



SIRIM QAS INTERNATIONAL SDN. BHD.
Building 4, SIRIM Complex, No. 1, Persiaran Dato' Menteri,
Section 2, 40700 Shah Alam, Selangor, Malaysia.

PUBLIC SUMMARY REPORT

File Ref. :
EB05000001

CLIENT : Boustead Rimba Nilai Sdn Bhd, Sungai Jernih Production Unit

PARENT COMPANY : Boustead Plantations Berhad

RSPO MEMBERSHIP No.: 1-0012-04-000-00

LOCATION OF THE CERTIFICATION UNIT (MILL AND THE SUPPLY BASE):
(In the case of multisite certification, list additional sites in attachments) :

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
Sungai Jernih Production Unit	Sg Jernih POM	03° 21' 42" N	103° 06' 27"E	KM 70, Lebuhraya Gambang – Segamat, 26650 Pekan, Pahang Darul Makmur, Malaysia.
	Sg Jernih Estate	03° 20' 17"N	103° 05' 59"E	KM 70, Lebuhraya Gambang – Segamat, 26650 Pekan, Pahang Darul Makmur, Malaysia.
	Bebar Estate	03° 08' 11.4"N	03° 20' 17"E	KM 87, Lebuhraya Gambang – Segamat, 26700 Muadzam Shah, Pahang Darul Makmur, Malaysia.
	TT-Terengganu Estate	04° 12' 10"N	103° 13' 59"E	KM 61, Jln Jabor-Jerangau, 24050 Kemaman, Terengganu

MAP : See Attachment 1

AUDIT DATE : 14 – 17 June 2016

DURATION : 13 auditor days

TYPE OF AUDIT : ☐ Annual Surveillance Audit No. ☐ / ☐ Recertification Audit

STANDARD : RSPO PRINCIPLE & CRITERIA MYNI 2014, AND RSPO SUPPLY CHAIN CERTIFICATION STANDARD 2014

SCOPE OF CERTIFICATION: Production of Crude Palm Oil and Palm Kernel Using Identity Preserved Model

VALIDITY OF RSPO CERTIFICATE : 12 September 2011 to 11 September 2016

The following attachments form part of this report:

Non-conformity Report(s) ☐ / ☐ List of additional site(s) ☐

Report by Audit Team Leader

Name : Mohd Zulfakar Kamaruzaman

Signature : *Mohd Zulfakar*

Date : 25/8/2016

Acknowledgement by Client's Representative

Name : *Anuar b. Semai*

Signature : *[Signature]*

Date : *26/8/2016*

PUBLIC SUMMARY REPORT

SUMMARY OF AUDITS

Stage 2 audit / Recertification audit				
On-site audit date :	14 – 17 June 2016	No. of auditor days :	13	
Audit team :	Mohd Hafiz Bin Mat Hussain (resigned), Mohd Zulfakar Kamaruzaman, Amir Bahari & Ruzita Abd Gani			
No. of major NCR :	1 (RA01/2016)	Indicator: RSPO SC requirements	Closing date : 28/07/16	
No. of minor NCR :	2	Indicator : 4.4.3 and 6.5.3		
Indicate the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	X		X	X
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
	X	X		
Supply base sampled :	Sg Jernih Estate and Bebar Estate			

Annual Surveillance Audit 1				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:	Closing date :	
No. of minor NCR :		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				

Annual Surveillance Audit 2				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:	Closing date :	
No. of minor NCR :		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers

PUBLIC SUMMARY REPORT

	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				

Annual Surveillance Audit 3				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:	Closing date :	
No. of minor NCR :		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				

Annual Surveillance Audit 4				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:	Closing date :	
No. of minor NCR :		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractors	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				

PUBLIC SUMMARY REPORT

SUMMARY OF INFORMATION

TYPE OF AUDIT	RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	June 16 – May 17				
Certified Area (Ha)	6,847.00				
Production Area(Ha)	6,480.30				
HCV Area (Ha)	51.82				
Certified FFB Processed (MT)	129,123.00				
Production of Certified CPO (MT)	31,376.00				
Production of Certified PK (MT)	4,519.00				
REMARKS	-				

Table of contents	Page
1.0 AUDIT PROCESS	6
1.1 Certification body	6
1.2 Qualification of audit team	6
1.3 Audit methodology	6
1.4 Stakeholder consultation	7
1.5 Audit plan	7
1.6 Date of next audit	7
2.0 SCOPE OF CERTIFICATION AUDIT	
2.1 Description of the certification unit	8
2.2 Description of the Supply Base (including planting profile)	8
2.3 Organization Information / Contact Person(s)	10
3.0 AUDIT FINDINGS	
3.1 Changes to certified products in accordance to the production of the previous year	11
3.2 Time bound plans including changes and reasons for the changes see below	11
3.3. Overall comment in terms of acceptance or non-acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)	11
3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included , by the mill, are audited within 3 years from when their fruit was first included in the mill certification.	12
3.5 Any new acquisition which has replaced primary forests or HCV areas	12
3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	12
3.7 Status of previous non-conformities * (refer to Attachment 6)	12
3.8 Complaint received from stakeholder (if any)	12
4.0 DETAILS OF NON-CONFORMITY REPORT	
4.1 For P&C (Details checklist refer to Attachment 4)	12
4.2 For SC (Details checklist refer to Attachment 6)	12
5.0 AUDIT CONCLUSION	12
6.0 RECOMMENDATION	13
List of Attachment	
Attachment 1 : Maps of the CU	14
Attachment 2 : RSPO Surveillance Audit Plan	17
Attachment 3 : RSPO P&C Audit Checklist And Findings	20
Attachment 4 : Details of Non-conformities and Corrective Actions Taken	38
Attachment 5 : RSPO Supply Chain at the palm oil mill – Module D Identity Preserved	39
Attachment 6 : RSPO Supply Chain - Details of Non-conformities and Corrective Actions Taken	40
Attachment 7 : Status of Non-conformities Previously Identified	41

1.0 AUDIT PROCESS

1.1 Certification Body

SIRIM QAS International Sdn. Bhd. is the 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 and nationally 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 Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and accredited by ASI on 27 September 2014.

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd Hafiz Bin Mat Hussain	Lead Auditor / Occupational Safety & Health and Environmental issues	<ul style="list-style-type: none"> Possessed B.Sc. (Hons) in Plantation Management and Technology with about 4 years of experience in oil palm estate. The Lead Auditor is a qualified lead auditor for the RSPO, ISO 9001, ISO 14001, and OHSAS 18001 certification scheme.
Mohd Zulfakar Kamaruzaman	Auditor / Social and HCV areas	<ul style="list-style-type: none"> Holds a B.Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operation. He has been trained as a RSPO Lead Auditor.
Amir Bahari	Auditor / GAP	<ul style="list-style-type: none"> Holds a Bachelor in Chemistry and Diploma in palm oil milling technology and management. He had more than 10 years of working experience in oil palm estates and 9 years in rubber plantation.
Ruzita Abd Gani	Auditor / Supply Chain	<ul style="list-style-type: none"> Holds a B.Sc. (Hons) Chemical Engineering and had about 5 ½ years of working experience as assistant mill manager in the palm oil mill. She is a qualified as lead auditor for RSPO P&C, RSPO SC & MSPO, ISO 14001 and OHSAS 18001.

1.3 Audit methodology

The audit covered the Sungai Jernih palm oil mill and two of its supply base. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. The estates that were covered during this audit are Sg Jernih Estate and Bebar Estate. The audit included an on-site audit to the estates, mill and HCV habitats, labour lines, storage areas and other workplaces to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder consultation

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the RSPO and SIRIM QAS International's websites on 9 May 2016. In addition, SIRIM QAS International had also sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs). Based on the stakeholder consultation activity, there was no comment received from all stakeholders.

Meetings with the relevant stakeholders were arranged during the on-site audit. Among the stakeholders consulted during this audit were the employees, local communities, FFB suppliers, and contractors.

Following are the list of stakeholders where consultations were solicited:

<u>Government Agencies/ Service Providers/ Association</u>			
1.	S.K. Bandar Dua, Pekan, Pahang	12.	Hospital Muadzam Shah, Pahang
2.	Malaysian Palm Oil Board (MPOB), Kuantan	13.	Ibu Pejabat Polis Daerah, Pekan, Pahang
3.	Jabatan Alam Sekitar, Kuantan, Pahang	14.	Jabatan Tenaga Kerja, Pekan, Pahang
4.	Suruhanjaya Tenaga, Kuantan, Pahang	15.	DOSH, Pahang
5.	Pejabat Hutan Daerah, Kuantan, Pahang	16.	JPJ, Muadzam Shah, Pahang
6.	Jabatan Perlindungan Hidupan Liar Dan Taman Negara Negeri Pahang, Kuantan, Pahang	17.	Jabatan Bomba dan Penyelamat, Muadzam Shah, Pahang
7.	KWSP, Kuantan, Pahang	18.	PERKESO, Kuantan, Pahang
8.	Jabatan Perangkaan Malaysia, Kuantan, Pahang	19.	Tenaga Nasional Berhad, Muadzam Shah, Pahang
9.	Badan Kawal Selia Air, Kuantan, Pahang	20.	Ibu Pejabat Polis Kontinjen, Kuantan, Pahang
10.	Pejabat Kesihatan Daerah Pekan, Pahang	21.	S. M. K. Muadzam Jaya, Pahang
11.	S.K Muadzam Jaya, Pahang	22.	Pejabat Perhilitan Muadzam Shah, Pahang

<u>Non-Governmental Organizations</u>			
1	AMESU, Petaling Jaya, Selangor	2.	National Union Plantation Workers (NUPW), Temerloh, Pahang

<u>Suppliers/Contractors</u>			
1	CS Tyre & Bettery Sdn Bhd, Muadzam Shah, Pahang	6	SL Hitech Speedy Worldwide Sdn Bhd, Kuantan, Pahang
2	Tp Part & Machinery, Kuantan, Pahang	7	Selvaraju A/L Alimalai, Pekan, Pahang
3	Teras Kita (Muadzam) Sdn Bhd., Muadzam Shah, Pahang	8	Keratong Sembilan Trading, Muadzam Shah, Pahang
4	Manna Enterprise, Kuantan, Pahang	9	Muneshwar Enterprise, Pekan, Pahang
5	Yaakob Bin Mohamed, Pekan, Pahang	10	Abu Bakar Syed Alyallatas, Kulai, Johor

1.5 Audit plan : Refer to Attachment 2

1.6 Date of next audit : The next surveillance audit will be conducted within 12 months but not sooner than 9 months from this audit.

