



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

File Ref. : ES10170013

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : BOUSTEAD ESTATES AGENCY SDN BHD – TRONG BUSINESS UNIT**

**PARENT COMPANY : BOUSTEAD PLANTATIONS BERHAD**

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

**LOCATION OF THE CERTIFICATION UNIT (MILL AND THE SUPPLY BASE):**

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

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
BOUSTEAD TRONG BUSINESS UNIT	Trong Palm Oil Mill	100.708154 °N	4.673560 °E	Km 24, Trong/Bruas 34800 Trong, Taiping.
	Taiping Rubber Plantations Estate	100.692292 °N	4.709455 °E	Km 24, Trong/Bruas 34800 Trong, Taiping.
	Malaya Estate	100.725561 °N	5.124982 °E	Jalan Selama/Kubu Gajah 34100, Selama, Perak
	Malakoff Estate	100.708153 °N	4.673561 °E	Jalan Pokok Machang/ Tasek Gelugor, 13300, Seberang Perai Utara, Pulau Pinang
	Bukit Mertajam Rubber Estate	100.626622 °N	5.422728 °E	Kulim-Mahang main road, Mukim Padang China 09000 Kulim, Kedah
	Kuala Muda Estate	100.582824 °N	5.618517 °E	Sungai Petani/Kuala Ketil main road, 08009, Sungai Petani, Kedah
	Stothard Estate	100.707683 °N	5.551471 °E	Kuala Ketil/Baling main road, Mukim Tawar 09300, Kuala Ketil, Kedah.
	Batu Pekaka Estate	100.628213 °N	5.588646 °E	Sungai Petani/Kuala Ketil main road, 09300 Kuala Ketil, Kedah

**MAP :** See Attachment 1

**AUDIT DATE :** 9<sup>th</sup> to 13<sup>th</sup> April 2018

**DURATION :** 18 auditor days

**TYPE OF AUDIT :**

☒

Annual Surveillance Audit No. 01

☐

Recertification Audit

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

**SCOPE OF CERTIFICATION:** Production of Crude Palm Oil and Palm Kernel Using the Identity Preserved Supply Chain Model

**VALIDITY OF RSPO CERTIFICATE :** 21/07/2017 – 20/07/2022

The following attachments form part of this report:

Non-conformity Report(s)

☒

List of additional site(s)

☐

**Report by Audit Team Leader**

Name : ROZAIMEE BIN AB RAHMAN

Signature :

Date : 18 July 2018

**Acknowledgement by Client's Representative**

Name :

**ANUAR SEMAIL**  
Planting Advisor

Signature :

Date :

18 July 2018

## RSPO PUBLIC SUMMARY REPORT

### SUMMARY OF AUDITS

Stage 2 audit / Recertification audit				
On-site audit date	:	13-17 March 2017		No. of auditor days : 15 days
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Rozaimiee Ab Rahman, Mohd Razman Salim, Rahayu Zulkifli (Trainee)		
No. of major NCR	:	8	2.1.1, 4.4.2, 4.6.6, 4.6.11, 4.7.2, 6.5.2, 6.1.3, 6.9.1	Closing date : 15/06/2017
No. of minor NCR	:	6	2.1.2, 2.1.3, 2.2.2, 4.1.2,6.2.3,6.5.3	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities
		x		x
		Contract workers	NGOs	Govt. agency
			x	x
		Indigenous people	Contractor	Others (Please specify)
			x	
Supply base sampled	:	Kuala Muda Estate, Stothard Estate, Batu Pekaka Estate		

Annual Surveillance Audit 1				
On-site audit date	:	9-13 April 2018		No. of auditor days : 18 days
Audit team	:	Rozaimiee , Mohd Zulfakar, Mohd Ab Raof, Khairul Najwan		
No. of major NCR	:	1	Indicator: 4.6.2	Closing date : 9/07/2018
No. of minor NCR	:	3	Indicator : 4.4.1, 4.7.5, 5.2.4	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities
		X		x
		Contract workers	NGOs	Govt. agency
		X		
		Indigenous people	Contractor	Others (Please specify)
		X	x	
Supply base sampled	:	There was changes regarding audit sampling. Malakoff Estate has been added in sampling units to verified issues related to social issues.		
Changes since the last audit	:	There was no significance changes		
Justification of audit planning	:	Total allocation of audit man day for Trong BU were: <ul style="list-style-type: none"><li>• Mill = 5 days (4 days for safety and health, environment, mill best practices, ghg verification, etc) + (1 day for supply chain certification systems)</li><li>• Trong Rubber Plantation Estate = 4 days, certified area = 1382.80ha, for verified safety and health, environment, good agriculture best practices, GHG verification, etc.</li><li>• Malaya Estate = 4 days, 806.9 ha, for verified safety and health, environment, good agriculture best practices, GHG verification, etc</li><li>• Bukiot Mertajam Rubber Estate = 4 days, 2482.60 ha, for verified safety and health, environment, good agriculture best practices, GHG verification, etc</li><li>• Additional site – 1 day, Malakoff Estate – verified social issues.</li></ul>		
Report approved by	:	Radziah Mohd Daud		Approval date : 18/07/2018

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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	Contractor	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 :		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	Contractor	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				
Justification of audit planning :				
Report approved by :			Approval date :	

Annual Surveillance Audit 4				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:	Closing date :	
No. of minor NCR :		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers / 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 :	

# RSPO PUBLIC SUMMARY REPORT

## SUMMARY OF INFORMATION

**TABLE 1**

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
<b>Projection Period</b>	April 2017 – March 2018	April 2018 – March 2019			
<b>Certified FFB Processed (MT)</b>	147,406.07	122,000.00			
<b>Production of Certified CPO (MT)</b>	29,292.94	27,000.00			
<b>Production of Certified PK (MT)</b>	7,000.00	6,500.00			
<b>Certified Areas (Ha)</b>	9,351.20	9,351.20			
<b>Planted Area (Ha) (Mature + Immature)</b>	8,927.10	8,927.10			
<b>Production Area (Ha) (Planted – Immature)</b>	7,674.40	7,674.40			
<b>HCV Areas</b>	116.30	116.30			
<b>REMARKS</b>	HCV including buffer zone, pond and stream	HCV including buffer zone, pond and stream			

**TABLE 2**

	CPO	PK
<b>Last years certified volume (MT)</b>	29,292.94	*7,100.00
<b>Last years actual certified sold (MT)</b>	10,366.48	Nil
<b>Last years actual sold under other schemes (MT)</b>	Nil	Nil
<b>Last years sold conventional (MT)</b>	18,926.46	7,060.53
<b>New year certified volume (MT)</b>	27,000.00	6,500.00

\*Refer to extension of volume for PK i.e. additional 100MT from the certified volume, approved by RSPO EB on 25/04/2018.

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## **1.0 AUDIT PROCESS**

### **1.1 Certification Body**

SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally recognised standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS) 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**

<b>Member of the Audit Team</b>	<b>Role/area of RSPO requirements</b>	<b>Qualifications</b>
Rozaimiee Ab Rahman	Lead Auditor / Environment, Safety & Health Practices	Holds a B. Sc. in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation
Mohd Zulfakar Kamaruzaman	Auditor / HCV and Supply Chain	Holds a B. Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operation.
Khairul Najwan bin Ahmad Jahari	Auditor / HCV and Social Issues	Holds B.Sc. Forestry from Universiti Putra Malaysia with more than 16 years of working experience in the Forest Management, forest inventories, forest harvesting, Remote Sensing & GIS.
Mohd Ab Raouf Asis	Auditor / GAP, Health & Safety	Holds a B. Sc. in Manufacturing (Production and Operation). He had more than 7 years of working experience in the oil palm operation.

### **1.3 Audit methodology**

The audit covered the Trong palm oil mill and three of its supply base. The sampling of the number of the supply base was using the formula of  $0.8\sqrt{y}$ . The three supply base covered during the audit are Taiping Rubber Plantation Estate, Malaya Estate and Bukit Merajam Rubber Estate. The audit included on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the management of Trong BU, employees, contractors, local NGO's and other relevant stakeholders were also conducted during the audit.

### **1.4 Stakeholder Consultation**

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the RSPO and SIRIM QAS International's websites in February 2018. In addition, SIRIM QAS International had also sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs).

### **1.5 Audit plan : Refer to Attachment 2**

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

## 2.0 SCOPE OF CERTIFICATION AUDIT

### 2.1 Description of the certification unit

The Boustead Trong Business Unit (hereafter referred to as Trong BU) is one of the business unit registered under the Boustead Estates Agency Sdn. Bhd., a subsidiary company of Boustead Plantation Bhd (BPB). The BU is located at the north of Peninsular Malaysia and consisted of the Trong Palm Oil Mill (TPOM) and 7 other estates namely the Taiping Rubber Plantations (TRP) Estate, Bukit Mertajam Rubber (BMR) Estate, Malakoff Estate, Malaya Estate, Kuala Muda Estate, Stothard Estate and Batu Pekaka Estate.

The Trong Palm Oil Mill commenced its operations in year 2000 with a processing capacity of 60 metric tonnes of Fresh Fruit Bunches (FFB) per hour. All the estates within the CU have been fully developed before the year of 2005. Hence, Principle 7 of the RSPO P&C is therefore not applicable.

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

The FFB sourced from company owned estates that are certified. Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

Table 1: Actual FFB production by the supply base for the last reporting period  
(February 2017 to March 2018)

Estates	FFB Production	
	Tonnes	Percentage (%)
Taiping Rubber Plantations Estate	17,300	12
Malaya Estate	14,450	10
Malakoff Estate	20,700	14
Bukit Mertajam Rubber Estate	34,565	24
Kuala Muda Estate	28,950	20
Stothard Estate	16,382	11
Batu Pekaka Estate	14,653	10
<b>Total</b>	<b>147,000</b>	<b>100</b>

Table 2: Projected FFB production by supply base for the next reporting period  
(April 2018 to March 2019)

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Taiping Rubber Plantations Estate	16,000	13	16,000
Malaya Estate	13,500	11	13,500
Malakoff Estate	8,000	6	8,000
Bukit Mertajam Rubber Estate	29,000	24	29,000
Kuala Muda Estate	27,500	23	27,500
Stothard Estate	13,500	11	13,500
Batu Pekaka Estate	14,500	12	14,500
<b>Total</b>	<b>122,000</b>	<b>100</b>	<b>122,000</b>

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**Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period (February 2017 to March 2018)**

	Total (MT)
FFB Received	147,000.00
FFB Processed	147,000.00
CPO Production	30,100.00
PK Production	7,195.83
CPO delivered as RSPO certified	10,366.48
CPO delivered as non-RSPO certified	18,926.46
PK delivered as RSPO certified	Nil
PK delivered as non-RSPO certified	7,060.53

**Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period (April 2018 to March 2019)**

	Total (MT)
FFB Received	122,000
FFB Processed	122,000
CPO Production	27,000
PK Production	6,500
CPO delivered as RSPO certified	27,000
CPO delivered as non-RSPO certified	-
PK delivered as RSPO certified	6,500
PK delivered as non-RSPO certified	-

**Table 5 Planted and certified area of the Trong BU**

Estate	Planted (ha)	Certified (ha)
Taiping Rubber Plantations Estate	1,263.60	1,382.80
Malaya Estate	806.90	806.90
Malakoff Estate	1,286.50	1,379.00
Bukit Mertajam Rubber Estate	2,310.40	2,482.60
Kuala Muda Estate	1,419.00	1,419.00
Stothard Estate	942.90	983.10
Batu Pekaka Estate	897.80	897.80
<b>Total</b>	<b>8,927.10</b>	<b>9,351.20</b>

**Table 6 : Planting profile for Taiping Rubber Plantations Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2nd	Immature	97.9	7.75
2016	"	Immature	124.7	9.87
2015	"	Immature	60.4	4.78
2014	"	Mature	54.2	4.29
2011	"	Mature	50.7	4.01
2010	"	Mature	41.8	3.31
2004	"	Mature	82.4	6.52
2003	"	Mature	45.0	3.56
2001	"	Mature	157.6	12.47
2000	"	Mature	35.9	2.84
1999	1st	Mature	60.0	4.75
1998	"	Mature	23.9	1.89
1997	"	Mature	36.6	2.90



