISO 14001: 2004 B.Tech. (Hons) Industrial Technology Successfully completed and passed the RSPO Lead Assessor Course – 2011.
Selvasingam T Kandiah	Assessor / Good Agriculture Practice	<ul style="list-style-type: none"> 8 days experience as Technical Adviser to RSPO Audits. 71 days of auditing experience in RSPO. B. Sc. (Hons) Agriculture – University of Agricultural Sciences, Hebbal, Bangalore, India (1969-1973) A Planter with Kumpulan Guthrie Berhad (1995-2002 – retired) Inclusive of One year in Liberia and 2 years in Estate Department in Guthrie head quarters Experience in Managing: <ul style="list-style-type: none"> Nursery: Rubber and Cocoa Immature Area: Cocoa Replant, Rubber Replant, Oil Palm Replant & Oil Palm New Clearing Area: Cocoa, Rubber & Oil Palm.
Roslee Bin Jamaludin	Technical Expert/ HCV	<ul style="list-style-type: none"> Bachelor of Forestry (Hons) – UPM Diploma in Forestry – UiTM State Director of Forestry Penang (2014-2015) Assistant Director of Forestry Negeri Sembilan (2011-2014) District Forest Officer of Southern Terengganu (2004-2011) Assistant District of Forestry Selangor (2004)

- | | |
|--|--|
| | <ul style="list-style-type: none"> • Trainer in Forestry School, Kepong (2003-2004) • Plantation Officer of Terengganu (1999-2000) • District Forest Officer of Malacca (1993-1999) • Assistant Enforcement Officer of Johor (1991-1992) • Forest Plantation Supervisor of Ulu Sedeli, Johor (1989-1991) • Assistant District Forestry Officer of Segamat, Johor (1986-1989) • Assistant District Forestry Officer of Kuala Lipis, Pahang (1984-1985) • Assistant Forest Management, Forestry Department of Pahang (1979-1983) |
|--|--|

2.4 Certification body

SIRIM QAS International Sdn. Bhd. is the oldest and leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS), the International Automotive Task Force (IATF), and the Secretariat of the United Nations Framework Convention for Climate Change (UNFCCC). SIRIM QAS International is a partner of IQNet, a network currently comprising of 36 leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting assessment related to RSPO assessment. We have certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. We have also conducted pre assessment against RSPO Principle and Criteria.

SIRIM QAS International was approved as a RSPO certification body on 21st March 2008.

2.5 Progress against Time-Bound Plan

Details on RSPO Certification progress against time-bound plan are shown in the **Appendix 5**.

2.6 Outline of how stakeholder consultation was managed

Stakeholder consultation was initiated with the announcement in the RSPO web site and SIRIM QAS web site 1 month before the recertification assessment. Apart from that, letters were also sent to relevant stakeholders, including government agencies and NGOs and local communities.

Among the stakeholders consulted during the Recertification Assessment were employees, government agencies, non-governmental organizations, local communities, FFB suppliers, contractors and its employees and other interested parties.

Consultation with employees, FFB suppliers and contractors involved random sampling from each group in each of the areas (e.g mill operators, harvesters, general workers and sprayers from the different estates). Each session lasted from 1 hour to 2 hours. The consultations included the issues relevant to principles 4, 5 and 6. The consultations were conducted in the Bukit Leelau Certification Unit.

The consultations with local communities were carried out at their premises/grounds. The sessions were carried out at time convenient to the stakeholders. The intention was to solicit their views on the impact of Bukit Leelau certification unit on their economic and socio-cultural life.

3.0 Assessment Findings

3.1 Summary of findings

The findings of the Recertification Audit were presented during the on-site closing meeting. There were **1 major and 1 minor nonconformity reports (NCR)** raised on the Bukit Leelau CU. Findings and details of the NCRs and corrective actions taken against each of the RSPO MY-NI indicators are reported below.

Principle 1: COMMITMENT TO TRANSPARENCY

Clause	Indicators		Comply Yes/No	Findings
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1	There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	Yes	<p>Detas Estate and Bukit Leelau Estate had the documented policy 'Stakeholder Request Procedure' in it IOI Group Social Impact Assessment (SIA) Index 9.0 which is available on its website www.ioigroup.com.</p> <p>The estates maintained lists of its stakeholders for Neighbouring Stake holders, Government/Statutory Bodies/Banks, Suppliers and for Contractors and the lists were updated in August 2015.</p> <p>Information was also disseminated, in addition to that on the website, via meetings. The latest meetings recorded were on 13/08/2015 and on 17/08/2015 with internal and external stake holders on Detas Estate while on Bukit Leelau they were on 22/08/2015 and 12/08/2015.</p> <p>In the estate all IOI policies were exhibited in dual language on the notice board outside the main office.</p> <p>List of stakeholders is available for Bukit Leelau POM. Divided by a few categories such as government agencies, suppliers/service providers/contractors, surrounding neighbours (other companies, local communities, school), NGO (AMESU, MPOA, NUPW). The list was last updated on 21/7/2015 and second last is 18/8/2014 – additional of suppliers and school.</p>

				Stakeholder Request Procedure [Bukit Leelau POM Level (incorporated in SIA Management Plan & Continuous Improvement)] is available dated 14/8/2015. However, no request of information so far by any of the stakeholders.
	1.1.2	Records of requests for information and responses shall be maintained. Major Compliance	Yes	<p>In both estates all requests and/or complaints/suggestions from internal and external stakeholders related to social, cultural and economic issues and the responses to these requests/complaints/suggestions are recorded in Grievance/Complaints Book (Green Book). There has been no information request for social related matter since the last assessment.</p> <p>All records had dates of complaint and dates attended to and by whom. The latest complaint recorded was on 19/04/2015 in Detas Estate and on 20/08/2015 in Bukit Leelau.</p> <p>The latest meetings recorded were on 13/08/2015 and on 17/08/2015 with internal and external stake holders on Detas Estate while on Bukit Leelau they were on 22/08/2015 and 12/08/2015.</p>
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative	1.2.1	Land titles/user rights (Criterion 2.2);	Yes	Publicly available. Cross refer to Criterion 2.2.
		Occupational health and safety plans (Criterion 4.7);	Yes	Publicly available. Cross refer to Indicator 4.7.1.
		Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)	Yes	Publicly available. Cross refer to Criterion 5.1 and 6.1.
		HCV documentation summary (Criteria 5.2 and 7.3);	Yes	HCV documentation summary is publicly available. Cross refer to Criterion 5.2.

environmental or social outcomes.		Pollution prevention and reduction plans (Criterion 5.6);	Yes	Publicly available. Cross refer to Criterion 5.6.
		Details of complaints and grievances (Criterion 6.3);	Yes	Grievance book is publicly available. Cross refer to Criterion 6.3.
		Negotiation procedures (Criterion 6.4);	Yes	Grievance Procedure for Land Owner Issues (incorporated in SIA Management Plan & Continuous Improvement) is publicly available dated 14/8/2015.
		Continual improvement plans (Criterion 8.1);	Yes	Continual Improvement Plans (incorporated in SIA Management Plan & Continuous Improvement) is publicly available dated 14/8/2015.
		Public summary of certification assessment report;	Yes	The public certification summary of Bukit Leelau CU for 4th surveillance had been published in the SIRIM QAS International website: http://www.sirim-qas.com.my/attachments/article/345/RSP0%20Public%20Summary%20Bukit%20Leelau%204th%20Surveillance%20Audit%20(2014)%204.pdf . It also was publicly available through website www.ioigroup.com .
		Human Rights Policy (Criterion 6.13).	Yes	Human rights policy was established in 5 policies: i) Equal Opportunity Employment & Freedom of Association (dated 20/8/2009) ii) Policy on Foreign Workers (dated 20/8/2009) iii) Policy Statement for No Child Labour (dated 5/9/2009) iv) Protection of Reproductive Right Policy (dated 2/7/2015) Policy on the Prevention and Eradication of Sexual Harassment in the Workplace (6/12/2006) v) Respecting Human Rights Policy (11/5/2015)
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	Yes	Policy is available entitled "Code of Business Conduct & Ethics. Coverage of the policy: <ul style="list-style-type: none"> • A respect for fair conduct of business (under the title "Fairness") • Bribery – under the title "Dealing with Conflicts of Interest" Proper disclosure of information – under the title of Company Assets and Information, Data Privacy – sighted undertaking letter for Personal Data Protection signed by employees which make reference to Malaysian Personal Data Protection Act 2010.

Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators		Comply Yes/No	Findings										
C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1	Evidence of compliance with relevant legal requirements shall be available. Major Compliance	Yes	<p>Both Detas Estate and Bukit Leelau Estate did not hire underage persons to work on the estates. Workers were all legally recruited and terms and condition of employment found to be in accordance to the Employment Act.</p> <p>Both Estates had employed foreign workers form India, Nepal and Indonesia. All of had valid Passports and Work Permits.</p> <p>The Estates had also compiled with most of the applicable local, national and ratified international laws and regulations.</p> <p>Relevant licences and permits such as Foreign Workers Permits & Passports, MPOB license, Energy Commission, Domestic Trade Ministry for diesel and Road tax for Vehicles were valid.</p> <p><u>Bukit Leelau POM</u> Among the evidence of compliance observed were:</p> <p><u>Factory and Machinery Act 1967</u> i) <u>Person In Charge Regulation 2014</u></p> <table><tr><th>Competent person</th><th>Bukit Leelau POM</th></tr><tr><td>Steam engineer</td><td>Available (2nd Grade Steam Engineer, Mill Manager)</td></tr><tr><td>ICE Visiting Engineer</td><td>Available, SH Technical Consultancy (1st grade ICE Engineer)</td></tr><tr><td>Engine Driver (BHC)</td><td>Available ((1 person)1st and (3 persons)2nd grade engine driver)</td></tr><tr><td>ICE driver</td><td>Available ((1 person)1st grade ICE driver,(2 persons) 2nd grade ICE driver)</td></tr></table> <p>Bukit Leelau POM has appointed competent person for ICE visiting engineer from SH Technical Consultancy. Sighted frequent visit (monthly) has been carried out for 2015, the latest visit was on 15/8/15.</p>	Competent person	Bukit Leelau POM	Steam engineer	Available (2 nd Grade Steam Engineer, Mill Manager)	ICE Visiting Engineer	Available, SH Technical Consultancy (1 st grade ICE Engineer)	Engine Driver (BHC)	Available ((1 person)1 st and (3 persons)2 nd grade engine driver)	ICE driver	Available ((1 person)1 st grade ICE driver,(2 persons) 2 nd grade ICE driver)
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			<p>ii) Notification, Certificate of Fitness and Inspection, Regulations 1970 Machine requiring CF – Steam boiler and unfired pressure vessel are scheduled for inspection on annual basis. Annual mill inspection was carried out on 13/5/2015, however the new certificate has yet to be received from DOSH (Expiry on July 2015).</p> <p>iii) Noise Exposure Regulations 1989 Initial Noise Exposure Monitoring was conducted on 27/10/2010 by Env Consultancy & Monitoring Services Sdn Bhd.</p> <table><tr><th>Section</th><th>Noise Source</th><th>Noise Level (dB(A))</th></tr><tr><td>Sterilizer Station</td><td>Sterilizer</td><td>86-87</td></tr><tr><td>Boiler House</td><td>Motor belting</td><td>90-94</td></tr><tr><td>Power station</td><td>Motor belting/back pressure receiver</td><td>101-97</td></tr><tr><td>Oil Room</td><td>Motor belting</td><td>90-92</td></tr><tr><td>Pressing station</td><td>Nut station</td><td>95</td></tr><tr><td>Nut & kernel station</td><td>1. Polishing process 2. Ripple process 3. Motor belting</td><td>99 97 88</td></tr></table> <p>Last audiometric testing was carried out on 15/10/2014 by Specialist Mobile Safety Supplies Sdn Bhd which involved 117 workers. 15 workers were identified with Standard Threshold Shift (STS) and and 16 were identified with hearing impairment. All the workers that identified with STS and hearing impairment were undergo for retest on 16/5/2015. The report for retest was received on 26th August 2015 and the management had plan to send them to ENT doctor (Al Farabi OHS Services Sdn Bhd). The JKKP 7 and SOCSO compensation will be reported once the management get the report on the involve workers from the ENT doctor.</p> <p>For 2014, ENT doctor has recommended 4 workers need to be reported to DOSH (JKKP 7) under occupational disease and had been communicate accordingly to DOSH, however only 2 workers were recommended by ENT doctor for those infected workers eligible for SOCSO compensation. The management was apply for SOCSO compensation on 29/9/2014 for those who had recommended by the ENT Doctor.</p> <p><u>OSH(USECHH) Regulation 2000</u></p> <p>CHRA has been carried out at Bukit Leelau POM on 24/3/2014 by ENV Consultancy & Monitoring Services Sdn Bhd.</p>	Section	Noise Source	Noise Level (dB(A))	Sterilizer Station	Sterilizer	86-87	Boiler House	Motor belting	90-94	Power station	Motor belting/back pressure receiver	101-97	Oil Room	Motor belting	90-92	Pressing station	Nut station	95	Nut & kernel station	1. Polishing process 2. Ripple process 3. Motor belting	99 97 88
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			<p>Medical Surveillance was carried out by Al Farabi OHS Services Sdn Bhd on 18/11/2014. There were 37 workers involved in this medical surveillance. However, 29 workers are showing abnormal blood results due to poor adherents to healthy lifestyle which will reported as non-occupational cause (obese, overweight etc).</p> <p>Inspection, Examination and testing of Local Exhaust Ventilation (LEV) System Component for Laboratory Fume Hood had been carried out on 6/2/2015 by Env Consultancy & Monitoring Services Sdn Bhd.</p> <p>Monthly inspection for fume hood was carried out by the management of Bukit Leelau POM. Latest was carried out on 11/8/15.</p> <p><u>Electric Supply Act 1990</u> i) Electrical Regulations 1994 Requirement of competent person (A4) – Competent A4 charginman was available.</p> <p>Environment Quality Act 1974 Section 49A – competent person for ETP, air pollution control and schedule waste</p> <p>Mill manager has been undergo and pass the training for Competent person: CePPOME (Series No: CePPOME/14116, Expiry on 1/3/16). However, for air pollution control competent person, the company still yet to decide on the type of control equipment to be installed and suitable course to be attended since the new EQ (Clean Air) Regulation 2014 will be enforce on 2019.</p> <p>Safety Manager from OSH Department had undergo and passed Scheduled Waste Manager (CePSWAM) training in 2014. He will in-charge on the scheduled waste management at for the CU.</p> <p><u>Scheduled Waste Regulations 2005</u> Scheduled waste generated and managed by own individual unit at Bukit Leelau CU. Type of wastes generated were found in 2nd Schedule (notification form to DOE on 14/4/14). Inventory of waste were properly recorded and maintained and verified through 5th Schedule in the E-CN system. Latest disposal was made on 27/7/15 by Hiap Huat Chemicals Sdn Bhd (License No: 004390, 004162, 003201, 000877) SW404 (clinical waste) generated and stored at each estate's clinic before disposal. Bukit Leelau and Detas Estate has managed to get the contractor to collect the clinical waste at the estate clinic. Bukit Leelau Estate and Detas Estate were engaged Sharps &</p>
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				<p>Bins Sdn Bhd to collect the clinical waste, the last disposal was on 6/7/15. Therefore the major NCR from the previous assessment was closed.</p> <p>ii) EQ (Prescribed Premise) Crude Palm Oil Regulations 1977 Requirement in “Jadual Pematuhan” License number and validity period – 004118, (1/7/15-30/6/16) Discharge method – Water ways (Sg Temiang)</p> <p>Air monitoring a) Black smoke – Permissible emission limit is Ringleman 2 @ 40% opacity for 15 minutes in 1 hour and 15 minute (aggregation) in 24 hours. Occasional of black smoke emission was recorded with some justifiable conditions during start-up, uncontrolled burning and loading. Smoke density recorder was found operational and alarm is laudable enough to alert the operators. The equipment was due for next calibration on 13/10/15. Report to DOE is via CEMS-DIS and was found online during assessment.</p> <p>b) Particulate – < 0.4 g/Nm³ (Std C), stack sampling. Stack sampling has been consistently carried out as per required frequency by MAREFF Management Sdn Bhd. Results of isokinetic stack sampling as stated below:</p> <table><tr><th>Period</th><th>Stack No. 1</th><th>Limit</th></tr><tr><td>1st half 2015</td><td>0.352 g/Nm³</td><td>0.4 g/Nm³(Std C)</td></tr><tr><td>2nd half 2015</td><td>0.364 g/Nm³</td><td>0.4 g/Nm³(Std C)</td></tr></table> <p><u>EQ (Clean Air) Regulations 2014</u> Witten approval for the Labarotory Cupboard was obtained from DOE on 29/1/2013 (AS:C31/152/000/064 SK.1 JLD.1(16)). The local exhaust and air emission monitoring was carried out as per written approval on 5/2/2015 by Env Consultancy & Monitoring Services Sdn Bhd. The result of the monitoring shown that all the parameters were found to be well within the limits of EQ (Clean Air) Regulation 2014.</p>	Period	Stack No. 1	Limit	1 st half 2015	0.352 g/Nm ³	0.4 g/Nm ³ (Std C)	2 nd half 2015	0.364 g/Nm ³	0.4 g/Nm ³ (Std C)
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2 nd half 2015	0.364 g/Nm ³	0.4 g/Nm ³ (Std C)											
2.1.2	A documented system, which includes written information on legal requirements,shall be maintained Minor Compliance	Yes	<p>A comprehensive Legal Requirements Register has been established and made available during the assessment at all the visited operating units.The latest update was on 30/10/2014 by Safety, Health and Sustainability Manager. Among the applicable legal requirements related to social are</p> <ul style="list-style-type: none">• Employment Act, 1955,• Workers Minimum Standard and Housing Amenities, 1990,										

