



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

File Ref: EH04760002

RSPO PUBLIC SUMMARY REPORT

CLIENT : JEROCO PLANTATIONS SDN. BHD. – JEROCO PALM OIL MILL 2

PARENT COMPANY : HAP SENG PLANTATIONS HOLDINGS BERHAD

RSPO MEMBERSHIP NO.: 1-0098-11-000-00

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	
Jeroco Certification Unit	Jeroco Palm Oil Mill 2	N 5° 25' 52.0"	E 118° 25' 02.0"	Off KM 50, Jalan Jeroco, 91109 Lahad Datu, Sabah, Malaysia
	Kapis Estate	N 5° 26' 34.3"	E 118° 24' 51.0"	Off KM 50, Jalan Jeroco, 91109 Lahad Datu, Sabah, Malaysia

MAP : See Attachment 1

AUDIT DATE : 24-27 July 2018

DURATION : 9 auditor days

TYPE OF AUDIT :



Annual Surveillance Audit



Recertification Audit

STANDARD : RSPO PRINCIPLE & CRITERIA MYNI 2014, AND RSPO SUPPLY CHAIN CERTIFICATION STANDARD 2014 (REVISED 14 JUNE 2017)

SCOPE OF CERTIFICATION: Production of Sustainable Crude Palm Oil and Palm Kernel Using the Mass Balance Supply Chain Model

VALIDITY OF RSPO CERTIFICATE : 27/09/2013 – 26/09/2018 (EXTENDED UNTIL 26/12/2018)

The following attachments form part of this report:

Non-conformity Report(s) ☐

List of additional site(s) ☐

Report by Audit Team Leader

Acknowledgement by Client's Representative

Name : Mohd Zulfakar Kamaruzaman

Name :

KEE KEOH CHONG

Signature :

Signature :

Date :

15 November 2018

Date :

17.11.18

RSPO PUBLIC SUMMARY REPORT

SUMMARY OF AUDIT

Annual Surveillance Audit 1				
On-site audit date :				
Audit team :				
No. of major NCR :				
No. of minor NCR :				
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 :				
Justification of audit planning :				
Report approved by :			Approval date :	

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 / Local communities	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractors	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				
Justification of audit planning :				
Report approved by :			Approval date :	

Annual Surveillance Audit 3				
On-site audit date :	26-29 July 2016		No. of auditor days :	8 days
Audit team :	Mohd Zulfakar Kamaruzaman and Mohd Razman Salim			
No. of major NCR :	1	Indicator: 6.5.2	Closing date : 13 September 2016	
No. of minor NCR :	1	Indicator : 6.10.3		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	X		x	X
	Contract workers	NGOs	Govt. agency	Independent growers
	x			X
	Indigenous people	Contractor	Others (Please specify)	
		X		

RSPO PUBLIC SUMMARY REPORT

Supply base sampled :	Kapis Estate
Changes since the last audit :	No changes

Annual Surveillance Audit 4				
On-site audit date	:	1-3 August 2017		No. of auditor days : 8 days
Audit team	:	Mohd Zulfakar Kamaruzaman, Ruzita Abd Gani and Mohd Norddin Abd Jalil		
No. of major NCR	:	1	Indicator: 2.1.1	Closing date : 2/11/2017
No. of minor NCR	:	1	Indicator : 4.1.2	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		X		X
		Contract workers	NGOs	Govt. agency
			X	X
		Indigenous people	Contractors	Others (Please specify)
			X	
Supply base sampled	:	Kapis Estate		
Changes since the last audit	:	No changes		

Recertification Audit					
On-site audit date	:	24-29 July 2018		No. of auditor days : 9 Days	
Audit team	:	Mohd Zulfakar Kamaruzaman, Mohd Razman Salim and Suzalina Kamaralarifin			
No. of major NCR	:	1	Indicator: 4.7.2	Closing date: 20/10/18	
No. of minor NCR	:	1	Indicator : 2.1.2		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities	Suppliers
		X		NA	X
		Contract workers	NGOs	Govt. agency	Independent growers
				X	X
		Indigenous people	Contractors	Others (Please specify)	
		NA	X		
Supply base sampled	:	Kapis Estate			
Changes since the last audit	:	No changes.			
Justification of audit planning	:	Total allocation of auditor days for Jeroco 2 CU were: Mill = 5 days (4 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 4 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.			
Report approved by	:	Radziah Mohd Daud		Approval date : 15/11/2018	

RSPO PUBLIC SUMMARY REPORT

SUMMARY OF INFORMATION

TABLE 1

	STAGE 2/ RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	July 2018 to June 2019			July 2016 to June 2017	July 2017 to June 2018
Certified FFB Processed (MT)	37,130.00			39,630.00	35,500.00
Production of Certified CPO (MT)	7,649.00			8,756.00	7,632.00
Production of Certified PK (MT)	1,782.00			1,927.00	1,704.00
Certified Areas (Ha)	2,681.00			2,681.00	2,681.00
Planted Areas (Ha)	2,342.00			2,342.00	2,342.00
Production Areas (Ha)	1,690.00			2,342.00	1,690.00
HCV Areas	29.20			29.20	29.20
REMARKS	-				

TABLE 2

	PO	PK
Last years certified volume (MT)	7,632.00	1,704.00
Last years actual certified sold (MT)	0.00	0.00
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	*48.39	*11.22
New year certified volume (MT)	7,649.00	1,782.00

*RSPO certified production was very low as only 237.07MT certified FFB processed in Jeroco 2 CU. It has been noted that the certified FFB from Jeroco 2 CU i.e. Kapis Estate, was diverted to Jeroco 1 CU to cater for high demand in RSPO-IP certified products. No delivery of RSPO-certified product from Jeroco 2 CU during this reporting period.

RSPO PUBLIC SUMMARY REPORT

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	7
1.4 Stakeholder Consultation	7
1.5 Audit plan	7
1.6 Date of next audit	7
2.0 SCOPE OF CERTIFICATION AUDIT	7
2.1 Description of the certification unit	7
2.2 Description of the Supply Base (including planting profile)	8
2.3 Organization Information / Contact Person(s)	10
3.0 AUDIT FINDINGS	10
3.1 Changes to certified products in accordance to the production of the previous year	10
3.2 Time bound plans including changes and reasons for the changes see below	10
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)	1
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.	11
3.5 Any new acquisition which has replaced primary forests or HCV areas	11
3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	11
3.7 Status of previous non-conformities * (refer to Attachment 6)	11
3.8 Complaint received from stakeholder (if any)	11
4.0 DETAILS OF NON-CONFORMITY REPORT	11
4.1 For P&C (Details checklist refer to Attachment 3)	11
4.2 For SC (Details checklist refer to Attachment 5)	11
5.0 AUDIT CONCLUSION	12
6.0 RECOMMENDATION	12

List of Attachments

Attachment 1	: Map of Jeroco 2 CU	13
Attachment 2	: RSPO Surveillance Audit Plan	14
Attachment 3	: RSPO P&C Audit Checklist And Findings	20
Attachment 4	: Details of Non-conformities and Corrective Actions Taken	48
Attachment 5	: RSPO Supply Chain at the palm oil mill – Mass Balance model – Module E	49
Attachment 6	: Status of Non-conformities Previously Identified	57
Attachment 7	: Hap Seng Plantations Sdn Bhd time bound plan	59

RSPO PUBLIC SUMMARY REPORT

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 recognized 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) and the International Automotive Task Force (IATF). 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. Zulfakar Kamaruzaman	Auditor Team Leader / GAP, Health & Safety and Environment	Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C and RSPO Supply Chain Lead Auditor.
Mohd Razman Salim	Auditor / Social & HCV	Possessed B.Sc. Forestry from University Putra Malaysia with more than 6 years of working experience in the Forest Management, forest, HCVF and ecology. He has been trained as a RSPO Lead Auditor and He is a qualified RSPO P&C Lead Auditor.
Suzalina Kamaralarifin	Auditor / Supply Chain	Holds a B.Sc. in Chemical Industry. She had more than 5 years of working experience in oil palm related industry i.e. palm oil mill and oleo chemical refinery. She is a qualified RSPO Supply Chain Lead Auditor.

RSPO PUBLIC SUMMARY REPORT

1.3 Audit methodology

The audit covered the one palm oil mill and one of its supply base, i.e. the Kapis Estate. The audit included an on-site audit to the estate and mill and 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 SIRIM QAS International's websites, Post the letter to stakeholder and also was carried out during the on-site audit. In general, there was no negative comments made against this Certification Unit.

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 8 months from this audit.

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

Jeroco Palm Oil Mill 2 certification unit (hereafter refer to JPOM2 CU) is one of the business unit under the Hap Seng Plantation Holdings Berhad (HSPHB). Located at Off 40 KM, Jalan Jeroco, Lahad Datu, Sabah, Malaysia, the CU consists of one mill (JPOM 2) and one supply base (Kapis Estate).

The Jeroco Palm Oil Mill 2 has a processing capacity of 30 metric tonnes of fresh fruit bunches (FFB) per hour. The mill is also receiving and processing crops from smallholders and villagers nearby the estate.

RSPO PUBLIC SUMMARY REPORT

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

For Jeroco 2 Palm Oil Mill, the only supply base within this certification unit is Kapis Estate. The actual performance of Kapis Estate for the reporting year is tabulated as follows:

Estate	FFB Production
Kapis Estate	40,852.00

It has been noted that the certified FFB from Kapis Estate was diverted to Jeroco 1 CU i.e. 40,614.93MT, to cater for high demand in RSPO-IP certified products. Only 237.07MT certified FFB were processed in Jeroco 2 CU during this reporting period.

Details of the FFB contribution from each source to the Jeroco 2 Palm Oil Mill are shown in the following tables:

Table 1: Actual FFB production by the supply base for the period from July 2017 to June 2018

Estates	FFB Production	
	Tonnes	Percentage (%)
Kapis Estate	237.07	0.41
Bukit Kretam	29,985.39	51.49
First Raintree	4,358.55	7.48
HarusAbadi	12,108.33	20.79
Sangi Enterprise	565.28	0.97
Lebijaya	5,159.27	8.86
Casem	702.93	1.21
Chua Soon Lee	962.19	1.65
Northbank	1,340.74	2.30
Tabin	1,675.00	2.88
LPC	558.09	0.96
Koperasi Pembangunan	32.17	0.06
Ku Chin Hung	53.79	0.09
Spark Glory	43.13	0.07
Kota Marudu/Pelipikan	454.86	0.78
Total	58,236.79	100.00

Table 2: Projected FFB production by the supply base for the next reporting period July 2018 to June 2019

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Kapis Estate	37,130.00	33.97
Total	37,130.00	
Other Supply Bases		
Bukit Kretam	41,300.00	37.78
First Raintree	4,800.00	4.39
Harus Abadi	13,900.00	12.72
Sangi Enterprise	1,140.00	1.04
Lebijaya	780.00	0.71
Casem	6,100.00	5.58
Chua Soon Lee	840.00	0.77
Grand Total	105,990.00	100.00

RSPO PUBLIC SUMMARY REPORT

Table 3: Actual FFB received and CPO & PK dispatch by Jeroco 2 POM for period from June 2017 to May 2018

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	58,236.79
FFB Processed	58,236.79
Certified FFB Processed	*237.07
Non-certified FFB Processed	57,999.72
Crude Palm Oil (CPO)	
Overall CPO Production	11,886.76
Certified CPO Production	*48.39
Certified CPO delivered as RSPO	0.00
Certified CPO delivered as non-RSPO	48.39
Certified CPO delivered under other sustainable schemes	0.00
Palm Kernel (PK)	
Overall PK Production	2,755.14
Certified PK Production	*11.22
Certified PK delivered as RSPO	0.00
Certified PK delivered as non-RSPO	11.22
Certified PK delivered under other sustainable schemes	0.00

*RSPO certified production was very low as only 237.07MT certified FFB processed in Jeroco 2 CU. It has been noted that the certified FFB from Jeroco 2 CU i.e. Kapis Estate, was diverted to Jeroco 1 CU to cater for high demand in RSPO-IP certified products. No delivery of RSPO-certified product during this reporting period.