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1996	"	Mature	100.0	7.91
1995	"	Mature	110.5	8.74
1994	"	Mature	76.0	6.01
1993	"	Mature	106.0	8.39
	Total		1,263.60	100.00

**Table 7 : Planting profile for Malaya Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2nd	Immature	45.6	5.65
2016	"	Immature	59.6	7.39
2013	"	Mature	68.7	8.51
2012	"	Mature	52.2	6.47
2011	"	Mature	63.8	7.91
2010	"	Mature	81.8	10.14
2008	"	Mature	117.5	14.56
2007	"	Mature	100.1	12.41
2006	"	Mature	57.6	7.14
1993	1st	Mature	98.9	12.26
1992	"	Mature	61.1	7.57
	Total		806.90	100.00

**Table 8 : Planting profile for Malakoff Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2nd	Immature	51.1	3.97
2016	"	Immature	48.9	3.80
2014	"	Mature	94.3	7.33
2013	"	Mature	57.0	4.43
2011	"	Mature	58.8	4.57
2010	"	Mature	57.0	4.43
2009	"	Mature	82.1	6.38
2008	"	Mature	45.4	3.53
2007	"	Mature	73.9	5.74
2006	"	Mature	59.3	4.61
2005	"	Mature	70.1	5.45
2003	"	Mature	22.3	1.73
2002	"	Mature	27.9	2.17
2001	"	Mature	96.7	7.52
2000	"	Mature	77.6	6.03
1999	1st	Mature	55.5	4.31
1995	"	Mature	159.7	12.41
1993	"	Mature	30.1	2.34
1992	"	Mature	50.0	3.89
1990	"	Mature	68.8	5.35
	Total		1,286.50	100.00

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**Table 9: Planting profile for Bukit Mertajam Rubber Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2nd	Immature	218.8	9.47
2016	"	Immature	206.9	8.96
2015	"	Immature	106.7	4.62
2014	"	Mature	121.4	5.25
2012	"	Mature	40.9	1.77
2007	"	Mature	29.7	1.29
2001	"	Mature	252.1	10.91
2000	"	Mature	134.6	5.83
1999	1st	Mature	96	4.16
1996	"	Mature	191.7	8.30
1995	"	Mature	241	10.43
1994	"	Mature	213.8	9.25
1993	"	Mature	175.8	7.61
1992	"	Mature	281	12.16
		Total	2,310.40	100

**Table 10: Planting profile for Stothard Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2nd	Immature	31.5	3.34
2014	"	Mature	55.7	5.91
2013	"	Mature	41.4	4.39
2012	"	Mature	71.9	7.63
2011	"	Mature	49.8	5.28
2010	"	Mature	32.9	3.49
2009	"	Mature	48.5	5.14
2008	"	Mature	54.9	5.82
2003	"	Mature	2.8	0.30
2001	"	Mature	43.5	4.61
2000	"	Mature	49.4	5.24
1999	1st	Mature	143.9	15.26
1998	"	Mature	134.9	14.31
1997	"	Mature	78.1	8.28
1996	"	Mature	56.9	6.03
1995	"	Mature	46.8	4.96
	Total		942.90	100.00

**Table 11: Planting profile for Batu Pekaka Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2nd	Immature	60.5	6.74
2016	"	Immature	37.2	4.14
2015	"	Immature	61.8	6.88
2014	"	Mature	58.5	6.52
2013	"	Mature	64.9	7.23
2012	"	Mature	33.1	3.69
2011	"	Mature	34.2	3.81
2010	"	Mature	30.7	3.42

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2009	"	Mature	39.8	4.43
2008	"	Mature	63.3	7.05
2002	"	Mature	151.2	16.84
2001	"	Mature	44.1	4.91
2000	"	Mature	77.8	8.67
1999	"	Mature	41.1	4.58
1997	"	Mature	21.4	2.38
1995	"	Mature	78.2	8.71
	Total		897.80	100.00

Table 12: Planting profile for Kuala Muda Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2017	2nd	Immature	41.1	2.90
2003	"	Mature	239.0	16.84
2001	"	Mature	340.4	23.99
2000	"	Mature	195.5	13.78
1999	1st	Mature	176.6	12.45
1998	"	Mature	149.1	10.51
1997	"	Mature	100.1	7.05
1996	"	Mature	177.2	12.49
	Total		1419.00	100.00

### 2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	Mr. Anuar Semail
Position	:	Chairman RSPO, Boustead
Address	:	11th Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia
Phone no.	:	+603-2145-2121
Fax no.	:	+603-2141-0693
Email	:	<a href="mailto:anuar.bea@boustead.com.my">anuar.bea@boustead.com.my</a>

### **3.0 AUDIT FINDINGS**

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

Boustead Plantations Berhad (BPB) is a member of RSPO since 10 October 2004 with the membership number 1-0012-04-000-00. The organization has 41 estates and 10 mills divided under 10 Business Units and with a total land of 65,680.00 ha. All of the Business units are in Malaysia. BPB has established a time bound plan (Attachment 6) for the phased implementation of the RSPO standard for their oil mills and estates.

The audit team considers that the BPB Group is on the right track with its time-bound plan which is considered reasonable and challenging, given the widespread geographic locations of its estates and the resources required.

#### **3.2 Progress and changes in time bound plan (Refer to Attachment xx 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 :

Several CU under Boustead Estates Agency Sdn Bhd has not been certified. However, the time bound plan for uncertified management units still on the track. For uncertified units internal audit was conducted by the Sustainability Unit from HQ. They monitored the compliance status on uncertified units for issues on legal compliance, HCV, safety, environment, workers welfare and social.

- 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?

NA

- iii. Are there associated smallholders (including scheme smallholders) in the CU ☐ Yes ☒ No

If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification? ☐ Yes ☒ No

If no, please state reasons NA

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

#### **3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.)**

No changes

## RSPO PUBLIC SUMMARY REPORT

3.4 Status of previous non-conformities \*

☒

Closed

☐

Not closed\*

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

3.5. Complaint received from stakeholder (if any)

There were some stakeholders interviewed during the conduct of this audit. These included the workers, contractors and suppliers. In general, all the interviewed stakeholders had given positive feedback on the CU.

### 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 :

MZK 01 2018, RAR 01 2018, MAR 02 2018

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

List :

MAR 01 2018

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

Total no. of minor NCR(s)  
(details refer to Attachment 5)

List :

Total no. of major NCR(s)  
(details refer to Attachment 5 )

List :

MZK 02 2018

### 5.0 AUDIT CONCLUSION

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

## RSPO PUBLIC SUMMARY REPORT

### 6.0 RECOMMENDATION

☐

No NCR recorded. Recommended to continue certification.

☒

Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit.

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

☒

Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.

☒

Recommended to continue certification.

☐

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

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

**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 : ROZAIMEE BIN AB RAHMAN

\_\_\_\_\_  
(Name)



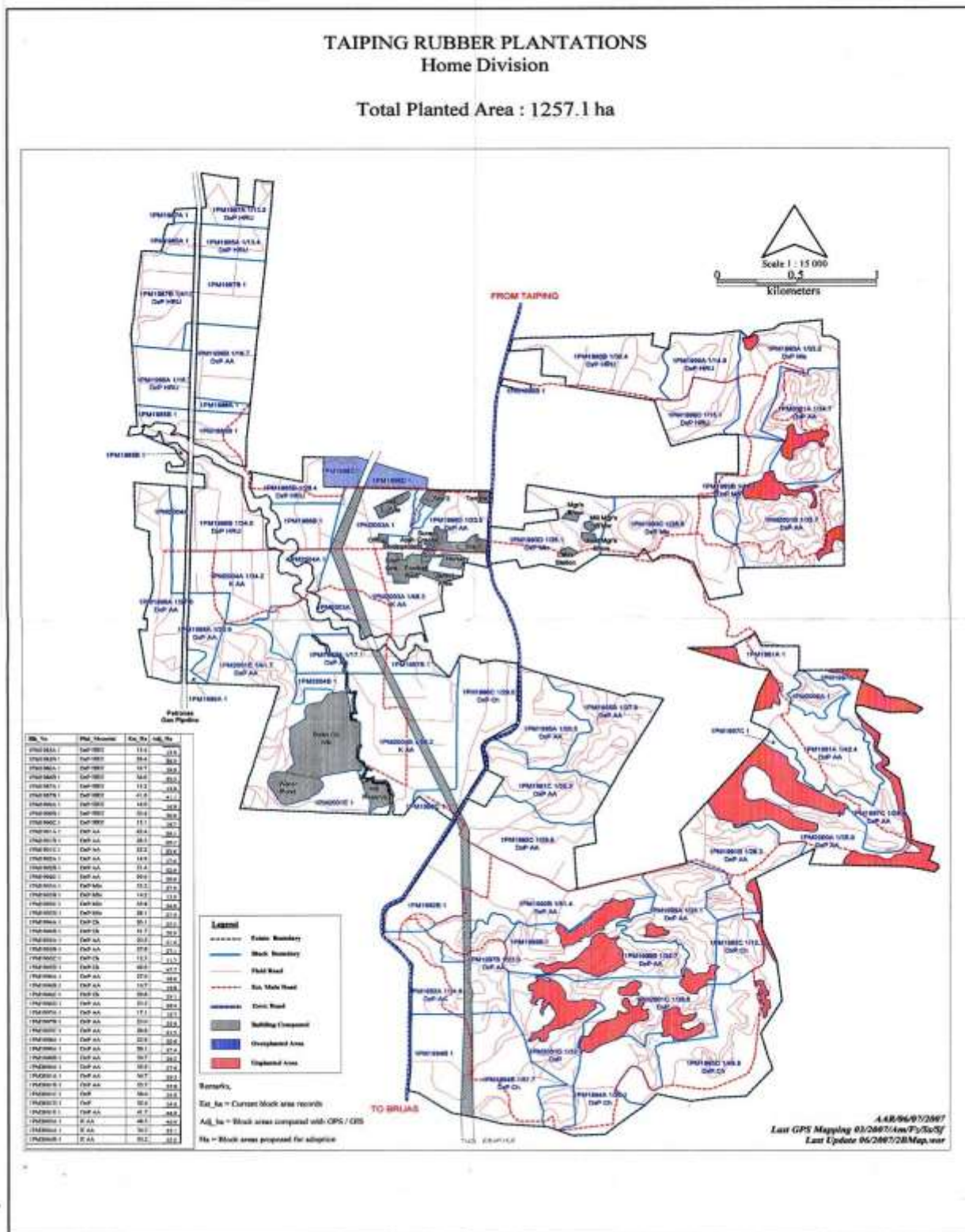
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09/07/2018

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(Date)