				<ul style="list-style-type: none">• Anti-Trafficking in Persons Act, 2007,• Water Act, 1920,• Minimum Retirement Age Act, 2012 <p>As per last year NCR on documented legal register, the corrective action evidence legal requirement register (Appendix 1, revision 1) dated 23rd September 2013 was not made available during the assessment at all the visited operating units. Therefore, the NCR has been upgraded to Major (# MH2).</p> <p>Ammendment for Factories and Machineries (Person In-Charge)(Amendment) Regulation 2014 and Environmental Quality (Clean Air) Regulation 2014 has been updated in the legal register.</p> <p>The legal register was found to be not exhaustive. Noticed some applicable laws has yet to be listed such as EPF Act, Personal Data Protection Act and MBOB Act. IOI is in progress of updating those relevant laws and expected to be completed by the end of the year.</p>												
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	Yes	The estates visited, both Detas Estate and Bukit Leelau, had a mechanism for ensuring that all applicable legal requirements are implemented. The mechanism was by the implementation of internal audit by its Sustainability Team through evaluation of compliance exercise against the legal register. The latest audit was conducted on 29/07/2015 in Detas Estate.												
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	Yes	A system for tracking changes is spelt out in “Mechanism of Tracking Law Changes” flowchart. Based on the flowchart, the Sustainability Unit is responsible to track any change in the law. For the Bukit Leelau CU the responsible officer was Mr. Ravi Tony Various medium can be used such as internet, media, updates from association, etc.												
C 2.2 The right to use the land is demonstrated, and is not legitimately	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised	Yes	<p>All the visited operating units have the copies of their land titles kept at their administration office. The following are the land titles sighted.</p> <table><tr><th>Estates</th><th>Land title number</th><th>Leasee</th><th>Ha</th><th>Condition</th><th>Lease period</th></tr><tr><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	Estates	Land title number	Leasee	Ha	Condition	Lease period						
Estates	Land title number	Leasee	Ha	Condition	Lease period											

contested by local people who can demonstrate that they have legal,customary or user rights		Native Customary Right (NCR) land) and the actual legal use of the land shall be available. Major Compliance		<table><tr><td rowspan="2">Detas</td><td>HS(D)50442</td><td>Perusahaan Mekassar (M) Sdn. Bhd.</td><td>1,655.1617</td><td rowspan="3">Tanaman Kelapa Sawit</td><td>1/12/1982 to 30/11/2081</td></tr><tr><td>HS(D)50441</td><td>Perusahaan Mekassar (M) Sdn. Bhd.</td><td>570.6059</td><td>1/12/1982 to 30/11/2081</td></tr><tr><td>Bukit Leelau</td><td>HS(D)1915</td><td>Perusahaan Mekassar (M) Sdn. Bhd.</td><td>2,096.00</td><td>9/3/1993 to 2/1/2088</td></tr></table>						Detas	HS(D)50442	Perusahaan Mekassar (M) Sdn. Bhd.	1,655.1617	Tanaman Kelapa Sawit	1/12/1982 to 30/11/2081	HS(D)50441	Perusahaan Mekassar (M) Sdn. Bhd.	570.6059	1/12/1982 to 30/11/2081	Bukit Leelau	HS(D)1915	Perusahaan Mekassar (M) Sdn. Bhd.	2,096.00	9/3/1993 to 2/1/2088
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2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	Yes	It was observed that there were distinct red coloured wooden boundary markers. The boundary stones, its positions of these markers were labelled and marked on the Boundary Stone maps and the position of each marker recorded. It was found that during the last assessment, Bukit Leelau the boundary stones along the perimeter adjacent to Pekan Forest Reserve and Kampung Tanjung at Detas Estate was not evident and a Minor NCR was raised. The estates have hired authorised surveyor and re-installed the missing boundary stones. Maps of the boundary stones were also available for verification.																					
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). Minor Compliance	Yes	There was a claim of land made by FELCRA to Detas Estate. The dispute has been resolved through participation of both parties in accordance to IOI's established procedures. Cross refer to Criterion 6.4.3.																					

	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. Major Compliance	Yes	Cross refer to Criterion 6.4.3.
	2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities and relevant authorities where applicable). Minor Compliance	Yes	The disputed area between Detas Estate and FELCRA has been mapped out with participatory of both parties. Cross refer to Criterion 6.4.3.
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance	Yes	There was no evidence that any form of violence instigated to resolve the claimed area mentioned.

<p>C 2.3</p> <p>Use of the land for oil palm does not diminish the legal,customary or user rights of other users</p> <p>without their free,prior and informed consent.</p>	2.3.1	<p>Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p>Major Compliance</p>	Yes	Not applicable as there is no estate land encumbered by customary rights.
	2.3.2	<p>Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p>	Yes	Cross refer to Criterion 6.4.3.

		<p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>Minor Compliance</p>		
	2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>Minor Compliance</p>	Yes	Cross refer to Criterion 6.4.3.

	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	Yes	Cross refer to Criterion 6.4.3.
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Principle 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

Clause	Indicators		Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	Yes	Both Detas Estate and Bukit Leelau Estate had documented annual management plans for years 2015/2016 until 2018/2019. The budget (management plans) provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. Attention was given to crop projection, cost of production, cost per tonne and per hectare indicators to monitor the performance of each operating unit. The cost of production was reviewed and compared against expenditure each year with projections in place for future years. Detas Estate also had FFB crop projection for years 2015/2016 till 2020/2021. <u>Bukit Leelau POM</u> The yearly budget and projections where the cost of production was reviewed annually and compared against expenditure for each year was an on-going process. The parameters monitored remained essentially unchanged and included Capital (CAPEX) and Operating (OPEX) cost. The operating expenditure included expenditure for mill and mainly on routine maintenance(parts and workmanship), administration cost, line-site and house repair, allocation for sustainability implementation (environmental, social, occupational safety and health), infra-structure development (roads, etc.), and training, etc.

	3.1.2	<p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p>Minor Compliance</p>	Yes	<p>Both Detas Estate and Bukit Leelau had established and maintained replanting programme which was reviewed annually. The replanting programs are as follows:</p> <table><thead><tr><th colspan="2">Detas Estate</th><th colspan="2">Bukit Leelau Estate</th></tr><tr><th>Year</th><th>Ha</th><th></th><th>Year</th><th>Ha</th></tr></thead><tbody><tr><td>2015/16</td><td>357</td><td></td><td>2015/16</td><td>304</td></tr><tr><td>2016/17</td><td>287</td><td></td><td>2016/17</td><td>406</td></tr><tr><td>2017/18</td><td>0</td><td></td><td>2017/18</td><td>431</td></tr><tr><td>2018/19</td><td>0</td><td></td><td>2018/19</td><td>298</td></tr><tr><td>2019/20</td><td>0</td><td></td><td>2019/20</td><td>283</td></tr></tbody></table> <p>After 2017, for the next 19 years or so, there will be no replanting in Detas Estate as the oldest planting then would be 2009.</p>	Detas Estate		Bukit Leelau Estate		Year	Ha		Year	Ha	2015/16	357		2015/16	304	2016/17	287		2016/17	406	2017/18	0		2017/18	431	2018/19	0		2018/19	298	2019/20	0		2019/20	283
Detas Estate		Bukit Leelau Estate																																				
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2018/19	0		2018/19	298																																		
2019/20	0		2019/20	283																																		

Principle 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS

Clause	Indicators		Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored	4.1.1	Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	Yes	<p>Both Estates used the following documented manuals and documents as their standard operating procedures:</p> <ol style="list-style-type: none"> 1. Standard Operating Procedures (StOP). 2. Safe Operating Procedure (SaOP) 3. Group Environmental Impact Assessment and Management Action Plans 4. IOI Group Policy Documents. <p>Among the Estate operations covered by the procedures were Buffalo harvesting and healthcare, oil palm nursery, land clearing and preparation, planting technique, cover crop, fertilizer application, weeding, pest and disease, harvesting & crop evacuation, road maintenance, workshop, foliar sampling etc.</p> <p>The latest reviewed for the Safe Operating Procedure (SaOP) was related to <i>Prosedur Kerja Selamat Mengendali Kerbau</i> dated 12th June 2015 and <i>Prosedur Kerja Selamat Penyimpanan Dan Pengurusan Stor Bahan Kimia</i> dated on 7th July 2015 while for StOP the latest revision was related to StOP for Buffalo Assisted Harvesting System (BAHS) and Buffalo Healthcare which were revised January 2012.</p>

				The simplified versions of StOP and SaOP in Bahasa Malaysia were made available in office, muster ground, general store, chemical stores notice & sign boards. Safety procedure sign boards were also noticed placed in various places like in line site and in the fields.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	Yes	The mechanism of ensuring consistent implementation was by : i. Periodic reporting from operating units ii. On site visits, inspections and discussions with relevant personnel iii. Assessments and audits like Internal Audits, PA visits and by RSPO Audits iv. Consultation with RSPO team & management.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Yes	The assessors also confirm having sighted documents and relevant records on implementation and monitoring of StOP at both Detas Estate, Bukit Leelau Estate and Bukit Leelau POM. Among the records sighted were: Program sheets, Field cost books, P A reports, Agronomic reports, Audits by Sustainability Officers, Harvesting Interval records, Fertiliser application records, Monthly Progressive Reports, Monitoring monthly effluent records, black smoke emission record, scheduled waste record, PPE checklist, Stack sampling report and Final Effluent discharge report Most records are being maintained for more than a year and some much longer. Harvesting interval monitored through “Harvesting Interval” record/chart showed that the current harvesting rounds were 9 to 10 days in Detas Estate while in Bukit Leelau it was slightly extended(18 to 20 days) due to labour constraints. Action was being taken in Bukit Leelau Estate to reduce harvesting intervals by utilising general workers to assist in loose fruit collection. The Pruning of palms which was behind schedule in Field 90Q in Bukit leelau as harvesters were deployed completely for Harvesting. However at time of visit pruning was in progress – management had contracted it to outsiders.
	4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	Yes	Not applicable since no third party sourced FFB under this CU. Bukit Leelau POM received 100% own crops.

C 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	Yes	As per their SOP both estates practised the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields), EFB application in replants and solid POME application in some fields in Bukit Leelau. During replanting palms were felled, chipped, windrowed and left to decompose in the field. Fertiliser application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made the Agronomist in IOI Research Centre located in Batang Melaka, 76300 Negeri Sembilan. Annual Fertiliser recommendations were made based on annual foliar sampling and soil sampling. Some of the main fertilisers recommend for 2015 were SA, NK Compact, MOP, Kieserite and Borate. The rate per palm per year varied between 14.10 to 10.60 kg. Palms/fields due for felling within the next two years had been recommended with very low to zero fertiliser.
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	Yes	Records of programs and applications of fertilisers were made available to auditors. Records sighted showed that actual applied in 2014 was in line with program with 3,587.35 tons applied in Detas Estate and 1,622.09 tons in Bukit leelau. In 2015 as at July 949.22 tons and 483.08 tons had been applied in Detas and Bukit leelau estates respectively.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	Yes	From the Agronomist reports it was established that in both estates annual foliar and soil sampling to monitor changes in nutrient status had been carried out. The annual foliar sampling was to determine the nutrients levels of N, P, K, Mg, Ca & B. The results of the foliar and soil analysis formed the basis for the fertiliser recommendations to maintain and to improve soil fertility. The latest sampling in Detas Estate was carried out in September 2014 and in Bukit Leelau Estate in April 2015.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues. Minor Compliance	Yes	Both estates 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, EFB mulching and application of Solid POME. In addition, during replanting, palms were felled, chipped, windrowed and left to decompose. EFB was applied in the replants at 30 to 40 tons/Ha with 11,320.50 tons over 299 Hectares applied in 2014 and 771.00 tons in 2015 over 25.70 Ha in Detas Estate. In Bukit Leelau Estate, 15,700.46 tons was applied over 329 Ha in 2014. In 2015 application is yet to commence - it would be applied in the 2015 replants. 8,713 tons of Solid POME had been applied over 305 Ha between July 2014 and June 2015 in mature areas of Bukit Leelau Estate. In July 2015 another 1150tons over 35 Ha had been applied.

				No POME application was applied in Detas Estate due its distance from the Oil Palm Mill. in Bukit Leelau Estate
C 4.3 Practices minimize and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	Yes	Soil maps were available in both estates visited. There was no fragile/marginal soils in Detas Estate but in Bukit Leelau Estate there is 96 Ha of Gondang Soil –a Peat soil. It was in 5 separate blocks.
	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance	Yes	IOI had a management strategy in place for planting on slopes and to minimise and control erosion and degradation of soils. Both Detas Estate and Bukit Leelau Estate had complied with the Policy in Index 7, Soil Erosion Prevention Plans, Item 7.1.7 of it StOP Manual. 95% and 60% of Detas Estate and Bukit Leelau Estate respectively was flat and the rest undulating and hilly. These undulating areas were terraced. It was observed that practices to minimise and control erosion and degradation of soils were also advocated through proper stacking of fronds, EFB application, avoidance of blanket spraying, road maintenance and maintenance of soft vegetation in interlines. No bare ground was sighted during the visit.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	Yes	Both estates had a road maintenance program in place. The program for use of back-hoe, resurfacing and grading had been supported by provisions in the budgets. The Budget provision for Detas Estate for year 2015/2016 was MYR 94,400.00 for its Mature areas and MYR 125,384.00 for its immature areas. Bukit Leelau had MYR 104,118.00 for its mature and MYR 283,536.00 for its immature areas for the same period. During the field visit, it was noted road conditions were satisfactory and accessibility were made possible by regular maintenance guided by its road maintenance programmes. The estates had sufficient supply of laterite for road resurfacing available in the estates. Surface run off water from roads were well directed into fields and drains with well cambered roads, road sided drains and silt pits.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	Yes	The 96 Hectares of peat (Gondang) soils as shown in the soil map was in 5 separate blocks in Bukit Leelau Estate. Water management was carried out using sand bag bunds and water markers. Water levels were maintained at 50 to 75 cm height from ground level as documented in the StOP. At time of visit water levels were well managed.
	4.3.5	Drainability assessments where necessary will be	Yes	NA. All the 5 blocks of peat soil in Bukit Leelau were planted in 1990 and 1998.

		conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance		
	4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils). Minor Compliance	Yes	As shown in the soil maps made available to the auditors there was no other fragile and problem soils in both Detas Estate and Bukit Leelau Estate.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	Yes	Both estates had water management plans. The water management plans was more towards soil water conservation, pollution prevention and domestic usage. The management plan required that the drains in the peat areas be desilted before each wet season. Domestic use was monitored using flow meters. In Detas Estate it was from tube wells while for Bukit Leelau the Palm Oil Mill supplied it from Sg. Serai. Though there was no shortage of water for domestic use in both estates, awareness was created among the workers and staff to save water through verbal reminders. The plan also required water quality analysis for domestic water and river water to be monitored. Analysis results showed no adverse quality. Water spillage during pre-mixing of chemicals, from washing of PPE and from triple rinsing was collected from in a sump and recycled for spraying. Both estates maintained Rainfall data from the year 2002 to assist in water management.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national	No	Bukit Leelau CU had continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along all natural waterways within the estate. During the site review at Detas Estate and Bukit Leelau Estate, it was noted that buffer zones were allocated along the natural waterways. Signage and red paint on oil palm trunk were used as demarcations of the buffer zones. The width of the buffer zone varies depending on the width of the river in accordance to the DID specifications. The boundary marker for buffer was sufficient and maintained. It was clear that IOI has the policy to maintain the buffer by restricting agrochemicals application and will be left undeveloped during replanting. However, trace of agrichemical had been used for palm

		guidelines) shall be demonstrated Major Compliance		circle was found at Detas Estate's allocated riparian zone, Field No. 88D. Therefore, NCR VS01/2015 was assigned.
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6). Minor Compliance	Yes	Sampling for effluent at final discharge was conduct on monthly basis and were made available, latest conducted on 30/7/15. The result shown that all parameters were within the limit. The form " <i>suku tahunan pertama 2015</i> " and " <i>suku tahunan kedua 2015</i> " were communicated to DOE accordingly
	4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance	Yes	The management of POM was monitored the water use per tonne of FFB on daily basis which was recorded in the flowmeter record logbook. From the record for the month of July 2015, the ratio was 1.48Litre/FFB process.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	Yes	There was a documented integrated pest management (IPM) system in place at both estates. The IPM program among others included pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and wild boar. The IPM technique for rats included rearing barn owls (<i>tyto alba</i>), bagworm control included the planting of beneficial plants such as <i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Turnera sublata</i> and for rhinoceros beetles was by using pheromone trap. The implementation was monitored by rat damage, bag worm attack, barn owl population census and records on planting beneficial plants. The major pest attack is by bagworms in both estates. Attack in young palms field was treated/controlled with <i>cypermethrin</i> at 6lt/1000 dilution using power-sprayer and at 100ml/20 dilution using mist blowers. Attack on tall palms in bukit Leelau was treated by trunk injection using <i>monocrotophos</i> . Treatment was triggered based on field census done 2 weeks before.

				Though both estate had barn owls rat damage still existed. Rat attack was treated/controlled by rat baiting using <i>broadifacoum</i> . Application was triggered based on field census. Baiting was stopped when bait acceptance drops to 20%. In Detas Estate there were 133 barn owls boxes with an occupancy ratio of 65.41% and in Bukit leelau Estate there were 57 boxes with an occupancy ratio of 66.67%.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	Yes	Records showed that training of those involved in IPM implementation was carried in both estates. In Detas Estate on 27.07.2015 and in Bukit Leelau and on 23.07.2015 & 8.08.2015
C 4.6 Pesticides are used in ways that do not endanger health or the environment	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	Yes	Justification of all pesticides used had been demonstrated. The use of selective products that are specific to the target weed had been demonstrated in the Group Standard Operating Procedure (StOPs) for Estate Operations Index 9 item 8 and in the Group Environmental Impact Assessment and Management Action Plans (Guidance Document) Index 9, appendix 1 & 2 and Index 10.
	4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major Compliance	Yes	Both units visited had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, and Ai/Ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, cost books and in progress reports.