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Boustead Rimba Nilai Sdn Bhd. is one of the subsidiary under the Boustead Plantations Berhad. The Sungai Jernih Production Unit (hereafter referred to as SJPU) is the certification unit (CU) which had been certified to RSPO P&C MYNI 2014 since 12 September 2011. The certification was transferred to SIRIM on 23 May 2016. SJPU is managed by Boustead Rimba Nilai Sdn Bhd. and consisted of the Sungai Jernih palm oil mill (SJPOM), Sg. Jernih Estate, Bebar Estate and TT-Terengganu Estate.

The palm oil mill commenced operations with a processing capacity of 30 metric tonnes of fresh fruit bunches (FFB) per hour. The total workforce for the CU was about 645 and about 67% of them were foreign workers.

2.2 Description of the Supply Base (including the planting profile)

The FFB is sourced from company owned estates which consisted of Sungai Jernih estate, Bebar Estate and TT-Terengganu Estate.

Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

Table 1: Actual FFB production by the supply base for the last reporting period (June 2015 - May 2016)

Estates	FFB Production	
	Tonnes	Percentage (%)
Sungai Jernih Estate	35,603	34.18
Bebar Estate	42,259	40.58
TT-Terengganu Estate	26,283	25.24
Total	104,145	100.00

Table 2: Projected FFB production by supply base for the next reporting period (June 2016 - May 2017)

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Sungai Jernih Estate	43,900	34.00
Bebar Estate	52,941	41.00
TT-Terengganu Estate	32,282	25.00
Total	129,123	100.00

Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period (June 2015 - May 2016)

	Total (MT)
FFB Received	104,145.00
FFB Processed	104,145.00
CPO Production	27,004.00
PK Production	3,112.00
CPO delivered as IP	26,358.00
PK delivered as IP	116.22

PUBLIC SUMMARY REPORT

Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period
(June 2016 - May 2017)

	Total (MT)
FFB Received	129,123.00
FFB Processed	129,123.00
CPO Production	31,376.00
PK Production	4,519.00
CPO delivered as IP	31,376.00
PK delivered as IP	4,519.00

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Sungai Jernih Estate	2572.20	2695.70
Bebar Estate	2262.50	2340.60
TT-Terengganu Estate	1684.00	1810.70
Total	6518.70	6847.00

Table 6 Planting profile for Sungai Jernih Production Unit

<u>Estate</u>	<u>Year of establishment</u>	<u>Mature (Ha)</u>	<u>Immature (Ha)</u>	<u>Planted area</u>	<u>% of planted area mature</u>	<u>% of planted area immature</u>
Sungai Jernih Estate	1993	2572.20	0	2572.20	100	0
Bebar Estate	1993	2224.10	38.40	2262.50	98	2
TT-Terengganu Estate	1986	1684.00	0	1684.00	100	0
Total		6480.30	38.40	6518.70	99	1

2.3 Organizational Information/Contact Person(s)

The Sungai Jernih Palm Oil Mill had obtained the ISO 9001 certification since November 2008.

The details of the contact person for the CU is as shown below:

Name	:	Mr. Anuar Semail
Position	:	Sustainability Chairman
Address	:	Boustead Rimba Nilai Sdn Bhd Sungai Jernih Business Unit, KM 70 Lebuhraya Gambang-Segamat, Paloh Hinai, 26650 Pekan, Pahang.
Phone no.	:	03-21452121 / 09-5460792
Fax no.	:	03-21419164 / 09-5460071
Email	:	anuar.bea@boustead.com.my / ssgjernih@gmail.com

3.0 AUDIT FINDINGS**3.1 Changes to certified products in accordance to the production of the previous year**

No changes to the certified products. For the period from June 2014 to May 2015, the CPO production was 24,765.00 mt and PK 3,353.00 mt. For period from June 2015 to May 2016, the CPO production was 27,004.00mt and PK 3,112.00 mt.

3.2 Time bound plans including changes and reasons for the changes see below

	Yes	No	<u>If yes, state reasons/justifications</u>
- acquisitions/disposals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
- emergence/re-emergence of land disputes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
- labour conflicts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

3.3 Overall comment in terms of acceptance or non acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)

Boustead Plantation Berhad had established a time bound plan to certify all of its business units to the RSPO P&C. Two of the business units have been certified to the RSPO P&C by SIRIM QAS International, as follow :

No.	CU	Location	Date of certification	Valid until	Certificate No./Remarks
1.	Sungai Jernih Production Unit	Pahang	12/09/2011	11/09/2011	RSPO 0031
2.	Nak Business Unit	Sabah	16/05/2015	15/05/2020	RSPO 0030

Time bound plan for the other business units is as follow:

No.	Business Unit	Location	Planned for certification
3.	TRP Business Unit	Perak	2016
4.	Segaria Business Unit	Sabah	2017
5.	Telok Sengat Business Unit	Johor	2018
6.	Segamaha Business Unit	Sabah	2018
7.	Lapan Kabu Business Unit	Kelantan	2019
8.	Sugut Estates Business	Sabah	2020
9.	Loagan Business Unit	Sarawak	2021
10.	Kanowit Business Unit	Sarawak	2022

PUBLIC SUMMARY REPORT

- 3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, are audited within 3 years from when their fruit was first included in the mill certification. ☐ Yes ☒ No

If no, please state reasons There is no associated smallholders in the certification unit.

- 3.5 Any new acquisition which has replaced primary forests or HCV areas ☐ Yes ☒ No

- 3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)

No change in the organization structure and the the contact person.

- 3.7 Status of previous non-conformities *

Closed

☒

Not closed

☐

* If not closed, minor non conformity will be upgraded to major non conformity

- 3.8. Complaint received from stakeholder (if any)
No complaints received from the stakeholder.

4.0 DETAILS OF NON-CONFORMITY REPORT

- 4.1 For P&C (Details checklist refer to Attachment 3) :

Total no. of minor NCR(s) (details refer to Attachment 4) List : 2 MH01/2016, MZK01/2016

Total no. of major NCR(s) (details refer to Attachment 4) List : 0

- 4.2 For SC (Details checklist refer to Attachment 5) :

Total no. of minor NCR(s) (details refer to Attachment 6) List : 0

Total no. of major NCR(s) (details refer to Attachment 6) List : 1 RA01/2016

5.0 AUDIT CONCLUSION

The audit team concludes that the organization has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

PUBLIC SUMMARY REPORT

6.0 RECOMMENDATION



No NCR recorded. Recommended to continue certification.



Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next 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. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.



Recommended to continue certification.



Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

10.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.

Audit Team Leader : Mohd Zulfakar Kamaruzaman

(Name)

Mohd Zulfakar

(Signature)

25/8/2016

(Date)

FROM KUANTAN

x = 103.072217
y = 3.411991

Scale 1 : 40 000
kilometers

Legend

- Estate Boundary
- Field Boundary
- Field Road
- Est. Main Road
- Govt. Road
- Petronas Gas Pipeline
- Building Compound
- Unplanted Area
- River