Table 4: Projected FFB received and CPO & PK dispatch by Jeroco 2 POM of next reporting period June 2018 to May 2019

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	105,990.00
FFB Processed	105,990.00
Certified FFB Processed	37,130.00
Non-certified FFB Processed	68,860.00
Crude Palm Oil (CPO)	
Overall CPO Production	21,834.00
Certified CPO Production	7649.00
Certified CPO delivered as RSPO	7649.00
Certified CPO delivered as non-RSPO	0.00
Certified CPO delivered under other sustainable schemes	0.00
Palm Kernel (PK)	
Overall PK Production	5,088.00
Certified PK Production	1,782.00
Certified PK delivered as RSPO	1,782.00
Certified PK delivered as non-RSPO	0.00
Certified PK delivered under other sustainable schemes	0.00

RSPO PUBLIC SUMMARY REPORT

Table 5: Planted and certified area of the Jeroco 2 CU

Estate	Planted (ha)	Certified (ha)
Kapis Estate	2,342	2,681
Total	2,342	2,681

Table 6: Planting profile for Kapis Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1996	1 ST .	MATURE	796	34.0
1997	1 ST .	MATURE	373	15.9
1998	1 ST .	MATURE	521	22.2
2016	2 ND .	IMMATURE	392	16.7
2017	2 ND .	IMMATURE	260	11.1
Total			2,342	100.0

2.3 Organizational Information/Contact Person

The details of the contact person is as shown below:

Name	:	Mr. Kee Keow Chong
Position	:	General Manager - Agronomy
Address	:	Hap Seng Plantations Holdings Berhad, C/O : Hap Seng Fertilizers Sdn Bhd, Batu 2, Jalan Kastam Baru, 91119 Lahad Datu, Sabah, Malaysia
Phone no.	:	+6089278183, +6089278138
Fax no.	:	+6089278168/186
Email	:	keekc@hapseng.com

3.0 AUDIT FINDINGS

3.1 Changes to certified products in accordance to the production of the previous year

There was no change to the certified products since last assessment.

3.2 Progress and changes in time bound plan (Refer to Attachment 7 for the time bound plan)

- i. Have all the estates under the parent company been certified? ☐ Yes ☒ No

If no, comments on the organization's compliance with the RSPO partial certification rules:

- ii. Are there any changes to the organization's time bound plan? ☐ Yes ☒ No

If yes, comment in terms of acceptance or non-acceptance on the changes in the time-bound plan?

The time bound plan for Hap Seng Plantations is provided in Attachment 7 of this report.

RSPO PUBLIC SUMMARY REPORT

iii.	Are there associated smallholders (including scheme smallholders) in the CU	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
	If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
	If no, please state reasons Not applicable. There is no associated smallholders supplying FFB to the CU.				
iv.	Any new acquisition which has replaced primary forests or HCV areas N/A	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
3.3	Other changes (e.g. organizational structure, new contact person, addresses, etc.) No				
3.4	Status of previous non-conformities *	<input checked="" type="checkbox"/>	Closed	<input type="checkbox"/>	Not closed*
	<i>* If not closed, minor non conformity will be upgraded to major non conformity</i>				
3.5.	Complaint received from stakeholder (if any) No complaints from stakeholders were observed.				
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 : 1	MRS 01/2018		
	Total no. of major NCR(s) (details refer to Attachment 4)	List : 1	MRS 02/2018		
4.2	For SC (Details checklist refer to Attachment 5) :				
	Total no. of minor NCR(s) (details refer to Attachment 5)	List : -	N/A		
	Total no. of major NCR(s) (details refer to Attachment 5)	List : -	N/A		
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				

RSPO PUBLIC SUMMARY REPORT

system to systematically achieve agreed criterion & requirements.

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) which have not been satisfactorily closed out within 90 days of the audit. Recommended for suspension of the certificate.

Note: Major NCRs which are not addressed within a further 90 days shall result in the certificate being withdrawn.

7.0 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)

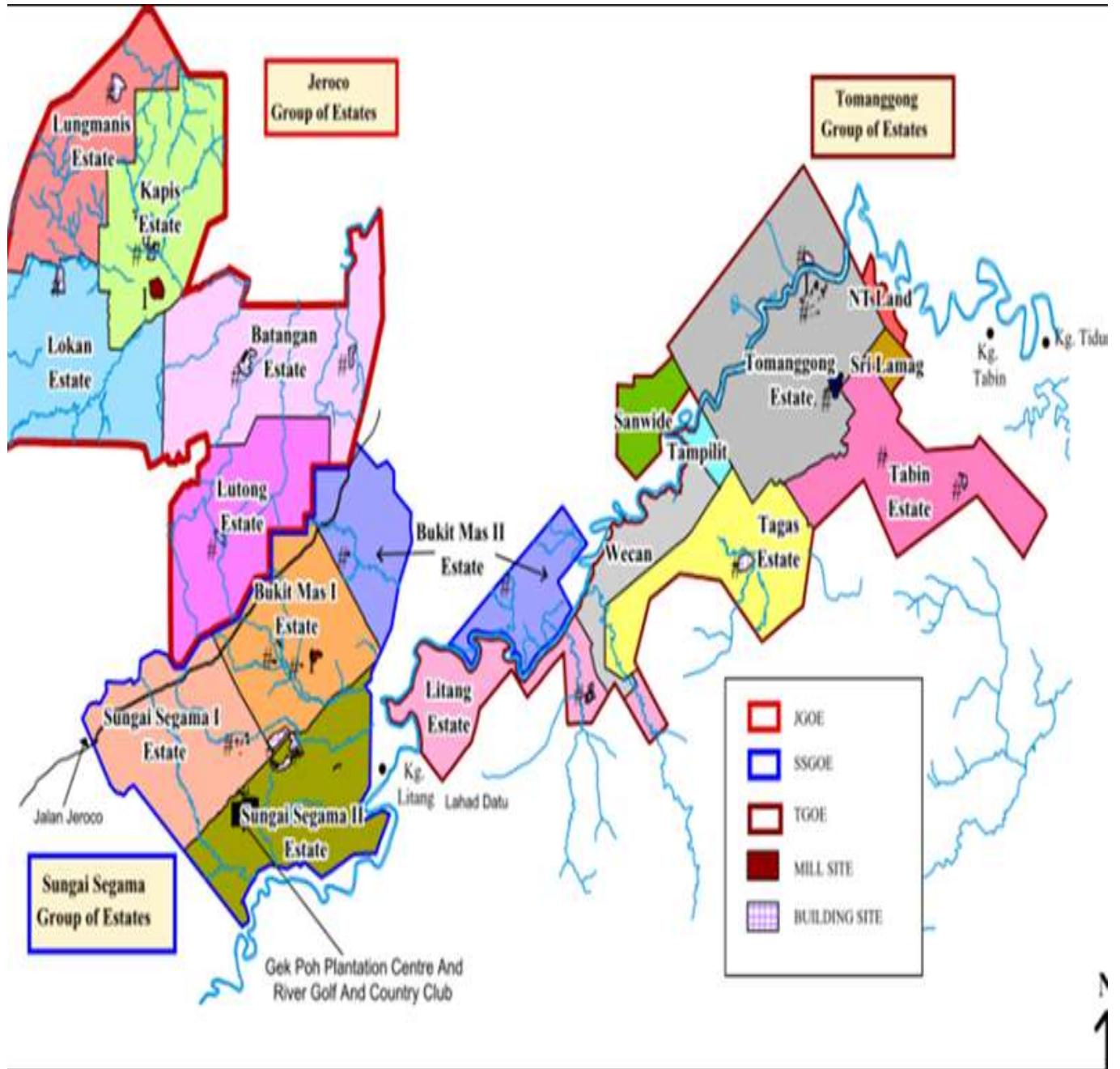


(Signature)

20/10/2018

(Date)

Map of Kapis Estate, Jeroco 2



RSPO PUBLIC SUMMARY REPORT

Attachment 2

RSPO RECERTIFICATION AUDIT PLAN

SIRIM QAS INTERNATIONAL SDN. BHD.

1. Objectives

The objectives of the assessment are as follows:

- (i) To evaluate **Jeroco 2 CU** continued conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI) and RSPO Supply Chain Requirements
- (ii) To verify the effective implementation of corrective actions arising from the findings of last assessment.
- (iii) To make appropriate recommendations based on the assessment findings.

2. Date of assessment : 24 -27 July 2018

3. Site of assessment : Jeroco 2 Certification Unit

- Jeroco 2 POM
- Kapis Estate

4. Scope of Certification : Production of crude palm oil and palm kernel using **Mass Balance** model

5. Reference Standard :

- a. RSPO P&C MYNI: 2014
- b. RSPO Certification Systems 2017
- c. RSPO Supply Chain Standard, 2014
- d. Company's audit criteria including Company's Manual/Procedures

6. Assessment Team

Assessor: Mohd Zulfakar Kamaruzaman
Mohd Razman Salim
Suzalina (Supply Chain Auditor)
Dzulfiqar Azmi (Observer)

If there is any objection to the proposed audit team, the organization is required to inform the Lead Auditor/RSPO Section Manager

7. Audit Method

Site audits including observation of practices, interviews with interested parties (all categories of contractors, employees, nearby population, etc.), documentation evaluation and evaluation of records.

8. Audit Findings

Audit findings shall be classified as major and/or minor. Major non- conformities shall be addressed within 90 days or else the certificate shall be suspended. If the major non- conformities are still not addressed within another 90 days, the certificate shall be terminated.

If there are five or more major non-compliances within one Principle found during the audit, immediate suspension of RSPO certification shall be recommended.

For minor non-conformities raised in the surveillance audit, corrective action shall be verified in the next audit. These shall be upgraded to major non- conformities if the corrective actions are not satisfactory implemented in the next audit.

9. Confidentiality Requirements

SIRIM QAS International shall not disclose any information concerning the company regarding all matters arising or coming to its attention with the conduct of the programmed, which is of confidential in nature other than information, which is in the public domain. In the event that there be any legal requirements for disclosing any information concerning the organization, SIRIM QAS International shall inform the organization of the information to be disclosed.