	4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. Major Compliance	Yes	<p>As part of the IPM plans, management of both estates had established nectariferous beneficial plants (<i>Cassia cobanensis</i>, <i>Antigonan leptopus</i> and <i>Turnera sublata</i>) nurseries for continuous planting to reduce use of insecticides.</p> <p>In the beneficial plant nursery in Detas estate there were 7,402 polybags (<i>Cassia cobanensis</i> -2,150, <i>Antigonan leptopus</i> – 3122 and <i>Turnera sublata</i> – 2130) of plants ready for field planting. During field visit in Detas Estate the auditors witnessed planting of <i>Antigonan leptopus</i> which was on going.</p> <p>However, Prophylactic spraying using diluted cypermethrim for immature palms in no burning of oil palm to oil palm replanting for a period of 24 months was carried out against rhinoceros beetles as per StOP in both estates.</p>
	4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and	Yes	<p>Both estates only used Pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000).</p> <p>Except for monocrotophos in Bukit Leelau, there was no evidence of pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, had been used.</p> <p>Most pesticides used were class III & class IV, while for oil palm nursery use the estates had used class II pesticides.</p>

		in accordance with USECHH Regulations (2000). Minor Compliance		
	4.6.5	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p>Major Compliance</p>	Yes	<p>Records showed that pesticides were handled, used and applied by trained persons and as per the MSDS of the pesticide.</p> <p>The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to the workers through the MSDS/CSDS training. It was also noted that MSDS/CSDS are available at all sites during the audit.</p> <p>Bukit Leelau Estate was request the permit to buy the pesticides (monocrothophos) from the Agricultural Department on 2/7/2015. The records of the permit was available at the site (PHG/MONO(GL)/15/032).</p> <p>Training on pesticide handling was last done on 23/7/2015 by Mr Safety Manager and Estate Manager, attended by workers, mandore, staffs and assistants. All the operators that involve in the pesticides application were attended during this training. The training included the safety aspects and usage of PPE when handling with pesticides. Record of training was available for verification.</p> <p>All involved with pesticides were found to use the appropriate PPEs issued to them. Workers applying fertiliser in field 11A in Detas Estate and workers spraying diluted cypermethrim in field 14 A in Bukit Leelau were sighted using the appropriate PPEs and when interviewed were aware of all precautions and safety requirements.</p>
	4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and	Yes	<p>The chemical stores were observed to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations. All of the stores had been well ventilated, had exhaust fans and secured. Only authorized personnel were allowed to handle the chemicals. All the chemicals were stored and segregated accordingly.</p> <p>In Bukit Leelau Estate the Class I chemical, monocrotophous, was stored in a locked compartment inside the secured/locked chemical store.</p> <p>Empty pesticides containers had been triple rinsed, holes punched in them and stored separately awaiting proper disposal.</p>

	Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance		
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	Yes	Noted that in Bukit Leelau Estate, there was an outbreak of pest and disease which related to bagworms. The management used Monocrothopos as to treat the pest. The management was guided by <i>Prosedur Kerja Selamat Racun Makhluk Perosak Amat Berbisa (Highly Toxic Pesticides)</i> and StOP for Integrated Management of Bagworm and Nettle Caterpillar Control (dated: September 2007), where the method used for the applications of pesticides were described.
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	Yes	Aerial spraying was not practiced by both Detas Estate and Bukit Leelau Estate and there was no evidence to show that any had been carried out.
4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. (see Criterion 4.8).	Yes	The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. Records showed that training had been carried out, to cite some of the latest were: <ol style="list-style-type: none"> 1. PPE use - 8.01 2015 2. Premixing chemicals - 13.02.2015 3. Chemical Handling - 19.08.2015 4. Spraying - 8.08.2015

		Minor Compliance		Training on pesticide handling for trunk injection was last done on 23/7/2015 by Mr Ravi (Safety Manager) and Mr Hashim (Estate Manager), attended by workers, mandore, staffs and assistants. All the operators that involve in the pesticides application were attended during this training. The training included the safety aspects and usage of PPE when handling with pesticides. Record of training was available for verification.
	4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). Minor Compliance	Yes	Noted that in Bukit Leelau Estate, there was an outbreak of pest and disease occurred. The waste material of pesticides was disposed as a scheduled waste. Instead of that, Bukit Leelau CU has established the procedure (SaOP) for triple rinsing of all its empty agrochemical containers as a method of disposal. Based on interview with the workers, the procedure is fully understood by them. After triple rinsing is done, the containers will be punctured and kept in a store, which later are sent to recycling vendors. The waste water from the triple rinsing will be reused in chemical mixture.
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	Yes	At Bukit Leelau Estate, CHRA was conducted on 27 th March 2013 while at Detas Estate, the CHRA was conducted on 18/3/2014 by Env Consultancy & Monitoring Services Sdn Bhd. Medical Surveillance was carried out before the work started by Kelinik Australia. For sprayer, the management of Bukit Leelau Estate had sent the workers (17 sprayers) for medical surveillance at Klinik Segamat and all the workers that involve in the spraying activity were male workers. Detas Estate had sent the workers (29 sprayers) for medical surveillance at Poliklinik Ar Razi and all the workers that involve in the spraying activity were male workers.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women Major Compliance	Yes	All workers involved in spraying in both estates were men and there was no evidence of any pesticide work undertaken by women.

<p>C 4.7</p> <p>An occupational health and safety plan is documented, effectively communicated and implemented.</p> <p>The occupational health and safety plan shall cover the following:</p>	4.7.1	<p>An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.</p> <p>Major Compliance</p>	Yes	<p>Bukit Leelau CU still continued adopting the IOI Group's Occupational Safety and Health Policy, signed by Dato' Foong Lai Choong, dated 11/7/2011. The policy had been communicated to all employees through briefings and being displayed on the estates notice boards. A safety and health plan (Year 2015) for each estate and a safety management plan (2015) for the mill had been established, implemented and monitored every month.</p>
	4.7.2	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p>Major Compliance</p>	Yes	<p>The hazard identification, risk assessment and risk control had been carried out covering on the activities both in the estates and mill. Updated HIRARC register dated was presented during the assessment. Latest review was carried out on 24/8/2015 (Bukit Leelau Estate) and 15/8/15 (Bukit Leelau POM). The HIRADC for replanting activity has been included since the activity newly started on 24/8/2015.</p> <p>For the mill, not much change noted for identified activities. Appropriate risk control measures had been identified and a person had been assigned to monitor the implementation of the control measures during field and site assessment.</p>
	4.7.3	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide</p>	Yes	<p>Training and Briefing on the operations were provided for workers to educate them on safe working practices to ensure applicable precautions are adhered. Training for employees are conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc.</p> <p>The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner</p> <p>All involved with pesticides were found to use the appropriate PPEs issued to them. Workers applying fertiliser in field 11A in Detas Estate and workers spraying diluted</p>

		<p>application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>Major Compliance</p>	<p>cypermethrim in field 14 A in Bukit Leelau were using the appropriate PPEs and when interviewed were aware of all precautions and safety requirements.</p> <p>Workers carrying harvesting Field 88D and 11D in Detas Estate and Field 90K were witnessed to be using PPEs and were aware of harvesting standards and safety. PPEs issue and replacement records were made available to auditors.</p> <p>Records of training for each employee were maintained at the office for reference and verification, and were verified during the audit;</p> <p><u>Bukit Leelau Estate</u></p> <ol style="list-style-type: none"> 1. PPE Training dated 8/1/2015 by Assistant Manager. 2. SaOP-Chemical Store Management dated 14/3/15 by Safety Officer, IOI Group. 3. SaOP-Sprayers dated 8/1/15 by chemical supplier (Koperasi Ladang) 4. Training for Trunk Injection activity dated 23/7/15 by Mr Ravi (SHES Manager) 5. Training for Pest & Disease (<i>Rhinoceros Beetle</i>) dated 8/8/15 by Assistant Manager. 6. Scheduled Waste Management dated 18/8/15 by Assistant Manager. <p><u>Bukit Leelau POM</u></p> <ol style="list-style-type: none"> 1. Hearing Conservation Programme dated 24/6/15 by Mill Engineer 2. Training for Boiler Operation dated 1/6/15 by Boilerman 3. In-House training: confined space dated 24-26/2/15 by NIOSH 4. Training for Press, Oil Room & Kernel plant dated 3/7/15 by Mill Manager. 5. Training for sterilizer station dated 16/8/15 by Mill Engineer. 6. Chemical Management & ERP dated 20/8/15 by Mill Engineer. <p><u>Detas Estate</u></p> <ol style="list-style-type: none"> 1. Training for chemical handling dated 19/8/15 by SHO 2. Training SaOP for Premix Chemical dated 15/4/15 by Assistant Manager 3. Training SaOP for sprayers dated 7/8/15 by Assistant Manager 4. Mistblower training dated 7/8/15 by Assistant Manager 5. Training SaOP for manuring activity dated 6/3/15 by Assistant Manager 6. Training SaOP for rat bait dated 20/8/15 by Assistant Manager 7. Training for workshop operation dated 6/8/15 by Assistant Manager 8. Training for harvesting operation dated 20/7/15 by Assistant Manager 9. Training for Scheduled waste dated 19/8/15 by SHO
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				<p>10. Training for harvesting activity dated 12/8/15 by Harvesting staff</p> <p>Based on the HIRARC carried out at Bukit Leelau POM, the PPE types for the various station are identified using the 'Employees PPE Issuance Record'. Latest distribution was on 17/8/15. The list of "Personal Protective Equipment (PPE) Provided" were identifies the type of PPE for the respective station. The list of PPE are as below:</p> <ul style="list-style-type: none"> i. Boiler- Safety helmet, safety shoes, safety vest, ear plug, Leather Apron, Face Shield, Leather Handglove ii. Sterilizer station – Safety Helmet, Semi leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff. iii. Lab – Respirator (double Cartridge) Nitrile Glove (chemical penetration), safety boots, Ear plug. iv. Workshop-Safety helmet, safety shoes, safety vest, ear plug and leather handglove (welder). <p>Based on the HIRARC carried out at Bukit Leelau Estate and Detas Estate, the PPE types for the various activity are identified using the 'Daily Safety Checklist'. Latest distribution on 22/8/15. The management had carried out daily inspection for PPE to all workers by daily basis. The list of PPE that were given at the estate are as below:</p> <ul style="list-style-type: none"> i. Harvester- Safety Helmet, Sickle Cover, Hand Glove. Wellington Boots ii. Sprayers- Respirator, Nitrile Glove (Chemical Resistant) Goggles, Wellington Boots, Apron. iii. Manuring- Apron, Wellington Boots, Dust Mask
	4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.	Yes	<p><u>Bukit Leelau Estate</u> Safety and Health Committee organization Chart 2015 was available (w.e.f June 2015). Quartely Safety & Health Committee meeting held – chaired by Estate Manager, discussion on the following:</p> <ul style="list-style-type: none"> i) Passing of previous minutes and arising matters. ii) Medical Assistant Report (Monthly Accident statistics) iii) Workplace Inspection iv) Safety programme & training <p>Verified the following Minutes: 22/6/15, 19/3/15, 20/10/14, 24/9/14</p> <p><u>Bukit Leelau POM</u> Safety and Health Committee organization Chart 2015 was available (w.e.f August 2015).</p>

		Major Compliance		<p>Quartely Safety & Health Committee meeting held – chaired by Mill Manager, discussion on the following:</p> <ul style="list-style-type: none"> i) Passing of previous minutes and arising matters. ii) Monthly Accident statistics iii) Workplace Inspection iv) Safety programme & training <p>Verified the following Minutes: 14/8/15, 2/6/15, 29/5/15, 6/2/15</p> <p><u>Detas Estate</u></p> <p>Safety and Health Committee organization Chart 2015 was available (w.e.f June 2015). Quartely Safety & Health Committee meeting held – chaired by Estate Sr. Manager, discussion on the following:</p> <ul style="list-style-type: none"> i) Passing of previous minutes and arising matters. ii) Medical Assistant Report (Monthly Accident statistics) iii) Workplace Inspection iv) Safety programme & training <p>Verified the following Minutes: 16/6/15, 27/3/15, 10/12/14, 24/9/14</p>
	4.7.5	<p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p>	Yes	<p>Internally trained First Aiders at Bukit Leelau Estate was conducted by Hospital Assistant from Bukit Leelau Clinic on 13/3/15 – 8 mandore from various station have been trained.</p> <p>Fire Extinguisher Training was conducted at Bukit Leelau Estate on 25/6/15. The training reports were verified during this assessment.</p> <p>Trained First Aiders at Bukit Leelau POM was conducted by Certified Emergency Response Training on 28-29/3/2015 –the records of training was verified.</p> <p>Fire drill was conducted at Bukit Leelau POM on 9/1/15 and take 3minutes and 32 sec to evacuate all the employees.</p> <p>Trained First Aiders at Detas Estate was conducted by JPAM on 8/6/15 –the records of training was verified.</p>

		Minor Compliance		<p>Fire Extinguisher Training was conducted at Detas Estate on 8/6/15 by JPAM. The training reports were verified during this assessment.</p> <p>At Bukit Leelau Estate, 2 fatal accident happened on 17/4/2014 and 16/10/14. JKPP 8 report was send to DOSH accordingly. The investigation report and compensation claim (insurance) for that accidents happened were verified.</p> <p>Noted at Bukit Leelau POM, 1 accident happened (>4days MC) on 24/2/15. The accident record related to Accident Investigation were made available during the assessment. JKPP 6 was sent to DOSH accordingly on 3/3/15. The payment (compensation) from SOCSO has been done on 1/4/15.</p>
	4.7.6	<p>All workers shall be provided with medical care, and covered by accident insurance.</p> <p>Minor Compliance</p>	Yes	<p>Bukit Leelau CU had made an effort to ensure all workers working in the premise (both mill and estate) covered by insurance. All local workers were covered by SOCSO as required under Employee's Social Security Act 1969. Foreign workers for instance, were covered by insurance as per Workmen Compensation Act 1952.</p> <p>Sample of foreign workers for Bukit Leelau mill and estate found that all had been covered by insurance and found valid.</p>
	4.7.7	<p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.</p> <p>Minor Compliance</p>	Yes	<p>Bukit Leelau CU was monitored the occupational injuries using Lost Time Accident (LTA) metrics. The records were available during the assessment and were verified by the auditor.</p>
<p>C 4.8</p> <p>All staff, workers, smallholders and contract workers are appropriately trained.</p>	4.8.1	<p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>Major Compliance</p>	Yes	<p>A documented formal training programme 2015 and records that covered aspects of RSPO Principles and Criteria was made available to the auditors.</p>

	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	Yes	Records of names of employees trained as per training mentioned under indicator 4.7.3 were made available to auditors. Among the training records sighted are: i) Policy training – on 2/7/2015 ii) Employee Consultative Committee – on 10/4/2015 iii) Canteen meeting – on 28/7/2015 iv) Gender committee meeting – 31/7/2015 v) Grievance training – 2/7/2015 vi) Roll call (every 1st day of the month)
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Principle 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY

Clause	Indicators		Comply Yes/No	Findings									
C 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	Yes	<p>Environmental aspect and impact evaluation was available. The methods of identification were generally through site inspection by the estate or mill management & sustainability team and stakeholders consultation such as input from the DOE, surrounding communities.</p> <p>At Bukit Leelau and Detas Estate, among the environmental aspects & impacts identified by the management and their plan to mitigate are described in the table below:</p> <table><tr><th>Environmental aspects</th><th>Environmental Impact</th><th>Mitigation measure/Management plan</th></tr><tr><td>Lechate from application of EFB</td><td>water pollution and GHG emission</td><td>application must be far from natural stream/buffer zone and thin layer</td></tr><tr><td>Replanting activity</td><td>soil erosion and air pollution through emission of GHG from machinery</td><td><ul style="list-style-type: none">stacking of fell palm along the contour, terracing, planting platform, establishment of cover crop immediately after felling, avoid planting in buffer zoneWater monitoring once in every six months includes parameter</td></tr></table>	Environmental aspects	Environmental Impact	Mitigation measure/Management plan	Lechate from application of EFB	water pollution and GHG emission	application must be far from natural stream/buffer zone and thin layer	Replanting activity	soil erosion and air pollution through emission of GHG from machinery	<ul style="list-style-type: none">stacking of fell palm along the contour, terracing, planting platform, establishment of cover crop immediately after felling, avoid planting in buffer zoneWater monitoring once in every six months includes parameter
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continual improvement.						<p>such as turbidity, SS, TS, DO, BOD, COD, AN, pH, N, OG, heavy metals, Coliform, E. Coli. Six sampling points were identified and trends were analysed and if any abnormal result detected, investigation shall be made</p> <ul style="list-style-type: none"> For contractors doing replanting, training will be given on replanting procedure and will be required to provide secondary containment during machinery servicing to contain oil spillage 	
				Generation of schedule waste from agrochemical, workshop and clinic	soil contamination and water pollution	keep safely in enclosed store, use of secondary containment during servicing, oil trap, spill kit	
				Generation of domestic waste from housing and estate	water pollution, soil contamination and air pollution (from opened burning under abnormal condition)	rubbish bins are provided and will be collected by line sweeper, segregated from recyclable, non-recycled waste sent to landfill, 'no burning' signage at line-sites	
				Potential spillage from pre-mixing activity	soil and water pollution	special area for pre-mixing activity which can prevent spillage from going to environment i.e. concrete bund and spill kit	
				Potential spillage of chemical from field maintenance activities	water & soil contamination	no agrochemical activities in the buffer zone, information given through training	
				Spraying, harvesting	soil erosion	maintaining the soft grasses at the slope area, stacking fronds in a way	

				<table><tr><td></td><td></td><td>to block surface runoff, instruction through training</td></tr></table> <p>The environmental aspects would be reviewed once a year depending on change of activities and input from stakeholders. latest reviewed was on 14/8/15. At Bukit Leelau POM on the other hand, among the environmental aspects & impacts identified by the management and their plan to mitigate are described in the table below:</p> <table><tr><th>Environmental aspects</th><th>Environmental Impact</th><th>Mitigation measure/Management plan</th></tr><tr><td>Effluent discharge, methane gas from effluent</td><td>water pollution, global warming</td><td>Appropriate maintenance of ETP system e.g. desludging to be carried out based on programme and using green tubes (geo-tube) to contain sludge</td></tr><tr><td>Smoke emission from boiler's chimney</td><td>Air pollution</td><td>To carry out best practice on biomass fuel burning method and close monitoring of smoke quality</td></tr><tr><td>Generation of schedule waste from maintenance activities</td><td>Soil contamination and water pollution</td><td>keep safely in enclosed store, use of secondary containment during servicing, oil trap, spill kit</td></tr></table> <p>The environmental aspects would be reviewed once a year depending on change of activities and input from stakeholders. Latest reviewed was on 14/8/15.</p>			to block surface runoff, instruction through training	Environmental aspects	Environmental Impact	Mitigation measure/Management plan	Effluent discharge, methane gas from effluent	water pollution, global warming	Appropriate maintenance of ETP system e.g. desludging to be carried out based on programme and using green tubes (geo-tube) to contain sludge	Smoke emission from boiler's chimney	Air pollution	To carry out best practice on biomass fuel burning method and close monitoring of smoke quality	Generation of schedule waste from maintenance activities	Soil contamination and water pollution	keep safely in enclosed store, use of secondary containment during servicing, oil trap, spill kit
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5.1.2	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 action plan. The action plan shall identify the responsible person/persons.	Yes	Bukit Leelau Estate, the “Waste Management Plan” was established. The management was monitored through Waste Reduction & Management Plan 2015 and has appoint person in charge to handle each plan.																