Width of Main Roads :
A-B, B-C, C-D, D-E = 14 feet

x = 103.125284
y = 3.411991

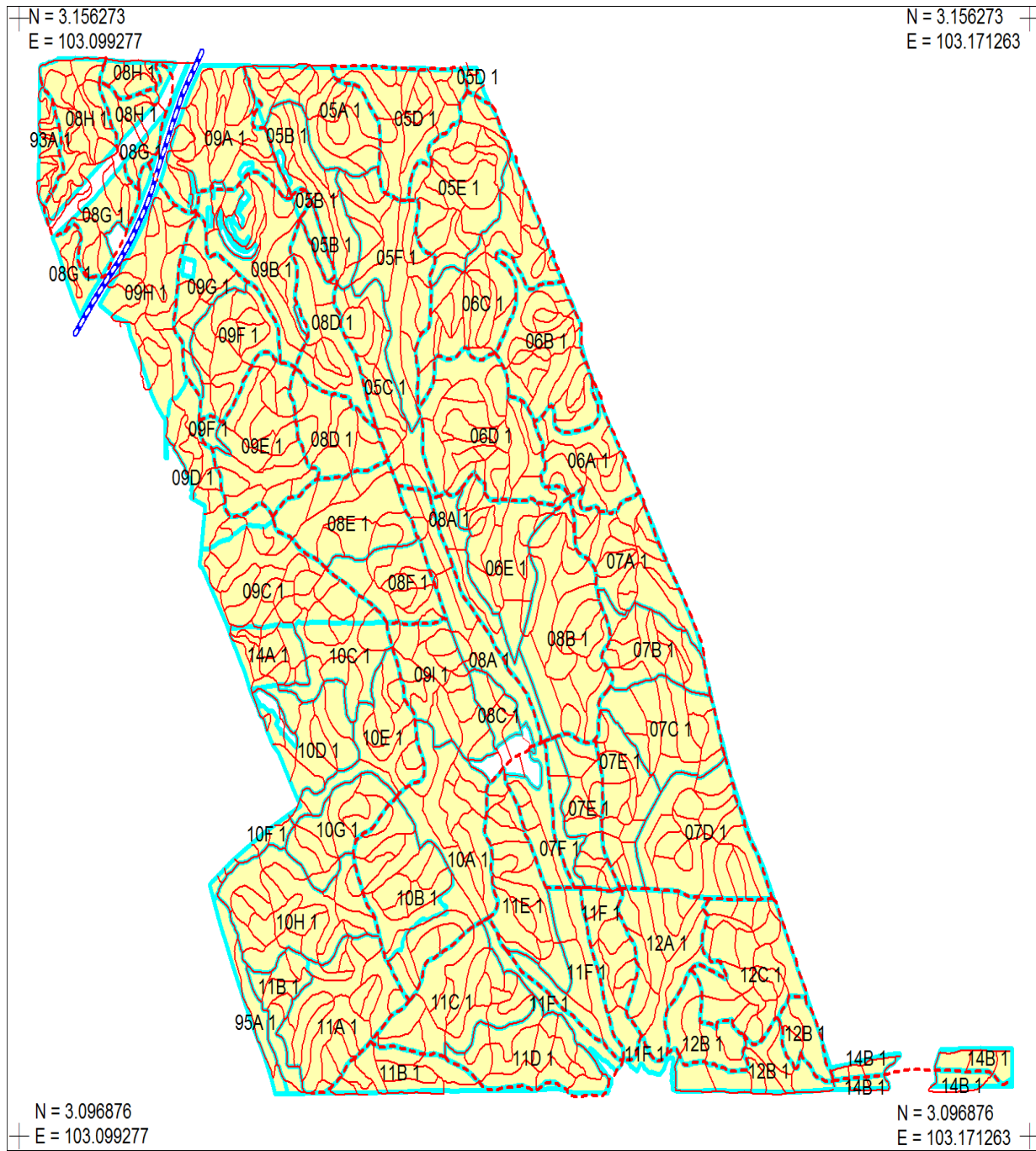
x = 103.072217
y = 3.300430

x = 103.125284
y = 3.300430

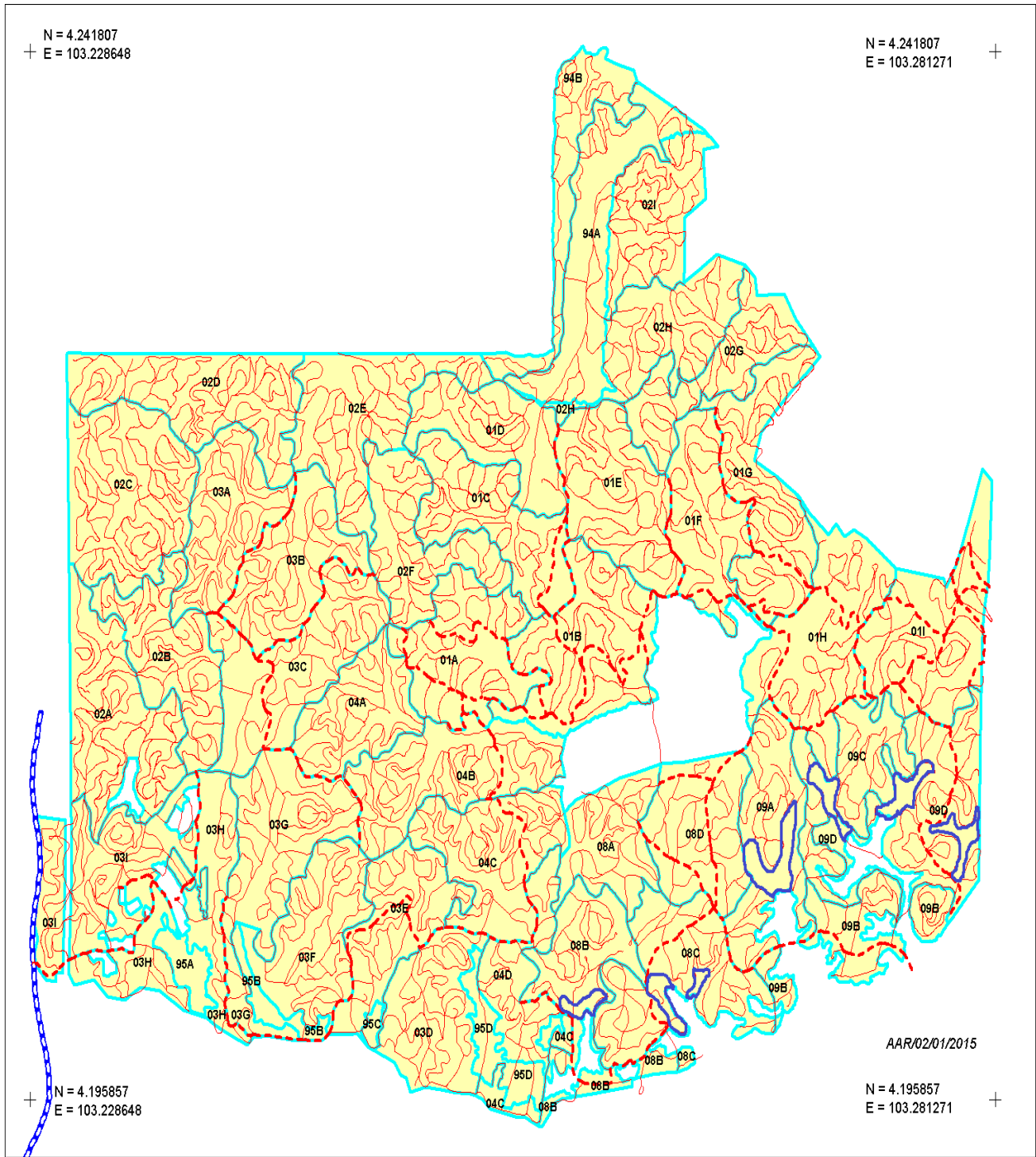
TO SEGAMAT

AAR/14/05/2014
Last GPS Mapping 04/2012/Fz
Last Update 05/2014/3UMap.wor/Sarah

Map of Bebar Estate



Map of TT-Terengganu Estate



PUBLIC SUMMARY REPORT

Attachment 2

Audit Programme for P&C

Day 1: 14th June 2016 (Tuesday)

Time	Activities / areas to be visited		
0900-0930	Opening Meeting at Sg Jernih Estate, Audit team introduction and briefing on audit objectives, scope, methodology, criteria and programmes* by audit team leader		
0930-1000	Briefing on the organization implementation of RSPO (including action taken from previous audit findings) and progress of Time Bound Plan.		
1000-1300	MH <u>Bebar Estate</u> Audit at Bebar Estate relating to management plan, environmental and Safety & Health issues Coverage of audit : 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 	MZK <u>Sg Jernih Estate</u> Site visit and audit at Sg Jernih Estate relating to Social issues such as local community, SIA and management plans. Coverage of audit: 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 	AB <u>Bebar Estate</u> Site visit and auditat Bebar Estate relating to Good Agricultural Practice. Coverage of audit: 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 audit		

Day 2: 15th June 2015 (Wednesday)

Time	Activities / areas to be visited		
0900-1300	MH <u>Sg Jernih POM</u> Site visit and audit at Sg Jernih POM relating to management plan, environmental and Safety & Health issues Coverage of audit : 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 	MZK <u>Sg Jernih Estate</u> Site visit and audit at Sg Jernih Estate relating to estates boundary, HCV, local community issues and management plan Coverage of audit: 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 	AB <u>Bebar Estate</u> Site visit and audit at Bebar Estate relating to Good Agricultural Practice Coverage of audit : 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-

PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> • Training and skill development programmes • Continuous improvement 	<ul style="list-style-type: none"> • stakeholders • Continuous improvement 	<ul style="list-style-type: none"> • chemicals. • New planting • Continuous improvement
1300-1400	Lunch Break		
1400-1700	Continue audit at Sg Jernih POM	Site visit and audit at <u>Sg Jernih POM</u> relating to Social issues such as local community, SIA and management plans	Continue audit at Bebar Estate

Day 3: 16th August 2015 (Thursday)

Time	Activities / areas to be visited		
	MH	MZK	AB
0900-1300	<p><u>Sg Jernih POM</u></p> <p>Site visit and audit at Sg Jernih POM relating to management plan, environmental and Safety & Health issues. Coverage of audit : 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>Sg Jernih POM</u></p> <p>Site visit and audit at Sg Jernih POM relating to Social issues such as local community, SIA and management plans. Coverage of audit : 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>Sg Jernih Estate</u></p> <p>Site visit and audit at Sg Jernih Estate relating to Good Agricultural Practice. Coverage of audit : 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>Sg Jernih Estate</u></p> <p>Site visit and audit at Sg Jernih Estate relating to management plan, environmental and Safety & Health issues</p>	Continue audit	Continue audit

PUBLIC SUMMARY REPORT

Day 4: 17th August 2015 (Friday)

Time	Activities / areas to be visited		
	MH	MZK	AB
0900-1300	<p><u>Sg Jernih Estate</u></p> <p>Site visit and audit at Sg Jernih Estate relating to management plan, environmental and Safety & Health issues. Coverage of audit : 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>Bebar Estate</u></p> <p>Site visit and audit at Bebar Estate relating to estates boundary, HCV, local community issues and management plan Coverage of audit : 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>Sg Jernih Estate</u></p> <p>Site visit and audit at Sg Jernih Estate relating to Good Agricultural Practice Coverage of audit : 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		
1400-1600	<ul style="list-style-type: none"> Verification on outstanding issues Audit Team discussion, preparation on audit findings and issuance of NCR (if any) 		
1600	Closing Meeting		

Audit Programme for SC

Day 1: 14th June 2016 (Tuesday)

	Ruzita	
1400-1430	Opening Meeting at Sg Jernih POM	
1430-1700	Audit at Sg Jernih POM relating to Supply Chain implementation, which include:	
	<ul style="list-style-type: none"> General requirements Doc. procedures Purchasing & goods in Outsourcing activity 	<ul style="list-style-type: none"> Sales & goods out Processing Records keeping

Day 2: 15th June 2016 (Wednesday)

	Ruzita	
0900-1200	Audit at Sg Jernih POM relating to Supply Chain implementation, which include:	
	<ul style="list-style-type: none"> Registration Training 	<ul style="list-style-type: none"> Claims Identity Preserved accounting
1200-1230	<ul style="list-style-type: none"> Verification on outstanding issues Preparation on audit findings and issuance of NCR (if any) 	
1230	Closing Meeting	