RSPO PUBLIC SUMMARY REPORT

10. Conflict of interest
Auditors have not been employed by the organization concerned nor provided consultancy services relating to the development of its system in the past five years and next five years.
11. Working Language : English and Bahasa Malaysia
12. Reporting
 - a) Language : English
 - b) Format : Verbal and written
 - c) Expected date of issue : 2 weeks after the closure of the Major NC / or if only minor NC, 30 days from the last day of this audit
13. Facilities Required
 - a. Room for discussion
 - b. Relevant document and record
 - c. Personnel protective equipment if required
 - d. Photocopy facilities
 - e. A guide for each group
14. Assessment Programme Details : As shown below

RSPO PUBLIC SUMMARY REPORT

Day 1: 24 July 2018 (Tuesday)

Time	Activities / areas to be visited			
8.00 – 8.30 am	<u>Opening meeting at Jeroco Palm Oil Mill 2</u> Lead Auditor to introduce audit team member, brief on audit objectives, scope, methodology, criteria and programmes Organization Representative to brief on the following : <ol style="list-style-type: none"> 1) RSPO implementation at Jeroco 2 CU (i.e. mill & supply base) including changes 2) Time bound plan for Hap Seng Plantation Holding Bhd. 3) Significant changes on organization activities, machinery, supply bases capacity etc. 			Top mgmt & Committee Member
	Zulfakar/Dzulfiqar	Razman	Suzalina	
8:30 – 1:00 pm	<u>Kapis Estate</u> Coverage of assessment: P1, P3, P4, P5, 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 • Interview with workers and contractors • Chemical store/fertilizer • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • New planting • Environmental management – witness activities at site • Waste & chemical management • EIA, Plan related to environment and GHG • Interview with workers , safety committee and contractors • Facilities at workplace • Continuous improvement 	<u>Kapis Estate</u> Coverage of assessment: P1, P2, P4, P5, P6, P7, 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, gender committee, local communities and stakeholders • Occupational safety & health practice – witness activities at site • Risk Assessment, Plan Related to OSH, Medical Surveillance • Interview with workers , safety committee and contractors • Training and skill development programmed • Continuous improvement 	<u>Jeroco POM 2</u> Site visit and assessment on Supply Chain Implementation including the Model used <ul style="list-style-type: none"> • General Chain of Custody System Requirements for the supply chain • Documented procedures • Purchasing and goods in • Outsourcing activity • Sales and goods out • Processing • Records keeping • Registration • Training • Claims 	Guide(s) for each assessor
1.00 – 2.00 pm	Break/Lunch			
2.00 – 5.00 pm	Continue assessment			Guide(s) for each assessor

RSPO PUBLIC SUMMARY REPORT

Day 2: 25 July 2018 (Wednesday)			
Activities /areas to be visited	Zulfakar/Dzulfiqar	Razman	
8.00 – 1.00 pm	<p style="text-align: center;"><u>Kapis Estate</u></p> <p>Coverage of assessment:</p> <p>P1, P3, P4, P5, 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 • Interview with workers and contractors • Chemical store/fertilizer • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • New planting • Environmental management – witness activities at site • Waste & chemical management • EIA, Plan related to environment and GHG • Interview with workers , safety committee and contractors • Facilities at workplace • Continuous improvement 	<p style="text-align: center;"><u>Kapis Estate</u></p> <p>Coverage of assessment:</p> <p>P1, P2, P4, P5, P6, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, gender committee, local communities and stakeholders • Occupational safety & health practice – witness activities at site • Risk Assessment, Plan Related to OSH, Medical Surveillance • Interview with workers , safety committee and contractors • Training and skill development programmed • Continuous improvement. 	Guide(s) for each assessor
1.00 – 2.00 pm	Break/Lunch		
2.00 – 5.00 pm	Continue assessment	Continue assessment	Guide(s) for each assessor

RSPO PUBLIC SUMMARY REPORT

Day 3 : 26 July 2018 (Thursday)			
Activities /areas to be visited	Zulfakar	Razman/Dzulfiqar	
8.00 – 1.00 pm	<p style="text-align: center;"><u>Jeroco POM 2</u></p> <p>Coverage of assessment:</p> <p>P1, P3, P4, P5, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Environmental management – witness activities at site • Waste & chemical management • EIA, Plan related to environment and GHG • Interview with FFB supplies and other supplies • Interviews with mill's workers • Facilities at workplace • Interview with workers , safety committee and contractors • Training and skill development programmed • Continuous improvement 	<p style="text-align: center;"><u>Jeroco POM 2</u></p> <p>Coverage of assessment:</p> <p>P1, P2, P4, P5, P6, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, gender committee, local communities and stakeholders • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use • Riparian zone • Occupational safety & health practice – witness activities at site • Risk Assessment, Plan Related to OSH, Medical Surveillance • Interview with workers , safety committee and contractors • Training and skill development programmed • Continuous improvement. 	Guide(s) for each assessor
1.00 – 2.00 pm	Break/Lunch		
2.00 – 5.00 pm	Continue assessment	Continue assessment	Guide(s) for each assessor

RSPO PUBLIC SUMMARY REPORT

Day 4: 27 July 2018 (Friday)

Activities /areas to be visited	Zulfakar	Razman/Dzulfiqar	
8.00 – 1.00 pm	<p style="text-align: center;"><u>Jeroco POM 2</u></p> <p>Coverage of assessment: P1, P3, P4, P5, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Environmental management – witness activities at site • Waste & chemical management • EIA, Plan related to environment and GHG • Interview with FFB supplies and other supplies • Interviews with mill's workers • Facilities at workplace • Interview with workers , safety committee and contractors • Training and skill development programmed • Continuous improvement 	<p style="text-align: center;"><u>Jeroco POM 2</u></p> <p>Coverage of assessment: P1, P2, P4, P5, P6, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Interview workers, gender committee, local communities and stakeholders • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use • Riparian zone • Occupational safety & health practice – witness activities at site • Risk Assessment, Plan Related to OSH, Medical Surveillance • Interview with workers , safety committee and contractors • Training and skill development programmed • Continuous improvement. 	Guide(s) for each assessor
12.00 – 2.00 pm	Break/Lunch/Friday Prayer		
2.00 – 4.00 pm	<ul style="list-style-type: none"> • Continue unfinished area • Verification on outstanding issues • Audit Team discussion, preparation on audit findings and issuance of NCR (if any) 		Guide(s) for each assessor
4.00 – 5.00 pm	- Closing meeting		Top management & Committee member

RSPO PUBLIC SUMMARY REPORT

Attachment 3

RSPO P&C AUDIT CHECKLIST AND FINDINGS

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	Jeroco 2 CU is committed to 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 by upon request. There was procedure available on communication as evidenced in Jeroco 1 CU. The procedure had involved internal and external consultation. The procedure provided a form to be filled up by any stakeholder who has the interest to request any information pertaining to P1.
	1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	YES	The estate and mill maintain records of communication and consultation with external and internal parties. These includes communication with DOSH, Labour Department, Immigration Department, Department of Environment, suppliers and their own workers.
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 (Criterion 2.2);	YES	The right to use the land at Jeroco 2 CU can be demonstrated and not disputed by any party. Documents related to land ownership were sighted at the Jeroco 2 POM and Kapis Estate office.
	Occupational health and safety plans (Criterion 4.7);	YES	Occupational Health & Safety Plan was established at each site. Indicators set in the plan were being monitored. The progress of the monitoring was verified by the auditor.
	Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)	YES	Plans and impact assessments relating to environmental impacts maintained available. The Kapis Estate and Jeroco 2 POM have conducted social assessment titled 'Social Impact Assessment, Management Action Plans and Continuous Improvement Plans'. The plan has been reviewed in July 2018.
	HCV documentation summary (Criteria 5.2 and 7.3);	YES	HCV documentation was available at Jeroco 2 POM and Kapis Estate offices and made publicly available the 'List of publicly available documents' at estate and mill notice board.
	Pollution prevention and reduction plans (Criterion 5.6);	YES	Pollution prevention and reduction plans maintained available.
	Details of complaints and grievances (Criterion 6.3);	YES	No complaint or grievances were observed.
	Negotiation procedures (Criterion 6.4);	YES	Negotiation procedure maintained available.
	Continual improvement plans (Criterion 8.1);	YES	Continual improvement plans maintained available. Continual improvement is reported in the indicator 8.1. The continuous improvement plans were established and updated accordingly by the Executives from the Sustainability Department.

RSPO PUBLIC SUMMARY REPORT

		Public summary of certification assessment report;	YES	The public summary made publicly available at website by SIRIM QAS.
		Human Rights Policy (Criterion 6.13).	YES	The human rights policy maintained available. The policy is posted at office notice boards.
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	YES	The documented policy committing to a code of ethical conduct and integrity of the company maintained available. The code of ethical conduct has been reviewed in March 2018.

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	Generally, Jeroco 2 CU maintained to continue the operations with relevant legal requirements. It was evident based on documents reviewed during the onsite visit at Jeroco 2 POM and Kapis estate.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	NO	The List of Legal Register for both Kapis Estate and JPOM 2 were updated in March 2018 by the Sustainability Executive. However it was found that, Legal register in Jeroco 2 POM and Kapis Estate were not including the "Employment Insurance System Act 2017". Thus, A Minor NCR MRS 01/2018 was raised.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	The CU has the mechanism for ensuring all the applicable legal requirements are implemented. The mechanism is by the implementation of internal checking by its Assistant In-Charge through evaluation of compliance exercise against the legal register.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	HSPHB has established a mechanism for identifying and tracking the updates of the legal requirements through various media such as LawNet, internet, newsletter, etc. The management had been update legal register accordingly. All the new amendment regulations were included in the legal register.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised NCR land) and the actual legal use of the land shall be available. Major Compliance	YES	Jeroco 2 CU has leased this land / plantation area from Sabah Government as verified by auditor through land title which was signed in December 1981 between Jeroco Plantations Sdn Bhd and Director of Lands & Surveys on behalf of the State of Sabah. The right to use the land at the CU was demonstrated and not disputed by any party. The original copies of the documents were kept in the Plantation Central Office at Sg. Segama. Copies of land titles for the estate were sighted at Kapis Estate office. The Kapis estate is under the jurisdiction of Kinabatangan District.

RSPO PUBLIC SUMMARY REPORT

have legal, customary or user rights	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	In the field verification at Kapis Estate, the physical markers were visibly maintained at Kapis Estate by erecting pegs along the boundary, especially the ones that adjacent to private estate.
	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	As reported in 2.2.1 of this checklist, it has been verified that the land is now legitimately owned by Jeroco 2 CU since 1981. The audit team had confirmed that there were no land issues related to previous owners.
	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	As reported in 2.2.1 of this checklist, it has been verified that the land is now legitimately owned by Jeroco 2 CU since 1981. Hence, there is no land conflict anticipated and no need for acceptable conflict resolution processes.
	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	As reported in 2.2.1, it has been verified that there is no conflict or dispute over the land.
	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	As reported in 2.2.1 of this checklist, it has been verified that the land is legitimately owned by Jeroco 2 CU since 1981. Hence, there was no land conflict anticipated nor the need to avoid escalation of conflict is required.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights shall be developed through participatory mapping involving affected parties. Major Compliance	YES	As reported in 2.2.1 of this checklist, Jeroco 2 CU has been developed since 1981. All the related documentation regarding the land acquisition was kept in Hap Seng HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. Hence, there was no map showing the legal, customary, or user right of other users since 1981.

RSPO PUBLIC SUMMARY REPORT

without their free, prior and informed consent.	2.3.2	<p>Copies of negotiated agreements detailing the process of FPIC shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>Minor Compliance</p>	YES	<p>There was no land dispute issue with any of the neighbouring private oil palm plantations. As reported in 2.2.1 of this checklist, Jeroco 2 CU has been developed since 1980. All the related documentation regarding the land acquisition was kept in Hap Seng HQ Office and was verified by the auditor. The documentation sighted during the audit showed that there were no issues regarding the land with neighboring estate. The audit team had also confirmed the copies of negotiated agreements on FPIC and other evidences required by these indicators a) to c) were not applicable.</p>
	2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>Minor Compliance</p>	YES	<p>As mentioned in 2.3.2 a) to c) of this checklist, this requirement in this indicator does not apply to Jeroco 2 CU.</p>
	2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance</p>	YES	<p>As mentioned in 2.3.2 a) to c) of this checklist, this requirement in this indicator does not apply to Jeroco 2 CU.</p>

RSPO PUBLIC SUMMARY REPORT

Principle 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

Clause	Indicators		Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	Kapis Estate continued to make commitment to long-term economic and financial viability. The annual budget for FY 2018 to FY 2022 were sighted. The budget provisions covered activities for upkeep, replanting, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. The budget included projections on yield per hectare, and total cost of production per MT and per hectare.
	3.1.2	An annual replanting programme projected for a minimum of five years, with yearly review, shall be available. Minor Compliance	YES	The replanting programme until FY 2023 were sighted for Kapis estate. The programme is reviewed once a year and is incorporated in their annual financial budget.