		Minor Compliance		
	5.1.3	<p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>Minor Compliance</p>	Yes	<p>Bukit Leelau estate has developed a management plan and being reviewed once a year. Latest review was for 2015, namely Waste Reduction & Management Plan 2015.</p>
<p>C 5.2</p> <p>The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations</p>	5.2.1	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>Major Compliance</p>	Yes	<p>As observed in the previous surveillance, a report on HCV sites within the CU had been prepared. The High Conservation Value Assessment Reports, which were completed in 20th September 2009, had identified HCV sites for each of the estates. The report was last reviewed on 29/7/2015 (Detas) and 3/8/2015 (Bukit Leelau) which monitoring criteria is included in.</p> <p>Specific sites had been identified in each of the estate for protection of their high conservation values. Sites with HCV1, HCV 4, HCV 5, and HCV 6 had been identified. Maps demarcating these HCV sites had also been prepared. The audit team had inspected the sites protected in the Bukit Leelau Estate, Bukit Leelau POM and Detas Estate. It was observed that signage had been erected in all these HCV sites indicating the classes and that no activity was permitted in these areas</p> <p>A summary of management actions had been proposed in the HCV Assessment Report. In addition, a HCV Management Action Plan had been written for each estate. Both documents were examined during the assessment.</p>

managed to best ensure that they are maintained and/or enhanced.				It was observed that signage had been erected at each estate to ban hunting. The entrances to each estate had gates and manned by guards. Regular patrols had been conducted and reported on the protection of these HCV sites. Patrolling records was verified.
	5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance	Yes	The HCV Management Plans for Bukit Leelau POM and Bukit Leelau Estates 2015 were presented to the assessment team. There is no HCV habitats identified in the either POM or Estates. Currently, the management plan has been reviewed in August 2014. Since no ERTs has been found, there are no any changes with the plan, except for awareness training and continuous monitoring.
	5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance	Yes	Poaching was not allowed within the plantation with warning signage being placed at the entrances of each estate. Evidence of a commitment to discourage any illegal or inappropriate hunting had been instituted through control entrance gates and Auxiliary Police monitoring.
	5.2.4	Where an action plan has been created there shall be ongoing monitoring:	Yes	Not applicable since no RTE observed in the HCV assessment.

		<ul style="list-style-type: none"> The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring shall be fed back into the action plan. <p>Minor Compliance</p>		
	5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>Minor Compliance</p>	Yes	Not applicable since no HCV has been set-aside with existing rights of any individual or organization.
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially	5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>Major Compliance</p>	Yes	<p><u>Bukit Leelau Estate/ Detas Estate</u> The estate continued to practice the 3R policy (reduce, recycle, re-use) on waste management and to dispose them off in an environmentally and socially responsible manner. Among those identified were general/domestic waste, scheduled waste, scrap metal, crop residue/biomass from estate. Biomass from the estate was mainly from palm trunk of felled palms and pruned fronds.</p> <p>The segregated domestic and office waste such as paper, plastic and glass collected are sold to recycling vendors. Scrap metal is also accumulated and metal from old agricultural equipment like trailers, etc. are stored in designated areas and sold to recycling vendors.</p>

responsible manner.				<p>Other waste generated from the maintenance activities of equipment and machinery in the estates were scheduled wastes such as spent lubricant oil, spent oil filter, clinical waste and empty chemical containers.</p> <p><u>Bukit Leelau POM</u> For mill operation, source of pollution and waste generated from mill processes and related activities in the premise were described as follows:</p> <table><tr><th>Mill Processes/Activity</th><th>Waste and source of pollution</th><th>Operational plan</th></tr><tr><td>Pressing/Depericarping</td><td>Shell & Fibre</td><td>Used as boiler fuel</td></tr><tr><td>Threshing</td><td>EFB</td><td>Mulching</td></tr><tr><td>Oil recovery</td><td>Decanter cake /Slurry/ sludge discharge</td><td>Treated in the ETP</td></tr><tr><td>Hycroyclone/Claybath</td><td>Wet shell and calybath discharge water</td><td>Treated in the ETP</td></tr><tr><td>Cleaning</td><td>Cleaning water</td><td>Treated in the ETP</td></tr><tr><td>Maintenance</td><td>Used oil & hydraulics, oil filters and other type of scheduled waste</td><td>Managed as per Scheduled Waste Regulation 2005</td></tr><tr><td>Boiler and genset operation</td><td>Clinkers, smoke and particulate emission</td><td>Operation to be in accordance with EQA 1974</td></tr><tr><td>POME (palm oil mill effluent)</td><td>POME liquor and solid</td><td>Operation to be in accordance with EQA 1974</td></tr></table>	Mill Processes/Activity	Waste and source of pollution	Operational plan	Pressing/Depericarping	Shell & Fibre	Used as boiler fuel	Threshing	EFB	Mulching	Oil recovery	Decanter cake /Slurry/ sludge discharge	Treated in the ETP	Hycroyclone/Claybath	Wet shell and calybath discharge water	Treated in the ETP	Cleaning	Cleaning water	Treated in the ETP	Maintenance	Used oil & hydraulics, oil filters and other type of scheduled waste	Managed as per Scheduled Waste Regulation 2005	Boiler and genset operation	Clinkers, smoke and particulate emission	Operation to be in accordance with EQA 1974	POME (palm oil mill effluent)	POME liquor and solid	Operation to be in accordance with EQA 1974
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5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	Yes	Bukit Leelau CU disposed all chemicals and their containers as a scheduled waste. The records were kept up to-date and the latest disposal was on 22/8/15 for Bukit Leelau Estate and Detas Estate, and 27/7/17 for Bukit Leelau POM.																												
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be	Yes	Identification of waste was done through the environmental aspects and impact evaluation. Mitigation measure and management plan were established thereafter to avoid or reduce pollution.																												

		documented and implemented Minor Compliance		At Bukit Leelau Estate, the management engaged MS Mido Ent for transporting the domestic waste to the SWM Environment Sdn Bhd for disposal. The latest disposal was carried out on 7/8/15 The visited operating units (Detas Estate) also have guidance for landfill method as a reference to dispose domestic wastes.
C 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. Minor Compliance	Yes	Bukit Leelau Estate has established the monitoring of fossil fuel used. The management was monitored on monthly basis and the last year recorded 1.49Litre/mt. While at Detas Estate has established the monitoring of fossil fuel used. The management was monitored on monthly basis and the last year recorded 1.60Litre/mt. Bukit Leelau POM has recorded its renewable energy used i.e. fibre and shell used for boiler. The management also recorded the total diesel consumed was 404,473 lt over 28,235.81 mt CPO produced, i.e. 15.26 lt/mt CPO, for the duration from August 14 to July 2015. This was mainly from generator sets and prime movers. Current fibre/shell used is not dependable with the diesel used in generator set.
C 5.5 Use of fire for preparing land or replanting is avoided,except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Major Compliance	Yes	Burnt waste was found at the replanting area (PR15A) however this case was carried out by "Orang Asli" at Bukit Leelau Estate. Verified a police report dated 13/3/15, No Repot: PALOH HINAI/000371/15 reported by Assistant Manager.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in ' <i>Guidelines for the Implementation of the</i>	Yes	No fire has been used for preparing land for replanting, verified during site visit at replanting are (PM90).

		<p><i>ASEAN Policy on Zero Burning' 2003.</i></p> <p>Minor Compliance</p>		
<p>C 5.6</p> <p>Preamble</p> <p>Growers and millers commit to reporting on operational greenhouse gas emissions.</p> <p>However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these emissions.</p>	5.6.1	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p>	Yes	<p>Documented plans were available in Environmental Impact Assessment, Management Action Plan and Continuous Improvement. Cross refer to C 5.1</p>

<p>Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO.</p> <p>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>				
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.	Yes	Each the operating unit has developed their own Environmental, Pollution and Greenhouse Gas Management Plan and the plan were made available at the site. The mitigation plan was established. Latest review on 14/8/2015.

		Major Compliance		
	5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>Minor Compliance</p>	No	There was no evidence that a monitoring system, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools has been established at Bukit Leelau CU. However, the management had attended the training related to PalmGHG on 18/8/15. Therefore, NCR MH1 was raised.

Principle 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES BY GROWERS AND MILLERS

Clause	Indicators		Comply Yes/No	Findings
<p>C 6.1</p> <p>Aspects of plantation and mill management that have social impacts, including</p>	6.1.1	<p>A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>Major Compliance</p>	Yes	<p><u>Detas and Bukit Leelau estates</u></p> <p>The initial documented social impact assessment (SIA) was prepared for December 2009 until November 2014. Both estates have conducted another SIA after 5 years in 2015 and the SIA reports were completed on 18/8/2015 for Detas Estate and 14/8/2015 for Bukit Leelau Estate. The records of meetings held were made available and a time bound action plan and activity for mitigating and monitoring the negative impacts were established, incorporating the issues identified by the main SIA.</p>

replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	Yes	<u>Detas and Bukit Leelau estates</u> The relevant external stakeholders were invited by the estates for a meeting latest conducted on 17/8/2015 for Detas Estate and 12/8/2015. The turn-out was around 30% for both meetings. The objective of the meeting was to address any social impact which may arise from the activities of the estate. Based on verification of meeting minutes and interview with some of the stakeholders (estate workers and staff, local community leaders, suppliers and contractors), there was no major issue raised by the stakeholders.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Major Compliance	Yes	<u>Detas and Bukit Leelau estates</u> The positive and negative impacts found from the SIA were recorded in "Social Impact Assessment and Time Bound Action Plan for Stakeholder Consultations". In the record, there is information about social impacts (both positive and negative, action plans time bound, management reviews and person in-charge. action plan with responsibilities for mitigating and monitoring the impacts identified in the assessment was established. Records of actions taken to monitor and overcome the negative impacts were available.
	6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties Minor Compliance	Yes	Progress of action plan is monitored by the management from time to time.

	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). Minor Compliance	Yes	Smallholder scheme is not within the certification scope.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	Yes	<u>Detas Estate</u> Consultation and communication procedure is outlined in “Stakeholder Request – Detas/Bukit Leelau Management Level”. According to the procedure, any communication input from the public will be responded within 5 working days.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	Yes	<u>Detas Estate</u> A plantation management official (Assistant Manager) at the operating unit level had been appointed as the Social Liaison Officer on 20/8/2015 (appointment letter ref. no.: DTE 001-2015/16) by the Senior Estate Manager. Generally, the responsibility is to address issues related to social aspects from all the affected interested parties. <u>Bukit Leelau Estate</u> A plantation management official (Sr. Assistant Manager) at the operating unit level had been appointed as the Social Liaison Officer on 30/7/2015 (appointment letter ref. no.: Updated July 2015) by the Estate Manager. Generally, the responsibility is to address issues related to social aspects from all the affected interested parties.
	6.2.3	A list of stakeholders, records of all communication,	Yes	An updated list of stakeholders consisting of contractors/suppliers, local government institutions and agencies, <i>Orang Asli</i> village heads and workers’ representatives was

		including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance		kept and made available to auditors. Records of communication with stakeholders and actions taken in response to their input were also kept and made available to auditors.
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. Major Compliance	Yes	The system dealing with complaints and grievances is guided by "Grievance Procedure (Section 7.0)", dated 18/8/2015, which includes the mechanism of receiving, recording and addressing any complaints/grievance from affected parties. Bukit Leelau CU keeps a Grievance/Complaints Book (known as the Green Book by workers, staff and external stakeholders). The aggrieved parties could either fill in the complaint form in the Green Book or submit the complaint verbally to anyone in the main office or to the responsible official on social issues or to the workers' representatives or gender representatives who would then fill in the complaint form on their behalf. With regards of ensuring anonymity of complainants or whistle-blowers, IOI has its "Whistle-blowers Policy".
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	Yes	An examination of the entries in the Green Book at the visited operating units showed that generally the system was able to resolve complaints and disputes in an effective, timely and appropriate manner.
C 6.4 Any negotiations concerning	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to	Yes	There was a specific procedure, "Grievance Procedure for land Owner Issues (Section 10.0)" in place for identifying legal and customary rights and for identifying people entitled to compensation. The procedures for handling land ownership issues, boundary stones and squatter issues are all related to the process of identifying legal and customary rights and the compensation that they are entitled to.

<p>compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.</p>		<p>compensation, shall be in place.</p> <p>Major Compliance</p>		
	6.4.2	<p>A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.</p> <p>This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land.</p> <p>Minor Compliance</p>	Yes	<p>The procedure for calculating and distributing fair compensation had been established. However there was no record of implementation as there has been no claim for compensation made against the Bukit Leelau CU. According to the procedure the calculation and distribution of compensation would be carried out at the company level not at the estate/mill level.</p>
	6.4.3	<p>The process and outcome of any negotiated agreements and compensation claims shall be documented, with</p>	Yes	<p>There was a claim made by FELCRA Berhad through a letter dated 21/5/2014 [ref.: FB(04-373/04-683) 240/1/2 Klt.2 (66)], written by "Pengurus Kawasan, FELCRA Bhd. Pahang Tenggara", which a map [BKU/069/14/04/UP] was attached. Area claimed was 7.558 Ha. The area has been handed over back by IOI and confirmed through a letter from FELCRA Berhad, dated 25/8/2015 [ref.: FB(04-373/683) 240/1/2 Klt.2 (91)].</p>

		evidence of the participation of affected parties, and made publicly available.		
		Major Compliance		
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	The pay and conditions were stated and documented in the Letter of Employment given to all workers and staff at Bukit Leelau CU. The Offer of Employment for Foreign and Malay/Indonesian worker was written in the language (Bahasa, English and Myanmar language) that fully understood by the workers in order to avoid confusion or even charges of differential treatment.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.	Yes	IOI is not a member of MAPA and so is not bound by the MAPA-NUPW and MAPA-AMESU CA. However there was a direct contract of employment detailing payments and conditions of employment documented in the Offer of Employment which the workers and staff had to read and sign, a copy of which was given to the employee. The Offer of Employment for foreign and Malaysian workers was written in languages fully understood by the workers (Bahasa Melayu, English and Myanmar) in order to avoid confusion or even charges of differential treatment. During interviews with workers and staff they affirmed that that they understood the content of the Offer of Employment/Contract such as working hours, deductions and overtime, holiday entitlement and maternity leave. Content of the Offer of Employment was also explained to them by the estate Social Officer (a plantation management official in the operating unit nominated to handle social and communication issues). Contents of the employment letter: <ul style="list-style-type: none"> • Working hours (Clause 5 – 8 hours/day, 1 rest day) • No deduction will be made - Levy will be borne by the employer (Clause 13) • Overtime (Clause 4 – RM6.49/hour) • Sickness (Clause 10b – entitlement 14 days minimum) • Annual leave/vacation (Clause 10d – 14 days minimum) • Maternity leave (none)

		Major Compliance		<p>Maternity leave was not included in the agreement because the IOI HR department opt to have one design of the contract agreement generally to both genders. Nonetheless, it was found that the visited operating unit has complied with the employment act with regards to maternity pay condition.</p> <ul style="list-style-type: none"> Reason for dismissal (Clause 16) Period of notice (Clause 7 [employment letter for locals] – 1 week notice)
	6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to smallholders).</p> <p>Minor Compliance</p>	Yes	<p><u>Detas Estate</u> Last test for potable water was in March 2015 by ENV Consultancy & Monitoring Services Sdn. Bhd. The test results found to be in compliance with the WHO/DWQS Limits except for aluminium. ENV Consultancy & monitoring Services Sdn Bhd has given the recommendation regarding this issues:</p> <ol style="list-style-type: none"> 1. Ensure filtration sedimentation efficiencies 2. For immediate measure, ensure water is boiled for human consumption 3. A monitoring programme should continue by the company to facilitate a regular check on domestic water quality. <p>The management has planned to include in their coming budget the expenses to improve the filtration/sedimentation efficiencies.</p> <p>Electricity supply for the workers are 100% from TNB and borne by the consumers themselves.</p> <p><u>Bukit Leelau Estate and POM</u> Last test for potable water was in March 2015 by ENV Consultancy & Monitoring Services Sdn. Bhd. The test results found to be in compliance with the WHO/DWQS Limits except for aluminium. For immediate action, the estate has put up signage at the housing area to boil water before consuming and has planned to include in their coming budget the expenses to improve the filtration/sedimentation efficiencies.</p> <p>Electricity supply for the workers are 100% from Bukit Leelau POM and no charge is incurred.</p>
	6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate,</p>	Yes	<p><u>Detas Estate</u> There is one sundry shop in Detas Estate to facilitate its workers access to adequate, sufficient and affordable food and other basic needs. Monitoring of the goods price was done by the estate management from time to time to ensure no overcharge.</p> <p><u>Bukit Leelau Estate and POM</u></p>

		sufficient and affordable food. Minor Compliance		The estate is in the midst of constructing a building for sundry shop and canteen which is expected at the end of the year. For the time being the estate allows mobile traders to enter the premise, rear chicken, planting vegetables and provide a pay reverse osmosis machine.
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	Yes	Available in "Equal Opportunity Employment and Freedom of Association" policy.
	6.6.2	Minutes of meetings with main trade unions or workers	Yes	Meeting with the trade unions normally conducted at higher level (HQ) and minute is not available at the CU level. Only the outcome of the meeting would be conveyed to them e.g. contract agreement.

		representatives shall be documented. Minor Compliance		
C 6.7 Children are not employed or exploited.	6.7.1	There shall be documentary evidence that minimum age requirements are met. Major Compliance	Yes	It is also stated in the employment letter (contract agreement), Clause 19, that the age limitation for employment is 18 to 40 years old. Although there is an announcement made by the Immigration Dept. portal that the recruitment age shall be between 18 to 45 years old, IOI HR Dept. choose to put 18 to 40 years old only because the company wants to fully utilize the 5 years' validity of the passport.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	Yes	Equal opportunity policy is available. The policy is about there will be no discrimination based on race, national origin, religion, gender, union membership and age. Although Bukit Leelau CU had missed out some of the discrimination criteria such as caste, disability, sexual orientation and political affiliation, they have come up with a memorandum dated 24/8/2015 issued by the Sustainability Manager (Ms. Yeo Lee Nya, IOI Group's Sustainability Department) to include those criteria that have been missed out before to all the operating units. IOI has planned to amend their equal opportunity policy by including those criteria. The amendment is expected to be done by the end of this year.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	Yes	Job openings were made available to any qualified person regardless of his/her socio-cultural, political or gender background. All workers (local or migrant, male or female) were covered by the same pay and conditions of employment associated with the jobs they are hired for. This was confirmed by an examination of the Offer of Employment to the employees and through consultations with workers. The workers and staff were not discriminated against in any way and their rights not infringed, in accordance with Human Rights Commission of Malaysia Act 1999 (Act 597).
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and	Yes	For workers recruitment, only health status will be considered to determine their qualification.