PUBLIC SUMMARY REPORT

Attachment 3

RSPO P&C AUDIT CHECKLIST

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	The CU continues to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records inspected were correspondences with the authorities and employees. Boustead Plantation continues to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances were available through Boustead Plantation website at http://www.bousteadplantations.com.my/home.html In Sg. Jernih Estate and Bebar Estate, management documents relating to environment, social and legal issues, were available to the public except for those prevented by commercial confidential or where disclosure of information would result in negative environmental or social outcomes. The CU has provided relevant information as requested by the relevant stakeholder during the annual stakeholder meeting. The last stakeholder meetings at Sg Jernih POM & Estate were conducted in Mac 2016. The meetings were attended by the employees, government agencies, NGO's, contractors and local communities.
	1.1.2	Records of requests for information and responses shall be maintained. Major Compliance	Yes	The estate had appointed personnel responsible for handling of complaints. Records of communication were maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the local authorities, local communities and employees. The latest communications sighted in these records included the Complaint Form from employees requesting for repairs of their quarters. The procedure for responding to any communication is as outlined in the flow chart which is available at the notice boards in the estate's office and Muster Grounds.
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 environmental or social outcomes.	1.2.1	Land titles/user rights	Yes	Land titles documents for Sg Jernih Estate and Bebar Estate were available at the estate's office.
		Occupational health and safety plans	Yes	Occupational health and safety plans are available at respective units. Cross refer criterion 4.7
		Plans and impact assessments relating to environmental and social impacts	Yes	The SIA Action Plan has been established. The requirement for continual improvement of its environmental performance has been addressed.
		HCV documentation summary	Yes	HCV documentation summary was made available at the Sg Jernih Estate and Bebar Estate. The document reported their activities, HCV area, riparian zone, map and the person in-charge of the HCV.
		Pollution prevention and reduction plans	Yes	Pollution Prevention Plan was established in the CU. Cross refer criterion 5.6
		Details of complaints and grievances	Yes	Sg Jernih POM, Sg Jernih Estate and Bebar Estate have maintained their record of requests and responses to the 'Borang Aduan Masalah Pekerja' and 'Borang Aduan Masalah Stakeholder'. From the review, it was noted that there were no disputes or grievances recorded.
		Negotiation procedures	Yes	The negotiation procedure titled 'Fair Compensation' has been established. This procedure is applicable to all Boustead's BU. The procedure included the negotiation process.
		Continual improvement plans	Yes	Cross refer to criterion 8.1
		Public summary of certification assessment report;	Yes	http://www.rspo.org/uploads/default/pnc/KKS_Sg_Jernih_SGG_Boustead_SV4_Approved.pdf
		Human Rights Policy		A policy to respect human rights has been established by the CU. The policy was dated on 11 January 2016.
C 1.3 Growers and millers commit to ethical conduct in all business	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which	Yes	Code of ethical conduct and integrity titled 'Code of Ethics & Conduct' has been established and distributed to all staffs and workers. The code of ethic has been communicated to all level of the workforce during orientation/induction programme in June 2016.

PUBLIC SUMMARY REPORT

operations and transactions.		shall be documented and communicated to all levels of the workforce and operations. Minor Compliance		
------------------------------	--	---	--	--

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	The CU had complied with most of the applicable local, national and ratified international laws and regulations. The following were cited: <u>Bebar Estate and Sg Jernih Estate</u> Log book for monitoring the DOSH visit to the estates were available and maintained at the respective estates. It was noted that the DOSH office had visited Bebar Estate in Mar 2016 and Sg Jernih Estate in June 2016. The visits were part of the annual machinery inspection. 1. OSH (USECHH) Regulation - CHRA was conducted in June 2012 for Bebar & Sg. Jernih Estate by registered competent person. The health surveillance recommendation for workers directly handling pesticide was carried out accordingly. The latest medical surveillance was carried out in Oct 2015 for all pesticides operators. 2. EQA 1974 (amendment 2013) - In accordance with the requirements in Section 49A, a competent person for scheduled waste is available. <u>Sungai Jernih POM</u> 1. OSH (USECHH) Regulation - CHRA was conducted in Sept 2014 by registered competent person. Chemical Exposure Monitoring for Hexane was conducted in Apr 2015. The result showed that the parameter was below than the permissible exposure limit (PEL), therefore medical surveillance program was not recommended by the assessor. 2. FM (NOISE EXPOSURE) Regulation - Noise exposure monitoring was conducted in Nov 2015. The annual audiometric test was conducted in Mar 2016. 3. Environmental Quality Act 1974 - Jadual Pematuhan valid until 30/6/2017. 4. EQ (Clean Air) Regulations - The latest stack sampling was conducted in Feb 2016, result within regulatory limit. 5. EQ (Scheduled Waste) Regulations - It is evident that the CU has managed the generated scheduled wastes as per the regulation.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained Minor Compliance	Yes	As per the established procedure, the respective units of the CU has identified the applicable legal and other requirements in the "Legal and Other Requirements Register". It has been confirmed that the legal register for Bebar & Sg Jernih Estate were updated in Jan 2016, while Sg Jernih POM in Apr 2016.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	Yes	A mechanism for ensuring compliance has been established. The CU continues to monitor any change in the legal requirements and update the LORR accordingly. The evaluation of compliance was carried out on an annual basis.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	Yes	In accordance with the documented procedure, a dedicated personnel has been appointed to monitor any changes to the law and update the all the sites if changes occurred. It was also noted that Boustead Plantation is subscribing to Lawnet.com for updates.

PUBLIC SUMMARY REPORT

<p>C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights</p>	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognized NCR land) and the actual legal use of the land shall be available. Major Compliance	Yes	The CU maintains the land title of all the estates within their business unit. The land title documents specify the purpose of the land i.e. planting for either oil palm or agricultural crops for economic value.
	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	Physical markers such as boundary drain, pegs and boundary stones along the perimeter adjacent to the estate land and other reserves are available at site. These were visibly maintained between Sg. Jernih Estate and Bukit Ibam Forest Reserve and also neighboring private oil palm companies. At Bebar Estate, its boundary pegs and boundary stones along the perimeter adjacent to Bukit Musoh Forest Reserve, Dara Beef Estate, Felda Merchong and Lam Soon oil palm plantation, local communities such as Kg. Langkap and Kg. Binjai were visible and maintained.
	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 FPIC. Minor Compliance	Yes	There was no land conflict raised at the Sungai Jernih POM, Sungai Jernih Estate and Bebar Estate.
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved. Major Compliance	Yes	There was no land conflict raised at the Sungai Jernih POM, Sungai Jernih Estate and Bebar Estate.
	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. Minor Compliance	Yes	There was no land conflict raised at the Sungai Jernih POM, Sungai Jernih Estate and Bebar Estate.
	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	Auditor has verified through meetings and interview with settlers and other oil palm plantation companies neighboring the estates confirmed that there were no violence actions taken by the CU to maintain peace. The estates employed watchmen in order to guard their workers, staffs and children life, their belongings and company properties.
<p>C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their FPIC.</p>	2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties. Major Compliance	Yes	There was no land conflict raised at the CU.

PUBLIC SUMMARY REPORT

	2.3.2	Copies of negotiated agreements detailing the process of FPIC shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance	Yes	There was no land conflict raised at the CU.
	2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance	Yes	There was no land conflict raised at the CU.
	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	There was no land conflict raised at the CU.

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	3.1.1	A business or management plan (min. 3 years) shall be documented that includes, where appropriate, a business case for scheme s/holders.	Yes	Both estates had a standard budgeting format. The records were reviewed during the audit. The Business Plan also included a 5 year budget/forecast financial plan(i.e. 2016-2020) with allocation on the following : Crop yield area, Prime & Total mature, Cost/ha, CAPEX and General charges/ upkeep/ collection/ depreciation.
	3.1.2	An annual replanting programme	Yes	<u>Bebar Estate</u>

PUBLIC SUMMARY REPORT

financial viability.		projected for a minimum of five years with yearly review, shall be available. Minor Compliance		The annual replanting programme is available for year 2017 to 2021. The next replanting will be in 2018. <u>Sg Jernih Estate</u> There is no replanting programme from 2017-2021.
----------------------	--	--	--	---

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	Sg Jernih CU had established and maintained the HSE Manual and Safe Work Procedures with a total of 16 procedures in place for Mill and 43 procedures in place for the estate.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	Yes	Mechanism to ensure consistency implementation of the procedures is made through various activities such as the EHS workplace inspection on quarterly basis. The latest inspection was carried out in Apr 2016 for Sg. Jernih POM & Bebar Estate and Sg. Jernih Estate in Mac 2016. For the implementation of procedure related to GAP, the executives / staff level perform daily duties through the morning muster as part of the monitoring work. In addition, scheduled visits by the Planting Advisor and Agronomist was also conducted. All visits are supported by reports. Changes / updates of any work procedures will be notified through circulars from the Head Office.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Yes	Records of monitoring and the actions taken were maintained and kept for a minimum of 12 months.
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance	Yes	The mill does not sourced FFB from third party.
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 StandardSOPs, are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	Yes	<u>Bebar & Sg. Jernih Estate</u> In general the field husbandry had been satisfactorily maintained. Pruning, frond staking and palm circle had been well maintained. All workers were equipped with PPE such as mask, safety helmet and apron. Interviewed employees were able to demonstrate good knowledge in chemical handling. Record of training for the sprayers in the estate was also available. It can be concluded that good agriculture practices were evident in both estates.
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	Yes	Records of fertilizer were maintained adequately. The annual fertilizer program is based on the recommendation made by the Agronomist and the progress and status of fertilizers application was monitored by the Planting Advisor in his report.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	Yes	A subsidiary of Boustead Plantations Berhad has been appointed to conduct the soil and tissue sampling on annually basis. Based on the past records, it was noted that the results of the periodic tissue and soil sampling were presented in the Agronomist report. Based on the results, recommendation on the oil palm manuring for the year was made.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME, and palm residues. Minor Compliance	Yes	<u>Bebar Estate</u> - The mill is located 30 km from the estate. Due to distance factor the management has decided no EFB application is made. <u>Sg. Jernih Estate</u> - The estate implemented both EFB and POME application.
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	Both estates maintained the soil series map with an added topography information available in the document. <u>Bebar Estate</u> - The soil comprises of Beserah / Bungor / Local Alluvium / Malacca / Masai /Pelepah / Rengam / Sogomana / Tavy series. <u>Sg. Jernih Estate</u> - The soil in the estate is made up of Bungor / durian / jempul / kedah / lintang / Malacca / malau-serdang / nami / pak bong / rasau / seradng & tavy series.