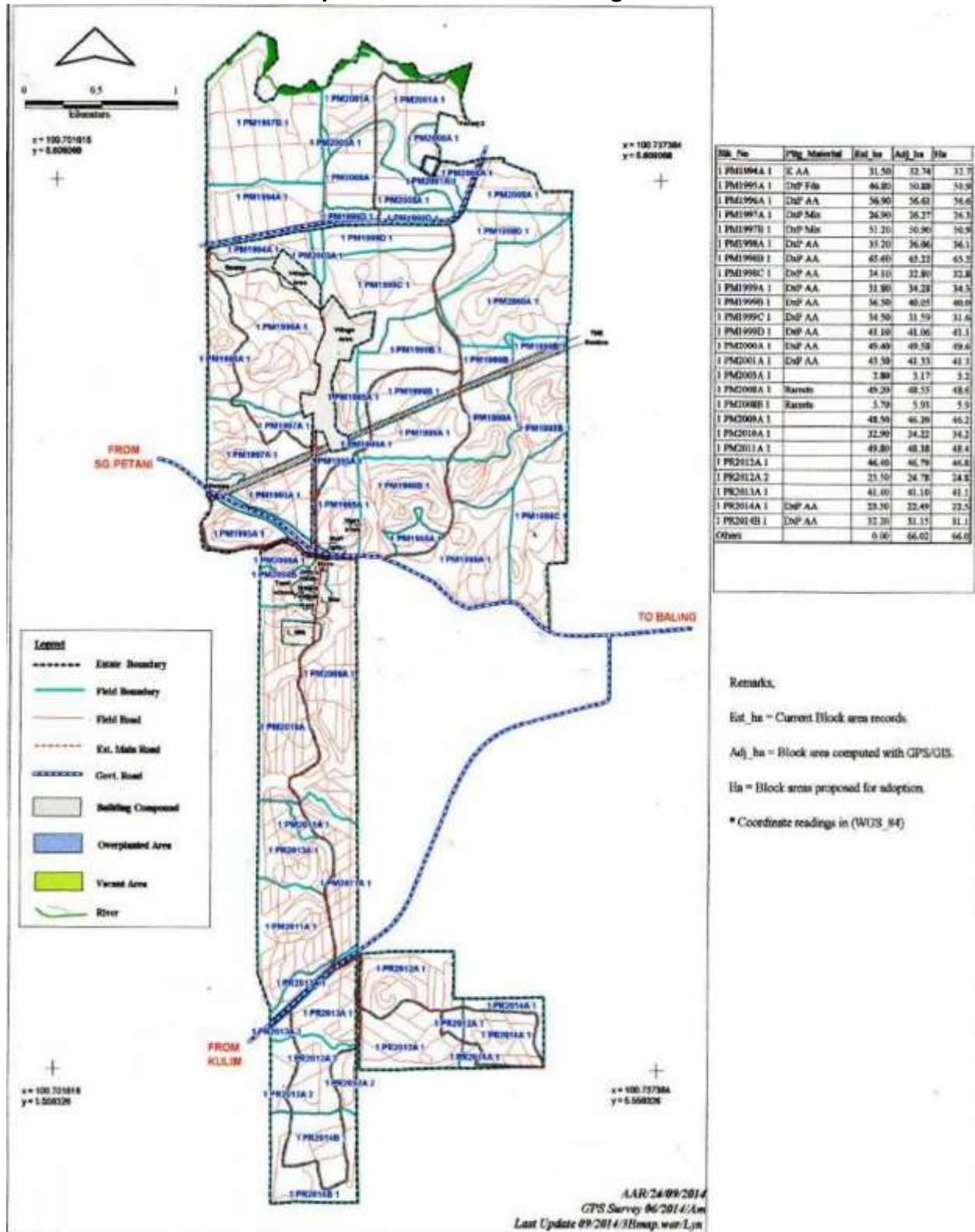
Attachment 1

Map of TRP Estate - Trong BU



# RSPO PUBLIC SUMMARY REPORT

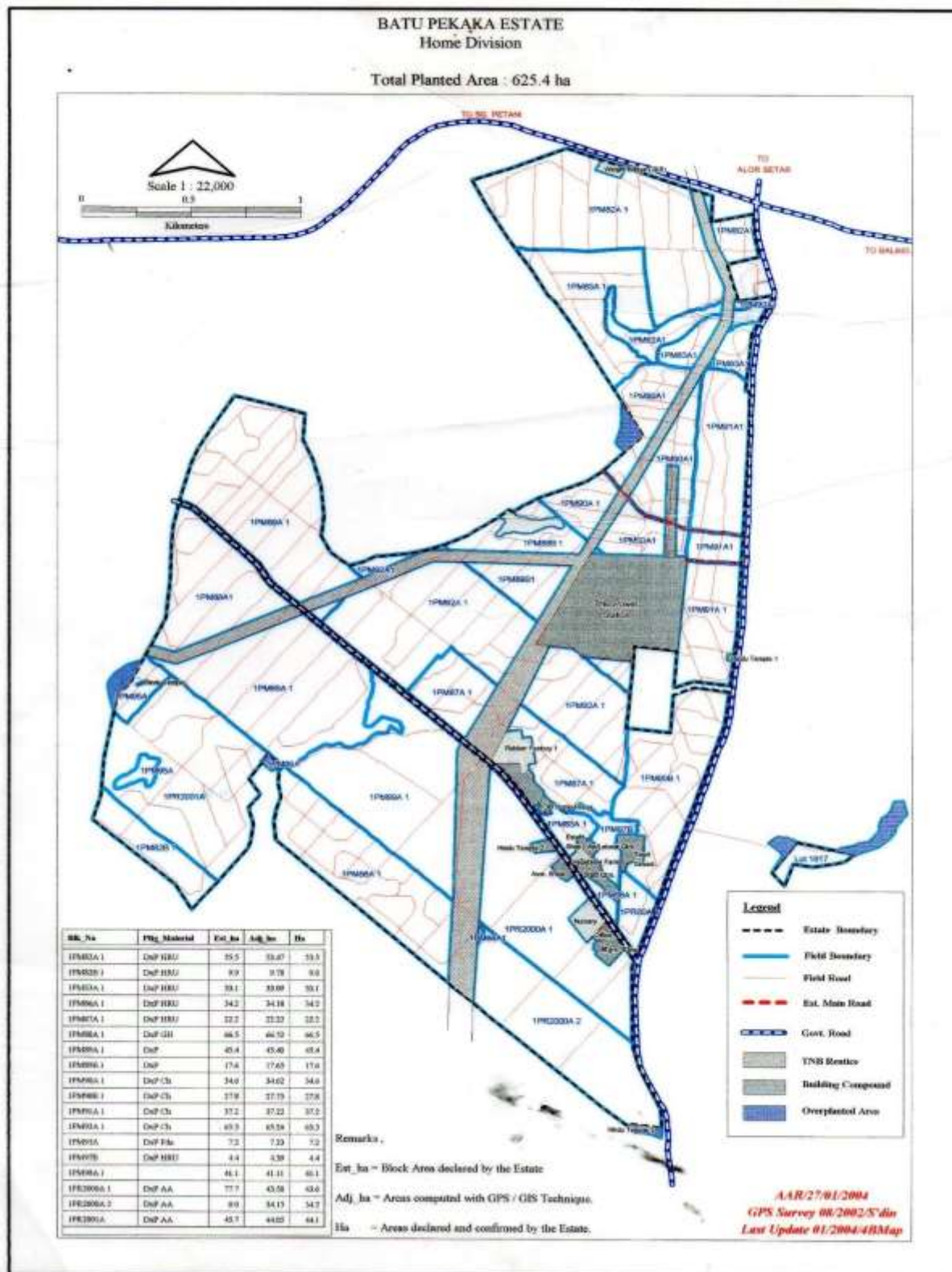
## Map of Stothard Estate - Trong BU



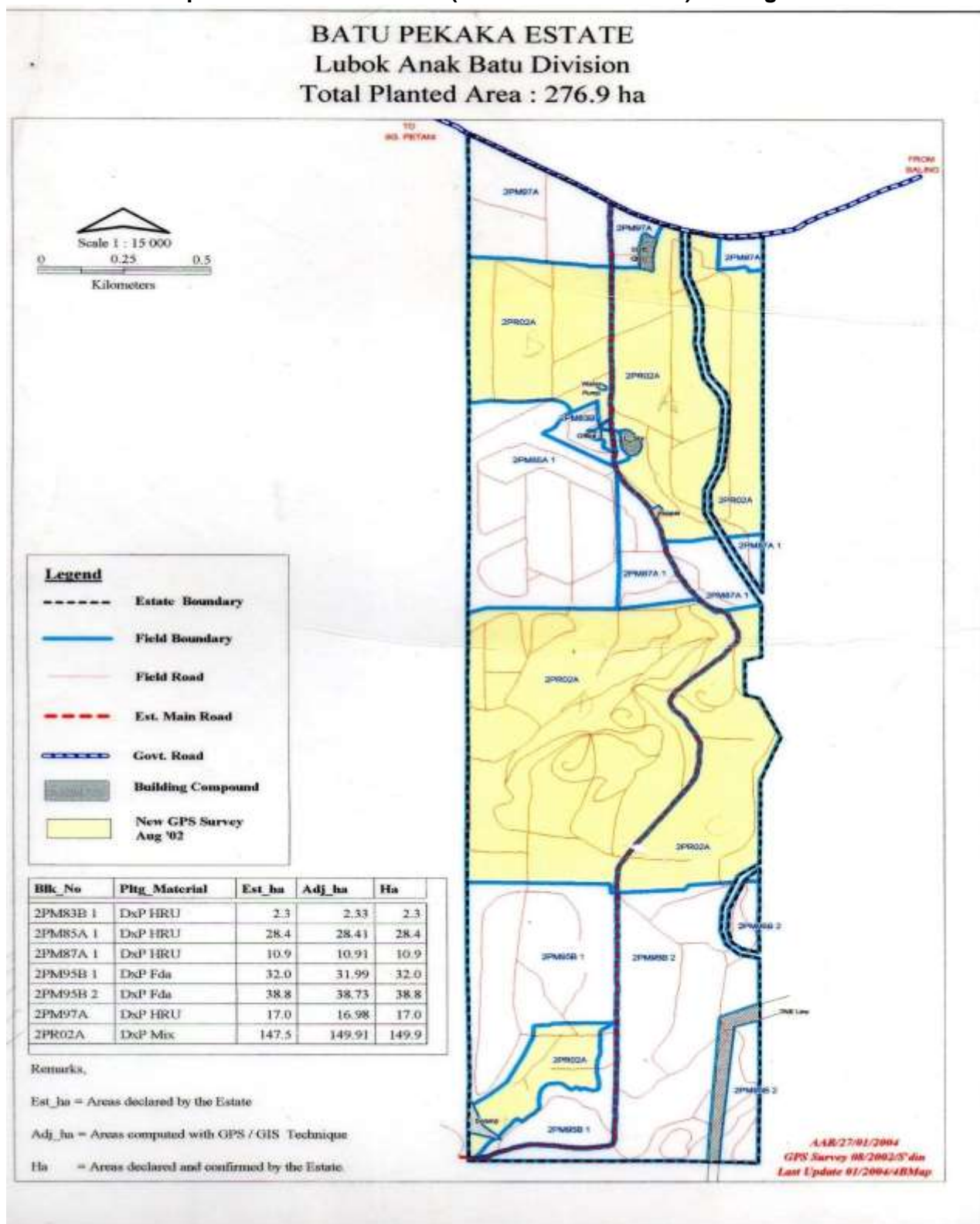