		<p>medical fitness necessary for the jobs available.</p> <p>Minor Compliance</p>		
<p>C 6.9</p> <p>There is no harassment or abuse in the work place, and reproductive rights are protected.</p>	6.9.1	<p>A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.</p> <p>Major Compliance</p>	Yes	<p>There was a published policy entitled on “Policy on the Prevention and Eradication of Sexual Harassment in the Workplace”, dated 6/12/2006 made available to employees in Bahasa Melayu, English and other languages spoken and understood by the employees.</p>
	6.9.2	<p>A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce.</p> <p>Major Compliance</p>	Yes	<p>A policy to protect the reproductive rights of all, especially of women is available which entitled “Protection of Reproductive Right Policy”, dated 2/7/2015 and signed by Head Sustainability. The communication of the policy was through various media e.g. display on notice board and briefings.</p>
	6.9.3	<p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.</p> <p>Minor Compliance</p>	Yes	<p>A specific grievance procedure for sexual harassment case entitled “9.0 Sexual Harassment Procedure”, dated 18/8/2015 was available. As for the anonymity of the complainant, whistle-blower policy is referred to.</p>

C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	Yes	The prices offered by the mill had followed the MPOB's guidelines and payments were promptly made. A cross check made against the documentation i.e. agreement showed that the pricing mechanisms for FFB had been well documented. However, ever since the last surveillance assessment, Bukit Leelau POM did not receive any third party crop. Therefore, displaying the current and past prices of FFB may not be necessary.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). Major Compliance	Yes	Not applicable since Bukit Leelau POM does not accept any FFB from third party.
	6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Minor Compliance	Yes	Suppliers and contractors interviewed affirmed that they fully understood the contractual agreement they entered into and that the contracts were fair, legal and transparent. No complaints or grievances were raised during the interview.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	Yes	Suppliers and contractors interviewed affirmed that payments were made in a timely manner.
C 6.11 Growers and millers contribute to	6.11.1	Contributions to local development that are based on the results of consultation	Yes	All the operating units under the Bukit Leelau CU had initiated consultations with their stakeholders including the estate (internal) as well as neighbouring (external) communities. This was evident from the SIA Reports and other records kept. Information obtained during the stakeholders' consultations in preparing the main and

local Sustainable development where appropriate.		with local communities shall be demonstrated. Minor Compliance		<p>supplementary SIA as well as the 2015 review was used to work out a time bound social action plan, aimed at minimising negative impacts and maximizing positive ones and in this way help to contribute to local social development. An examination of the local development file and the social action plan incorporated in the SIA shows an improvement in the CU's contribution to local sustainable development.</p> <p><u>Detas Estate</u> Monitory contribution to nearby school. Letter of appreciation from the school was sighted.</p> <p><u>Bukit Leelau Estate</u></p> <ul style="list-style-type: none"> • Monitory donation (RM81.00) to Sekolah Kemprehensif K9, Sekolah Kluster Kecemerlangan, Pekan on 6/7/2015 • Monitory donation (RM150.00) to Kelab Bekas Tentera Darat Malaysia, Temerloh on 2/7/2015
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	Yes	Not applicable since no associate scheme smallholders under this CU.
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance	Yes	There is no evidence that forced or trafficked labour are used at the CU. The visited operating unit has its own data base for all its workers.
	6.12.2	Where applicable, it shall be demonstrated that no	Yes	No evidence of contract substitution found. Contract agreements were all signed by the workers upon arrival to the workplace premise and given an exact duplicate copy for their retention.

		contract substitution has occurred. Minor Compliance		
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	Yes	Bukit Leelau CU does not practice hiring any workers on temporary basis. For foreign workers, there is a special policy for non-discrimination.
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). Major Compliance	Yes	Policy is available entitled "Respecting Human Rights Policy" (11/5/2015) - signed by, Head of Sustainability (Malaysia/Indonesia). Communication method are by displaying in strategic workplaces, training and morning roll calls. Last training on policy was conducted by the Social Liaison Officer on 2/7/2015, entitled "Grievance and Policy Training" and attended by 84 out of 110 employees. The remaining absentees will undergo another training which is planned on 1/9/2015.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	Yes	Not applicable. The CU is not in Sabah/Sarawak.

Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Bukit Leelau CU has no plan for any new planting and no new development of area was observed during the visit. Thus Principle 7 is not applicable.

Clause	Indicators		Comply Yes/No	Findings
C 7.1 A comprehensive and participatory independent social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.	7.1.1	An independent social and environmental impact assessment (SEIA), undertaken through a participatory methodology including the relevant affected stakeholders, shall be documented. Major Compliance		Not applicable
	7.1.2	Appropriate management planning and operational procedures shall be developed and implemented to avoid or mitigate identified potential negative impacts. Minor Compliance		Not applicable
	7.1.3	Where the development includes an outgrower scheme, the impacts of the scheme and the implications of the way it is managed shall be given particular attention.		Not applicable

		Minor Compliance		
<p>C 7.2</p> <p>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</p>	7.2.1	<p>Soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation shall be available and taken into account in plans and operations.</p> <p>Major Compliance</p>		Not applicable
	7.2.2	<p>Topographic information adequate to guide the planning of drainage and irrigation systems, roads and other infrastructure shall be available and taken into account in plans and operations.</p> <p>Minor Compliance</p>		Not applicable
<p>C 7.3</p> <p>New plantings since November 2005 have not replaced primary forest or any area required to maintain or enhance one or more High</p>	7.3.1	<p>There shall be evidence that no new plantings have replaced primary forest, or any area required to maintain or enhance one or more High Conservation Values (HCVs), since November 2005. New plantings shall be planned and managed to best ensure the HCVs identified are maintained</p>		Not applicable

Conservation Values		and/or enhanced (see Criterion 5.2). Major Compliance		
	7.3.2	A comprehensive HCV assessment, including stakeholder consultation, shall be conducted prior to any conversion or new planting. This shall include a land use change analysis to determine changes to the vegetation since November 2005. This analysis shall be used, with proxies, to indicate changes to HCV status. Major Compliance		Not applicable
	7.3.3	Dates of land preparation and commencement shall be recorded Minor Compliance		Not applicable
	7.3.4	An action plan shall be developed that describes operational actions consequent to the findings of the HCV assessment, and that references the grower's relevant operational		Not applicable

		procedures (see Criterion 5.2). Major Compliance		
	7.3.5	Areas required by affected communities to meet their basic needs, taking into account potential positive and negative changes in livelihood resulting from proposed operations, shall be identified in consultation with the communities and incorporated into HCV assessments and management plans (see Criterion 5.2). Minor Compliance		Not applicable
C 7.4 Extensive planting on steep terrain, and/or marginal and fragile soils, including peat, is avoided.	7.4.1	Maps identifying marginal and fragile soils, including excessive gradients and peat soils, shall be available and used to identify areas to be avoided. All new plantings should not be cultivated on land more than 300m above sea level unless specified by local legislation. Minor Compliance		Not applicable

	7.4.2	Where limited planting on fragile and marginal soils, including peat, is proposed, plans shall be developed and implemented to protect them without incurring adverse impacts. Major Compliance		Not applicable
<p>C 7.5</p> <p>No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their free, prior and informed consent.</p> <p>This is dealt with through a documented system that enables these and other stakeholders to express their views through their</p>	7.5.1	<p>Evidence shall be available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the grower/miller is signed by these local peoples.</p> <p>Major Compliance</p>		Not applicable

own representative institutions.				
<p>C 7.6</p> <p>Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.</p>	7.6.1	<p>Documented identification and assessment of demonstrable legal, customary and user rights shall be available.</p> <p>Major Compliance</p>		Not applicable
	7.6.2	<p>A system for identifying people entitled to compensation shall be in place.</p> <p>Major Compliance</p>		Not applicable
	7.6.3	<p>A system for calculating and distributing fair compensation (monetary or otherwise) shall be in place.</p> <p>Major Compliance</p>		Not applicable
	7.6.4	<p>Communities that have lost access and rights to land for plantation expansion shall be given opportunities to benefit from plantation development.</p> <p>Minor Compliance</p>		Not applicable

	7.6.5	The process and outcome of any compensation claims shall be documented and made publicly available. Minor Compliance		Not applicable
	7.6.6	Evidence shall be available that the company has made adequate efforts to enable affected communities and rights holders to have access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. Minor Compliance		Not applicable
C 7.7 No use of fire in the preparation of new plantings other than in specific situations, as identified in the ASEAN guidelines or other regional best practice.	7.7.1	There shall be no land preparation by burning, other than in specific situations, as identified in the ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003, or comparable guidelines in other regions. Major Compliance		Not applicable

	7.7.2	In exceptional cases where fire has to be used for preparing land for planting, there shall be evidence of prior approval of the controlled burning as specified in ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003, or comparable guidelines in other regions. Minor Compliance		Not applicable
C 7.8 <i>Preamble</i> New plantation developments are designed to minimize net greenhouse gas emissions.	7.8.1	The carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development shall be identified and estimated. Major Compliance		Not applicable
	7.8.2	There shall be a plan to minimise net GHG emissions which takes into account avoidance of land areas with high carbon stocks and/or sequestration options. Minor Compliance		Not applicable

Principle 8: COMMITMENT TO CONTINUOUS IMPROVEMENT IN KEY AREAS OF ACTIVITY

Clause	Indicators		Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance	Yes	
	a)	Reduction in use of pesticides(Criterion 4.6);	Yes	<u>pesticides reduction:</u> Both estates visited have now introduced strip spraying where possible for immature palms, instead of circle and path and advocated mechanised rotor slashing weeding in all possible areas thus reducing use of chemicals for spraying. Detas Estate have introduced Buffalo harvesting in all its flat areas and Bukit Leelau in some of its flat areas. The grazing by Buffalos reduced grasses and weeds.
	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	Yes	
	c)	Waste reduction (Criterion 5.3);	Yes	

	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	Yes	<p>In order to reduce the use of rat baits to control rats, Barn Owls were encouraged as indicated by Barn Owl census records. Barn Owl boxes were also sighted in the fields.</p> <p>For control of Rhinoceros Beetle, the estate used pheromone traps and had programs to cover trunk chips in replants with cover crops.</p>
	e)	Social impacts (Criterion 6.1);	Yes	
	f)	Encourage optimising the yield of the supply base	Yes	<p>Bagworm control – to reduce chemical use, the estate were to plant more nectariferous beneficial plants. This was evident with the presence of polybag young plants in the Nurseries.</p> <p><u>Environmental impacts/waste reduction/Pollution and Greenhouse gas (GHG) emissions:</u> The estate continued to practice the 3R policy (reduce, recycle, re-use) on waste management and to dispose them off in an environmentally and socially responsible manner. Among those identified were general/domestic waste, scheduled waste, scrap metal, crop residue/biomass from estate. Biomass from the estate was mainly from palm trunk of felled palms and pruned fronds.</p> <p>The segregated domestic and office waste such as paper, plastic and glass collected are sold to recycling vendors. Scrap metal is also accumulated and metal from old agricultural equipment like trailers, etc. are stored in designated areas and sold to recycling vendors.</p> <p>Other waste generated from the maintenance activities of equipment and machinery in the estates were scheduled wastes such as spent lubricant oil, spent oil filter, clinical waste and empty chemical containers. The management dispose it's through a license agent approved by DOE.</p> <p><u>Social impacts:</u> The initial documented social impact assessment (SIA) was prepared for December 2009 until November 2014. The visited operating units have conducted another SIA after 5 years in 2015 and the SIA reports were available for verification. The records of meetings held were made available and a time bound action plan and activity for mitigating and monitoring the negative impacts were established, incorporating the issues identified by the main SIA.</p> <p><u>Encourage optimising the yield of the supply base</u> Harvesters were paid production incentives to encourage them to increase FFB production. Harvesters were also encouraged to switch to Buffalo harvesting to improve productivity.</p>

				The estates have targeted to plant 70% clonal palms and only 30% of D x P palms in future replants for long term improvement in FFB yields and oil extraction ratio. Timely and proper application of fertilisers and EFB had also be targeted.
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RSPO Supply Chain at the palm oil mill - Module D – CPO Mills: Identity Preserved

Item No	Requirement	Findings
D.3 D.3.1	Documented procedures The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:	
	a) Complete and up to date procedures covering the implementation of all the elements in these requirements;	The latest amended SOP dated April 28, 2015 was sighted and generally found covering all elements as per standard RSPO SC 2014. The SOP was reviewed and adequately complying with the standard.
	b) 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 to demonstrate awareness of the site's procedures for the implementation of this standard.	Acting Mill Manager is appointed as Management Representative and has overall responsibility as stated in Para 3.0 of company's SOP. Based on random interviews held with the relevant members of staff, being found that they had acquired the necessary knowledge and experience in implementing and good understanding on the requirements of RSPO SC 2014 standard. List of the staff interviewed in the audit: <ul style="list-style-type: none"> • CSR Manager • Acting Mill Manager / Management Representative • Weighbridge Clerk

D.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	Appropriate procedures on receiving and processing of certified and non-certified FFB have been established (Para 4 & 5 of Bukit Leelau POM's SOP). Since last audit, Bukit Leelau POM only received and processed RSPO certified FFBs.												
D.4 D.4.1	Purchasing and goods in The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.	<p>All certified FFB came from Bukit Leelau CU's estates. All delivery documents of certified FFB were verified to ensure the certified status of the FFB. Volumes of certified FFBs received by the mill had been properly recorded and monitored. Refer to table attached.</p> <p>Actual FFB received August 2014 to July 2015</p> <table border="1"> <thead> <tr> <th></th><th>FFB (Mt)</th><th>%</th></tr> </thead> <tbody> <tr> <td>RSPO Certified FFB</td><td>127,914.25</td><td>100.00</td></tr> <tr> <td>Non-Certified FFB</td><td>0</td><td>0.00</td></tr> <tr> <td>TOTAL</td><td>127,914.25</td><td>100.00</td></tr> </tbody> </table> <p>Since last audit, Bukit Leelau POM only received and processed RSPO certified FFBs. A Dispatch Note # 684320 dated 25/8/2015 referring to Merchong Estate was sighted.</p> <ul style="list-style-type: none"> • Products received – FFB (certified FFB) • Quantity – 30,420 kg • Gate pass # - 163760 		FFB (Mt)	%	RSPO Certified FFB	127,914.25	100.00	Non-Certified FFB	0	0.00	TOTAL	127,914.25	100.00
	FFB (Mt)	%												
RSPO Certified FFB	127,914.25	100.00												
Non-Certified FFB	0	0.00												
TOTAL	127,914.25	100.00												
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	Based on record reviewed, there was no overproduction observed												
D.5 D.5.1	Record keeping The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	<p>Previous records were reviewed (records of receiving and sales of RSPO CPO and PK were reviewed during audit) and found well maintained. Records (hard copy) were kept in files while summary of records and other data are input into their computer. Records will be retained for at least 5 year as stated in the Bukit Leelau POM's SOP (Para 7).</p> <p>Bukit Leelau POM monitored their incoming and outgoing certified product in "Summary Report – CSPO Production Monthly Movement" on three-monthly basis.</p>												

		This records contain information about certified FFB received, process, CPO & PK production and todote balance stock. Accounting records were found to be tally. Since last audit, Bukit Leelau POM only received and processed RSPO certified FFBs only.															
D.6 D.6.1	Processing The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage.	Since last audit, Bukit Leelau POM only received and processed RSPO certified FFBs. Actual FFB processed August 2014 to July 2015 (MT) <table><tr><td>FFBs Received</td><td>FFB processed</td><td colspan="2">Output</td></tr><tr><td></td><td></td><td>CPO</td><td>PK</td></tr><tr><td>127,914.25</td><td>127,914.25</td><td>28,098.00</td><td>6,872.00</td></tr></table> <table><tr><td>Projection</td><td>30,823.00</td><td>9209.00</td></tr></table>	FFBs Received	FFB processed	Output				CPO	PK	127,914.25	127,914.25	28,098.00	6,872.00	Projection	30,823.00	9209.00
FFBs Received	FFB processed	Output															
		CPO	PK														
127,914.25	127,914.25	28,098.00	6,872.00														
Projection	30,823.00	9209.00															
D.6.2	The objective is for 100 % segregated material to be reached.	Since last audit, Bukit Leelau POM only received and processed RSPO certified FFBs. Objective of 100% segregated material was reached.															

3.2 Identified non-conformances and noteworthy Positive Components

Bukit Leelau CU had make an improvement to their RSPO implementation. This can be seen from physical improvement of social responsibilities for its employees, minimal number of incidents related to environmental & occupational and maintaining its productivity at the best possible to maximise the company's profit.