PUBLIC SUMMARY REPORT

	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	A policy signed by the Senior Manager of Boustead Plantations Berhad (dated 11 Jan 2011) was sighted. This policy is applicable to all the estates within the Group. This policy includes the management commitment / compliance in relation to slope area and buffer zone. In addition there is also Oil Palm Circular which contains the SOP for all practices in minimising and controlling erosion.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	Yes	Allocation for road and bridge maintenance is included in the annual budget.
	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	No peat soil in all the planted areas for both the estates.
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance	Yes	No peat soil in all the planted areas for both the estates.
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	Yes	No fragile soil being identified in all planted areas for the two estates. Guidelines is available in an OPC titled Soil Conservation / Water Management providing information to manage fragile and problematic soils.
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	A Water Management Plan is available. The CU had amongst others included the following monitoring in the water management plan a) Riparian Buffer Zone b) Water Quality Monitoring c) Rainfall data d) Rain water harvest RWH and construction of silt pits of dimensions (1m x 2m x 3m depth) in the fields. Both practices are to trap rain water to maximise moisture benefits to the palm trees. e) Identification and management of waste water.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones shall be demonstrated. Major Compliance	Yes	There is no river within the Bebar estate. However, at Sg Jernih estate, there are two rivers flowing in the area i.e. Sg Temiang & Sg Air Jernih. Riparian buffer zones were identified and marked. In some areas Vertiver grass and bamboo had been planted along the river banks. During the field visit there were evidences that these areas were free from chemical spraying and manuring application.
	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	No	Analysis of the treated POME is conducted once a month. Based on the effluent final discharge analysis, all the parameters have been complied with. The analysed parameters included the BOD, TSS, Ammonical Nitrogen, Total Nitrogen, Oil & Grease, pH, COD and total suspended solids. The analysis was carried out by an independent Lab and noted that the testing results were within stipulated limit. Quarterly report to DOE has been submitted and sighted during the audit. During site audit the following were found: Treated effluent flows into water stream from sprinkler head point no. 4, Land application : treated effluent pipe leaking at point no. 2 and Time of effluent discharge was not recorded in the effluent log book. Hence, Minor NCR MH01/2016 was raised.
	4.4.4	Mill water use/MT FFB shall be monitored. Minor Compliance	Yes	Water consumption/MT FFB is being monitored.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	Yes	Both estates practices IPM mainly on the barn owl boxes and planting of beneficial plant for the control and management of pest and diseases. Guidelines for IPM is available in the SOP.
	4.5.2	Training of those involved in IPM	Yes	The estates have trained their employees involved in IPM implementation. For 2016, the CU had planned the

PUBLIC SUMMARY REPORT

managed using appropriate Integrated Pest Management techniques.		implementation shall be demonstrated. Minor Compliance		IPM training to be conducted at least 4 times per year. The following trainings were reviewed: Trunk injection, P & D spraying and management of integrated pest.
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	The justification of agrochemicals use is available in the Oil Palm Circulars OPC.
	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 estates maintained records and monitored consumption of pesticides use in the weeding program. Sighted data of Ally and Amine usage for a duration of 5 years 2010-2015.
	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	The use of pesticides in the estates is monitored through data and graph tabulation as per details in 4.6.2 above. The CU has established relevant procedures to guide the implementation of the Integrated Pest Management (IPM). The SOP included the identification, remedy for the control and management of palm pest and diseases. The Pest and Diseases stated in the SOP include leaf eating beetle, caterpillars, bagworms, rat, RB, termite, Ganoderma and the respective control measures.
	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 in accordance with USECHH Regulations (2000). Minor Compliance	Yes	Review of the past 12 months records revealed that both estates do not use any chemical classified as type 1A or 1B. Monocrotophos was last utilised at Bebar Estate for bagworm problem in April 2015. The balance of the chemical was kept in a locked/separated area in the chemical store. Sg Jernih Estate allocated storage for the Class 1 chemicals in the chemical store. During the site audit, it was confirmed that there was no stock in the store.
	4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label.	Yes	Training on chemical handling were conducted as follow : Bebar Estate - Circle spraying /weeding, Spraying-work place inspection, Trunk injection and P & D spraying Sg Jernih Estate - Safe Operating Procedure for sprayers, Management of integrated pest and Handling/Issuance of Chemicals

PUBLIC SUMMARY REPORT

		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. Major Compliance		
	4.6.6	Storage of all pesticides shall be according to recognized best practices. All pesticide containers shall be properly disposed of and not used for other purposes. Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Reg. and Orders, Pesticides Act 1974 (Act 149) and Reg. Major Compliance	Yes	During the site audit at the chemical stores, it was noted that the pesticides were stored in accordance with the requirements of Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations.
	4.6.7	Application of pesticides shall be by proven methods that minimize risk and impacts. Minor Compliance	Yes	The Safe Work Procedure for spraying have been established. The procedure described the process of handling the chemicals, the safety aspects and the precaution steps that needs to be taken.
	4.6.8	Pesticides shall be applied aurally 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	Both estates had no aerial spraying in their operations.
	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. Minor Compliance	Yes	Details of training were evident in the following : 1. Sustainability Management Program 2016 2. Safety & Health Management Program 2016
	4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated. Minor Compliance	Yes	Bebar Estate has disposed the empty containers as scheduled wastes. The Scheduled Waste Procedure was established to guide the handling of the scheduled wastes. At Sg Jernih Estate, no empty container was produced. All the activities handling of pesticide was carried out by the contractors.
	4.6.11	Specific annual medical surv. for pesticide operators, and doc. action to treat health conditions, shall be demonstrated. Major Compliance	Yes	The health surveillance recommendation for workers directly handling Pesticide was carried out accordingly and the last medical surveillance was carried out in Oct 2015 for store keepers and all pesticides operators by the competent person. Therefore, the NCR raised during the last audit was closed.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	Yes	There was no evidence of pregnant women sprayers being used in the Bebar Estate and Sg Jernih Estate.
C 4.7 An occupational health and safety plan is	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan	Yes	The CU has established an Occupational Safety & Health Policy. The policy was signed by the Deputy Chairman/Group Managing Director of Boustead Group on 1 June 2012. The policy has included their commitment to ensure compliance to all applicable OHS legal and other requirements. The policy has been

PUBLIC SUMMARY REPORT

documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:		covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance		communicated to all employees through roll call, briefing and displayed on the notice boards at several locations. Interview with workers and staffs confirmed that they were aware on the company policy related to occupational safety and health. Field visit also observed that OHS rules were adhered to, such as wearing of appropriate PPE, safety signage's and safety work procedures.
	4.7.2	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. Major Compliance	Yes	HIRARC procedure has been established. Both estates have conducted the risk assessment on all its operation as well as determining their control measures. Last review was carried out on Jan 2016. Risk assessment on activities such as harvesting, spraying, manuring, pruning, weeding, pest & disease, FFB evacuation, etc., have been carried out and control measures have been determined. For Sg Jernih POM, the mill had conducted risk assessment on all its operation as well as determining their control measures. Last review was in June 2016 after the occurrence of an accident at press station. Risk assessment on activities such as loading ramp, sterilizer, digester & press, clarification. have been carried out and control measures determined. Therefore, the previous NCR M04 was closed.
	4.7.3	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 application, machine operations, and land preparation, harvesting and, if it is used, burning. Major Compliance	Yes	Training programme for 2016 has been established. Based on HIRARC, appropriate type of PPE for the various activities were identified and verified. Based on the records viewed, the NCR raised during the ASA 4 (NCR M05) by the auditor was closed accordingly.
	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. Major Compliance	Yes	<u>Bebar Estate</u> A Safety and Health Committee organization chart for 2015/2016 was established. Quarterly Safety & Health Committee meetings were held. The meetings were chaired by the Estate Manager (Bebar & Sg. Jernih) and the Mill Manager (Sg. Jernih POM). Review of the minutes of the meetings confirmed that among the agenda discussed, included the following : i) Passing of previous minutes and arising matters. ii) Accident report (Monthly Accident statistics) iii) Estate Inspection Report
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	Yes	Accident and emergency procedures were available in OSHA Manual - Accident, Incident, Non conformity, Corrective and Preventive Action & Emergency Response And Preparedness. Emergency situations identified were fire, explosions, and medical emergencies, uncontrolled release of hazardous substances, security threats and floods. From the interview with field workers and staff, they are aware and understand the established procedure. The fire drill was conducted in June 2016 at Bebar estate, April 2016 at Sg Jernih Estate and Feb 2016 at Sg Jernih POM. It was observed that first aid box was provided to the field mandores at harvesting, spraying and manuring area and also made available at strategic locations at the office. The first aid boxes were inspected, the medicines supplied have not expired. Interviews with First Aiders were found to be conversant with rendering first aid practices for minor injuries. There was training records on first aid which is conducted by consultant in Sept 2014 and Mar 2016. The certificate was verified.
	4.7.6	All workers shall be provided with medical care, and covered by	Yes	Local workers are covered by SOCSO (Pertubuhan Keselamatan Sosial). The 'Jadual Caruman Bulanan' for March, April and May 2016 were reviewed. The foreign workers were covered by Workmen Compensation

PUBLIC SUMMARY REPORT

		accident insurance. Minor Compliance		provided as per Compensation Act 1952 through RHB Insurance Berhad and Allianz General Insurance Company (M) Berhad.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	Yes	As to-date, there was no accident happened at Bebar Estate and Sg Jernih Estate. The JKPP 8 was sent to DOSH accordingly. At Sg Jernih POM, there were 3 accidents happened in 2015. The investigation reports was conducted by the safety committee and JKPP 6 and JKPP 8 was sent to DOSH in a timely manner.
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training prog. shall be in place that covers all aspects of the RSPO P&C, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	Yes	Sustainability Management Programme 2016 was established. It can be confirmed that comprehensive safety related training was provided to the workers.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	Yes	The training records were available and being maintained at the respective sites. Records reviewed.

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 continual improvement.	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	Yes	The Bebar & Sg. Jernih Estate have identified the environmental aspects and its associated environmental impacts for all of its activities related to field operation as well as other facilities such as the workshop, chemical and waste stores. The aspect-impact assessment was reviewed annually. Last review was carried out in Jan 2016. The assessment has covered activities related to estate operation such as chemical spraying, manuring, harvesting/pruning, EFB mulching, transportation and decanter cake application, chemical storage.
	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 identify the responsible person. Minor Compliance	Yes	No identified impacts required change of the current practice for both mill and estates. Nonetheless, mitigation measures are developed in order to minimise the negative impacts. Among the mitigation measures developed were OPC, SOP, working instructions and engineering controls.
	5.1.3	This plan incorporate a monitoring protocol, adaptive to operational changes, which implemented to monitor the effectiveness of the mitigation measures. The plan reviewed as a min. every 2 years to reflect the results of monitoring and where there are operational changes that may have +ve & -ve env. impacts. Minor Compliance	Yes	Not applicable. No identified impact that requires changes in current practice.
C 5.2 The status of rare, threatened or endangered species other High Conservation Value habitats, if any,	5.2.1	Information shall be collated in a HCV assessment that includes both the planted area itself and relevant landscape - level considerations. Major Compliance	Yes	The HCV report is available. The study was conducted by Wild Asia (Malaysia) and completed in Aug 2010. The study had covered all the HCV within and adjacent to the Sg Jernih CU. The HCV assessment had identified the RTEs for estate named Sg Jernih, Bebar, and LTT including the management and action plan. In general, Sg. Jernih CU had identified 3 potential HCV, Bukit Ibam Forest Reserve, Bukit Musoh Forest and South East Pahang Peat Swamp.
	5.2.2	Where RTE species, or HCVs, are	Yes	The HCV report is available. The study was conducted by Wild Asia (Malaysia) and completed in Aug 2010.