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	The documented standard operating procedure namely the Safety and Standard Operating Procedures were available on-site. The procedures covered the safe working practices of all the field operation such as harvesting, manuring, herbicides & pesticides application, workshop, gen-set operation, oil trap maintenance and management of scheduled waste. Through random interviews held with workers (Sprayer and harvester), they generally understood the requirements of these documents and their level of understanding on the contents of the SOP was found acceptable. At the mill level, SOPs related to the processing of the CPO, operation of the boilers, effluent treatment plant, handling of chemicals at the laboratory, and management of wastes were available on-site.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	YES	Various mechanisms of checking the implementation of procedures were conducted.
	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 by Kapis Estate 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 JPOM 2 received certified FFB from Kapis estate and non-certified FFB from independent FFB suppliers. All delivery documents of third party FFB were verified to ensure the certified status of the FFB. Volumes of certified and non-certified FFBs received by the mill had been properly recorded and monitored.
C 4.2 Practices maintain soil fertility at, or where	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating	YES	Jeroco 2 CU continued to manage and improve soil fertility to a level that ensures optimal and sustained yield by monitoring the fertilizer inputs through annual fertilizer recommendations.

RSPO PUBLIC SUMMARY REPORT

possible improve soil fertility to, a level that ensures optimal and sustained yield.		Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance		
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	Jeroco 2 CU continued to maintain the records of the fertilizers input. The information was also available in the Manuring Schedule for FY 2018. Fertilizer application for FY 2018 programme were in progress and followed as per programme based on the store issuance records, it can be confirmed that the amount of fertilisers applied in the field was in accordance with the recommendation made by the agronomist.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	Periodic tissue and soil sampling were carried out in Jeroco 2 CU to monitor changes in nutrient status and its results formed the basis for the fertilizers input recommendation. Foliar sampling was carried out in May 2018 in Kapis Estate by the Hap Seng's Agronomy Department and the foliar analysis were carried out to facilitate the 2019 fertilizer programme. Apart from that, soil analysis was also done to provide indication of soil health and monitor the change of organic carbon and total nitrogen. Last analysis was last done in 2016 and updated document was in July 2018.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME, and palm residues. Minor Compliance	YES	Jeroco 2 CU had a nutrient recycling strategy where palm fronds were properly stacked in the inter row to decompose and plus with supplement of EFB were applied. As at June 2018, Kapis estate has applied 50% of its EFB application for mature area. For immature area, EFB application was apply as mulching with single layer concentric rings at the palm base. EFB will help to supplement the inorganic fertilizer thus improving the nutrient status.
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	There were no fragile/marginal soils in Kapis Estate.
	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	Jeroco 2 CU had a management strategy for planting on slopes to minimise and control erosion and degradation of soils. The plantings on slopes was guided by its Oil Palm Agriculture Policy, last revised October 2014. Among the methods were construction of conservation terraces, cambered roads & side drains, roads to bisect the terraces, construction of sump at the downslope and cover crop establishment.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	During the field visit, it was observed that the main and field roads of Jeroco 2 CU were in satisfactory condition. The accessibility was made possible through regular maintenance. There was evidence of road maintenance programmes which consisted of road resurfacing with grading & compaction and culvert maintenance.
	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	Not applicable as there were no peat soils in Kapis Estate.
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to	YES	Not applicable as there were no peat soils in Kapis Estate.

RSPO PUBLIC SUMMARY REPORT

		determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance		
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	YES	Not applicable as there were no peat soils in Kapis Estate.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	YES	Jeroco 2 CU adopted the HSPHB's Water Management Plan which was reviewed on 18/07/2018. The plan was developed in order to maintain the quality and availability of natural water resources by practicing efficient water consumption through various methods such as minimising wastage of treated water and pollution prevention on natural water sources. In the Water Management Plan, the CU has also identified actions to be taken in the event of water supply shortage such as drought.
	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	The CU has continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along all-natural waterways within the estate. Sighted the assigned buffer zone and at replanting area, the palm was left untouched as a guidance there is a buffer zone. It was clear that Hap Seng Plantations Holding has the policy to maintain the buffer by restricting agrochemicals application and will be left undeveloped during replanting.
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. Minor Compliance	YES	JPOM2 has its Effluent Treatment Plant and the treatment plant consist of anaerobic ponds, aerobic ponds, facultative ponds bio-polishing plant, final discharge pond and land irrigation. The operation is in accordance with the DOE's license, the treated effluent is to be disposed via land irrigation. The ETP is regularly maintained through desludging process to ensure efficiency. Final discharge samples were taken on monthly basis and sent to accredited laboratory for analysis. The results of analysis were submitted to the DOE on quarterly basis using a prescribed format quarterly report.
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor Compliance	YES	JPOM 2 had continued to monitor its water usage per tonne FFB processed and recorded in the Summary of Process and Boiler Water Consumption.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate IPM techniques.	4.5.1	Implementation of Integrated Pest Management plans shall be monitored. Major Compliance	YES	Kapis Estate continued to implement their Integrated Pest Management. These include proper management of pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the OPAP. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. For bagworm control the program includes the planting of beneficial plants such as <i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Turnera subulata</i> and for rhinoceros beetles is by using pheromone traps.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	Training of those involved in IPM implementation "IPM Beneficial Plan" was last conducted by the Assist. Manager in Apr 2018, Trunk Injection in Mar 2018 and "Training on Rat Baiting & Census" in Feb 2018. Records of training were available for verification.
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	YES	Jeroco 2 CU continued to use agrochemicals based on its OPAP and SOP. Written justifications were provided for various fields operations. The manual included a chemical register list which indicates the purpose of usage (intended target), hazards signage, trade and generic names as well as the specific targets and the correct dosage of agrochemicals to be used. All chemicals usage was based on the "need to do basis" to enhance field operations. It was also found that no Class I & II chemicals used in the estate.

RSPO PUBLIC SUMMARY REPORT

		species shall be used where available. Major Compliance		
	4.6.2	Records of pesticides use (incl. 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	Kapis Estate had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and active ingredients (ai) per Ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register and in progress reports. Records of pesticides used were available for verification.
	4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with IPM plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. Major Compliance	YES	As part of the IPM plans, management of Kapis Estate had established beneficial plants (<i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Turnera subulata</i>) nurseries for continuous planting in order to attract natural predators and to reduce use of insecticides. There was no evidence on prophylactic use of pesticides in both estates.
	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	Jeroco 2 CU only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). There was no evidence of pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and no paraquat, had been used.
	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. Appropriate safety and application equipment shall be provided and used. All	YES	Pesticides handlers, mixers and sprayers were adequately trained on the handling of the pesticides (chemicals). Appropriate safety and application equipment were provided and used. Precautions attached to the pesticides are being explained to the workers.

RSPO PUBLIC SUMMARY REPORT

		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 recognised 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 Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance	YES	Pesticides were stored in accordance with the legal requirement as well as recommendation by manufacturer as per MSDS. The stores are equipped with showers, wash area and a PPE storage area. Adequate 'Safety Signage' is available at the store. Triple rinsing activities for the empty chemical containers was continually implemented. The rinsed containers were punctured prior to disposing. All information regarding the chemicals and its usage, hazards, trade and generic names were available in both English and Bahasa Malaysia and understood by workers. Relevant information of the agrochemical used by estate workers were communicated via morning muster and the use of Safety Pictorial poster. Interviewed with some of the workers indicated that they understood the chemicals that they were handling. It was also verified in the training records that training in chemical handling especially to the sprayers, had been conducted with the aim of disseminating the correct information and ensuring understanding regarding the usage and hazards of the agrochemicals.
	4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	It was confirmed that the CU had not use chemicals categorized as type 1A or 1B by World Health Organization or listed in the Stockholm or Rotterdam Conventions.
	4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	YES	Aerial spraying of pesticide was not practiced by Jeroco 2 CU and there was no evidence to show that any had been carried out.
	4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. Minor Compliance	YES	Trainings on pesticide handling were regularly conducted by the estate management to enhance knowledge and skills of employees. Training records available.
	4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and	YES	The CU had established a procedure for triple rinsing of all its empty agrochemical containers as a method to be applied prior to disposal. Based on interview with the workers, the procedure is fully understood by them. The rinsed containers were then punctured and kept in the store, which later sent to recycling vendors. The wastewater from the rinsing activities will be reused in chemical mixture.

RSPO PUBLIC SUMMARY REPORT

		managers shall be demonstrated. Minor Compliance		Noted that in Kapis Estate, no outbreaks of pest and disease occurred. Therefore, no waste material of pesticides at the Kapis Estate. For chemical drum, the management dispose as a recycle waste.
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, demonstrated. Major Compliance	YES	Medical Surveillance was carried out by DOSH registered personal and it has been concluded that workers involved were fit to work.
	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 and breast-feeding women sprayers performed spraying activity in both estates and mill. Workers interviewed were aware that pregnant and breast-feeding women should not handle chemicals. Monitoring of pregnancy and lactating was conducted on monthly basis.
<p>C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.</p> <p>The occupational health and safety plan shall cover the following:</p>	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be doc. and implemented, and its effectiveness monitored. Major Compliance	YES	Occupational Safety and Health Policy was established and signed by the Chief Executive-Group Plantation. The occupational health and safety plan was established and monitored by the Estate Manager and Mill Manager. All the operation related to safety and environments were identified in the OHS plan. The OHS plan was updated in July 2018.
	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	NO	HIRARC register covered activities in the estate and the mill. Among the activities included were chemical spraying, P&D rat baiting, manuring, harvesting and FFB collection in the estates while for milling operation boiler operation, FFB sterilization, kernel extraction and oil extraction and clarification as well as bio polishing and bio gas plant operation. Appropriate risk control measures had been determined and implemented for the other station in the mill. Most of the moving parts and rotating machinery were installed with machine guarding and properly covered. Appropriate administrative control was sighted with safety signage and SOPs were displayed in the mill processing area. The CHRA report was carried out in 2015 by registered personnel. The reports were valid for 5 years. However, audit team has found that certain chemicals yet to be risk assessed as below: <u>Kapis Estate:</u> The following chemicals were not registered in the CHRA report: Pesticides: Starane & Roundup Rainguard & Fertilizers: CPD Blue, Natural Kieserite & Urea 46% <u>JPOM 2:</u> The following chemicals were not registered in the CHRA report: Grease: Oberon G36/G38/G30 & Beveron 18 & Chemicals: Calcium Carbonate, Iodine Indicator & Methyl Orange. Thus, a Major NCR MRS 02/2018 was raised.
	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	YES	Training and briefing on the operations were provided to workers to educate them on safe working practices and to ensure applicable precautions are adhered. Training for employees were conducted from time to time through various method such as on the job training, briefings, meetings, etc. Those trained workers included sprayers, fertilizer applicator, laboratory personnel, boilerman and store clerk. Field inspection and observation of spraying tasks confirmed chemicals were applied in accordance with the product safety precautions. MSDS were made available at point of use e.g. at

RSPO PUBLIC SUMMARY REPORT

		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		the water treatment plants, boiler chemical dosing area and chemical mixing area and at the chemical store.
	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	Safety and Health Committee organization chart 2018 was established. For Kapis estate, there was 3 new members from employer representative and 10 new members from employee representative was appointed. The appointment letter were available. Meanwhile, at mill there was 2 members from employee representative were appointed in Apr 2018. Quarterly Safety & Health Committee meeting was held among issue were discussed are review matter arising from previous minutes, accident statistics, result of workplace Inspection, safety programme & training and other matters
	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	The ERT consisting of trained First Aiders, mill/field staffs, mandores, Admin clerk, workshop operator and Security personnel. Interviews with mill/estate staffs and mandores revealed they understood and were aware of the emergency procedures requirements. It was observed that all operating units were provided with first aid boxes which were checked on a monthly basis by the Hospital Assistants. At the mill, first aid box was located at supervisor room, laboratory, engine room, workshop and office. At the estates, first aid box was given to mandores and available at estate office and workplace.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	The CU continued to ensure all workers working in the premise (both mill and estate) covered by insurance. All local workers were covered by SOCSO as required under Employee's Social Security Act 1969. Foreign workers were covered by insurance as per the Workmen Compensation Act 1952.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	Accident statistics are being maintained and periodically reviewed during safety and health committee meeting. The CU will notify DOSH if there is an accident with more than 4 days of MC using JKKP 6 form and annual accident statistic using JKKP 8 form (Jan 2018). Accident investigation has been carried out to all accident cases for internal reporting as well as reporting to DOSH. Records of accident investigation including minutes of the meeting, accident chronology, sketch of accident area, personal information including training records, corrective action were compiled and kept as records.