# RSPO PUBLIC SUMMARY REPORT

## Map of Batu Pekaka Estate (Home Div) - Trong BU

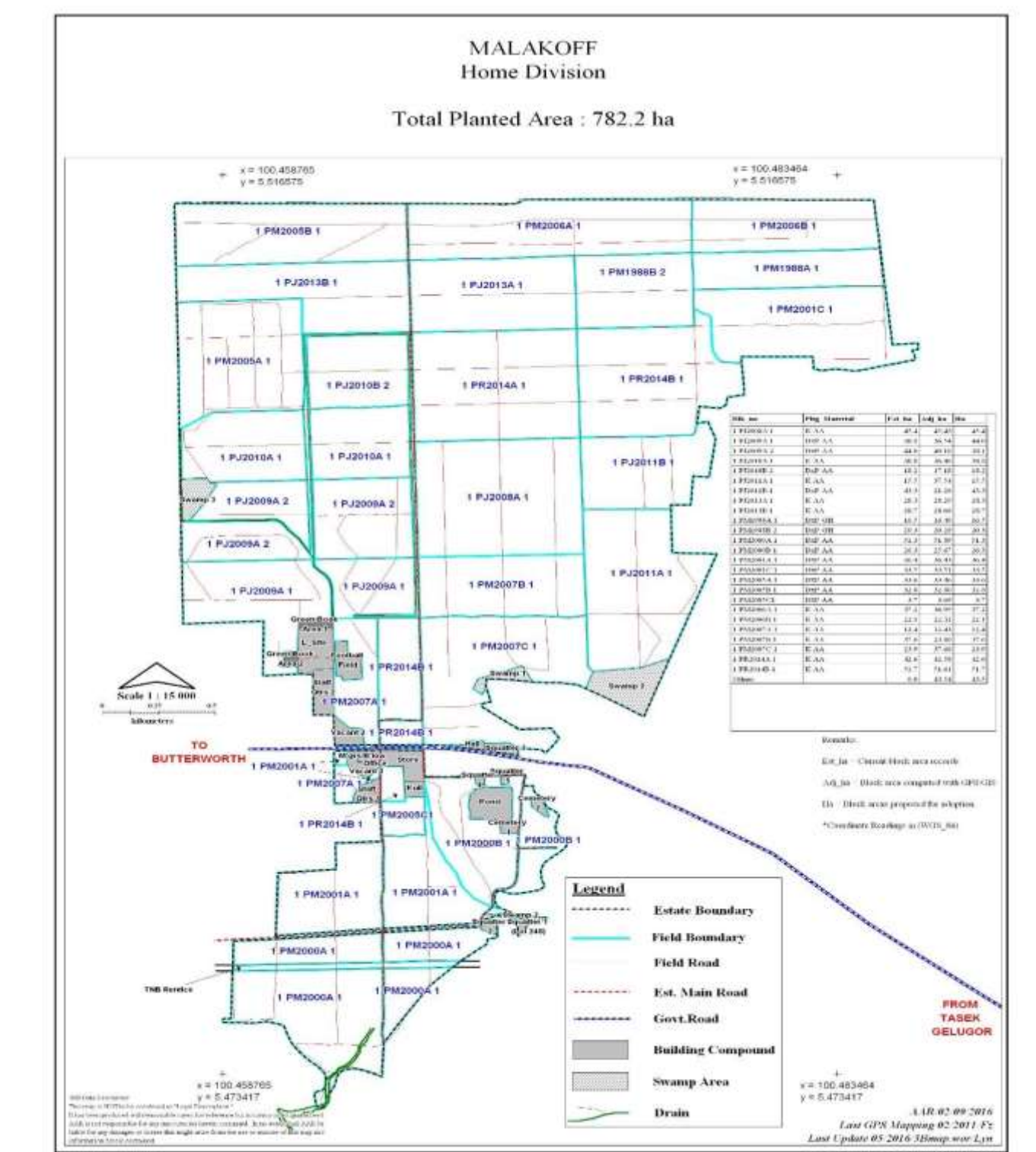


## Map of Batu Pekaka Estate (Lubok Anak Batu Div) - Trong BU



## RSPO PUBLIC SUMMARY REPORT

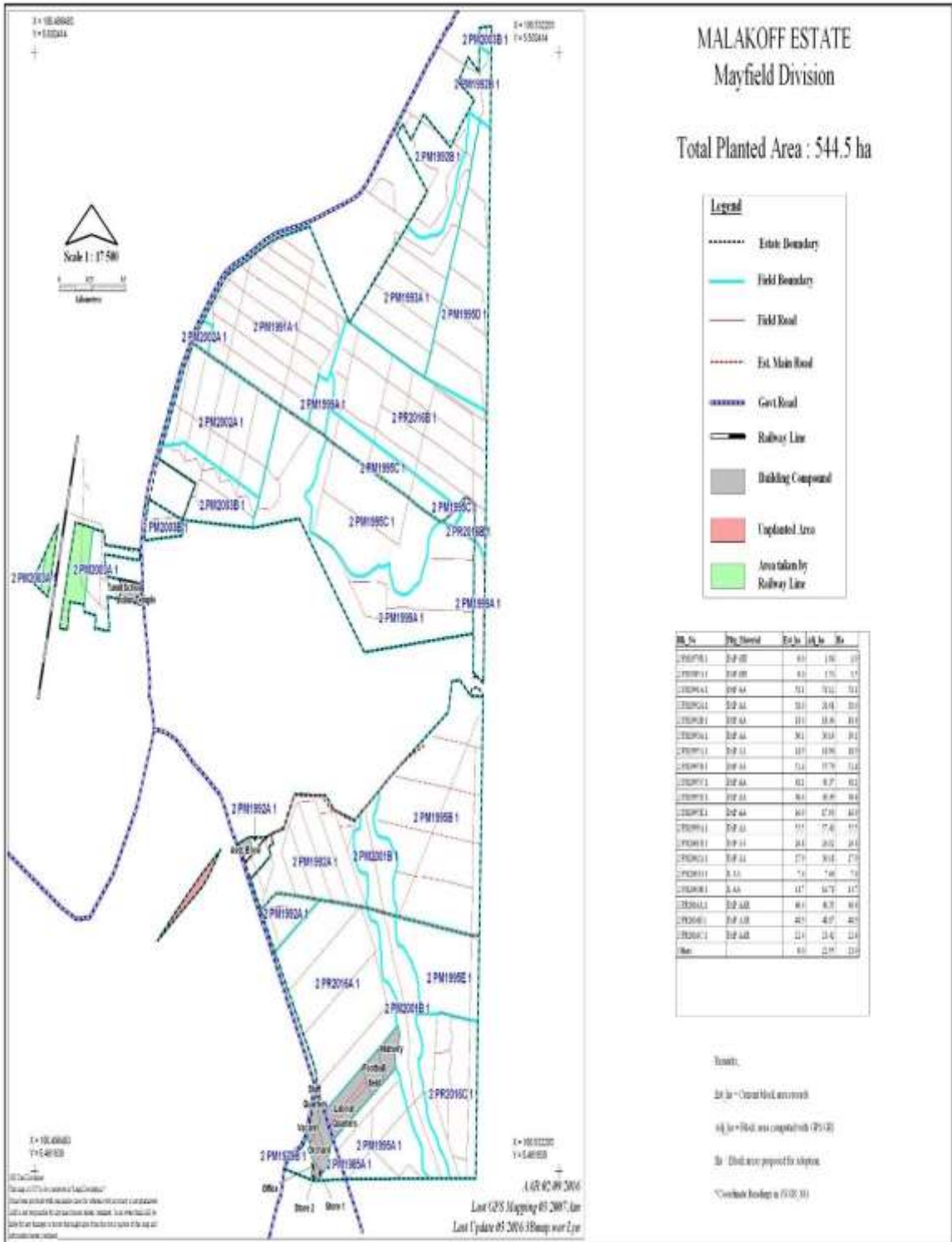
**Map of Malakoff Estate (Home Div) - Trong BU**