Commitment from top management on the RSPO implementation is also evident during the assessment. The level of awareness among the employees on the RSPO implementation has also improved. They are able to explain not only the operating procedure related to their work but also the impact of its deviation, the consequence for not following them and the importance in achieving conformity to the RSPO requirements. Nonetheless, the assessment team has issued two non-conformities as detailed below:

Recertification Audit (2015) Detail of Findings and Corrective Actions Taken

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.4.2 NCR #: VS01/2015	Major	Requirement: Indicator 4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. Objective evidence: Trace of agrichemical had been used for palm circle was found at Detas Estate's allocated riparian zone, Field No. 88D.	Conduct retraining for staff, mandore and workers on awareness of riparian buffer zone area.	Verified the record of training on the awareness of riparian buffer zone area that was conducted on 4/9/15 for staff, mandore and workers. 1. Attendance list 2. Training material 3. Photo of training, planting of vegetation at buffer zone area and riparian zone/buffer zone signboard Status: Closed
Indicator 5.6.3 NCR #: MH01/2015	Minor	Requirement: Indicator 4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. Objective evidence : There was no evidence that a monitoring system, with regular	The monitoring system using the PalmGHG methodology will be completed within 3 months. The submission of PalmGHG to RSPO was plan to be submitted by November 2015.	The corrective action plans was found to be acceptable, however the effectiveness of the implementation will be verified in the next surveillance audit. Status: accepted

		reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools has been established at Bukit Leelau CU.		
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3.3 Status of Non-conformities Previously Identified

FOLLOW UP PREVIOUS NCR

4th Surveillance Audit (2014) Detail of Findings and Corrective Actions Taken

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken by the CU and Verification by Assessors
Indicator: 2.1.1	Major	<p><u>NCR # MH1</u> The legal requirements under:</p> <ul style="list-style-type: none"> i) Environment Quality Act 1974, Section 49A – Competent Person for Effluent Treatment Plant, Air Pollution Control Equipment ii) Environment Quality Act 1974, Scheduled Waste Regulations 2005 – Regulation 7 : Application for special management of scheduled waste have yet to be fulfilled. <p>It was found that</p> <ul style="list-style-type: none"> i) no competent person for ETP and Air Pollution Control Equipment at Bukit Leelau POM ii) no special management approval obtained for transporting the SW404 to other estate for Bukit Leelau and Detas Estate 	<p>1) Verified the letter from IOI HR department pertaining to CePPOME training on 1-6/12/14 for Bukit Leelau Mill Manager, Mr Choong Yew Keng. Refer to letter dated 30 October 2014. For air pollution control competent person, the company still yet to decide on the type of control equipment to be installed and suitable course to be attended. Status on the competent person will be verified in the next audit.</p> <p>Status : Closed</p> <p><u>Verification during RA2015:</u></p> <ul style="list-style-type: none"> • Mr Chong Yew Keng (851207-01-5097) Competent person: CePPOME (Series No:CePPOME/14116, Expiry on 1/3/16). • For air pollution control competent person, the company still yet to decide on the type of control equipment to be installed and suitable course to be attended since the new EQ (Clean Air) Regulation 2014 will be enforce on 2019.

			<p>2) The company has decided not to have special management of transporting clinical waste and has appointed Sharps and Bins Sdn. Bhd. (subsidiary of Medivest Sdn. Bhd.) to handle the disposal. The license of Medivest has also been submitted to the assessor for verification.</p> <p>Status: Closed</p> <p><u>Verification during RA2015:</u></p> <p>Sharps & Bins Sdn Bhd was collected the SW404 for each estate's clinic under Bukit Leelau CU, the license was verified during the assessment and found valid.</p> <p>Status: Closed</p>
Indicator 2.1.2	Major (upgraded from the previous NCR)	<p><u>NCR # MH2</u> Documented system, list of applicable laws was still not made available during assessment. Corrective action evidence on Legal Requirement Register (Appendix 1, Revision 1) dated 23rd September 2013 was not made available at all the visited operating units.</p>	<p>Verified the revised legal register which comprises all applicable legal and other requirements for mill and estates operation. The document has been distributed to all operating. Refer to letter from IOI sustainability department dated 30/10/14.</p> <p>Status: Closed</p> <p><u>Verification during RA2015:</u></p> <p>The legal requirement register was available at all the site visited. (Bukit Lee Lau Estate, Detas Estate, Bukit Leelau POM)</p> <p>Status: Closed</p>
Indicator 5.6.2	Major	<p><u>NCR # MH3</u> The annual reviewed plan was not comprehensively assessed and monitored. Environmental impact assessment management and continuous improvement plan dated 20th August 2014 did not include the boiler operating condition (normal/uncontrolled burning/start-up & loading) at the mill.</p>	<p>Detailed environmental assessment for air pollution control which related to boiler operation will be carried for the next annual environmental management plan review. The details on the mitigation and management plan shall be verified in the next assessment.</p> <p>Status: Closed</p> <p><u>Verification during RA2015:</u></p> <p>Bukit Leelau Palm Oil Mill Environmental Aspects and Impacts Identification and Risks Assessment has been reviewed on 14/8/2015</p>

			<p>and the condition for operating of boiler were included in the assessment (normal/uncontrolled burning/start-up & loading). The management control and mitigation plan was established. Boilerman has been appointed as a person incharge to monitor the activity at boiler station.</p> <p>Status: Closed</p>
Indicator 6.3.2	Major (upgraded from the previous NCR)	<p><u>NCR # KN-1</u> Complaints on expensive food price at Bukit Leelau mill's canteen which has been registered in the grievance book and minutes of meeting Gender Committee were not resolved in an effective and timely manner. The previous corrective actions were not effectively implemented. Therefore this nonconformity was re-issued. The minutes of meeting of "<i>Mesyuarat Jawatankuasa Gender</i>" dated 13th March 2014 and 25th July 2014 shows the issues were still raised. Consultation with Bukit Leelau mill's workers & gender committee also confirmed that the issue was still not resolved.</p>	<p>A gender meeting had been conducted in September 2014 to inform all the gender representatives on the proper channel and procedure to raise their grievance issues in the future instead of discussing irrelevant matters in the Gender Meeting. Minutes of meeting Gender Committee meeting dated 24 September 2014 was verified. All issues related food price will be discussed in ECC meeting. However minutes of ECC meeting not available.</p> <p>Mill management also had conducted a special meeting to discuss and solve the grievance raised due to previous complaints on expensive food price in the mill's café. Follow-up meeting will be conducted in November 2014 to ensure the corrective actions are effective. Minutes of meeting "<i>Mesyuarat Kantin</i>" dated 13 October 2014 was verified.</p> <p>Status: Closed</p> <p><u>Verification during RA2015:</u></p> <p>Minute of the special meeting including the follow up meeting was sighted. The food price issue have been satisfactorily resolved through the meeting between the management and the affected parties. Based on interview, the affected party was satisfied with the management in handling the issue.</p> <p>Status: Closed</p>
Indicator 2.2.3.1	Minor	<p><u>NCR # KN-2</u> Boundary stones along the perimeter adjacent to state land and other reserves were not located and visibly maintained at Bukit Leelau Estate.</p>	<p>Respective estates are identifying which boundary is adjacent to the "state land" and "reserve land" for re-installation of boundary stones. Estate management has consulted Pekan Land Licensed Surveyor to estimate the cost involved on re-installation of the boundary stones. To enhance visibility of the re-installed boundary stones, boundary marking (pegs) next to the re-installed boundary stones will be erected.</p> <p>Status: Accepted</p>

			<p><u>Verification during RA2015:</u></p> <p>Bukit Leelau Estate has hired authorised surveyor and re-installed the missing boundary stones adjacent to state land.</p> <p>Status: Closed</p>
RSPO SCC, Clause D.1.1	Major	<p><u>NCR # VS01</u></p> <p>Bukit Leelau POM's did not adequately describe about handling non-certified FFB in its current supply chain procedure.</p> <p>The handling non-certified FFB was not adequately addressed in Bukit Leelau POM's supply chain procedure [RSPO Supply Chain – Module D – CPO Mills: Segregation (doc. no. RSPO/SOP/SG/2, Issue 02, dated 1/9/2012)]”.</p>	<p>Bukit Leelau has revised its supply chain procedure by including the technical inputs from Bukit Leelau Mill management of handling non-certified FFB such as the time required for cleaning, stop and restart operation and separate storage of oil etc. Evidence of implementation shall be verified in the next assessment.</p> <p>Status: Closed</p> <p><u>Verification during RA2015:</u></p> <p>Amended SOP (RSPOSC/SOP/SG/2) dated October 10, 2014 was sighted during the audit and found adequate. Latest amended was done on April 28, 2015 to comply with the latest amended procedure.</p> <p>Status:Closed</p>

3.4 Issues raised by stakeholders

There were various stakeholders had been interviewed during this assessment comprising of workers, surrounding villagers and suppliers/contractors. Generally, all of the stakeholders had given positive feedback towards Bukit Leelau CU.

B. DETAILS OF NON-CONFORMITY REPORT :

Total no. of minor NCR(s) : 1 List : MH01/2015

Total no. of major NCR(s) : 1 List : VS01/2015

C. RECOMMENDATION

☐

No NCR recorded. Recommended for certification.

☒

Minor NCR(s) recorded. Recommended to continue certification conditional upon acceptance of corrective action plans within 1 month of the date of this audit.

Note: Minor NCRs raised in the audit which are not addressed in the subsequent audit shall be upgraded to major NCRs .

☒

Major NCR(s) recorded. Proposed corrective action and evidence of implementation within 2 months of the date of this audit to be submitted to SIRIM QAS International Verification on major NCRs is required :

☐

On-site audit of the following areas is recommended within 6 months (if applicable)

☒

On-site audit not required. Records of implementation of corrective action to be submitted for verification.

Note: The major NCRs raised during recertification audit shall be addressed within 60 days or certificate shall be suspended. Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

It is confirmed that all corrective actions taken have been satisfactorily verified. Recommended for certification.

Audit Team Leader : MOHD HAFIZ BIN
MAT HUSSAIN



20/9/2015

(Name)

(Signature)

(Date)

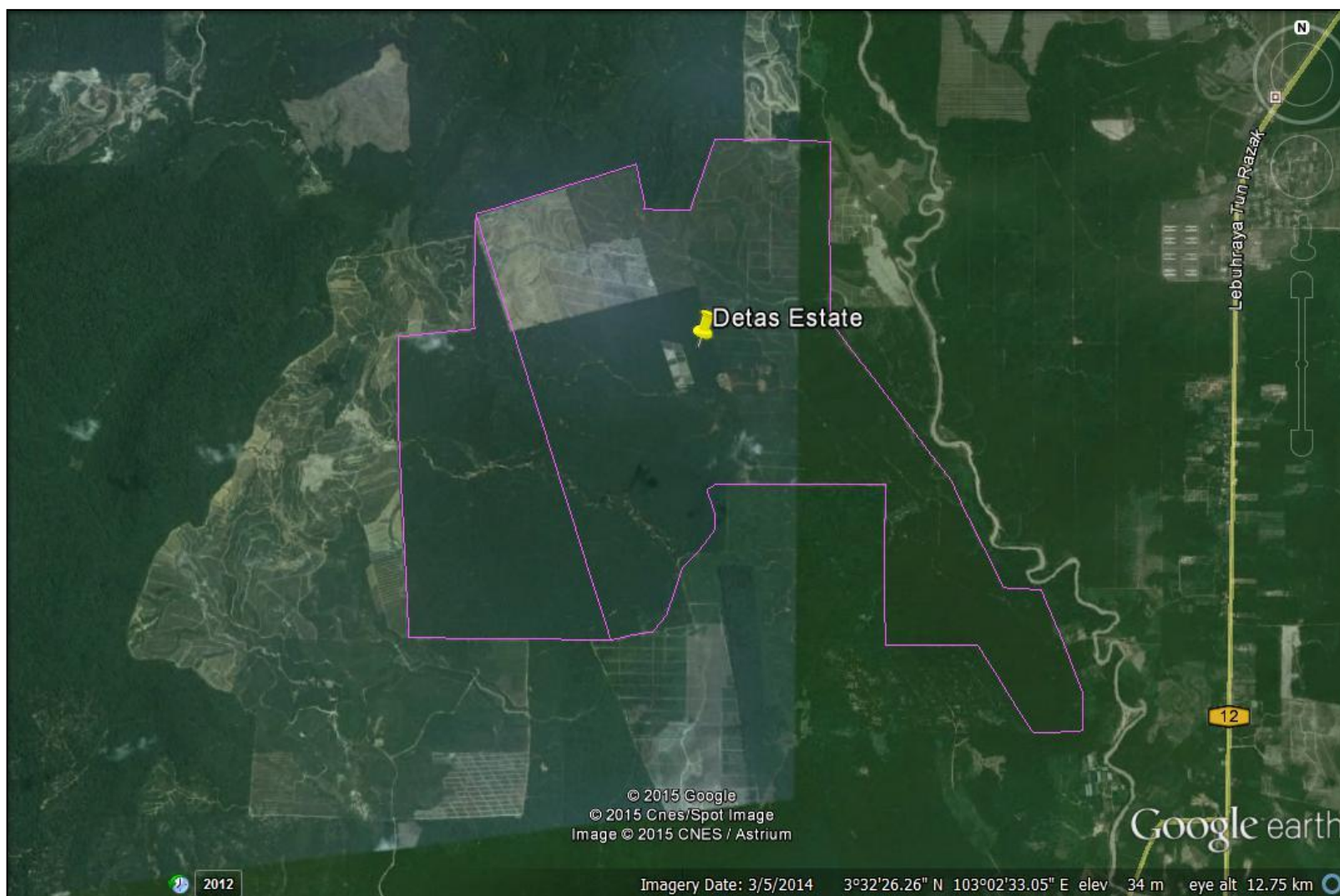
Location map of Bukit Leelau Certification Unit, Muadzam Shah, Pahang, Malaysia



Location map of Bukit Leelau POM, Bukit Leelau Estate, Ladang Manna and Ladang Hj Harun