PUBLIC SUMMARY REPORT

that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.		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		The study had covered all the HCV within and adjacent to the Sg Jernih CU. The HCV assessment had identified the RTEs for estate named Sg Jernih, Bebar, and LTT including the management and action plan.
	5.2.3	There shall be a prog. to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures instituted in acc. with company rules and nat. law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance	Yes	A training programme for year 2016 was available. Sighted the trainings on biodiversity conducted to workers, mandore and Estate Security in Mac & May 2016. Awareness training like morning briefing has also been conducted by the Assistant Manager of Sg. Jernih & Bebar Estate to all the workers. An appropriate disciplinary measures was 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.
	5.2.4	Where an action plan created there shall be ongoing monitoring: <ul style="list-style-type: none"> The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring fed back into the action plan. Minor Compliance	Yes	Sg. Jernih CU is committed to discourage any illegal or inappropriate hunting or collecting activities. Evidence was seen during the site review that signage to prohibit hunting was erected at Riparian Zone and border. The estates have also hired guards to patrol and check for illegal hunting and to prevent elephant going into estate and also controlling the illegal activities.
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	Yes	There was no local communities living nearby with Sg Jernih CU. So, this indicator was not applicable with this CU.
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	Yes	Identification of wastes was conducted and the mitigation plan had been established. This had been documented in the company's "Waste Management Plan".
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	Yes	The Scheduled Waste Procedure was established to manage the scheduled wastes and it can be confirmed that Sg. Jernih CU has carried it out accordingly.
	5.3.3	A waste mgmt. & disposal plan to avoid or reduce pollution doc. and implemented. Minor Compliance	Yes	The "Waste Management Plan" was established. Among the wastes that were identified include domestic wastes from household, scrap iron, empty chemical containers, scheduled wastes and mill wastes. The mitigation plan included the appropriate method of disposal.
C 5.4 Eff. 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	The plan to improve the efficiency of fossil fuel usage was established. The CU monitored the consumption of diesel per mt FFB.
C 5.5 Use of fire for preparing land or replanting is	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the	Yes	Based on the field visit, it was confirmed that there was no replanting area at Bebar Estate and Sg Jernih Estate.

PUBLIC SUMMARY REPORT

avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice		<i>'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Major Compliance</i>		
	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 ASEAN Policy on Zero Burning' 2003. Minor Compliance</i>	NA	Not applicable.
<p>C 5.6</p> <p>Preamble</p> <p>Growers and millers commit to reporting on operational GHG emissions.</p> <p>It is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and meth. It is also recognized that it is not always feasible or practical to reduce or min. emissions.</p> <p>Growers and millers commit to an impl.period until the end of Dec 2016 for promoting best practices in reporting to the RSPO, thereafter to public reporting.</p> <p>Growers and millers make this commitment with the support of all other stakeholder of the RSPO. Plans to reduce pollution and emissions, incl. GHG are developed, implemented and monitored.</p>	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).	Yes	The Bebar & Sg. Jernih Estate have identified the environmental aspects and its associated environmental impacts for all of its activities related to field operation as well as other facilities such as the workshop, chemical and waste stores. The aspect-impact assessment was reviewed annually and last review in Jan 2016. The identification of the environmental aspects was carried out in accordance with the established procedure. The assessment has covered activities related to estate operation such as chemical spraying, manuring, harvesting/pruning, EFB mulching, transportation and decanter cake application, chemical storage and etc. At Sg Jernih Estate, the new construction of highway was also included in the assessment. Sg. Jernih & Bebar Estate had include the assessment for activities related to GHG e.g. FFB transport, manuring, road maintenance, while for Sg. Jernih POM, the assessment on the GHG emission had been registered accordingly e.g. treatment of effluent, operation of diesel engine and operation of steam boiler.
	5.6.2	Significant pollutants and GHG emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	Yes	Sg. Jernih CU has established and implemented the GHG & carbon stock management program which included the reduction of GHG emissions. Hence, the NCR raised during ASA 4 (NCR M06) was closed.
	5.6.3	A monitoring system in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance	Yes	The CU has been using the RSPO's PalmGHG calculator for calculating its GHG emission. The CU has also submitted its calculation report 2015 to RSPO Secretariat for review by the Emission Reduction Working Group (ERWG). The NCR M07 raised during last audit (ASA4) was closed accordingly.

PUBLIC SUMMARY REPORT

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

Clause	Indicators		Comply Yes/No	Findings
C 6.1 Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	Yes	SIA report dated Aug 2010 was made available during the audit. The assessment had covered all the 3 estates and mill in the CU. The report has covered on stakeholder mapping, wages and decent living wage, employment conditions, living conditions, health & safety in the workplace, public health & safety, respect for human rights, communication with management, and community relations.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	Yes	The SIA assessment was carried out in June 2010 with workers, clinic attendant, independent smallholders, smallgrowers and nearby communities. All records of meetings, consultation takes place during the SIA is incorporated in the report. List of the stakeholders consulted was also included in the report.
	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, incl. responsibilities for implementation. Major Compliance	Yes	Plans for mitigation of negative impacts have been established. A timetable with responsibilities for mitigation and monitoring was reviewed and updated accordingly. Specific person in charge was identified and be responsible for taking actions on each of the mitigation measures with specific time intervals. Stakeholders meeting were held by the CU to gather inputs during the process of reviewing and updating the Management Action Plan for SIA 2015. The monitoring records were verified at Sg. Jernih Estate, Bebar Estate and Sg Jernih POM.
	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	The plans was reviewed on yearly basis and updated as necessary. The SIA management action plan was reviewed accordingly; Sg. Jernih POM (May 2015), Sg. Jernih & Bebar Estate (Jan 2016). The review was conducted with the participation of affected parties such as local communities, NGO's, government agencies, stakeholders and contractors.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	Yes	There was no smallholder schemes in the CU.
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	The CU has established a procedures in order to comply with the requirement and it describe the procedures and mechanism to be taken should any stakeholders (either external or internal) wish to communicate with the company on any issues.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	Yes	Management officials responsible for handling of social issues have been identified. Appointment letters have been sighted during the audit.
	6.2.3	A list of s/holders, records of all communication, incl. confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from s/holders is maintained. Minor Compliance	Yes	List of stakeholders that may be relevant to the company's operation including local communities, local authorities and NGOs has been established. As mentioned earlier, consultation with the stakeholders during the establishment of Social Action Plan was conducted. The consultation with the relevant and affected stakeholders that was held in Feb 2016 for Sg. Jernih & Bebar Estate and April 2015 for Sg. Jernih POM. The mtg were participated by gov. agencies, local communities, NGOs and private sectors were evident within the document. Evidence of participation of the s/holders were available in signed attendance list as well as photographs showing evidence of the consultation that had took place.
C 6.3 There is a mutually agreed and documented system for dealing with	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of	Yes	The Sg. Jernih CU affirms that its dispute system is open to any affected parties. Policy on Whistleblowing and procedures were available. In accordance with the procedure, the anonymity of complainants and whistleblowers will not reveal to third parties.

PUBLIC SUMMARY REPORT

complaints and grievances, which is implemented and accepted by all affected parties		complainants and whistleblowers, where requested. Major Compliance		
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	Yes	Complaints on housing and other services were usually entered into record form. The records include the name of the person who complained, his address, date, and type of service required. Visits to the line sites at Sg Jernih Estate, Bebar Estate, Sg Jernih POM confirm that actions were taken on the complaints made by the workers. Complaints from employees were usually pertaining to housing conditions, water tank, toilet, roads and lighting. The workers interviewed at the office and during visits to the line sites gave positive remarks on the manner their grievances have been handled by the management. The grievances book was verified during the audit.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	Yes	All records of complaints and grievances were kept within the grievance/request record book as well as in gender committee folder and workers union folder. Records of communication for labour and staff complaint at Sg Jernih POM, Sg Jernih Estate and Resort Estate have been reviewed and found out that the process of dispute was resolved in accordance with the established procedure.
	6.4.2	A procedure for calculating and distributing fair compensation established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This proc. 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. Minor Compliance	Yes	As mentioned in 6.4.1, the CU has established a procedure for calculating the compensation. The process and outcome of any compensation claims is documented and made publicly available. There had not been any other issue of land claims involving the estate.
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance	Yes	There was no issue raised related to the compensation claims at Sg Jernih CU. This was verified during interview with the stakeholders.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry min. std. and are sufficient to provide decent living wages.	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	Pay slip for sprayer and harvester had been verified by auditor. Their wages had followed minimum national wages where they have been paid at RM34.65 per day with a total of RM900 per month (minimum). Employee's pay slip and employment agreement had been checked and verified. The local workers contract states the monthly salary, working days, allowance, overtime, annual leave, public holidays, medical benefits, income tax and contributions to SOCSO. While for foreign workers, the contract states contract period, wage rate, working days and working hours, overtime, public holidays, house accommodation, medical benefits, sick leave, annual leave, insurance. The contract is in both Bahasa Malayu and English.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment available in the	Yes	The employment contract is in Bahasa for foreign workers and English for local workers. However, the pay slip is in English and its computations are quite complicated. The CU has explained the pay slip to the workers. During interviewing the local workers and foreign as mentioned in 6.5.1, they were understood the content of their contract of employment and pay slip statement.