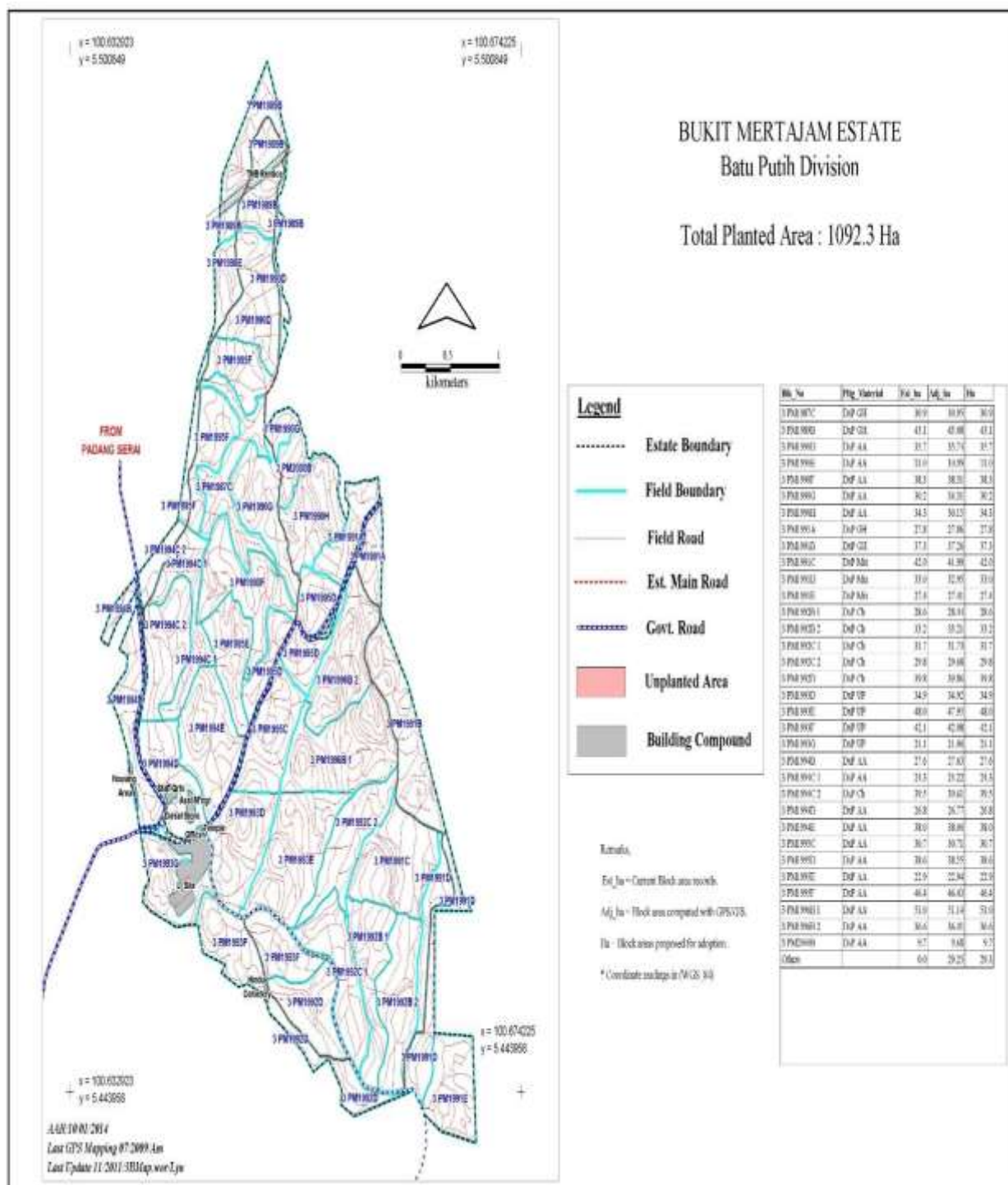


## RSPO PUBLIC SUMMARY REPORT

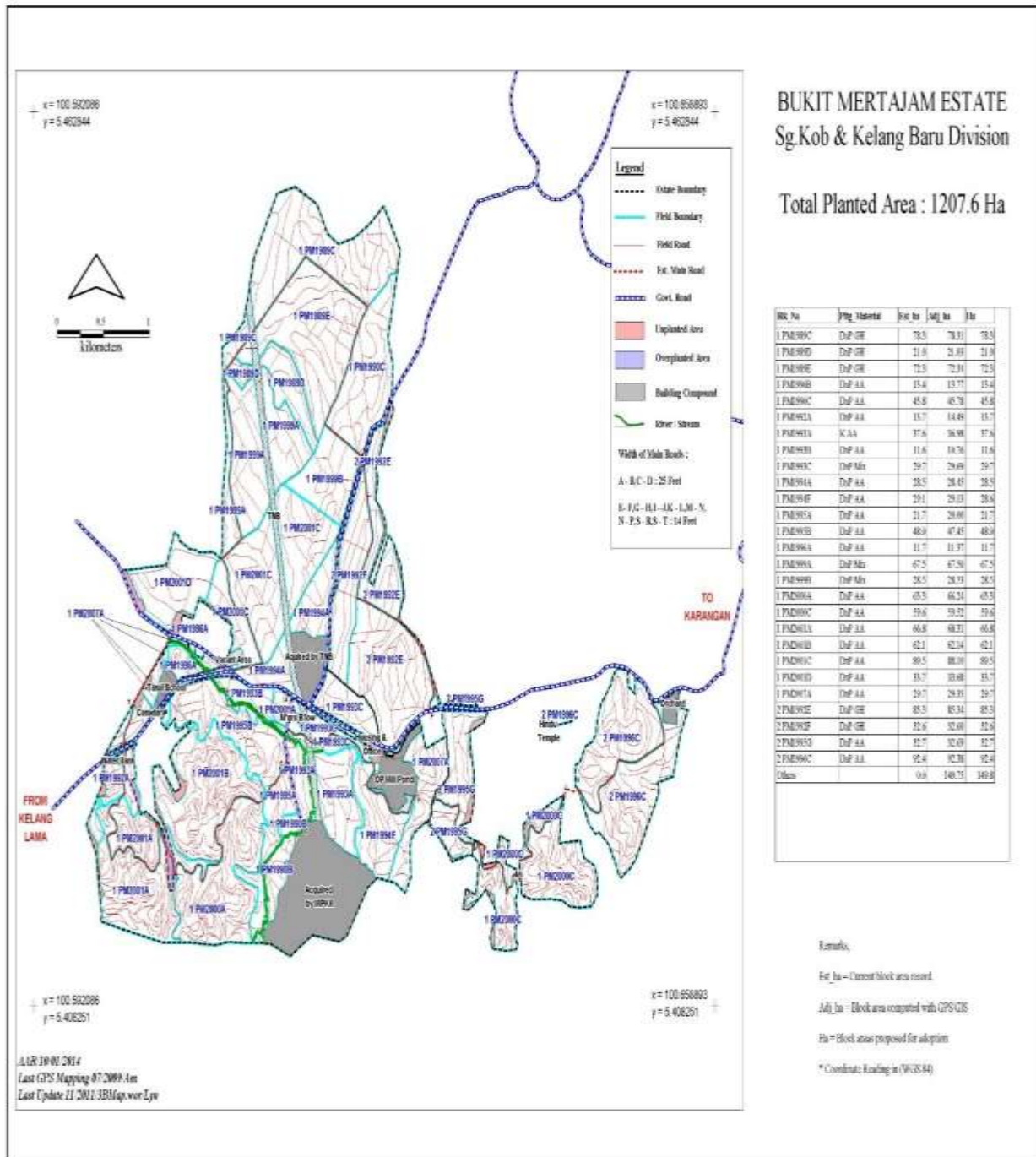
## Map of Malakoff Estate (Mayfield Div) - Trong BU



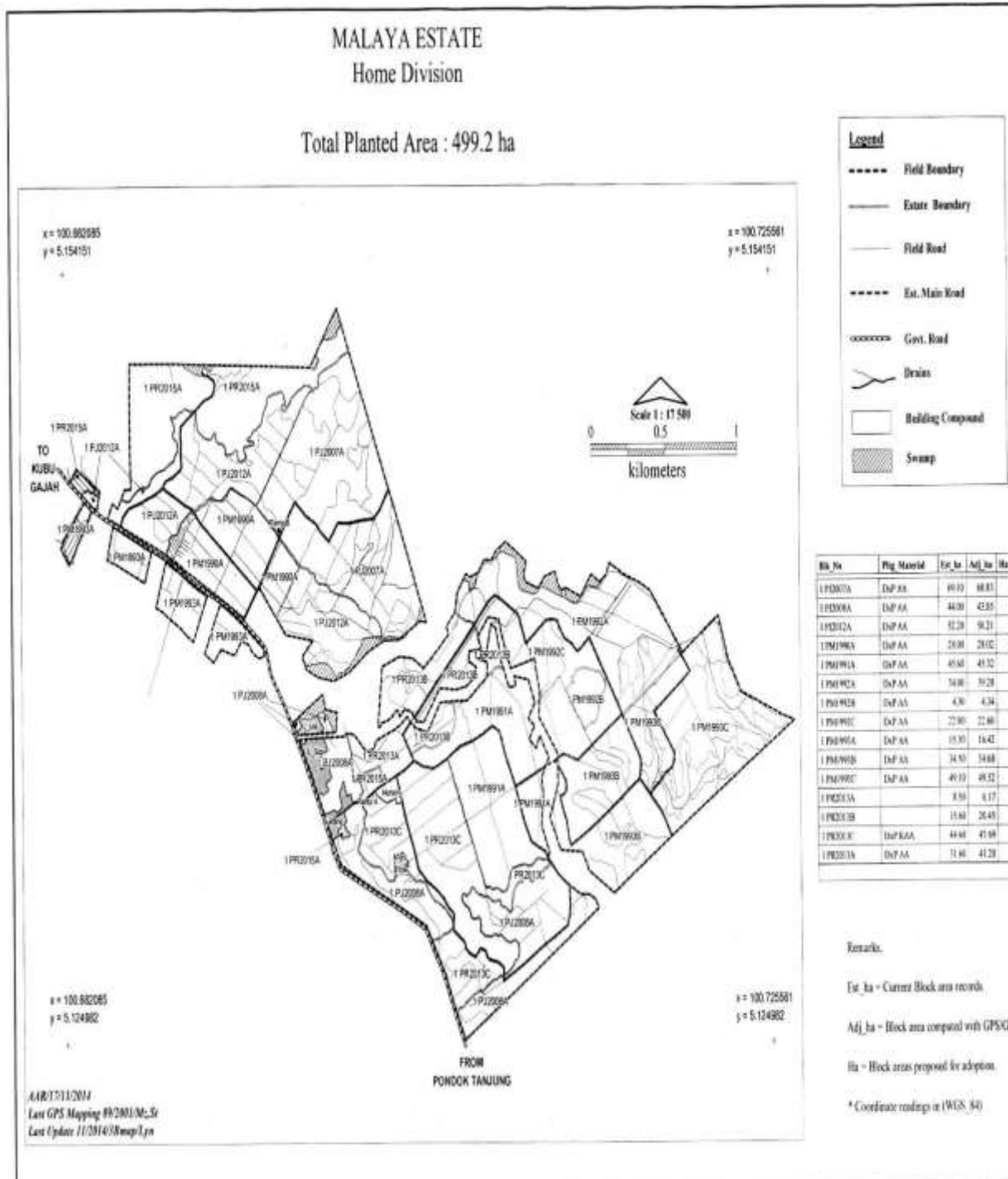
# Map of Bukit Mertajam Rubber Estate (Batu Putih Div) - Trong BU



Map of Bukit Mertajam Rubber Estate (Sg. Kob & Kelang Baru Div) - Trong BU



**Map of Malaya Estate (Home Div) – Trong BU**

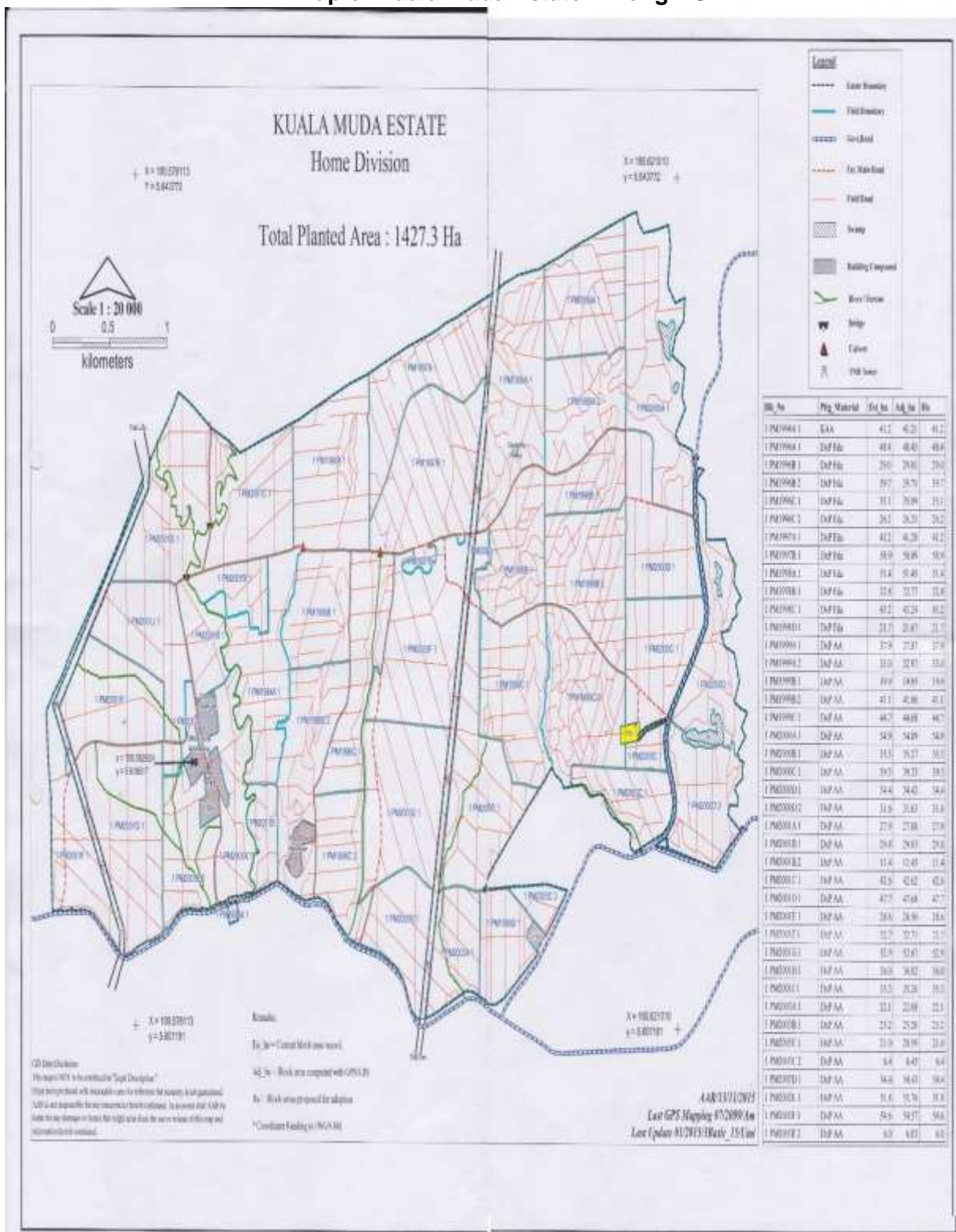








# Map of Kuala Muda Estate - Trong BU



SIRIM QAS INTERNATIONAL SDN. BHD.

RSPO SURVEILLANCE 1 AUDIT PLAN

1. Objectives

The objectives of the assessment are as follows:

- (i) To evaluate Trong Certification Unit 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 : 9 - 13 April 2018

3. Site of assessment : Boustead Trong BU

- Trong Palm Oil Mill
- Taiping Rubber Plantations Estate
- Malaya Estate
- Bukit Mertajam Rubber Estate

4. Scope of Certification : Production of crude palm oil and palm kernel using Identity Preserved model

5. Reference Standard :

- a. RSPO P&C MYNI: 2014
- b. RSPO Certification Systems June 2007
- c. RSPO Supply Chain Standard, 2014
- d. Company's audit criteria including Company's Manual/Procedures

6. Assessment Team

Assessor: Rozaimée Ab Rahman  
Mohd Zulfakar Kamaruzaman  
Khairul Najwan Ahmad Jahari

## RSPO PUBLIC SUMMARY REPORT

Mohd Abdul Raof Asis

Ismail Adnan Abdul Malek (trainee auditor)

*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 programme, 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.