RSPO PUBLIC SUMMARY REPORT

C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	YES	Formal training programme for 2018 which cover all aspects of RSPO P&C was established. It was developed based on the training needs identification. Regular assessments of the effectiveness training was mainly done to routine supervision by the management. The programme included the type of training and the targeted date.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	All training records for each employee involved in the estate operations such as weeding, fertiliser application, pest & disease, harvesting and replanting were available for verification.

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	Identification of the environmental aspect and impact at Hap Seng Group of Estate was carried out by through an Environmental Impact Assessment (EIA). The EIA was carried out by a consultant in 2012. The EIA report was approved by the Sabah's EPD and the assessment report contained the identified adverse environmental impacts caused by the estate activities.
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/s. Minor Compliance	YES	The CU have established the action plan namely "Environment Impact Assessment Management Action Plans and Continuous Improvement Plans for 2017/2018". The action plan was reviewed in July 2018. Relevant person-in-charge had been identified and appointed by the management. Regular reports to the management was carried out accordingly.
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance	YES	For JPOM 2 and Kapis estate, the action plan titled as "Environment Impact Assessment Management Action Plans for 2017/2018" was reviewed in July 2018. The management had monitored the progress of the action plan by appointed person in charge for each action plan. Mitigation measures are translated into SSOP and Work Instruction

RSPO PUBLIC SUMMARY REPORT

<p>C 5.2 The status of rare, threatened or endangered species other HCV habitats, if any, 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.</p>	5.2.1	Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations. Major Compliance	YES	The report titled as "Potential High Conservation Value Area Assessment Report of Kapis Estate and Jeroco POM 2" was made available to the auditor. The report was prepared by the Sustainable Unit of Hap Seng. The review of the assessment was carried out in July 2018.
	5.2.2	Where RTE species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance	YES	Kapis Estate has reviewed HCV action plan dated in July 2018 titled 'Potential HCV areas Management Action Plans'. The estate planned to maintain the riparian reserve by: Prohibiting the cutting down of the tree at the area, Prohibiting of manuring and spraying operation at the riparian reserve area, Workers are constantly informed not to encroach into the riparian reserve and disturb the area and Periodic visit to the riparian reserve to monitor any illegal activities
	5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance	YES	Kapis Estate has conducted training on HCV area, SOP riparian area and wildlife for the staffs and field workers in Jan & Feb 2018. The CU has also established a disciplinary measures titled 'Disciplinary Measures Against Any Activities Involved with Rare Threatened & Endangered Species (RTE)' also in dated in June 2017.
	5.2.4	Where an action plan has been 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 shall be fed back into the action plan. Minor Compliance	YES	Jeroco 2 CU continues to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signage to prohibit hunting, fishing and pesticide spraying not allowed within buffer area at the Sg. Kretam Besar. It was noted that CCTV was placed at strategic area surrounding the estate to monitor including any illegal activities. The CCTV is in operation on 24 hours.
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally	YES	There are no local communities living nearby with Jeroco 2 CU. So, this indicator was not applicable to this CU.

RSPO PUBLIC SUMMARY REPORT

		safeguards both the HCVs and these rights. Minor Compliance		
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	JPOM 2 and Kapis estate has been established a 'List of Waste Generated For Estate'. The list was updated in July 2018. Among the identified wastes included the organic waste, domestic waste, digestive waste/faecal matter, was oil from maintenance oil of oil trap, empty chemical containers, electrical wastes, clinical wastes, waste paper and empty ink cartridges. There is updated new waste which is Recycle waste, the company has setup the place to recycle all the waste.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	At Jeroco 2 POM and Kapis Estate, the disposal of waste material related to pesticide containers are being carried out as per established procedures. Triple rinsing activities continually implemented for empty pesticide container. Triple rinsed container was then pierced and stored prior disposing and disposed using approved DOE contractor.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	YES	For the identified waste and pollutants, there were procedures and guideline established as to guide the waste disposal activities and to reduce pollution on the routine operation. Waste management plan called the 'List of Waste Generated for estate and mill' were then established to mitigate applicable identified waste product and source of pollution the plans were updated on Mar 2018 for Jeroco 2 POM and Jan 2018 Kapis Estate. Industrial @ mill process wastes had been disposed as follows; EFB were sent for mulching in the field, while crop residue/biomass i.e. fiber and shell were used as fuel in the boiler, oil/Grease disposed as schedule waste. For Estates, Chemical container and lubricant oil was disposed using scheduled waste. On the monitoring of water and effluent discharge, monthly and quarterly report for final discharge were submitted in timely manner as stipulated in the written approval. Effluent quality monitoring was also done on the monthly basis.
C 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. Minor Compliance	YES	Jeroco 2 CU has established the plan on efficient used of fossil fuels in the 'Fossil Fuel Management Plan'. In Kapis estate one of the plan to reduce usage of diesel for genset is by constructing the biogas plant at the mill. The Biogas Plant already commissioned on June 2017, the CU currently monitored usage of fossil fuel and expected to reduce due to no longer use of Genset. For the mill, the generated fibre and shell were continued to be used in the boiler. The management is monitoring the use of the fossil fuel and the renewable energy on monthly basis.
C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Major Compliance	YES	The Jeroco 2 CU adhered to the policy as per the HSPHB Oil palm Agricultural Policy Manual and Safety Procedure which advocates zero burning and all previous crop should be felled, chipped/shredded, shredded, windrowed and left to decompose.
	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 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Minor Compliance	YES	There was no evidence that fire had been used to prepare land for replanting in Kapis Estate. There was also no evidence of open burning in all the replants visited in Jeroco 2 CU. No fire was used for waste disposal.

RSPO PUBLIC SUMMARY REPORT

C 5.6 Preamble Growers and millers commit to reporting on operational GHG emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these emissions. Growers and millers commit to an implementation period until the end of Dec 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including GHG, are developed, implemented and monitored.	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent.	YES	An assessment of all polluting activities at Hap Seng Group of Estate was carried out through an Environmental Impact Assessment. The EIA was carried out by a consultant in 2012. The EIA report was approved by the Sabah's EPD and the assessment report contained the identified adverse environmental impacts caused by the estate activities. Among the identified environmental impacts are soil erosion, water pollution, biomass disposal, ecological impact, pest infestation, traffic & transportation, noise pollution, air pollution and waste generation. The same consultant was appointed to conduct the evaluation of compliance against the conditions stipulated in the approval of the EIA once in every four months. The last evaluation was conducted in June 2016. The CU has established its action plan to address the issues raised.																																																					
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	The environmental aspects associated with the air pollution have been identified and action plan has been established. This document was reviewed in Feb 2018. Among the action plan included the regular maintenance and servicing of the vehicle and generator set. The GHG emission has been included in the CU's Environmental Impact Assessment and GHG Management Plans. The construction of bio polishing plant and biogas plant has been completed on June 2017. The management expected to reduce the GHG using of Bio Gas and will summarized the Plan by Dec 2018.																																																					
	5.6.3	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. Minor Compliance	YES	<p>The CU had used RSPO Palm GHG version 3.0.1 Calculator as a tool to calculate the GHG emissions. The SOU has used option 2 full version to calculate the data. Sighted report sends to RSPO in Mar 2018. The input data was verified and the following were determined: Summary of Net GHG emission:</p> <table><tr><td>Emission sources</td><td>tCO2e/tonProduct</td><td>Extraction</td><td>%</td></tr><tr><td>CPO</td><td>1.19</td><td>OER</td><td>20.05</td></tr><tr><td>Fuel PK</td><td>1.19</td><td>KER</td><td>4.5</td></tr></table> <p>Production</p> <table><tr><td></td><td>t/yr</td></tr><tr><td>FFB processed</td><td>57,832.53</td></tr><tr><td>CPO produced</td><td>11,592.90</td></tr><tr><td>Land use</td><td>Ha</td></tr><tr><td>OP planted area</td><td>2,342</td></tr><tr><td>Op planted on peat</td><td>-</td></tr><tr><td>Conservation (forested)</td><td>-</td></tr><tr><td>Conservation (non forested)</td><td>-</td></tr><tr><td>Total</td><td>2,342</td></tr></table> <p>Mill emissions:</p> <table><tr><td>Emission sources</td><td>tCO2e</td><td>tCO2e/tFFB</td></tr><tr><td>POME</td><td>9386.67</td><td>0.04</td></tr><tr><td>Fuel consumption</td><td>990.94</td><td>0</td></tr><tr><td>Grid electricity utilisation</td><td>0</td><td>0</td></tr><tr><td>Export of excess electricity to housing</td><td>0</td><td>0</td></tr><tr><td>Sale of PKS</td><td>0</td><td>0</td></tr><tr><td>Sale of EFB</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>10377.61</td><td>0.05</td></tr></table>	Emission sources	tCO2e/tonProduct	Extraction	%	CPO	1.19	OER	20.05	Fuel PK	1.19	KER	4.5		t/yr	FFB processed	57,832.53	CPO produced	11,592.90	Land use	Ha	OP planted area	2,342	Op planted on peat	-	Conservation (forested)	-	Conservation (non forested)	-	Total	2,342	Emission sources	tCO2e	tCO2e/tFFB	POME	9386.67	0.04	Fuel consumption	990.94	0	Grid electricity utilisation	0	0	Export of excess electricity to housing	0	0	Sale of PKS	0	0	Sale of EFB	0	0	Total	10377.61
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RSPO PUBLIC SUMMARY REPORT

				Estate emissions:						
				Description	Own			3 rd Party		
					tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB
				Land conversion	12.19	0.95	0.05	0.86	0	0
				CO2 emission from fertiliser	1.59	0.12	0.01	0.01	0	0
				N2O emission	372.02	0.4	0.02	0.02	0	0
				Fuel consumption	3.1	0.24	0.01	0.03	0	0
				Peat Oxidation	0	0	0	0	0	0
				Crop sequestration	-86.77	-6.76	-0.39	-0.63	0	0
				Sequestration in conservation area	0	0	0	0	0	0
				Total	302.13	-5.05	-0.29	0.29	12147.84	0
				Palm oil mill effluent (POME) treatment:						
				Divert to compost			0%			
Divert to anaerobic digestion			100%							
POME diverted to anaerobic digestion:										
Diverted to anaerobic pond			9%							
Divert to methane capture (flaring)			0%							
Divert to methane capture (electricity generation)			91%							

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,	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	YES	The social impact assessment report for Jeroco CU's estate and mill was reviewed by the Sustainability Team in July 2018. The SIA report presented the estates' and mill's background information, labour policies, grievance procedures (internal, external land owner issues), sexual harassment policies, facilities and amenities offered by the estates, and the social impact assessment procedures and results. All the SIA information was updated and each of issues was identified and discussed them in their respective report. The lists of stakeholders were prepared by both the CU and the company headquarters. The lists included government agencies, neighbouring estate, suppliers, contractors, schools, bus operators, traders. The list of stakeholders was reviewed in Feb 2018. And for Jeroco 2 POM, the JCC meeting was conducted in July 2018 with contractors, staff and workers.
	6.1.2	There shall be evidence that the assessment has been done with	YES	The SIA assessment was conducted with participation of affected parties. The SIA report presented in detail the comments made by the various stakeholders on social impacts as well as

RSPO PUBLIC SUMMARY REPORT

implemented and monitored, to demonstrate continual improvement.		the participation of affected parties. Major Compliance		the proposed mitigation plans by the estate/mill. Each of the issue raised by the participant was addressed in the action plan.
	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	A timetable with responsibilities for mitigation and monitoring was reviewed and updated as necessary. The CU had appointed specific person in charge responsible for taking actions on each of the mitigation measures with specific time intervals. The monitoring records were verified at Kapis Estate and Jeroco 2 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 social action plan for both JPOM 2 and Kapis Estate was reviewed in July 2018 after stakeholders meeting minute with participation of stakeholders in May 2018.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	YES	There was no smallholder schemes at the CU. Only third party FFB supplier send their FFB to Jeroco 2 POM.
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 doc. Major Compliance	YES	A documented Consultation and Communication procedures and Grievance procedures for internal and external parties have been made available during the audit. The estates and mill do maintain files on records of communication and consultation with external and internal parties, for examples, with government agencies, suppliers and their own workers.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	Jeroco 2 CU has nominated Kapis Estate Manager and Jeroco 2 POM Manager as the responsible person to handle social issues at their operating unit. Appointment letters noted.
	6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance	YES	The lists of stakeholders were prepared by the CU and company headquarters. The lists included government agencies, suppliers, contractors, schools, bus operators, traders. List of stakeholders was updated in Feb 2018 at Jeroco 2 CU. All neighboring estates, suppliers, contractors, mill's part suppliers, and neighbouring estate, Humana, SK Jeroco, Sabah Forestry Department, PDRM, Wildlife Department and Immigration Department. were included in the lists.