PUBLIC SUMMARY REPORT

		languages understood by the workers or explained carefully to them by mgmt official. Major Compliance		
	6.5.3	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. Minor Compliance	No	Sg Jernih POM, Sg Jernih Estate and Bebar Estate have provided adequate housing, water supplies, medical, educational and welfare amenities in accordance with the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). For local workers, children 4 years old and below are staying at 'Tabika Kemas' Kindergarten until their parent finish their job. Transportation is provided for local children from their house to the nearby Government schools. The CU still maintains its policies on housing, water and electricity supply as reported in the previous audit. Electricity and water bills were subsidized. Religious, medical, educational, child care facilities – Crèche Ayah are offered as before. Any maintenance and service for housing and facilities can be requested from the respective management with free of charge. During the audit, it was found that the workers quarters inspection was not conducted as per the requirements. Hence, Minor NCR MZK 01 2016 was raised.
	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. Minor Compliance	Yes	Sg. Jernih Estate has demonstrated effort to monitor once a year the adequacy of food supply and price at the sundry shop within the estate. The monitoring was last carried out by the estate manager in Jan 2016. At Bebar Estate, it was noted that the estate manager had conducted monitoring at least once in 3 months at the sundry shops that operate in the estate. Last visit was carried out in March 2016. Sg. Jernih POM also monitored once a year on the canteen operator within the mill. Last monitoring was carried out in Jan 2016 by the mill manager.
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 recognizing freedom of association shall be available. Major Compliance	Yes	The relevant policy dated Jan 2011 is available in the CU. The policy is written in Bahasa and languages understood by the workers is displayed at the public places at all estates/mill. The policy included statements, among others, that the workers are allowed to join any registered organizations or associations. Foreign workers are not allowed to hold any positions in the organizations or associations. The workers whom were consulted had confirmed that they were aware of their rights to join a union.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	Yes	The CU continues to retain minutes of meeting with trade unions.
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	Relevant policy dated Jan 2011 is publicly available at the visited estates and mill. The policy statements emphasized on child under 18 years must not be employed to work in hazardous areas. This policy is posted on notice boards in the estates/mill office. Verification through employment card and copies of passports of foreign workers as at Mar 2016 for the Sg Jernih CU confirmed that there was no record of persons under age of eighteen, the minimum working age under Malaysian Labor Laws (Am. Act A238) have been employed by the CU.
C 6.8 Any form of discrimination based on race, caste, national	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall	Yes	The policy dated Jan 2011 is publicly available in the estate and POM. The policy statements emphasised on worker information, recruitment and selection, training, employee development, terms of service and records of service. This policy is posted on notice boards in the estates/mill office.

PUBLIC SUMMARY REPORT

origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	6.8.2	be documented. Major Compliance Evidence provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	Yes	There is a publicly available equal opportunities policy dated Jan 2011 which states that the company is providing equal opportunity to all and does not practice discrimination based on race, caste, national, origin, disability, gender, sexual orientation, union membership, political affiliation, or age. There is no evidence of discrimination when a cross section of employees was interviewed. A functioning grievance mechanism is in place.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	Yes	The job advertisements and records of hiring and promotion were reviewed during the audit. It was noted that the hiring and promotion are based on the skills, capabilities, qualities and medical fitness. This was confirmed by the employees who were interviewed during the audit.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	Policy on sexual harassment dated Jan 2011 was available. The policy was signed by the Plantation Director. The policy is also written in Bahasa and displayed at the notice boards within the estates and mill office. No evidence or acts that contradict this policy were observed. Sg Jernih POM, Sg Jernih Estate and Bebar Estate have briefed their employees during gender committee meeting.
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The established policy dated Aug 2015. Sg Jernih POM, Sg Jernih Estate and Bebar Estate have briefed their workers during morning muster and during training session. Based on interview with workers, they were understand the policy. Hence, previous Major NCR #:M08 was closed.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	Yes	The specific grievance mechanism is available in the CU. The chair of the Gender Committee at each operating units is responsible for handling and communicating issue to the management, if any. Management has directed chairman of gender committee to respects and protects anonymity and complainants where requested. The mechanism has been communicated to all levels of the workforce as verified by auditor during interview with the female workers. The Women and Children Committee at the Sg. Jernih CU had conducted meeting on quarterly basis. The committee had briefed their members on the objectives of the establishment of the committee, mechanism to address particular issues related with women and children and also their annual program activities.
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 FFB shall be publicly available. Minor Compliance	N/A	This indicator is not applicable as the mill only received FFB from their own estates.
	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. Major Compliance	Yes	Sg Jernih POM has documented their pricing mechanisms for CPO transporters as agreed by both parties. The agreement is renewed on annual basis.
	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	During the audit, interview with contractors were carried out. From the interview, it was noted that the contractors understood the requirements in the agreement and agreed that the terms are fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	Yes	Based on interview with contractors from Sg Jernih POM, Sg Jernih Estate and Bebar Estate, the audit team was informed that any payments to supplier and contractor were made in a timely manner, i.e. every 7 th and 18 th of the month.
C 6.11 Growers and millers	6.11.1	Contributions to local development that are based on the results of	Yes	Each operating units within the CU had allocated budget for corporate social responsibility activities. The following were noted:

PUBLIC SUMMARY REPORT

contribute to local Sustainable development where appropriate.		consultation with local communities shall be demonstrated. Minor Compliance		i) Provided free electricity and water supply for workers. ii) Provided medical treatment for workers and dependent & "Orang Asli" iii) Provided allowance for the Mosque's Imam Mosque's, Bilal and Quran teacher iv) Donation to SMK Bandar 2.
	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	NA	There was no smallholders FFB supplier involved with Sg. Jernih 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 was no trafficked labour are used. This was verified through interview with several workers, verification of their passport, contract agreements and work permit. The interviewed workers mentioned that they were employed voluntarily, without the threat of a penalty. Workers has the freedom/right to terminate the employment contract without penalty given by company by providing notice of 30 days. The foreign policy was also established.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	Yes	There is no contract substitution occurred as stated in the policy dated in Apr 2016 in Sg. Jernih CU.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	Yes	A special labour policy for employment of foreign workers has been addressed in the social policy. The policy mentioned that foreign employees will be treated fairly in terms of recruitment, terms and conditions of work, provide decent living and no contract substitution. A post arrival program is conducted for three months once arrived at the operating units.
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. Major Compliance	Yes	A policy to Respect Human Rights has been established by the CU on 11 January 2016. Auditor has verified through interview with workers that the policy has been communicated to all levels of the workforce and operations on 8 June 2016.
	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	NA	Since this plantation is in West Malaysia, therefore this indicator is not applicable. However, the CU has provided a building as kindergarten for workers children.

Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

The CU has no plan for any new planting and no new development of area. Thus, Principle 7 is 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	8.1.1	The action plan for continual improvement shall be implemented,	Yes	The "Waste Management Plan" was established. Among the identified wastes were domestic waste from household, scrap iron, empty chemical containers, scheduled wastes and mill wastes such as boiler ash,

PUBLIC SUMMARY REPORT

regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.		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		POME, EFB, fibre & shell, decanter cake, etc. The mitigation plan/disposal method had been established. The Sg. Jernih CU has established the GHG emissions & carbon stock management program which is aim to the reduce emission of the GHG. The program was prepared and monitored accordingly. The Sg. Jernih CU continues to implement the social action plan determined as of results of stakeholders'. consultation and meetings. Among the improvement made were shortened timeframe for payment to supplier, contractor and payment made by HQ, workers and staff Salary following MAPA/NUPW, street and house lighting, court sports and recreational activities and etc.
	a)	Reduction in use of pesticides(Criterion 4.6);	Yes	
	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	
	e)	Social impacts (Criterion 6.1);	Yes	
	f)	Encourage optimising the yield of the supply base	Yes	

PUBLIC SUMMARY REPORT

Attachment 4

Details of Non-conformities and Corrective Actions Taken for RSPO P&C MYNI 2014

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.4.3 NCR#: MH01/2016	Minor	<u>Requirement:</u> Indicator 4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. <u>Finding:</u> During site audit the following were found: <ul style="list-style-type: none"> Treated effluent flows into water stream from sprinkler head point no. 4 Land application : treated effluent pipe leaking at point no. 2 Time of effluent discharge was not recorded in the effluent log book. 	The following actions had been taken: <ol style="list-style-type: none"> Mill had repaired Sprinkler head point no. 4 by blank out and treated effluent pipe leaking at Point no. 2 Mill had meeting with Sg Jernih Estate about the Sprinkler Area that had been damaged by harvester during harvesting crop and done improvement regarding this matters. Mill had done signage for Sprinkler Area to aware the harvesters. Mill had allocated for Sprinkler Operator in next year budget. Mill will carry out Workplace Inspection in in field affected accordingly (Every 3 months interval) Mill will record the time of effluent discharge in the log book 	The action plans were found to be acceptable. Effectiveness of the implementation will be verified in the next surveillance audit. Status: Open
Indicator 6.5.3 NCR#: MZX01/2016	Minor	<u>Requirement:</u> Indicator 6.5.3: 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. <u>Finding:</u> During the audit, it was found that the worker's quarters inspection was not conducted as per the requirements of Section 23 of the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446).	<ol style="list-style-type: none"> The Sungai Jernih Business Unit will carried out workers quarter's inspection by weekly basis as per section 23 Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) The management will ensure inspection will carried out by staff-in- charge and will record in proper documentation. The Management will verify and take necessary action on issue arising in regards the inspection results. 	The action plans were found to be acceptable. Effectiveness of the implementation will be verified in the next surveillance audit. Status: Open