**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

## RSPO PUBLIC SUMMARY REPORT

- d. Photocopy facilities
- e. A guide for each group

13. **Assessment Programme Details** : As shown below

Day 1: 9 April 2018 (Monday)					
Time					
8.30 – 9.00 am	<b>Opening meeting at Malaya Estate Office</b> Lead Auditor to introduce audit team member, brief on audit objectives, scope, methodology, criteria and programmes <b>Organization Representative to brief on the following :</b> <ol style="list-style-type: none"> <li>1) RSPO implementation at Trong BU (i.e. mill &amp; supply base) including changes</li> <li>2) Time bound plan for Boustead</li> <li>3) Significant changes on organization activities, machinery, supply bases capacity etc</li> </ol>				
	Rozaimée	Najwan / Ismail	zulfakar	Raof	
9:00 – 1:00 pm	<b><u>Taiping Rubber Plantation Estate</u></b> Coverage of assessment: P1, P2, P4, P5, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Interviews with etates workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> </ul>	<b><u>Malaya Estate</u></b> Coverage of assessment: P1, P2, P4, P6, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Social Impact Assessment (SIA) implementation</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, GPW, local communities, stakeholders, independent smallholders and contractors</li> <li>• Linesite inspection</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<b><u>Taiping Rubber Plantation Estate</u></b> Coverage of assessment: P1, P2, P4, P5, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• ,HCV Assessment management plan &amp; implementation</li> <li>• Interview with workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Monitoring of HCV assessment</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> <li>• Riparian zone</li> </ul>	<b><u>Malaya Estate</u></b> Coverage of assessment: P1, P2, P3, P4, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Commitment to long-term economic and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> <li>• Chemical store/fertilizer</li> <li>• Plantation on hilly/swampy area</li> <li>• IPM implementation, training and safe use of agro-chemicals.</li> <li>• New planting</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Continuous improvement</li> </ul>	Guide(s) for each assessor

## RSPO PUBLIC SUMMARY REPORT

1.00 – 2.00 pm	Break
2.00 – 5.00 pm	Continue assessment

Day 2: 10 April 2018 (Tuesday)					
Activities /areas to be visited	Rozaimie	Najwan / Ismail	Zulfakar	Raof	
8.00 – 12.00 pm	<p><b><u>Malaya Estate</u></b></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Interviews with etates workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> </ul>	<p><b><u>Taiping Rubber Plantation Estate</u></b></p> <p>Coverage of assessment: P1, P2, P4, P6, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Social Impact Assessment (SIA) implementation</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, GPW, local communities, stakeholders, independent smallholders and contractors</li> <li>• Linesite inspection</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<p><b><u>Malaya Estate</u></b></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• ,HCV Assessment management plan &amp; implementation</li> <li>• Interview with workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Monitoring of HCV assessment</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> <li>• Riparian zone</li> </ul>	<p><b><u>Taiping Rubber Plantation Estate</u></b></p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Commitment to long-term economic and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> <li>• Chemical store/fertilizer</li> <li>• Plantation on hilly/swampy area</li> <li>• IPM implementation, training and safe use of agro-chemicals.</li> <li>• New planting</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Continuous improvement</li> </ul>	Guide(s) for each assessor
12.00 – 1.00 pm	Break				

## RSPO PUBLIC SUMMARY REPORT

1.00 – 5.00 pm	Continue assessment	Guide(s) for each assessor
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### Day 3: 11 April 2018 (Wednesday)

Activities /areas to be visited	Rozaimée	Najwan / Ismail	zulfakar	Raof	
8.00 – 12.00 pm	<u><b>Bukit Mertajam Rubber Estate</b></u> Coverage of assessment: P1, P2, P4, P5, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Interviews with etates workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> </ul>	<u><b>Bukit Mertajam Rubber Estate</b></u> Coverage of assessment: P1, P2, P4, P6, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Social Impact Assessment (SIA) implementation</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, GPW, local communities, stakeholders, independent smallholders and contractors</li> <li>• Linesite inspection</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<u><b>Bukit Mertajam Rubber Estate</b></u> Coverage of assessment: P1, P2, P4, P5, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• ,HCV Assessment management plan &amp; implementation</li> <li>• Interview with workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Monitoring of HCV assessment</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> <li>• Riparian zone</li> </ul>	<u><b>Bukit Mertajam Rubber Estate</b></u> Coverage of assessment: P1, P2, P3, P4, P7, P8 <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Commitment to long-term economic and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> <li>• Chemical store/fertilizer</li> <li>• Plantation on hilly/swampy area</li> <li>• IPM implementation, training and safe use of agro-chemicals.</li> <li>• New planting</li> <li>• Interview with workers, safety committee and contractors</li> <li>• Continuous improvement</li> </ul>	Guide(s) for each assessor
12.00 – 1.00 pm	Break				
1.00 – 5.00 pm	Continue assessment				Guide(s) for each assessor

### Day 4: 12 April 2018 (Thursday)

## RSPO PUBLIC SUMMARY REPORT

Activities /areas to be visited	Rozaimée	Najwan / Ismail	zulfakar	Raof	
8.00 – 12.00 pm	<p><b><u>Trong Pom</u></b></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Interviews with etates workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> </ul>	<p><b><u>Trong POM</u></b></p> <p>Coverage of assessment: P1, P2, P4, P6, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Social Impact Assessment (SIA) implementation</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, GPW, local communities, stakeholders, independent smallholders and contractors</li> <li>• Linesite inspection</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<p><b><u>Trong POM</u></b></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• ,HCV Assessment management plan &amp; implementation</li> <li>• Interview with workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Monitoring of HCV assessment</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> <li>• Riparian zone</li> </ul>	<p><b><u>Bukit Mertajam Rubber Estate</u></b></p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Commitment to long-term economic and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> <li>• Chemical store/fertilizer</li> <li>• Plantation on hilly/swampy area</li> <li>• IPM implementation, training and safe use of agro-chemicals.</li> <li>• New planting</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Continuous improvement</li> </ul>	Guide(s) for each assessor
12.00 – 1.00 pm	Break				
1.00 – 5.00 pm	Continue assessment				Guide(s) for each assessor

## RSPO PUBLIC SUMMARY REPORT

Day 5: 13 April 2018 (Friday)

Day 5: 13 April 2018 (Friday)

Activities /areas to be visited	Rozaimée	Najwan / Ismail	zulfakar	Raof	
8.00 – 11.00 pm	<p><b><u>Trong Pom</u></b></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Interviews with mill's workers</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Interview with workers , safety committee and contractors</li> <li>• Training and skill development programmes</li> </ul> <p>Continuous improvement</p>	<p><b><u>Trong Pom</u></b></p> <p>Coverage of assessment: P1, P2, P4, P6, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Social Impact Assessment (SIA), Assessment management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, GPW, local communities, stakeholders, independent smallholders and contractors</li> <li>• Linesite inspection</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<p><b><u>Trong Pom</u></b></p> <p>Site visit and assessment on Supply Chain Implementation including the</p> <ul style="list-style-type: none"> <li>• Model used</li> <li>• General Chain of Custody System Requirements for the supply chain</li> <li>• Documented procedures</li> <li>• Purchasing and goods in</li> <li>• Outsourcing activity</li> <li>• Sales and goods out</li> <li>• Processing</li> <li>• Records keeping</li> <li>• Registration</li> <li>• Training</li> <li>• Claims</li> </ul>	<p><b><u>Unfinished assessment (Estate)</u></b></p> <p>Coverage of assessment: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Commitment to long-term economic and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> <li>• Chemical store/fertilizer</li> <li>• Plantation on hilly/swampy area</li> <li>• IPM implementation, training and safe use of agro-chemicals.</li> <li>• New planting</li> <li>• Continuous improvement</li> </ul>	Guide(s) for each assessor
11.00 – 12.00 pm	Break/ Audit Team discussion, preparation on audit findings and issuance of NCR (if any)				
12.00 – 1.00 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 issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	YES	Trong BU has established procedure for responding to any communication. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the authorities and employees. The BU continued to use website for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances are available through Boustead Plantations' website at <a href="http://www.bousteadplantations.com.my/home.html">http://www.bousteadplantations.com.my/home.html</a>
	1.1.2	Records of requests for information and responses shall be maintained. Major Compliance	YES	At Trong BU have identified personnel responsible for complaints. Records of communication were identified and maintained in different files, depending on the stakeholders. Among the records reviewed were correspondences with the authorities, local communities and employees.
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	Land titles of Trong POM, Taiping Rubber Plantation Estate, Malaya Estate and Bukit Mertajam Estate were kept at their respective offices.
		Occupational health and safety plans (Criterion 4.7);	YES	Occupational Health & Safety Plan titled 'Program Tahunan 2018' has been established at Trong BU. Indicators set in the plan are being monitored. The progress of the monitoring were verified by the auditor. Cross refer to C 4.7.
		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 and social impacts maintained available (refer to Criteria 5.1 and 6.1).
		HCV documentation summary (Criteria 5.2 and 7.3);	YES	Pollution prevention and reduction plans maintained available (refer to Criterion 5.6).
		Pollution prevention and reduction plans (Criterion 5.6);	YES	The estates and mill have established an External Communications Procedures, a flowchart for complaints to management (internal), and a written consultation and communications procedure. These documents were all documented and sighted.
		Details of complaints and grievances (Criterion 6.3);	YES	Negotiation procedures titled Procedure in resolving land conflict and 'Fair Compensation' which are related with land dispute or grievances was made available at the visited sites.
		Negotiation procedures (Criterion	YES	Continuous improvement plans for 2018 are available for Trong POM, Taiping Rubber

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
		6.4);		Plantation Estate, Malaya Estate and Bukit Mertajam Estate and were kept at their respective offices.
		Continual improvement plans (Criterion 8.1);	YES	ThePublic summary of certification assessment is available at SIRIm QAS website.
		Public summary of certification assessment report;	YES	A policy to respect human rights has been established by Trong BU dated in Jan 2016. Auditor has verified through interview with workers that the policy has been communicated to all levels of the workforce and operations.
		Human Rights Policy (Criterion 6.13).	YES	Code of ethical conduct and integrity titled 'Code of Ethics & Conduct' has been established and distributed to all staffs and workers. As verified through interview with local and foreign workers, levels of the workforce have been briefed with code of ethic during morning muster.
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	Pollution prevention and reduction plans maintained available (refer to Criterion 5.6).

### **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, Trong BU continued to comply with most of the applicable local, national and ratified international laws and regulations. Relevant licences and permits were verified at Trong BU and compliance to relevant legal requirement was evident.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	YES	Trong BU had a documented system for identifying, updating and tracking changes in legal requirements and monitoring the status of the legal compliance. Each estate has developed its own Legal Register. The legal requirements has been evaluated on an annual basis. Trong BU has updated their legal register as at March 2017.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	The legal register has been used as guidance in carrying out the periodic evaluation of compliance exercise. Through this exercise, the CU determined their status of compliance with the applicable regulations. Appropriate actions shall be taken should there be any non-compliance found. The mechanism of ensuring implementation was by the Estate Visit Report by Plantation Advisor, Agronomist Report by Applied Agricultural Resources Sdn Bhd, Internal audit and DOSH inspection.

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Clause	Indicators		Comply Yes/No	Findings
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	Sustainability Department Executive who is based in Kuala Lumpur is responsible to track any changes to the Acts and Regulations. This was done through communicating with the publisher of the documents. This mechanism was outlined in its procedure. The updating of the legal register was carried out on a periodical basis. Any change in the legal register is communicated to the respective BUs.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.	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	Trong Business Unit maintains and complies with the terms of the land title. The land titles specified the purpose of the planting for either oil palm or agricultural crops for economic value. All the Estate are originated from Boustead Plantation and established from year of 1950 i.e. TRP estate was established in 1959 and planted with Rubber tree and convert to oil palm on 1986, for Malaya Estate the estate was established on 1969 first crop planting was a Rubber planting and convert to oil palm on 1980. The land origin is from Boustead subsidiary named Boustead Silasuka Sdn Bhd. The land was transferred to Boustead Teluk Sengat Sdn Bhd in April 2011 and then, in July 2016 it was transferred back to Boustead Plantation. Noted that the land title for Batu Pekaka Estate is still in progress to change the ownership from CIMB Trustee Berhad to Boustead.
	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	On-site verification at estate boundary between Malaya Estate with nearby village confirmed that the boundary marking was sighted and available. At Taiping Rubber Plantation, observed that the boundary stones were visibly maintained between the estate with neighbouring villages. Site inspection to Bukit Mertajam Estate also found that the boundary stone was maintained with the neighbouring village accordingly.
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with FPIC. Minor Compliance	YES	There was no issue raised on land dispute at Malaya Estate based on interview with head of village, located in adjacent to the estate. As for Taiping Rubber Plantation, auditor had interviewed the village head of nearby villages and confirmed that there was no case of land dispute between the estate and the local communities. The same was also confirmed for Bt. Mertajam estate.
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved. Major Compliance	YES	There was no issue raised on land dispute as explained in Indicator 2.2.3.
	2.2.5	For any conflict or dispute over the land, the extent of the	YES	There was no issue raised on land dispute as explained in Indicator 2.2.3.