RSPO PUBLIC SUMMARY REPORT

C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. Major Compliance	YES	The estate and mill have developed procedures to handle grievances and disputes titled as 'Procedure for reporting complaints and grievances for staffs and workers and also the "Whistleblower"' to protect the complainants.
	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 are usually entered into record books. The records include the name of the person who complained, his address, date, and type of service required. Visits to the line site at Kapis Estate and Jeroco POM 2 confirm that actions were taken on the complaints made by the workers.
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	HSPHB has developed procedures to deal with land disputes, squatter disputes, and loss of legal and customary rights. In the case of boundary disputes, the procedure requires the estate management and the disputing party to negotiate, first, failing which the case will have to be referred to the Headquarters for further negotiation. If negotiation fails, the case will be brought to court for arbitration. Squatter disputes will be handled either by the Employee Relations Department or the Compliance Department depending on whether it involves on-land disputes or former workers staying in estate quarters. Actions will normally be in the form of negotiation or legal proceedings or both. For the time being, there was no any dispute on customary rights, boundaries and squatters. As such, the use of the procedures has yet to be verified.
	6.4.2	A procedure for calculating and distributing fair compensation shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance	YES	In terms of compensation, the procedures prescribed the determination of lawful owners, distribution of the compensation, time frame for compensation and calculation for various compensations. So far, there has been no compensation made to any disputing parties. Therefore, there exists a legal framework against which the estates have to operate when it involves customary lands rights and determination of compensations.
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected	YES	According to the CU's management and record including interview with stakeholders/ neighbouring private estate, there was no any dispute on land or squatters.

RSPO PUBLIC SUMMARY REPORT

		parties, and made publicly available. Major Compliance		
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	YES	Auditor has verified contract of employment and payslip for some local & Indonesian workers at Jeroco 2 POM and Kapis Estate. Interviews with workers showed that they understood the information shown in the pay slips.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance	YES	Every staff or worker has signed a contract of employment upon joining the estate or the mill. As required by the Sabah Labour Ordinance, pay and work conditions were spelled out in this contract which was signed by the workers or staffs. The contracts also included the period of employment, wage rate, work benefits, overtime, annual leave and public holidays and the paid daily salary was stated in the contract guided by Minimum Wages Order 2016 has clearly spelled in the contract and was understand and signed by workers. Details on monthly salary and deductions for every worker and staff are shown in their pay slips which were issued to the workers during pay day.
	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	YES	Jeroco 2 CU continues provide free housing, water supply, free medical services, subsidized electricity and free education for foreign children. Weekly inspection records were verified and noted that the conditions of the houses at Jeroco 2 CU of estates are good. The compounds are well kept. Water treatment analysis (drinking water) has been conducted internally on 6-monthly basis by JPOM.
	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	<u>Jeroco 2 POM</u> No grocery shop or canteen operated within mill compound. <u>Kapis Estate</u> There is one grocery shop at Kapis Estate. The estate has monitored the grocery shop in term of adequacy, sufficient and affordable of food once by monthly with latest monitoring in June 18. There was no complaints from workers on the sundry shop as verified during interview with workers.
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	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	YES	Kapis Estate and Jeroco 2 POM have policy on freedom of association. Even the SIA report did mention that the company respects the right of workers to be unionized. Such statements are available in local languages as required by the standards. The CU has allowed their employee to establish and join union.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	YES	The workers in the estate and mills Jeroco 2 CU are not unionized. Furthermore, there is no formal organization formed among the workers to discuss related work or social matters. Nonetheless, a Joint Consultative Committee (JCC) has just been formed to serve as a platform for the discussion of such issues. This JCC comprises of the estate management, field supervisors, <i>mandores</i> , harvester, security, general worker, drivers and clerk.

RSPO PUBLIC SUMMARY REPORT

law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.				
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	HSPHB Labour Policy does not allow children below 18 years old to work in the estate/mill. Site visit at Kapis estate and Jeroco 2 POM found no workers below age was hired. Inspections of the Employee Master list at Kapis estate and Jeroco 2 POM also found no workers below 18 years were recruited to work in the estate/mill.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	YES	The Equal Opportunity Policy is publicly available at in the estates and POM. The policy statements emphasize on worker information, recruitment and selection, training, employee development, based on business needs, terms of service and records of service. This policy is posted on notice boards in Bahasa Malaysia and English for the understanding of the public and workers.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	YES	Interviews with woman and foreign workers at the JPOM 2 and Kapis Estate revealed that there is no evidence of discrimination based on race, gender or national origin or any other factors. As shown in the employment letter, there are no differences in the terms of employment between foreign and local workers or between male and female workers. Foreign workers and local workers received similar pay rate, stay in the same house, and enjoy similar medical benefits as their local counterparts. Interviews also revealed that there is no discrimination on any bases in the estates/mill.
	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	Recruitment and promotion observed were according to legal and industry standard as well as the CU criteria, including skills and medical fitness. The recruitment and hiring process was based on education qualification and interview with manager. No issues concerning recruitment or promotion observed, which acknowledged by employees interviewed.
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	JPOM 2 and Kapis Estate have displayed policy on sexual harassment titled " <i>Policy on The Prevention and Eradication of Sexual Harassment in the Workplace</i> " and 'Flow Chart – Reporting Sexual Harassment (Worker)' at the office notice board. The guidelines emphasize that sexual harassment is a threat to basic human rights and offenders will be punished accordingly, including termination from work. The policy and procedure have been communicated to all the women and men workers during morning musters.
	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	A policy to protect women reproductive rights titled 'Policy on Reproductive Rights' made available at Kapis estate and JPOM 2. The policy and procedure were briefed to all levels of the workforce.

RSPO PUBLIC SUMMARY REPORT

	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented & communicated to all levels of the workforce. Minor Compliance	YES	The guidelines prescribe, among others, the procedures for reporting sexual harassment assigning the responsibilities for action as well as the timelines involved. Appendix 1-3 of the guidelines shows the flow chart reporting sexual harassment cases. Noted that there was no report on sexual harassment in the estates or Jeroco POM 1. It was confirmed during the consultations with the workers during the conduct of audit.
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	YES	It was observed that the Jeroco 2 POM has displayed the current and past FFB prices from January 2017 until to date June 2018 at their weighbridge station.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). Major Compliance	Yes	The price of FFB was followed the MPOB listing.
	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	Interviews with suppliers and contractors revealed that the estates/mill treat them very well. The contracts are amenable to changes, particularly on the timing on job completion. They usually received their payments in the form of cheques the following month after the job was done.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	Payments observed were paid in timely manner, which were within 60 days of submission of invoice. Payments were in the form online banking into account. Auditor has verified quotation, and invoice that have been issued by contractor. All the interviewed suppliers and contractors mentioned that, in the past, payment has been made very promptly. The records of payments seen testify that the contractors/suppliers have been paid on time.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	YES	JPOM 2 and Kapis Estate has employed Sabahan people as their staffs. The CU has also built a Humana for foreign worker's children.
	6.11.2	There are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	YES	There was no scheme smallholders at the CU.

RSPO PUBLIC SUMMARY REPORT

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	Based on verification of their passport, contract agreements and work permit, interview with local and foreign workers, men and women; it was verified that there was no forms of forced or trafficked labour used at the CU.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	As verified through employment contract, passport, work permit and interview with foreign workers, there was no contract substitution has occurred at the visited area.
	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 "Labour Policy for Foreign Workers" was established. The policy included statement of the non-discriminatory practices; No contract substitution; Post-arrival orientation programme to focus especially on language, safety, labour laws, cultural practices etc.; and Decent living conditions to be provided. Procedure for employment of foreign workers was also available.
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	Human Rights policy was made available at Kapis Estate and JPOM 2. The policy has been communicated to staffs and workers during morning muster and training sessions. Auditor has verified through interview with workers that they understand this policy.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	YES	Kapis Estate and Jeroco 2 POM have provided Humana School for foreign workers' children for Education and also Creche to take care of their toddlers during working hours without any fee.

Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Jeroco 2 CU has no plan for any new planting and new development of area. This has been observed during the visit. Auditors has verified through checking the www.globalforestwatch.com, GOOGLE Maps, Estate Maps and also through site visit to the estates area; Kapis Estate. It was confirmed that there were no new planting or new development of areas at Jeroco 2 CU.

RSPO PUBLIC SUMMARY REPORT

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

Clause	Indicators		Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a)	Reduction in use of pesticides(Criterion 4.6);	YES	The CU adopted several continuous improvements in reducing of pesticides i.e. increasing planting of beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> and continue to monitor pest through Early Warning System (as per HSPHB OPAP 10 Policy). The CU also adopted planting of <i>Leguminious</i> Cover Crop mainly <i>Pueraria Javanica</i> and <i>Calopogonium Mucunoides</i> at replanting area in order to minimizing circle and selective weeding. Soft weeds and <i>Nephrolepis bisserata</i> were maintained and encouraged in the inter rows. This was to supress growth of noxious weeds and thus reduce use of pesticides for selective weeding. Mills waste such as EFB were used as fertilizer in the field thus using less inorganic fertilizer. Other improvement plans to minimize chemical usage were by practicing only circle and selective spraying and soft vegetations were maintained in the field upkeep. In the replants in Kapis Estate, application of EFB in circles around the palm base in addition to the other benefits was also to reduce weeds in the palm circles.
	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	The CU maintained efforts to improve continuously its environmental management. Among the relevant plans and measures were: reduction of diesel usage / GHG emission, reduction of POME generation, maintain water quality, reduce soil erosion, reduce usage of chemical, reduce land contamination, improve soil fertility, reduce waste and installation of biogas plant.
	c)	Waste reduction (Criterion 5.3);	YES	Among the type of wastes are agricultural organic wastes, rubbish, used oils, used batteries, empty pesticide containers, clinical waste, scrap iron, wastewater, etc. Non-reusable empty chemical containers were disposed as per relevant requirements of scheduled wastes. Reusable agrochemical containers were used for collecting of triple-rinsing wastewater. Scheduled wastes were labelled with relevant information and hazard sign, and disposed to DOE's licensed contractor.
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	The CU continued to establish and implement GHG emission reduction plan to identify the waste products and sources of pollution. Among the plan implemented were periodical maintenance of tractor and power generator, application of organic material (biomass) as fertiliser.