PUBLIC SUMMARY REPORT

Attachment 5

RSPO Supply Chain at the palm oil mill – Module D Identity Preserved

Item No	Requirement	Finding
D.1 D.1.1	Definition To verify : a) the volume and sources of certified FFB entering the mill b) the implementation of any processing control c) volume sales of RSPO certified	a) It was confirmed that all FFB entering the Sg. Jernih POM was came from group estates i.e. Sg. Jernih Estate, Bebar Estate and TT-Terengganu Estate. The volume of FFB received from June 2015 to May 2016 is 104,145.00 MT. Data was confirmed with the mill production report. b) Sg Jernih POM has identified the critical control point (CCP) relating to the RSPO supply chain system. Among the CCPs were the weighbridge, administration office, ramp, CPO and kernel despatch area, CPO and kernel storage tank. Appointed personnel at each CCP is responsible to ensure records relating to RSPO SC are up-to-date and maintained. c) Verified the sales volume of RSPO certified products for twelve months period June 2015 to May 2016, CPO was 26,358.00 MT and PK 116.22 MT. The sales volume was within the total production of CPO and PK.
D 2 D.2.1	Explanation Estimate total tonnage of CPO and PK potentially produce in a year	The estimate total tonnage of CPO and PK potentially produce by Sg. Jernih POM for the next twelve month period (June 2016 to May 2017) are as follows: CPO : 29,698.00 Mt PK : 4,519.00 Mt
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; 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.	a) The Sg Jernih POM continued to implement written procedure entitled "RSPO Supply Chain Standard operating procedure". The procedure has described on critical control point (CCP), identified person in-charge and their responsibility, record retention period, outsource activities, list of certified FFB supplied, relevant documentation related to FFB received and products despatch. However, some of the RSPO SCC standard requirements example description of supply chain model is not clearly stated in the procedure. Therefore Major NCR was raised (NCR RA 01 2016). As part of the corrective action taken, Sg. Jernih POM has submitted the revised procedure to the auditor. The revised procedure entitle "Supply Chain (SCC) Procedures", July 2016. Sighted the procedure and noted it has addressed and met minimum requirements of RSPO supply chain standard. Among the changes include specific information contain in the CPO and PK despatch documentation which is mill weighbridge ticket and delivery order. Both document shall provide name of seller and buyer, delivery date, description of product (IP or MB), weight of product delivered, RSPO certificate number, delivery order number and Weighbridge ticket number. Sample of weighbridge ticket and delivery order record was submitted to the auditor. Based on evidence submitted to the auditor therefore NCR was closed. b) The RSPO Chairman has the overall responsibility and authority over the implementation of the supply chain requirements. It was noted RSPO Chairman has assigned Sg. Jernih Mill Manager to ensure the implementation of supply chain procedure met the RSPO requirements. Interviewed with relevant person in-charge at critical control point was revealed they are understood on the RSPO standard requirements which requires no mixing of RSPO certified and non RSPO certified material in receiving, processing, storage and delivery.
D 3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	Documented procedure was established to describe receiving and processing certified and non-certified FFBs refer explanation in 3.1.
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.	The Sg Jernih POM has established a list of RSPO certified supplier. Sighted the list and verified weighbridge ticket, it was confirmed all FFB entering Sg. Jernih POM were from the group estates namely the Sg. Jernih Estate, Bebar Estate and TT-Terengganu Estate. The total volume of FFB received from the said three estates from June 2015 to May 2016 is 104,145.00 MT. None FFB received from other estates.
D 4.2	The site shall inform the CB immediately if there is a projected overproduction.	Based on records of FFB received and CPO & PK produced, there was no overproduction observed.

PUBLIC SUMMARY REPORT

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.	Sg. Jernih POM has maintained the three-monthly accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK. Record entitle <i>"Mass Balancing Records for Oil Mills"</i> .
D 6 D.6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	Through interview with FFB grader, Weighbridge staff, mill supervisor and Mill Manager, it was confirmed that the mill has not received and processed any non-certified FFB. Sighted weighbridge summary reports which confirmed that all FFB were from its own estate i.e. . Sg. Jernih Estate, Bebar Estate and TT-Terengganu Estate.
D.6.2	The objective is for 100 % segregated material to be reached.	Sg. Jernih POM does not accept any non-certified FFB. It was confirmed through weighbridge summary report therefore CPO and PK can be considered 100% segregated.

Attachment 6

RSPO Supply Chain - Details of Non-conformities and Corrective Actions Taken

RSPO SCC 2014	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
NCR #: RA01/2016	Major	<u>Requirement:</u> 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: Complete and up to date procedures covering the implementation of all the elements in these requirements. <u>Finding:</u> The established procedure has not addressed some of RSPO SCC 2014 requirements	The RSPO Supply Chain Procedure has been revised.	Sg Jernih POM has submitted the revised procedure to the auditor. The revised procedure entitle "Supply Chain (SCC) Procedures", July 2016. The procedure has addressed the minimum requirements of RSPO supply chain standard 2014. Among the changes include specific information contain in the CPO and PK despatch documentation which is mill weighbridge ticket and delivery order. Both documents shall provide name of seller and buyer, delivery date, description of product (IP or MB), weight of product delivered, RSPO certificate number, delivery order number and Weighbridge ticket number. Sample of weighbridge ticket and delivery order record was submitted to the auditor. Based on evidence submitted to the auditor had closed the finding. Status: Closed.

PUBLIC SUMMARY REPORT

Attachment 7

Status of Non-conformities Previously Identified

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken by the CU and Verification by Auditor
Indicator 4.3.2 NCR #: M01	Minor	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. No topography maps were shown to identify where areas of having 25 degrees.	The current soil map for the 2 estates provide the following information adequate to provide details on the degree at the respective area in the estates. a) Soil series /ha b) Parent material / structure c) Texture / colour d) Drainage / depth / consistence e) Slope degree Status: Closed
Indicator 4.5.1 NCR #: M02	Major	Implementation of Integrated Pest Management (IPM) shall be monitored. In Ladang Bebar, there was an application using trunk injection in April – March 2015 using monocrothophos, however there was no census record sighted prior to the application. According to the staff, application was done without census and pest-census.	Management has start implementing the IPM Techniques incorporating methods to minimize the use of chemicals. On top of that, census of leaf eating insect has been carried out coupled with training/ retraining for those handle chemicals in necessity manner. All requirement and applicable laws incorporating to the chemical handling were strictly adhered. 1. Census record and map 2. Training/Retraining for those handling chemicals 3. Permit to purchase Monocrothophos for Authority (DOA) Bebar estate has produced census record made on 02/03/15 and 03/03/15. The census data is tabulated and shown in sketch map. Status: Closed
Indicator 4.6.11 NCR #: M03	Major	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. At Ladang Bebar, the medical surveillance for the spray operators was not available during the audit.	The management has conducted the annual medical surveillance on June 2014. The specific annual medical surveillance for pesticide operators has been documented and demonstrated to related health condition accordingly as per USECHH Regulations 2000 1. Borang maklum balas USECHH 4 dated 16 September 2014. 2. Cover report of Occupational Medical Surveillance Programme 2014 3. Keputusan Pemantauan Perubatan The annual medical surveillance for pesticide operators was conducted accordingly and the last medical surveillance was carried out on 9/10/2015. Status: Closed
Indicator 4.7.2 NCR #: M04	Major	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. The mill has conducted HIRARC for all mill operation activities. However assessment in engine room/power house not assesses the noise pollution and the risk factors for immediate workers whom exposed to high the high noise level.	HIRARC assessment for noise pollution in engine room/power house conducted and documented evidence provided for closing of non-conformance. SJPOM-Borang HIRARC, Doc. No:OSH/HIRARC/10 Revised dated: 3 rd August 2015 was verified. HIRARC was reviewed and updated on 14/6/2016 by management of Sungai Jernih POM. Status: Closed

PUBLIC SUMMARY REPORT

Indicator 4.7.3 NCR #: M05	Major	<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 application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <ol style="list-style-type: none"> During mill visit it was observed by audit team the noise level was higher, however worker in engine room was not using and was not sure whereabouts of his ear plug. In maintenance room seen the wires in electrical panel improperly arranged and with unacceptable housekeeping condition (sharp object everywhere, work pieces not arranged properly, PPE not effectively taken care) endangering maintenance workers. Based on audiometric result dated on 3/2/2015, some of workers been diagnosed threshold shift and required to be tested within 4/5/2015, however this exercise was not planned. Emergency spillage kits at chemical stores and at recycle despatch area are exposed to rain, found with mixtures of food packaging and cigarette butts. 	<ol style="list-style-type: none"> Mill was performed housekeeping at the designated area and ensure to maintain the cleanliness at all times without compromises. Documented evidence verified. Mill had provided ear plug and committed to ensure the workers using appropriate PPE's during perform their job. Records as evidence were verified. Resend for audiometric test-4/5/2015 on August 2015. <p>During the audit;</p> <ol style="list-style-type: none"> It was confirmed that the management of Sungai Jernih POM maintained the cleanliness. The record of PPE distribution was verified. The retest audiometric was conducted on 31/3/2016 as per recommendation by the Specialist Mobile Safety Supplies Sdn Bhd <p>Status: Closed</p>
Indicator 5.6.2 NCR #: M06	Major	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. The treatment methodology for POME is well defined and closely monitored. However there are no plans identify to reduce or minimize GHG emissions. Since there is an absence of plans to reduce or minimize them, therefore the objectives, target and timeline for reduction not established in mill and estates.</p>	<p>The management had established Greenhouse Gas (GHG) emissions and carbon stock management programme 5.6.2 (M) for the year 2015. Documented evidence showed that there are clearly stated the objective(s), target(s) and timeline to ensure the opportunities of reduction as per RSPO EWRG. The provision for this exercise will be allocated in budget 2016 onwards. Management also provided a plan for GHG Emission reduction to be incorporated into the their best practices.</p> <p>Sg. Jernih PU has established the GHG emissions & carbon stock management programme which related to the reduce emission of gaseous. The program was prepared and monitored accordingly.</p> <p>Status: Closed</p>
Indicator 5.6.3 NCR #: M07	Minor	<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. There is no documented evidence available to ensure a system in place to monitor emission of pollution including greenhouse gases from estates and mill operations. There is no mechanism available to demonstrate if there regular reporting conducting by using appropriate tools and the Palm GHG Calculation is not available as required by the RSPO EWRG.</p>	<p>Sg. Jernih PU has been using the RSPO's PalmGHG calculator for calculating and monitored its GHG emission. The record was evidence during the audit.</p> <p>Status: Closed</p>
Indicator 6.9.2 NCR #: M08	Major	<p>A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Policy to protect the reproductive right of all is not available.</p>	<p>Sighted company has established a policy titled 'Hak Reproduksi' dated 11 August 2015.</p> <p>Status: Closed</p>

PUBLIC SUMMARY REPORT

<p>Indicator D2.1 NCR #: MINOR 01</p>	<p>Minor</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represent the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p> <p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill are recorded by the certification body (CB) in the public summary of the P&C certification report.</p> <p>c) Potential total volume of certified palm oil product CPO d) Potential total volume of certified palm oil product PK However the PK produced is not recorded.</p>	<p>The total volume of certified palm kernel was established in "Mass Balancing Record for Oil Mills".</p> <p>Sighted "Mass Balancing Record for Oil Mills" and confirmed CPO and PK volume recorded accordingly.</p> <p>Status: Closed</p>
---	--------------	---	---