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Clause	Indicators		Comply Yes/No	Findings
		disputed area shall be mapped out in a participatory way with involvement of affected parties. Minor Compliance		
	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	Site visits to Malaya Estate, Taiping Rubber Plantation, Bukit Mertajam Estate and Trong POM confirmed that there was no evidence that the oil palm operations have instigated violence in maintaining peace and order in their current and planned operations.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior, and informed consent.	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	There was no evidence of land dispute as verified through interview with neighboring local communities.
	2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:	NA	Since there was no conflict or dispute over land ownership in the Trong BU, this indicator was not applicable to them.
	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;	NA	Since there was no conflict or dispute over land ownership in the Trong BU, this indicator was not applicable to them.
	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;	NA	Since there was no conflict or dispute over land ownership in the Trong BU, this indicator was not applicable to them.
	c)	Evidence that the legal, economic, environmental and social implications for permitting operations on their land have	NA	Since there was no conflict or dispute over land ownership in the Trong BU, this indicator was not applicable to them.

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Clause	Indicators		Comply Yes/No	Findings
		been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance		
	2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance	NA	Since there was no conflict or dispute over land ownership in the Trong BU, this indicator was not applicable to them.
	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	NA	Since there was no conflict or dispute over land ownership in the Trong BU, this indicator was not applicable to them.

### **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 (min. 3 years) shall be documented. That includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	3 estates and 1 mill visited maintained to have minimum 4 years business plans called business horizon plan. The budget allocations at estates, include activities for operating expenditure. Attention was given to crop projection, cost of production, cost per ton and per hectare indicators to monitor the performance of each operating unit. The cost of production was reviewed and compared against expenditure each year with projections in place for future years. While, provisions at mill, include the activities for milling process, general charges, RSPO compliance and capital expenditure.
	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 programmes until 2022 were sighted for all estates. This programme is reviewed once a year and is incorporated in their annual financial budget.

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### **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	Trong BU continued to use the established manuals i.e. Oil Palm Circulars & Safety Work Procedure, Standard Sektor Perladangan. The Agriculture Manual, established on 2007 and revised in 2011 maintained in place for estate operation such as land clearing, field upkeep, pest and disease, FFB harvesting and evacuation, soil conservation and terracing, road construction and maintenance, planting density and planting technique, palm replacement during immaturity and supplying, manuring, palm thinning and replanting. Trong POM continued to use the established manuals i.e. Boustead Plantations Berhad: Mill Operations Manual. It is maintain in place for mill operation such as quality system, document control, purchasing, process control, inspection and testing, inspection measuring and test equipment, inspection and test status, control of non-conforming product, complaint and failure investigation, handling, storage, packaging and delivery, quality records, internal quality audits, training and statistical technique.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	YES	The mechanism of ensuring implementation was by the Estate Visit Report by Plantation Advisor, Agronomist Report by Applied Agricultural Resources Sdn Bhd, Internal audit and DOSH inspection.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	YES	Relevant records on implementation and monitoring of OPC and other SOP at the CU were clearly verified. Among the records sighted were: Program sheets, Field cost books, Planting Advisor reports, Agronomic reports, Audits by Sustainability Officers, Harvesting Interval records, Rat baiting records, Fertiliser application records, Monthly Progressive Reports, scheduled wastes records, PPE Checklist etc. Most records are being maintained for more than a year and some much longer.
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance	YES	Auditor has verified that there was no third party FFB supplier send their FFB to Trong POM. The CU is certified under the Identity Preserved supply chain model. Hence, this indicator is not applicable
C 4.2 Practices maintain soil fertility at or, where possible, improve oil fertility to a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	YES	Trong BU continued to practice the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention and some EFB and compost application. Fertiliser application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made by the appointed third party. Annual fertiliser recommendations were made based on annual foliar sampling. Soil sampling was carried out yearly in fields on a 5-year cycle basis.
	4.2.2	Records of fertiliser inputs shall be maintained.	YES	Fertiliser inputs were based on recommendation by the appointed third party. The application programs were monitored using program sheets, bin cards, field cost book and manuring program

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Clause	Indicators		Comply Yes/No	Findings
		Minor Compliance		sheets. Records of programs and applications of fertilisers were available. Records showed that actual applied in 2017 was in line with recommendations in both estates.
	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 had been carried out for Trong BU by the appointed third party to monitor changes in nutrient status and its results formed the basis for the fertilizers input recommendation. Soil analysis had conducted to provide indication of soil health and monitor the changes in the organic carbon and total nitrogen. Soil sampling for soil T-N, Av-P, Ex-K. Ex-Ca and Ex-Mg was carried out yearly in fields on a 5 year cycle basis.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME, and palm residues. Minor Compliance	YES	<u>Malaya &amp; Bukit Mertajam Estate</u> No EFB application in these estates. <u>Taiping Rubber Plantation Estate</u> EFB application in progress.
C 4.3 Practices minimise 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 both estates visited based on the soil maps provided sourced from the appointed third party.
	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	Trong BU continued to plant palms within slopes between 9 and 25 degrees as per Boustead Plantations Berhad policy dated in Jan 2015. The policy together with the SOPs to minimise soil erosion based on local soil and climate conditions, ground cover management, biomass recycling and natural regeneration of Nephrolepis biserrata. were posted at the Estates' notice board. Trong BU had a management strategy for planting on slopes and to minimise and control erosion and degradation of soils. The plantings on slopes was guided by its Oil Palm Agriculture Policy, last revised in Oct 2014.
	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 Trong BU were in satisfactory condition and accessibility were made possible by regular maintenance. There was evidence of road maintenance program which consist of road resurfacing with grading and compaction and culvert maintenance. It has been noticed that stock piles of dry crusher run put in several designated main road and collection road for the reason of continuous 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	There were no peat soils in both audited estates.
	4.3.5	Drainability assessments where necessary will be	YES	No peat soil in these estates, based on soil map provided by management.

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Clause	Indicators		Comply Yes/No	Findings
C 4.4 Practices maintain the quality and availability of surface and ground water.		conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance		
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	YES	No peat soil observed in Taiping Rubber Plantation Estate and Bukit Mertajam Estate. It was supported with soil map provided by estate.
	4.4.1	An implemented water management plan shall be in place. Minor Compliance	NO	The water management plans were established and implemented. The water management plans were more towards soil water conservation, pollution prevention and domestic use. The management plan covered dry spell/shortage and in case of water pollution. Workers were advised to conserve water. Water from process was reused for cleaning. Water from triple rinsing of pesticide containers was reused for spraying. Water bodies were established in ravines and slit pits in flat areas and on slopes. It has been noted at Malaya estate water management plan for year 2017/2018 has establish they have also monitored water quality - to carry out water sampling on quarterly basis. However, during site visit last water sampling has been carried out in Dec 2015. Thus #minor NCR has been raised.
	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	Trong BU continues to protect the water courses and wetlands including maintaining and restoring appropriate riparian buffer zones at or before replanting along all natural waterways within the estates. Best management practices adopted by Trong BU to prevent soil degradation, environmental pollution and conserve water. During the site review at Trong Rubber Plantation Estates, it was confirmed that the buffer zone boundary had been identified with signboard erected along the river. It was clear that Boustead has the policy to maintain the buffer by restricting agrochemicals application and will be left undeveloped during replanting. There was no observation of bunds, weirs or dams across any water ways and rivers in any of the visited estates of Trong BU.
	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	Discharge method is by sprinkler for land disposal and Lab Report for final discharge were carried out accordingly by analytical on monthly basis. The result was within the limit. The last test was carried out and the quarterly report was sent to DOE accordingly.
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor Compliance	YES	Processing water obtained from water catchment near to the mill. The mill water usage per tonne of FFB continued to be monitored on monthly basis.



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Clause	Indicators		Comply Yes/No	Findings
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of IPM plans shall be monitored. Major Compliance	YES	Trong BU continued to implement IPM in all Estates. All estates continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the OPAP – Pests and Diseases. 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 related to IPM implementation as per the OPC – Pests and Diseases was conducted by the Assistant Manager at TRP Estate (in Jan 2018), Malaya Estate (in Dec 2017) and BMR Estate (in Mar 2017). It was attended by the employees in of the estates. 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 species shall be used where available. Major Compliance	YES	The use of all agrochemicals by the estates was guided by its OPC Upkeep of Mature oil palm (for herbicide & insecticide/rodenticide)] and Safety Work Procedure where written justifications had been provided. The manual had included a chemical register list which indicates the purpose of usage (intended target), hazards signage, trade and generic names.
	4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per Ha and number of applications) shall be provided. Major Compliance	NO	All estates visited maintained records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used. The total quantity used, number of applications and active ingredients (ai) per Ha were also recorded. These includes mature and immature areas. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field cost books and in progress reports. Records of pesticides used were available for verification. Both estates had documented programs for spraying pesticides and were pasted at the assistants and staff room's board for monitoring purposes. However, records of pesticides use i.e. active ingredients applied per Ha and number of applications not provided at Malaya Estate. Therefore, major NCR was raised in NCR No MAR 01 2018.
	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	YES	Trong BU continued to implement IPM in Taiping Rubber Plantations Estate, Bukit Mertajam Rubber Plantation Estate, and Malaya Estate. All estates continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the OPC – Pests and Diseases. 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> .

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Clause	Indicators	Comply Yes/No	Findings
	identified in industry's Best Practice. Major Compliance		
	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	All estates only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). There was no evidence of pesticides that are categorised by World Health Organisation as Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, had not 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 precautions attached to the products	YES	Records showed that pesticides were handled, used and applied by trained personnel and as per the MSDS of the pesticide. The staff and workers such as the storekeepers, sprayers, workers applying fertilizer and rat baits were trained. Random interviews conducted showed that they understood the hazards involved and the usage and handling of chemicals in a safe manner. The trade and generic names of the chemicals were made known to the workers through the SDS training.

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Clause	Indicators	Comply Yes/No	Findings
	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	The chemical stores in all estates were observed to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations. Record of the purchase, storage and use had been properly maintained. All of the stores had been well ventilated, had exhaust fans and secured. Only authorized personnel were allowed to handle the chemicals. All the chemicals were stored and segregated accordingly.
	4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	Pesticide applications were guided by Boustead Plantations Berhad OPC manual, CHRA and by MSDS supplied by the manufacturer. In the OPC manual the guidance was in the Upkeep of Mature oil palm (for herbicide and insecticide/rodenticide). The Manual had included a chemical register list, which indicates the purpose of usage, hazards signage, trade and generic names. The SOP also had written justifications for every applications for better understanding. In addressing the needs to minimize the risk and impact, the CHRA for all estates was reviewed as follows to ensure that current practices were in-lined with the standard requirement.
	4.6.8 Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applic. with all relevant info within reasonable time prior to applic. Major Compliance	YES	Aerial spraying of pesticide was not practiced by Malaya Estate, TRP Estate and BMR Estate and there was no evidence to show that any had been carried out.
	4.6.9 Evidence of continual training to enhance knowledge and skills of employees & associated	YES	The staff and workers such as the storekeepers, sprayers, workers applying fertilizer and rat bait were continuously trained. The training were regularly conducted by the estate management to enhance knowledge and skills of employees. The training included the safety aspects and usage of PPE. Records of training were maintained for verification. Random interviews with the workers showed that

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Clause	Indicators	Comply Yes/No	Findings
	s/holders on pesticide-handling shall be demo or made available. Minor Compliance		they had understood the hazards involved and the usage and handling of chemicals in a safe manner.
	4.6.10 Proper disposal of waste material, according to procedures that are fully-understood by workers and managers shall be demonstrated. Minor Compliance	YES	Field inspection and observation confirmed that chemicals were being handled in accordance with the product safety precautions. MSDS were made available at point of use, for example at the workshop, store, and chemical mixing area. Domestic wastes and recycle wastes were segregated by the workers. Only organic wastes were disposed at the landfill. Recycle materials such as cans, glass bottle, plastic bottle and paper are sent to recycle area. Records of disposals (Check Roll Book and Consignment Notes for domestic wastes and scheduled wastes respectively) were sighted.
	4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	YES	At Trong BU, CHRA has been conducted by appointed third party and the assessment has been carried out for several units such as tractor driver, pre mixer, sprayer, nursery sprayer, chemical store and maintenance workshop. Based on recommendation made by assessor the medical surveillance was carried out accordingly. The result from the inspections was satisfactory and workers was fit to handling chemical.
	4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	YES	The estates had policy "handling high toxic pesticide" which stated that no work with pesticides shall be undertaken by pregnant or breast-feeding women. At all estates, identification of pregnancy was done by the HA based on interview with their women workers on the last menstrual period dates. This interview was done during the monthly medical check-up. Pregnancy test was carried on doubtful cases.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:	4.7.1 An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	YES	Occupational health and safety policy dated 1 June 2012 is available in English and Bahasa Malaysia. The policy has been communicated to all levels of the organization through briefings and also displayed prominently at the notice board of the mill, estate office and Muster Ground. Random interviewed with employees showed that they generally understood the basic requirements of the policy. The OHS management plan was sighted and it addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, audiometric test, use of PPE, OSH Committee meetings, etc.
	4.7.2 All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented&implemented to address the identified	YES	At the estates, the HIRARC covered activities like weeding, pest and disease, harvesting, chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance. The review of the HIRARC was conducted by the OSH coordinator. It also included the office operation. As for TPOM, HIRARC assessment was prepared by Senior Assistant Mill Manager with collaboration from OSH committee. It covers all milling activities and the latest review of HIRARC was done in Feb 2018 for activities related to tilting at Steriliser station and construction activity.