RSPO PUBLIC SUMMARY REPORT

	e)	Social impacts (Criterion 6.1);	YES	A mechanism to capture the performance of social aspects in CAPEX has been established. The activities listed in the plans and the monitoring of the actions taken demonstrated the continuous improvement achieved in matters related to the social aspects. Among the planned developments were labour quarters roofing, maintenance of road condition, supply of treated water to Humana School and government primary school etc.
	f)	Encourage optimising the yield of the supply base	YES	The CU is part of a well-established organization. Yield performance has always been the top priority in ensuring long-term economic and financial viability. Various efforts have been carried out to optimise the yield of the plantation. This included minimising crop losses, ensuring the soil fertility by timely and well monitored fertilizer application and biomass recycling. Roads and transportation vehicles well maintained to ensure timely and proper crop. Merit Point System (MPS), which is to ensuring better loose fruit collection, no left bunches and no un-harvested bunches at field by Agronomist Department and being monitored by Plantation Management Committee. Furthermore, the company has always keep itself updated with possible technological options especially in better planting material.

RSPO CERTIFICATIONS SYSTEMS FOR PRINCIPLES & CRITERIA JUNE 2017

Clause	Indicators		Comply Yes/No	Findings
4.5.3 Time-bound plan Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	Yes	HSPHB is committed to undergone fully certify RSPO certification. The target year for certification is 2019 with subject to the remediation and compensation procedures that is still ongoing process for Tabin and Northbank Estate. While Pelipikan, the retrospective HCV assessment have been made by Green Harvest Sdn Bhd.
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall	Yes	There were no changes to the current time bound plan. It was confirmed during audit with representative of HSPHB. Time bound plan was verified by CB.

RSPO PUBLIC SUMMARY REPORT

shall be raised;		accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;		
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	Yes	There were no changes to the current time bound plan as verified during this audit.
4.5.4 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since 1 st January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	Yes	<p>The internal assessment has been made in February 2018 for the uncertified management units. Based on recent recertification audit, the following was given feedback from HSPHB representatives:</p> <p><u>Pelipikan Estate</u></p> <p>Based on Retrospective HCV assessment made by certified HCV assessor (Green Harvest Sdn Bhd) there were no clearance of primary forest at Pelipikan Estate. However, there were land clearing made on May 2006, September 2010 and February 2011. Whereas clearing was made without HCV assessment. HSP has submitted the Declaration of disclosure of non-compliant land clearance to the RSPO in April 2016 and currently HSP is in progress of preparing the LUCA.</p>

RSPO PUBLIC SUMMARY REPORT

				<p>As in July 2017, HSP has submitted the item 2a and 2b as per RSPO Land Use Change Analysis (LUCA) checklist to RSPO. Currently still in progress preparing the satellite data and calculation of conservation liability. The satellite data consume time to complete.</p> <p><u>North Bank Estate and Tabin Estate</u></p> <p>HCV Assessment at Northbank and Tabin Estate has been completed in Nov 2013. Northbank and Tabin Estate are currently undergone Remediation and Compensation Procedure. As to date, the required LUCA data has already been submitted and has passed by the compensation panel. HSP has also provided the Concept Note for review by RSPO. Noted the latest communication (email) between HSP and RSPO in June 2017 regarding the concept notes. Final Conservation Liability (FCL) figure was confirmed at 579.48 ha.</p> <p>The amended concept note sent to the CEGP for approval. The revise concept notes submitted to RSPO Compensation Panel for review. As of July 2018, the RSPO Compensation had replied and said that they will give feedback about the concept note.</p>
	(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6;	Yes	<p>The internal assessment has been made in February 2018 for the uncertified management units. Based on recent recertification audit, the following was given feedback from HSPHB representatives:</p> <p><u>Pelipikan Estate</u></p> <p>Land conflict was resolved with the affected and relevant parties. Please refer Hap Seng Plantations 2015 Annual Report. Refer to HSP Annual Report Page 208-209, 36.d.</p> <p><u>Northbank and Tabin Estate</u></p> <p>Land conflict are still under court case. Please refer Hap Seng Plantations 2016 Annual Report. Refer to HSP Annual Report Page 97 -98, 23 (a – b).</p>
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;	Yes	<p>The internal assessment has been made in February 2018 for the uncertified management units. Based on the internal assessment report, there was no labour disputed recorded at the all uncertified unit.</p>
	(d)	Legal non-compliance, if any, is being addressed through	Yes	<p>The internal assessment has been made in February 2018 for the uncertified management units. Based on internal assessment report, there was no issue on legal non-compliance</p>

RSPO PUBLIC SUMMARY REPORT

	measures consistent with the requirements of RSPO P&C criterion 2.1;		for all uncertified unit.
(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:	Yes	
	<ul style="list-style-type: none"> A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement; 	Yes	The internal assessment has been made in February 2018 for the uncertified management units. The progress of the certification was concluded as 4.5.4. (a-d) on new planting, HCV, legal compliance and labour disputes for Tabin, Northbank and Pelipikan Estate. With regards to the land disputes, the action to address the issues were on-going.
	<ul style="list-style-type: none"> Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team. 	Yes	It was evident that in handling uncertified management unit, HSP North Bank Estate and Tabin Estate has conducted Joint Consultation Committee meeting in May 2017 (North Bank Estate and Tabin estate) and April 2017 (Pelipikan Estate) to address unresolved issues. Actions in progress.
	<ul style="list-style-type: none"> Desktop study e.g. web check on relevant complaints 	Yes	Further information can be obtained from https://www.rspo.org/acop/2017/hap-seng-plantations-holdings-bhd/HSPHB%20SUSTANABILITY%20REPORT%202014.pdf
	<ul style="list-style-type: none"> If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the 	Yes	There was no non-compliance found for all requirements during this audit.

RSPO PUBLIC SUMMARY REPORT

		risk of any non-compliance with the requirements.		
<p>4.6.4</p> <p>The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p>		No additional indicators	NA	It has been verified that Jeroco Group of Estate owned the said lands as Country Lease land title from the Government of The State of Sabah. The land was not previously owned by any users and subject to customary rights of local communities and indigenous people.
<p>Note:</p> <p>1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&C.</p> <p>For example, if an NC against a major indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed;</p> <p>2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.</p>				

RSPO PUBLIC SUMMARY REPORT

Attachment 4

Details of Non-conformities and Corrective Actions Taken

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
2.1.2 NCR MRS 01/2018	Minor	<p>Finding: A documented system was not include "The Employment Insurance System Act 2017" in legal register.</p> <p>Objective evidence: Legal register in Jeroco 2 POM and Kapis Estate were not updated and include "The Employment Insurance System Act 2017".</p>	<p><u>Correction</u> The applicable regulation has been immediately updated and included into LRR (Attachment 1)</p> <p><u>Corrective action</u> Review of the list of applicable regulation will be carried out every January of the year with the Personnel and Administration Department (Who is more familiar with the Regulations)</p>	<p>Corrective action plan accepted.</p> <p>Status: Closed The implementation of corrective action plan will be verified by next audit.</p>
4.7.2 NCR MRS 02/2018	Major	<p>Finding: Certain chemicals yet to be risk assessed.</p> <p>Objective evidence: <u>Kapis Estate:</u> The following chemicals were not registered in the CHRA report (8-11/12/2015):</p> <ul style="list-style-type: none"> i. Pesticides: Starane & Roundup Rainguard ii. Fertilizers: CPD Blue, Natural Kieserite & Urea 46% <p><u>JPOM 2:</u> The following chemicals were not registered in the CHRA report (22/5/2014):</p> <ul style="list-style-type: none"> i. Grease: Oberon G36/G38/G30 & Beveron 18 ii. Chemicals: Calcium Carbonate, Iodine Indicator & Methyl Orange 	<p><u>Correction:</u> All chemical that not register in the CHRA report for Kapis Estate and JPOM2 was immediately assessed by CHRA competent person on 14 &15 of August 2018. (Attachment 2)</p> <p><u>Corrective action Plan:</u> Monthly checking on the CHRA by independent RSPO Officer (based in operating unit) will be conducted to ensure all chemical used in the Mills and estate has been undergoes the CHRA by the CHRA competent person.</p>	<p>Auditor has verified the evidence attached (picture) which is CHRA has been conduct on 14 August 2018 for all chemicals use in the mill and estate.</p> <p>Status: Closed The implementation of corrective action will be verified by next audit.</p>

RSPO PUBLIC SUMMARY REPORT

Attachment 5

RSPO SUPPLY CHAIN : AUDIT CHECKLIST

SECTION A : GENERAL INFORMATION

1. File Reference No.	EH04760002
2. Name of facility/ site(s) /entity(ies)	Jeroco Plantations Sdn. Bhd. - Jeroco Palm Oil Mill 2
3. Site Location (single site/multisite/Group)	Off KM50, Jalan Jeroco, 91109 Lahad Datu, Sabah
4. SC model	Mass Balance
5. Type of entity	Palm Oil Mill
6. RSPO Member Number	1-0098-11-000-00
7. Annual summary records of certified oil palm products purchased and claimed	Refer details in Table 1 of this report

SECTION B (i): RSPO SUPPLY CHAIN CERTIFICATION SYSTEM (REVISED JUNE 2017)

	Requirements	Remarks
	Audit Process Requirements – FOR STAGE 2 / RECERTIFICATION AUDIT	
5.3.8	The certification audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization seeking or holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.	The organizational systems, the management systems and the operational systems, including any documented policies and procedures of JPOM2 are sufficient and adequate in complying with latest revision of RSPO Supply Chain Certification Standard. The Sustainability Agriculture Policy was last updated in February 2017.
	Audit Process Requirements – SURVEILLANCE AUDIT	
5.3.26	The surveillance audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard. In cases where an organization seeking certification outsources activities to independent third parties, a risk assessment shall be done by the CB to determine whether an audit of the sub-contractor is required. If the outsourced contractor holds RSPO Supply Chain certification, then it does not require an additional audit.	Not Applicable

RSPO PUBLIC SUMMARY REPORT

SECTION B (ii): GENERAL CHAIN OF CUSTODY REQUIREMENTS FOR THE SUPPLY CHAIN

	Requirements	Remarks
1	Applicability of the general chain of custody requirements for the supply chain	
1.1	Organization takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.	Jeroco Palm Oil Mill 2 (JPOM2) takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location as mentioned above.
1.2	Traders and distributors require a licence obtained from RSPO to sell RSPO certified product but do not themselves require certification. When selling RSPO certified product a licensed trader and/or distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.	Not Applicable
1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform	RSPO Palm Trace Registration is available under Jeroco Plantations Sdn Bhd – Jeroco Palm Oil Mill 2.
1.4	Processing aids do not need to be included within an organization's scope of certification.	Not Applicable
2	Supply chain model	
2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	JPOM2 obtained certified FFB from own certified supply base, Kapis Estate as well as external suppliers. JPOM2 also found to be aware of the downgrading procedure.
2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	JPOM2 only apply MB model
3	Documented procedures	
3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:	-
a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	Standard Operating Procedures for Traceability (SOPfT) - Chapter 1: CSFFB, CSPO & CSPK traceability system – chain of custody - Chapter 2: Harvesting and Loading of Fresh Fruit Bunch - Chapter 3: Delivery and Reception of CSFFB, In- house and Non In- house FFB - Chapter 4: Dispatch of CSPO and CSPK from the mill to refinery/ bulk transit installation/ buyer's vessel - Chapter 5: Monitoring of CSPO and CSPK sales Appendix 1: Weighbridge Tickets and Delivery Notes RSPO (& ISCC) Stamping Procedure
b)	Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).	Among record sighted are; FFB delivery note, WB advice ticket, FFB grading, FFB assessment report, Daily FFB, CPO & PK production, Daily FFB received, Daily production report, Certified sustainable FFB form, Delivery notes, Sounding report, Supply Chain Mass Balance record

RSPO PUBLIC SUMMARY REPORT

c)	Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.	Under Chapter 3 of SOPfT, Mill Manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. Assisted by Sustainability Executive & relevant mill staff such as mill clerk, chief clerk, weighbridge clerk.
3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <p>i. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <p>ii. Effectively implements and maintains the standard requirements within its organization.</p> <p>Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management review at least annually. The organization shall be able to maintain the internal audit records and reports.</p>	<p>Under SOPfT, there is Flowchart for Internal Audit system indicating the process for the overall audit process in general. Coverage of audit sufficient & comprehensive to cater for the new standard (including modular requirement – Module E CPO Mills: MB).</p> <p>Internal audit was conducted in May 2018.</p> <p>1 NC issued on supply chain scope – Training has yet to be conducted by JPOM2. The NC was closed after the training conducted.</p>
4	Purchasing and goods in	
4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number. <p>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</p>	Records of incoming has been audited accordingly. It can be confirmed that the implementation was addressing the standard requirement.