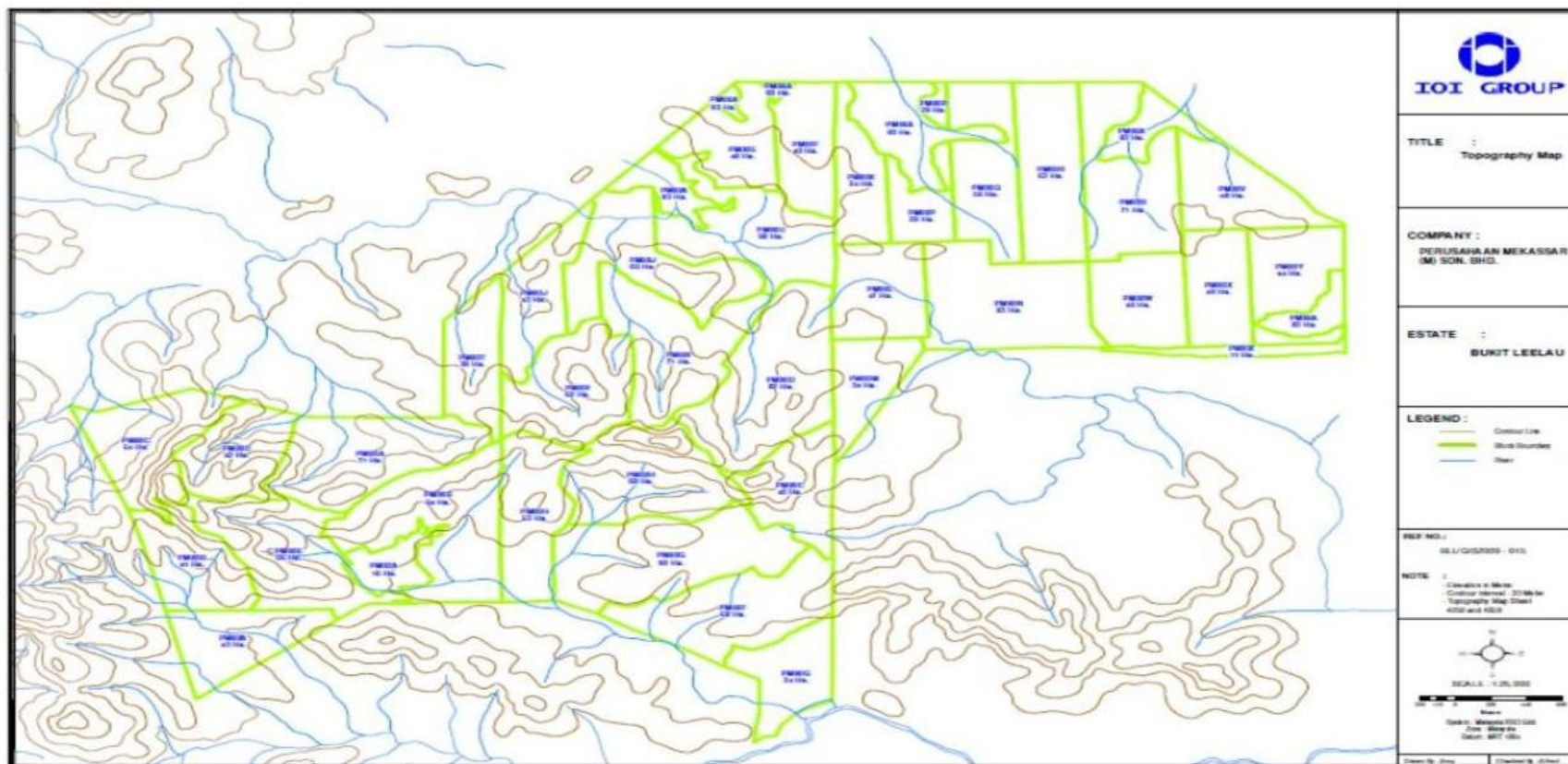
Location map of Detas Estate



Location map of Merchong Estate and Mekassar Estate

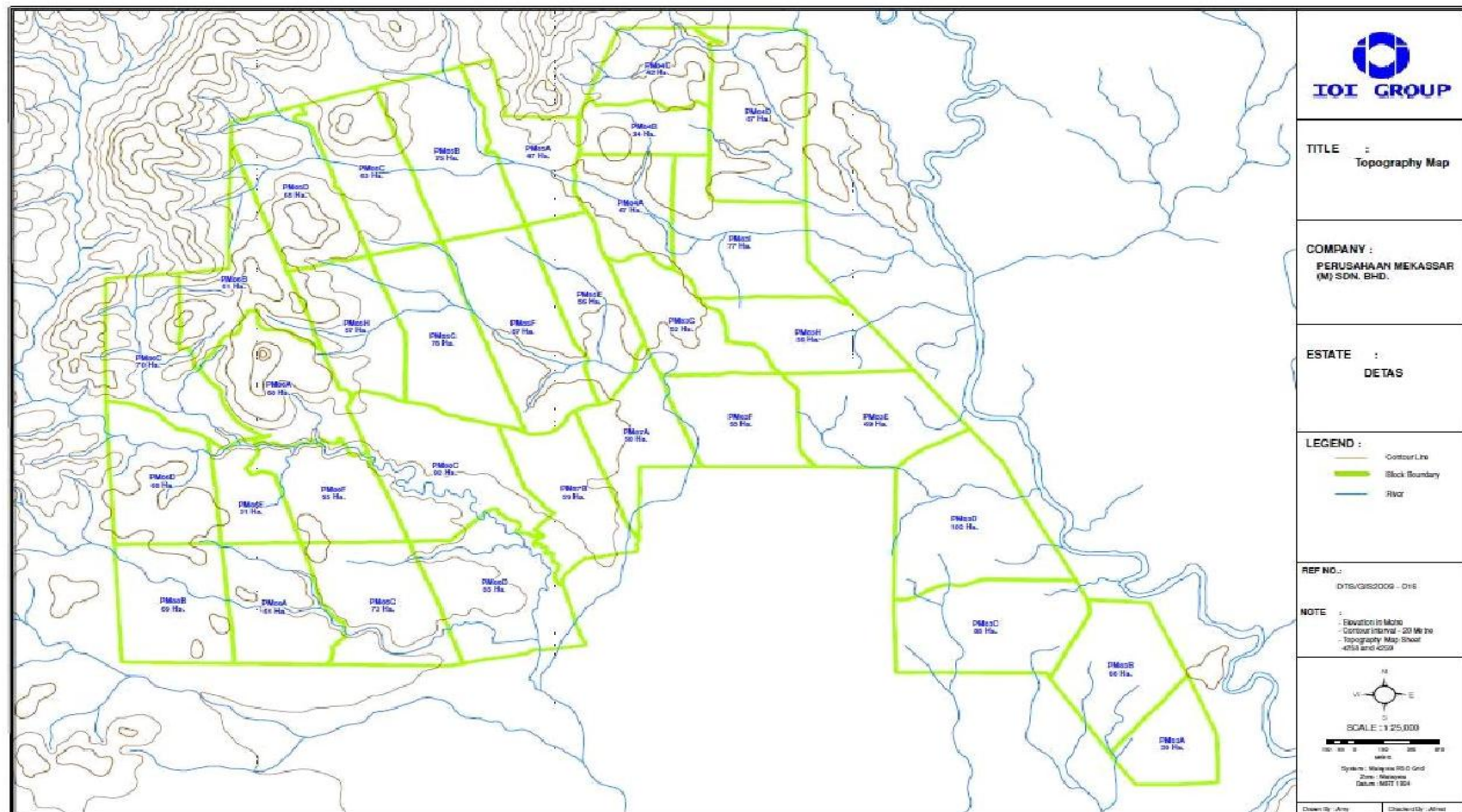


Topography map of Bukit Leelau Estate



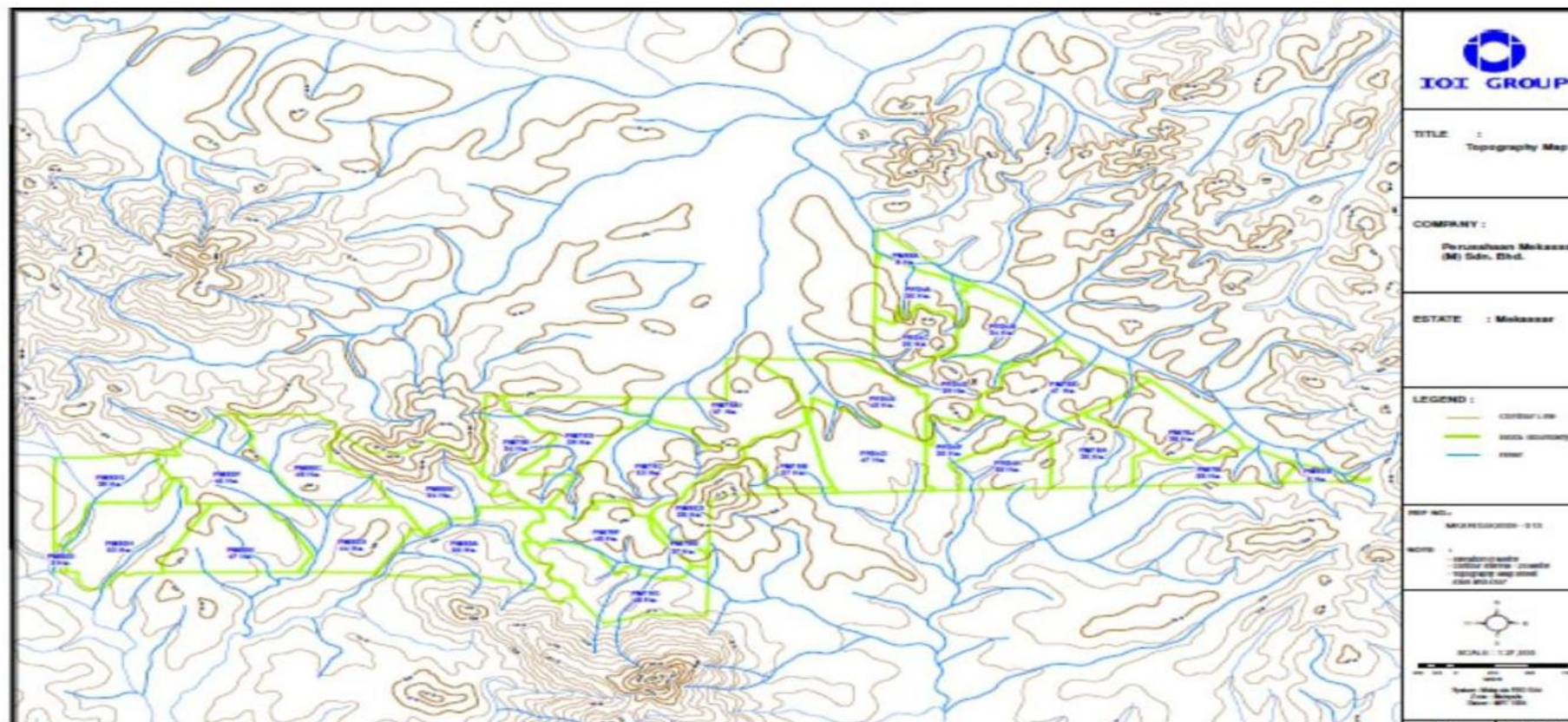
Bukit Leelau Estate topography map with elevation

Topography map of Detas Estate



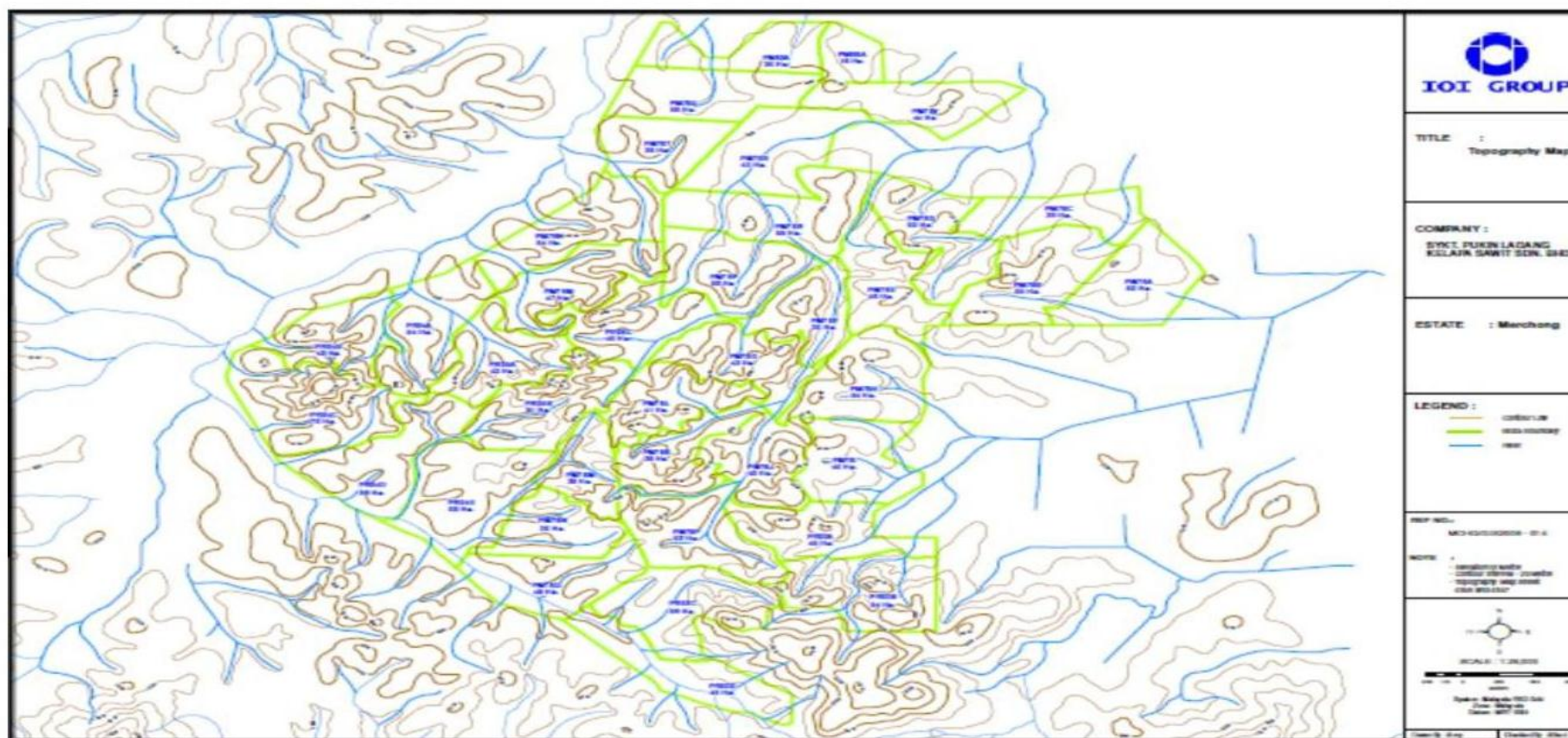
Detas Estate topography map with elevation

Topography map of Mekassar Estate



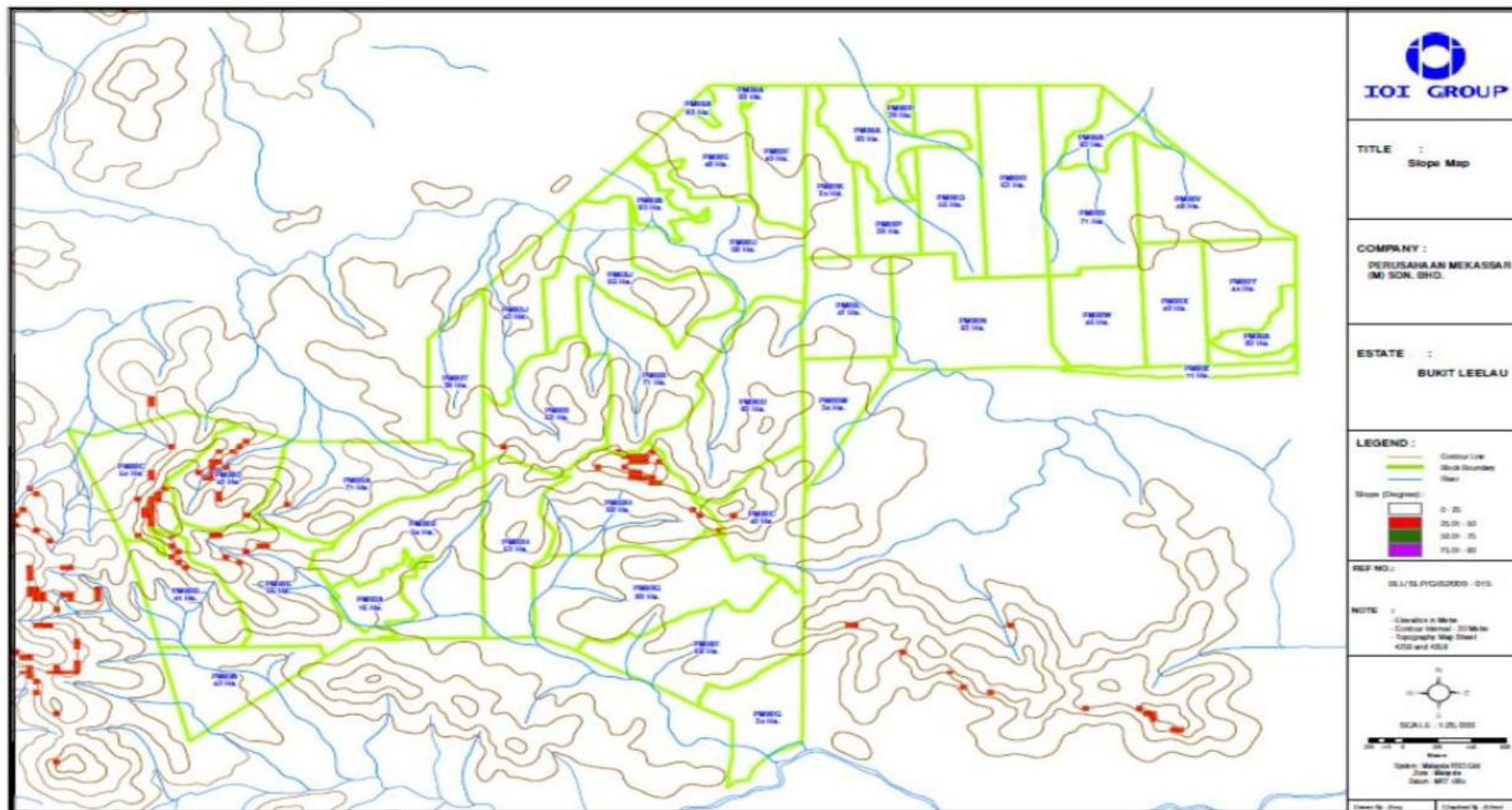
Mekassar Estate topography map with elevation.

Topography map of Merchong Estate



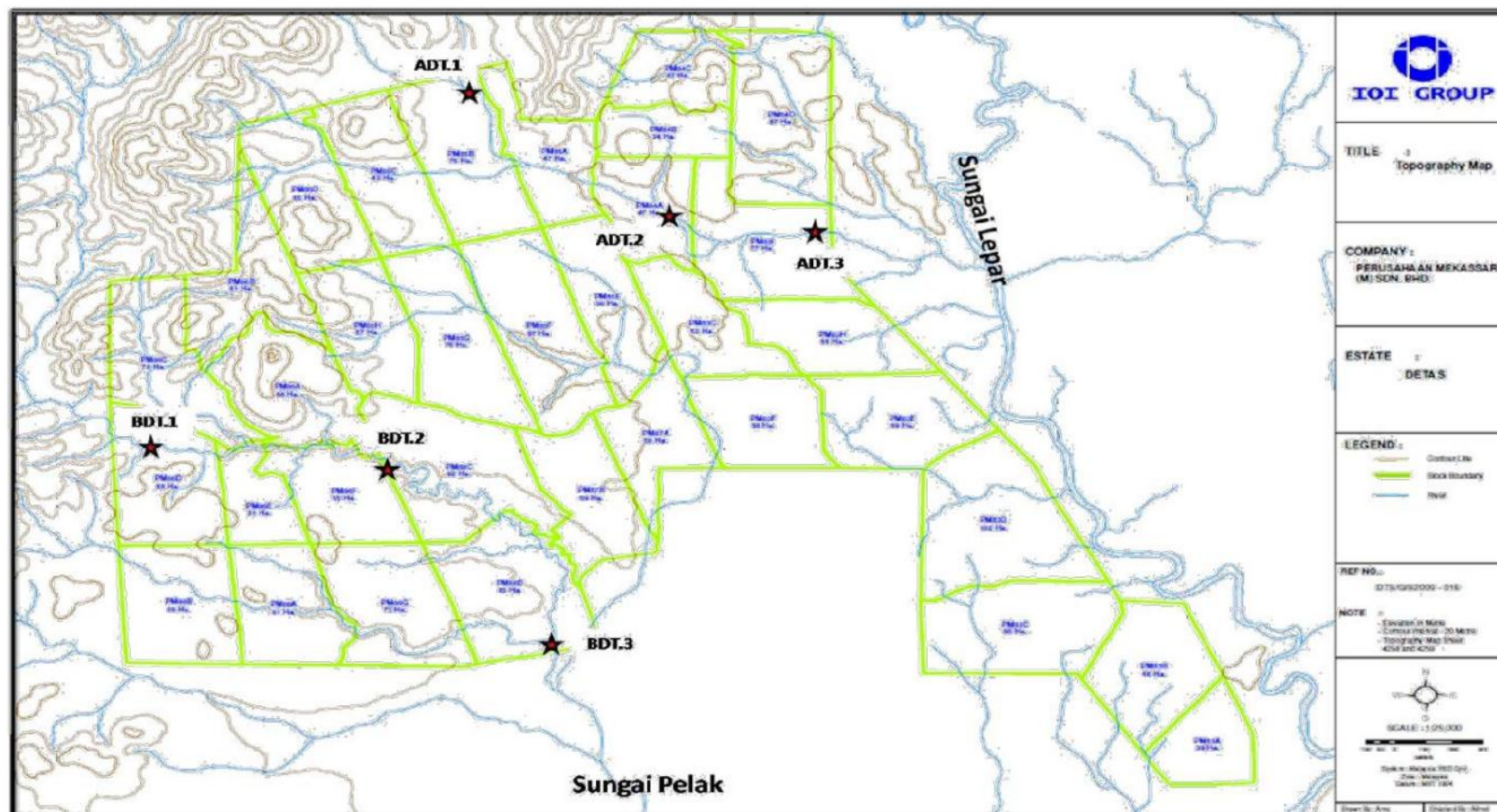
Merchong Estate Topography Map.