RSPO PUBLIC SUMMARY REPORT

a)	The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).	To demonstrate that purchases are made to the material category agreed with their supplier, JPOM 2 ensure delivery chit are of their own supply base.
b)	The site ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcement and Shipping Confirmation on the RSPO IT platform on the level of each shipment.	For certified CPO & PK produced, JPOM1 update their stock in Palm Trace.
c)	A check of the validity of the Supply Chain Certification of suppliers for all sites that are SC certified. This shall be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements.	Internal supplier under same certification – valid certificate.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	Mechanism for handling NCP mentioned under Chapter 1 para 3.3.9 of SOPfT whereby no certified crop allowed into JPOM1 to avoid cross contamination. Mechanism for handling NCD mentioned under Chapter 1 of SOPfT; NCD including those without proper stamping, wrong stamping/ with discrepancies (issued by supplier or issued by JPOM2 to buyer). Mill Manager will verify the NCD/ corrected documents prior to release to customer. No NCP/ NCD recorded since last audit.
5	Outsourcing activities	
5.1	<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard.</p> <p><i>This requirement should not apply to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the organization (not the tank farm manager).</i></p>	<p>Not Applicable since transportation and storage of certified finished products are handled internally.</p> <p>Should there be any additional transporter used in future to carry certified CPO/ PK, JPOM2 prepared Minor Job Contract for acknowledgement by hired service provider informing on the RSPO SCCS requirements as per para 5.2 below.</p>
5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ul style="list-style-type: none"> a) The site has legal ownership of all input material to be included in outsourced processes; b) The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The responsibility is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. 	Not Applicable

RSPO PUBLIC SUMMARY REPORT

	<p>c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.</p>	
5.3	The site shall record the names and contact details of all contractors used for the processing or production of RSPO certified materials.	Not Applicable
5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or production of RSPO certified materials.	Not Applicable
6	Sales and goods out	
6.1	<p>The organization shall ensure that the following minimum information for RSPO certified products is made available in document form. Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number; • A unique identification number. 	It has been verified that there was no RSPO-certified product delivery during this period. e.g. Last PK (MB) delivery in March 2016.
7	Registration of transactions	
7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> • are supply chain actors between the mill and final refinery; • take legal ownership and physically handle RSPO Certified Sustainable oil palm products; and • are part of the supply chain of RSPO Certified Sustainable oil palm products 	The Sustainability Executive update the RSPO IT Platform based on input provided by JPOM2. Since last audit, there were no delivery of certified materials.

RSPO PUBLIC SUMMARY REPORT

	must register their transaction in the RSPO IT platform at the time of physical shipment as required by the rules set by RSPO.	
8	Training	
8.1	The organization shall have a defined training plan, which is subject to on-going review and is supported by records of the training provided to staff.	Annual Training Program established & being reviewed accordingly by the Mill Manager. The training record was well maintained.
8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification system. Training shall be specific and relevant to the task(s) performed.	Last training conducted in June 2018 by the Chief Clerk. The CC had been earlier trained by Sustainability Executive. Training focus on relevant MB procedures and record.
9	Record keeping	
9.1	The site shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirements.	The relevant record pertaining to RSPO SCCS within JPOM2 found to be updated accordingly and easily accessible during the audit.
9.2	Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	Relevant record pertaining to implementation of RSPO SCCS within JPOM2 retained for minimum 2 years.
9.3	The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	No delivery of certified CPO and PK since last audit.
10	Conversion factors	
5.10.1	Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org). This is in particular relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries. The guidance document for oleochemicals is available on the RSPO website (www.rspo.org).	The actual OER and KER has been used as the conversion rates.
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Daily OER & KER were provided in the production report. Both conversion rates were monitored on monthly basis to check their performance against industry average.
11	Claims	
11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with	Relevant information on product claim (including applicable SC model and certificate no.) being correctly indicated in the relevant outgoing paperwork e.g. PK billing, CPO billing, JPOM2

RSPO PUBLIC SUMMARY REPORT

	the RSPO rules on communications and claims.	weighbridge advice ticket and JPOM2 palm kernel/ CPO delivery note. JPOM2 apply RSPO trademark with license no. 1-0098-11-100-00. The trademark being displayed on mill and estate entrance signboard. JPOM2 complied to the minimum requirement in term of the corporate communications rules as well as Annex 1 (RSPO trademark usage and guidance) of the RSPO Rules on Market Communications and Claims 2016).
12	Complaints	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	No complaint from stakeholder with regards to RSPO SCCS since last audit.
13	Management review	
13.1	The organization is required to hold management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	Management review planned once annually. Last conducted in June 2018.
13.2	The input to management review shall include information on: <ul style="list-style-type: none">• Results of internal audits covering RSPO SCCS• Customer feedback• Status of preventive and corrective actions• Follow-up actions from management reviews• Changes that could affect the management system• Recommendations for improvement	Management review report : Coverage sufficient, among item discussed during audit; <ul style="list-style-type: none">- follow up actions from earlier management review- sustainability & adequacy of all SOP's- sustainable agriculture policy- result of internal audit- change in legal requirement of any compliance- compliant (internal & external)- accident & injury (LTA)- environmental quality- waste management- energy usage performance- status of corrective actions- recommendation for improvement
13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none">• Improvement of the effectiveness of the management system and its processes• Resource needs	
	Module D – CPO Mills: Identity Preserved – Not Applicable	
	Module E – CPO Mills: Mass Balance	
E.3	Documented procedures	
E.3.1	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 proc covering the implementation of all the elements in these requirements; b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site proc for the implementation of this standard.	Refer para 3.1 a, b & c of this checklist
E.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	
E.4	Purchasing and goods in	

RSPO PUBLIC SUMMARY REPORT

E.4.1	The site shall verify and document the volumes of certified and non-certified FFBs received.	It has been verified accordingly.
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	Not Applicable since no certified sales recorded since last audit. Only accumulate Mass Balance stock.
E.5	Record keeping	
E.5.1	<p>a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and/or three-monthly basis.</p> <p>b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short (i.e. product can be sold before it is in stock.)</p> <p>For further details refer to Module C.</p>	Available - FFB, CPO & PK production & despatch monthly report
Annex 1 – Supply Chain Yield Schemes – Not Applicable		
Annex 2 – Book & Claim (BC) – Not Applicable		
Annex 3 – RSPO Rules on Communications and Claims – Not Applicable		

RSPO PUBLIC SUMMARY REPORT

Attachment 6

VERIFICATION OF NON-CONFORMITIES DURING LAST SURVEILLANCE ASSESMENT AT Jeroco 2 CU

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
Indicator 2.1.1	Major	#NCR No : MZK 01 2017 Finding : Non-compliance with Industry Code of Practice for Working in a Confined Space Area, 2010 Objective evidence : No health surveillance (2 years once) was conducted personnel performing the entrance to confined space as per requirement at Jeroco 2 POM.	Corrective Action: <ul style="list-style-type: none"> - JPOM2 has sent all the Authorized Competent Entrance Standby person for working in confine space to undergoes Health surveillance in order to get health declaration from Occupational Health Doctor (OHD) on 4th August 2017 - The Health Surveillance program for Authorize Entrance Standby Person will be included in the yearly Occupational Safety and Health Plan (OSH Plan) so that JPOM2 Management aware and not miss out the period of Authorize Entrance Standby Person for working in confine space to undergoes the Health Surveillance in order to get health declaration from Occupational Health Doctor which is valid for two years (1 times in every 2 years). - During renewal of the Authorized Entrance Standby Person (AESP) working in confine space certificate, all of personnel working in confined space will attend the confined space refresher training by qualified trainer in order gain more knowledge regard on the industry code of practice for working in a confine space. Auditor Verification: Auditor has received health surveillance report dated 4 August 2017 for Authorized Competent Entrance Standby person working in confine space. The report indicated that the personnel are fit to work in the confined space. Status: Closed.	JPOM2 has sent all the Authorized Competent Entrance Standby person for working in confine space to under goes Health surveillance in order to get health declaration from Occupational Health Doctor (OHD – JKPP No.: HQ/11/DOC/00/223) on 4 th August 2017. The report indicated that the personnel are fit to work in the confined space which is valid for two years (1 times in every 2 years). The Health Surveillance program for Authorize Entrance Standby Person was included in the yearly Occupational Safety and Health Plan (OSH Plan). Therefore, previous Major NCR MZK 01 2017 was satisfactorily closed. Status : Closed
Indicator 4.1.2	Minor	#NCR No : RA01 2017 Finding: There are inconsistent implementation of scheduled waste management related to scheduled waste inventory i.e. fifth scheduled.	Corrective Action: <ul style="list-style-type: none"> - Immediately to fill up the information related to waste handling (i.e. quantity, method of waste handling & place) inside 5th Schedule 	During audit, auditor sighted that, Regulation 11 (Inventory of scheduled waste) - 5 th schedule inventory was updated and tally with the

RSPO PUBLIC SUMMARY REPORT

		<p>Objective evidence: Kapis Estate and Jeroco mill 2 : Certain information related to waste handling (i.e. quantity, method of waste handling & place) was not accurately fill up. Sighted the 5th scheduled inventory record for the month of April 2017, May 2017 and June 2017</p>	<ul style="list-style-type: none"> - The Schedule Waste Competent Person and Sustainability Executive will closely monitor the eSWIS 5th Schedule Inventory every month so that Kapis Estate and JPOM 2 Management aware and will accurately fill up any information related to waste handling inside 5th Schedule. - <p>Auditor Verification: Corrective action plan accepted</p> <p>Status: The effectiveness of the corrective action will be verify during next audit.</p>	<p>physical stock at the storage area. Reporting was based on electronic. E-consignment note (ECN) system was carried out accordingly. The 5th schedule - inventory of schedule waste and 6th schedule - consignment note was verified and last updated on 25/6/18. Sighted last date of disposed on 13/03/2018 for SW 110, SW 305, SW 409 and SW 410. Thus past minor NCR RA01 2017 was successfully closed.</p> <p>Status : Closed</p>
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RSPO PUBLIC SUMMARY REPORT

Attachment 7

Hap Seng Plantations Holdings Berhad Time Bound Plan on RSPO Certification.

No.	CU	Location	Date of Certification	Valid until	CAB & Certificate No.
1	Hap Seng Plantations (River Estates) Sdn Bhd - Sg Segama Group of Estate & Bukit Mas Palm Oil Mill	Lahad Datu	24/05/2017	23/5/2022	PT TUV Rheinland 824 502 14016
2	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 1	Lahad Datu	27/09/2013	26/09/2018	SIRIM QAS RSPO 0018
3	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 2	Lahad Datu	27/09/2013	26/09/2018	SIRIM QAS RSPO 0028
4	Hap Seng Plantations (River Estates) Sdn Bhd - Tomanggong Group of Estates	Lahad Datu	9/01/2015	8/01/2020	SIRIM QAS RSPO 0024
5	Kawa Estate and Hap Seng Estate, Hap Seng Plantations (Ladang Kawa) Sdn Bhd	Tawau	16/10/ 2015	15/10/2020	PT TUV Rheinland 824 502 15028
6	Pelipikan Estate	Kota Marudu	2019 (target)	-	-
7.	Hap Seng Plantations (River Estates) Sdn Bhd - Tomanggong Group Of Estates – North Bank Estate and Tabin Estate	Lahad Datu	2019 (target)	-	-