Slope and river/stream map of Bukit Leelau Estate



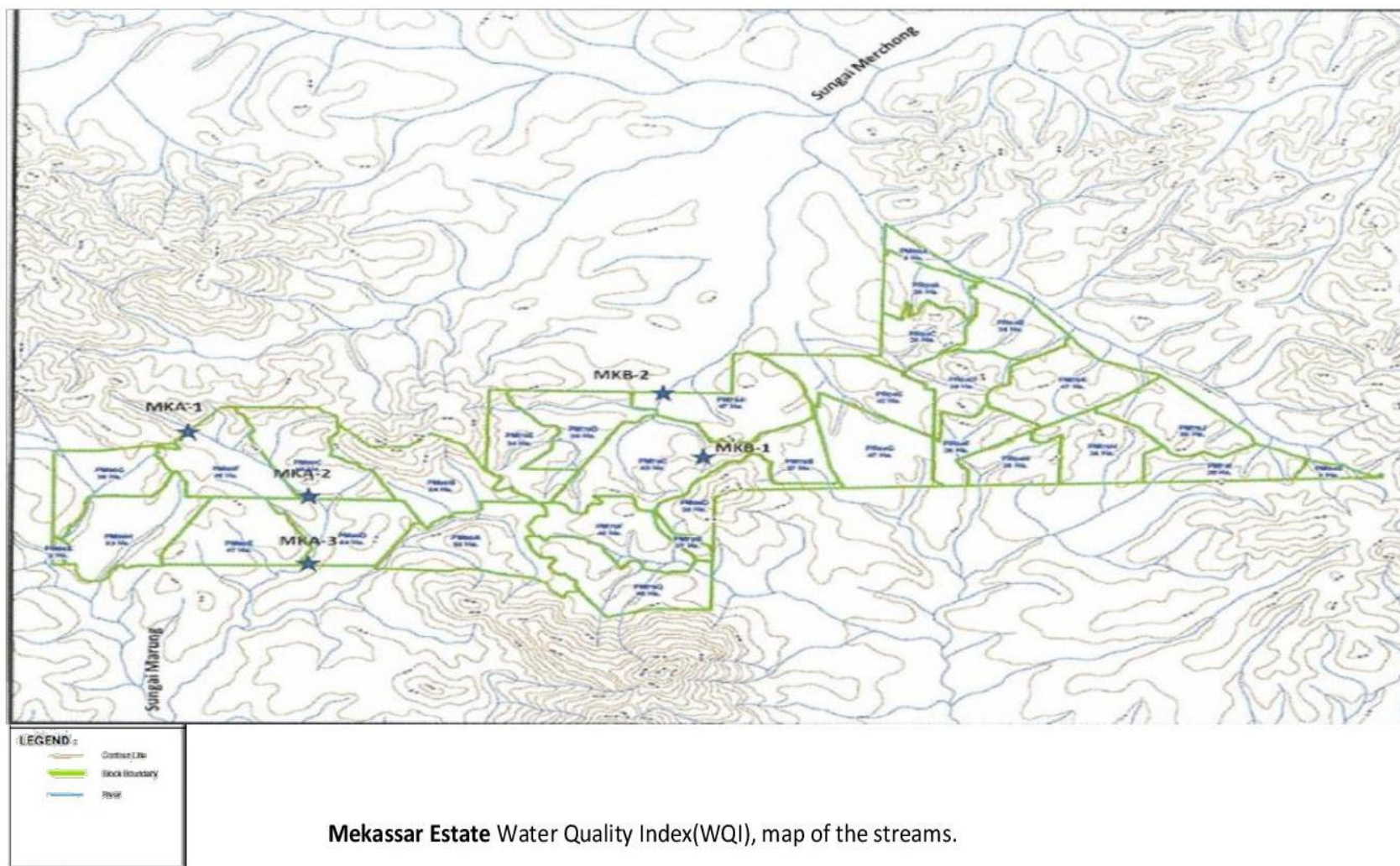
Bukit Leelau Estate slope of 25° and river/stream map In compliance with MSGAP.

Slope and river/stream map of Detas Estate



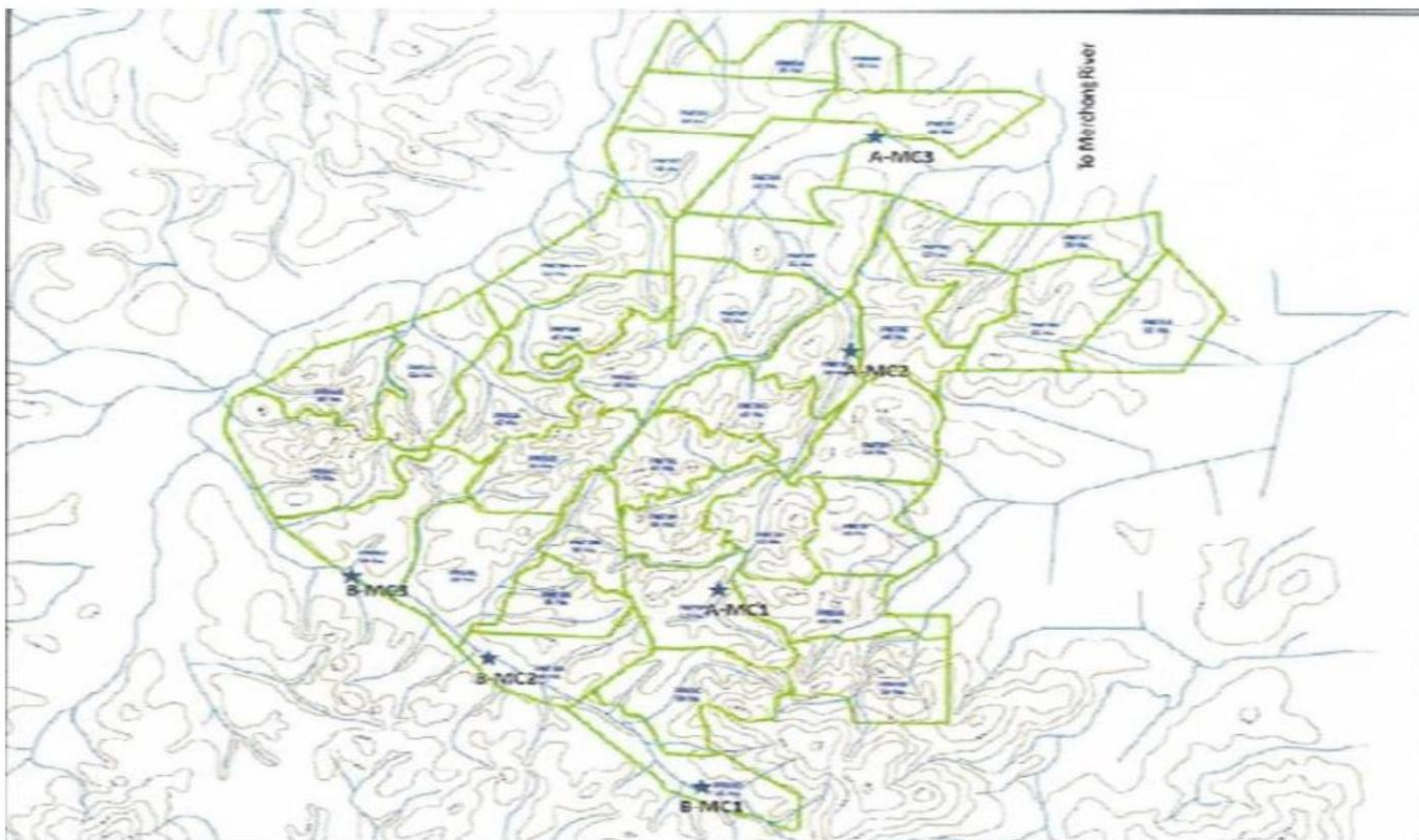
Detas Estate Water Quality Index (WQI), map of the streams.

Slope and river/stream map of Mekkasar Estate



Mekassar Estate Water Quality Index(WQI), map of the streams.

Slope and river/stream map of Merchong Estate



Merchong Estate Water Quality Index (WQI), map of the streams.

Assessment Programme

Day 1: 24th August 2015 (Monday)

Time	Activities / areas to be visited			Auditee
0930-1000	Opening Meeting at Bukit Leelau Mill, audit team introduction and briefing on audit objectives, scope, methodology, criteria and programmes* by audit team leader			Top mgmt & Committee Member
1000-1030	Briefing on the organization implementation of RSPO (including action taken to address main assessment findings) and progress of Time Bound Plan.			Management Representative
1030-1300	MH <u>Bukit Leelau Estate</u> Site visit and assessment at Bukit Leelau Estate relating to management plan, environmental and Safety & Health issues Coverage of assessment: P1, P2, P4, P5, P8 <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site • Environmental management – witness activities at site • Waste & chemical management • Interview with workers , safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement 	VS <u>Bukit Leelau POM</u> Site visit and assessment at Bukit Leelau POM relating to Social issues such as local community, SIA and management plans Coverage of assessment: P1, P2, P4, P5, P6, P8 <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, GPW, local communities and stakeholders • Continuous improvement 	SELVA <u>Detas Estate</u> Site visit and assessment at Detas Estate relating to Good Agricultural Practice Coverage of assessment: P1, P2, P3, P4, P7, P8 <ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application Nursery (if any) • Chemical store/fertilizer • Plantation on hilly/swampy area • Replanting • IPM implementation, training and safe use of agro-chemicals. • New planting • Continuous improvement 	Guide/PIC
1300-1400	Lunch Break			
1400-1700	Continue assessment	Continue assessment	Continue assessment	Guide/PIC

Day 2: 25th August 2015 (Tuesday)

Time	Activities / areas to be visited			Auditee
0930-1300	MH	VS	SELVA	Guide/PIC
	<p><u>Bukit Leelau Estate</u></p> <p>Site visit and assessment at Bukit Leelau Estate relating to management plan, environmental and Safety & Health issues</p> <p>Coverage of assessment: P1, P2, P4, P5, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site • Environmental management – witness activities at site • Waste & chemical management • Interview with workers , safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement 	<p><u>Detas Estate</u></p> <p>Site visit and assessment at Detas Estate relating to estates boundary, HCV, local community issues and management plan</p> <p>Coverage of assessment: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use • Riparian zone • Interview workers, GPW, local communities and stakeholders • Continuous improvement 	<p><u>Detas Estate</u></p> <p>Site visit and assessment at Detas Estate relating to Good Agricultural Practice</p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application Nursery (if any) • Chemical store/fertilizer • Plantation on hilly/swampy area • Replanting • IPM implementation, training and safe use of agro-chemicals. • New planting • Continuous improvement 	
1300-1400	Lunch Break			
1400-1700	<p><u>Bukit Leelau POM</u></p> <p>Site visit and assessment at Bukit Leelau POM relating to management plan, environmental and Safety & Health issues</p>	<p>Continue assessment at Detas Estate</p>	<p>Continue assessment at Detas Estate</p>	Guide/PIC

Day 3: 26th August 2015 (Wednesday)

Time	Activities / areas to be visited			Auditee
0900-1300	MH	VS & RJ (TE)	SELVA	Guide/PIC
	<u>Bukit Leelau POM</u> Site visit and assessment at Bukit Leelau POM relating to management plan, environmental and Safety & Health issues Coverage of assessment: P1, P2, P4, P5, P8 <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site • Environmental management – witness activities at site • Waste & chemical management • Interview with workers, safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement 	<u>Detas Estate</u> Site visit and assessment at Detas Estate relating to estates boundary, HCV, local community issues and management plan Coverage of assessment: P1, P2, P4, P5, P6, P8 <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use • Riparian zone • Interview workers, GPW, local communities and stakeholders • Continuous improvement 	<u>Bukit Leelau Estate</u> Site visit and assessment at Bukit Leelau Estate relating to Good Agricultural Practice Coverage of assessment: P1, P2, P3, P4, P7, P8 <ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application Nursery (if any) • Chemical store/fertilizer • Plantation on hilly/swampy area • Replanting • IPM implementation, training and safe use of agro-chemicals. • New planting • Continuous improvement 	
1300-1400	Lunch Break			
1400-1700	Continue assessment	Continue assessment	Continue assessment	Guide/PIC

Day 4: 27th August 2015 (Thursday)

Time	Activities / areas to be visited			Auditee
0900-1300	MH	VS & RJ (TE)	SELVA	Guide/PIC
	<p><u>Detas Estate</u></p> <p>Site visit and assessment at Detas Estate relating to management plan, environmental and Safety & Health issues</p> <p>Coverage of assessment: P1, P2, P4, P5, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site • Environmental management – witness activities at site • Waste & chemical management • Interview with workers, safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement 	<p><u>Bukit Leelau Estate</u></p> <p>Site visit and assessment at Bukit Leelau Estate relating to estates boundary, HCV, local community issues and management plan</p> <p>Coverage of assessment: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use • Riparian zone • Interview workers, GPW, local communities and stakeholders • Continuous improvement 	<p><u>Bukit Leelau Estate</u></p> <p>Site visit and assessment at Bukit Leelau Estate relating to Good Agricultural Practice</p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice-witness activities at site (weeding/spraying, etc) • EFB mulching, POME application Nursery (if any) • Chemical store/fertilizer • Plantation on hilly/swampy area • Replanting • IPM implementation, training and safe use of agro-chemicals. • New planting • Continuous improvement 	
1300-1400	Lunch Break			
1400-1700	Continue assessment	Continue assessment	Continue assessment	Guide/PIC

Day 5: 28th August 2015 (Friday)

Time	Activities / areas to be visited		Auditee
0900-1200	MH & SELVA(Observer)	VS	Guide/PIC
	<p><u>Detas Estate</u></p> <p>Site visit and assessment at Detas Estate relating to management plan, environmental and Safety & Health issues</p> <p>Coverage of assessment: P1, P2, P4, P5, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site • Environmental management – witness activities at site • Waste & chemical management • Interview with workers , safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement 	<p><u>Bukit Leelau Estate</u></p> <p>Site visit and assessment at Bukit Leelau Estate relating to local community issues and management plan</p> <p>Coverage of assessment: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, GPW, local communities and stakeholders • Continuous improvement 	
1200-1400	Lunch Break/Friday Prayer		
1400-1630	<ul style="list-style-type: none"> • Verification on outstanding issues • Audit Team discussion, preparation on audit findings and issuance of NCR (if any) 		Guide/PIC
1630	Closing Meeting		

Day 2: 25th August 2015 (Tuesday)

Activities /areas to be visited	Zul	Auditee
0930-1000	Opening Meeting at Bukit Leelau POM	Top mgmt & Committee Member
1000-1300	Assessment at Bukit Leelau POM relating to Supply Chain implementation, which include: <ul style="list-style-type: none"> • General requirements • Doc. procedures • Purchasing & goods in • Outsourcing activity • Sales & goods out • Processing • Records keeping • Registration • Training • Claims • Identity Preserved accounting 	Guide/PIC
1300-1400	Lunch Break	
1400-1600	Continue assessment	
1400-1630	<ul style="list-style-type: none"> • Verification on outstanding issues • Preparation on audit findings and issuance of NCR (if any) 	Guide/PIC
1630	Closing Meeting	

Appendix 5

RSPO Certification Progress against Time-bound Plan

No.	Certification Unit	Location	Plan to be certified	Status	Certification Body	Remarks
1.	Pamol Sabah	Sandakan, Sabah, Malaysia	May 2008	Certified on 18/03/2010	SGS Malaysia	Planned for Recertification Assessment in January 2016
2.	Sakilan POM	Sandakan, Sabah		Certified on 8/3/2010	BSI Malaysia	Planned for Recertification Assessment in 2015
3.	Pamol Kluang	Kluang, Johor, Malaysia	March 2009	Certified on 16 March 2010	BSI Malaysia	Planned for first Surveillance Assessment in January 2016
4.	Gomali	Batu Anam, Segamat, Johor, Malaysia	August 2009	Certified on 23 August 2010	SGS Malaysia	Planned for first Surveillance Assessment in June 2016
5.	Baturong	Tawau, Sabah, Malaysia	September 2009	Certified on 08 October 2010	SGS Malaysia	Planned for Recertification Assessment in August 2015
6.	Bukit Leelau	Muadzam Shah, Pahang, Malaysia	June 2010	Certified on 19 November 2010	SIRIM QAS International Sdn. Bhd.	Planned for first Surveillance Assessment in September 2016
7.	Mayvin	Sandakan, Sabah, Malaysia	August 2010	Certified on 22 December 2010	Moody International	Planned for Recertification Assessment in October 2015
8.	Pukin	Keratong, Rompin, Pahang, Malaysia	December 2010	Certified on 13 June 2012	Moody International	Planned for Recertification Assessment in April 2016
9.	Leepang	Lahad Datu, Sabah, Malaysia	August 2012	Certified in Dec 2013	SGS Malaysia	Planned for first Surveillance Assessment in 2015

10.	Syarimo	Lahad Datu, Sabah, Malaysia	September 2012	Certified on 20 March 2013	Moody International	Planned for third Surveillance Assessment in January 2016
11.	Ladang Sabah	Sandakan, Sabah, Malaysia	October 2012	Certified on 03 April 2013	Moody International	Planned for third Surveillance Assessment in February 2016
12.	Morisem	Lahad Datu, Sabah, Malaysia	September 2013	Certified on 18/12/2013	Intertek Certification	Planned for second Surveillance Assessment in 2015
13.	IOI-Pelita	Miri, Sarawak, Malaysia	June 2014	New certification for IOI, Pelita (Sarawak) is pending resolution of land dispute and RSPO decision.	N.A.	-
14.	PT Sukses Karya Sawit, PT Berkat Nabati Sejahtera	Ketapang, Kalimantan, Indonesia.	2016	NA	NA	No palm oil mill yet
15.	Unico-Desa POM 2, Sabah	Lahad Datu, Sabah, Malaysia	Oct 2017	NA	NA	Acquired in end of 2013
16	IOI-Unico POM-1, Sabah	Lahad Datu, Sabah, Malaysia	Oct 2016	NA	NA	Acquired in end of 2013