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Clause	Indicators	Comply Yes/No	Findings
	issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance		
4.7.3	All workers involved in the operation shall be adequately trained in safe working practices. Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. Major Compliance	YES	Chemical hazards were communicated through awareness and training to all workers involved in handling of dangerous chemicals. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE. OSH awareness and various OSH training courses had been identified for each category of workers. Training program for FY2017 had been established. Among the program included Accidents investigation technique, Chemical & spraying & manuring safe operating technique, Emergency response plan training, First aid training, Safe driving technique, Firefighting technique, Workplace inspection, Harvesting induction training, MSDS and PPE.
4.7.4	The responsible person/s 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	The responsible person for OSH at Trong BU was the respective Manager/Engineer. Safety and Health Committee Organization Chart 2018 was available. Interview with the OHS Committee secretary at Trong POM, Malaya Estate, Trong Rubber Plantation Estate, and Bukit Mertajam Rubber Estate was carried out accordingly. Quarterly Safety & Health Committee meetings were held. The meetings were chaired by the Assisstant managers. The following were discussed and minutes of meetings were reviewed : <ul style="list-style-type: none"> <li>• Passing of previous minutes and arising matters.</li> <li>• Medical Assistant Report (including Monthly Accident statistics)</li> <li>• Workplace Inspection</li> <li>• Safety programme &amp; training</li> </ul>
4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be	NO	The ERP has been established and included in the Environmental Impact Assessment, Management Action Plan and Continuous Action Plan dated. Emergency situation that had been identified included the chemical spillage, fire and other accident. Procedure to respond to emergency situation had been disseminated. This included emergency contact number, site plan showing evacuation route to assembly point and location of firefighting equipment and action to be taken during emergency by staffs and contractors. Instructions to respond to accident and emergencies situation were tested and

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Clause	Indicators	Comply Yes/No	Findings
	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		it was found to be clearly understood by all workers interviewed both at the mill and estates. Trained first aiders were available at all work area both in the estates and mill. Cross checked with training records found that most of the estate mandores and department heads were trained on first aid. The last centralized refresher training on first aid was conducted in Dec 2017 at Kuala Muda Estate. Interviews with First Aiders found that they were aware of their duties and responsibility. First aid boxes were provided and maintained at several locations in the estates' office, stores and workshops. The sites however, not adhered to the indicator where there was no first aid kit at site visited i.e. Taiping Rubber Plantation Estate and Bukit Mertajam Rubber Plantation Estate. Antiseptic cream was found expired at Malaya Estate. Therefore, minor NCR was raised in NCR No MAR 02 2018.
	4.7.6 All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	Estate has provided group insurance for all foreign workers as required under the Workmen Compensation Act 1992. Sighting of records and cross check with workers showed that they were covered with valid insurance policy. Sighted the insurance from AXA Affin General Insurance BH Berhad for the foreign workers. Local workers are covered by SOCSO.
	4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	At TRP estate LTA has been recorded under file "accidents and injuries report" for year 2017 only 1 case minor accident has been recorded total lost working day 4. Total man hour was 314,080. Sighted the report JKPP 8 has been submitted in Jan 2018. At Malaya Estate accident record has been recorded in the same file as TRP Estate for year 2017 only 1 minor case (in Mar 2017) has been reported without losing working days. Total man hour was 152760. Sighted report JKPP 8 has been submitted to DOSH in Jan 2018. At Bukit Mertajam Rubber Estate recorded of accident has established and recorded in file "accident record". For year 2017 10 major accidents recorded and submitted the JKPP 6 to DOSH department. Immediate action has been taken by ESH committee to investigate the accidents. Sighted JKPP 8 has been submit to DOSH department in Jan 2018. Total mandays without losing working days was 38,146. At Trong Palm Oil Mill record accident has been established and reported (JKPP 8) to DOSH in Jan 2018 for record of year 2017. 8 accident has been recorded. 6 major accidents occur. Sighted accident report (JKPP 6) submitted to DOSH department and OSH committee has conducted the investigation related to accident happened.
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	YES	A formal training programme covering all aspects of the RSPO Principles and Criteria were established in the 'Training Program year 2018'. A regular assessments of training needs was also conducted for all its workers and staffs. The training identified included Harvesting and pruning, Spraying training, Scheduled waste training, Chemical handling, Hearing conservation program, First Aid Kit Training, Safety Briefing, Social Policy training, Waste training (scheduled and recycle), RSPO training, Effluent training, SW training etc

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
		assessments of training needs and documentation of the programme. Major Compliance		
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	Records of training conducted were available. It has been reviewed during the audit.

### 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	Boustead Trong BU has established its environmental aspects/impacts register associated with their activities. The EAI covers the upstream activities such as FFB reception until the downstream processes. At the mill, the identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the significant environmental receptors are the air emission from the boiler stack, the generation of the POME and land contamination which related to the management of scheduled wastes and domestic waste. For the estate operation, all activities from harvesting, manuring, weeding, nursery, pest and disease, upkeep programs until delivery to mill were identified.
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. Minor Compliance	YES	Significant environmental impact was derived from the environmental impact evaluation. Those activities evaluated as significant were then monitored using the mitigation measure established for each activity where the significant impacts occurred. The management has periodically reviewed the implementation and effectiveness of the established program.
	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	YES	Environmental Management plan has been recorded accordingly. The objective is to ensure water quality meets the legal requirement, reduce soil erosion and optimize the application of chemical.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
		years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance		
<b>C 5.2</b> The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.	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 "High Conservation Value Assessment of the estates under Trong Business Unit of Boustead Plantations BHD" is available. The study was conducted by the appointed third party and the report was completed in Dec 2016. The study had covered all the HCV within and adjacent to the 7 estates under Trong BU. The HCV assessment had identified the HCV 1.1, 1.4, 3, 4.2, 5 and 6 within the 7 estates.
	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	Identification and assessment of HCV habitats or protected areas was carried out prior to the main assessment through. The report "High Conservation Value (HCV) Assessment of the estates under Trong Business Unit of Boustead Plantations BHD" is available.
	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	A training programme for year 2017 was available and sighted during audit.
	5.2.4	Where an action plan has been created there shall be ongoing monitoring: 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	NO	Trong BU has developed action plan base on recommendation made by the HCV assessor. Trong BU has also committed to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signages to prohibit hunting were erected at riparian zone and border. Patrolling for Illegal hunting was also being implemented to control the illegal activities. However, it was found that, at Malaya estate even though the monitoring was carried out on 3 monthly basis, it was not enough due to the HCV area nearing to the Sungai Selama and the workers always sighted the intrusion from people nearby and the villagers, Thus, Minor NCR MZK 01 2018 was raised.



## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
	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 safeguards both the HCVs and these rights. Minor Compliance	YES	Local communities that lived nearby to the TRP, BMR and Malaya did not depend on the HCV area for their living needs. It was confirmed through consultation with villagers, Therefore, this indicator was not applicable to this Certification Unit.
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	At Trong BU waste management plan has been recorded under file "identification of waste products" among of waste products and sources of pollution were: <ul style="list-style-type: none"> <li>Estate fields- palms biomass, chemical container, fertiliser bags</li> <li>Estate nursery – plastic polybags</li> <li>Workshop- filter, lubricant, battery</li> <li>Linesite- human waste, domestic waste, chemical container, tyres</li> <li>Office- recycleable, paper, electronic waste</li> </ul>
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	Trong BU are committed to reduce pollution to environment. A "Waste Management Plan" was established at the respective site. Among the wastes that were identified palm fronds, fertiliser bags and chemical containers, scheduled wastes, domestic wastes from household, scrap iron, and mill wastes such as boiler ash, POME, EFB, fibre & shell, decanter cake, etc. The 'Waste Management Plan' also included the appropriate method of disposal.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. Minor Compliance	YES	Waste management plan has been recorded accordingly. The disposal method plan were: <ul style="list-style-type: none"> <li>Chemical container, lubricant, oil filter – used containers will be triple rinsed, and store at schedule waste store and disposed to approved DOE contractor</li> <li>Human waste – ensure septic tank and system working and regular inspection has been carried out regularly</li> <li>Recyclable items such as paper – collected separately and stored at recycle store and sell to disposed collector</li> <li>Domestic waste- has been disposed to landfill area located far from river and linesite area.</li> <li>Palm biomass - burying and left to decomposed at site as an additional nutrient for palms.</li> </ul>
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	Fossil fuel usage reduction has been included under pollution prevention plan 2017/2018. Among of action has been taken were: <ul style="list-style-type: none"> <li>Timely service and routine maintenance of every vehicle to be carried out.</li> <li>Usage of TNB to replaced gen set operation.</li> <li>To reduce the carbon emission from the tractor in the mill operation by maintenance it by timely manner.</li> </ul>

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Clause	Indicators		Comply Yes/No	Findings											
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	Boustead Plantations Berhad practice the zero burning. A policy on the zero burning was established since 11th January 2011. There was no evidence that the land preparation by burning. It was also observed that signage “ <i>Dilarang Membakar</i> ” was available at various locations within the estates.											
	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 all the estates within the BU. There was also no evidence of open burning at all the visited replanting areas within the three estates. No fire was used for waste disposal.											
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognised that it is not always feasible or practical to reduce or minimise these emissions.	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).	YES	The Trong BU have identified the environmental aspects and its associated environmental impacts for all its activities related to field operation as well as other facilities such as the workshop, chemical and waste stores. The aspect-impact assessment was reviewed annually. Last review was carried out in Dec 2016. The identification of the environmental aspects was carried out using the BEA/5.1/EAI – Environmental aspect & impact identification form. A procedure titled as “Environmental Aspect Impact/ Environmental Impact Evaluation” was established to guide on how to carry out the environmental aspect impact assessment.											
	5.6.2	Significant pollutants and GHG emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	Trong BU has established the 'GHG emissions & carbon stock management programme' which included the program reduction of GHG emissions. The programme was prepared and monitored accordingly.											
	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>PalmGHG calculation option used: Option 1</p> <p><u>Summary of Net GHG Emissions</u></p> <table><tr><td>Emissions per Product</td><td>tCO2e/tProduct</td></tr><tr><td>CPO</td><td>0.9</td></tr><tr><td>PK</td><td>0.9</td></tr></table> <table><tr><td>Extraction</td><td>%</td></tr><tr><td>OER</td><td>19.76</td></tr><tr><td>KER</td><td>4.62</td></tr></table>	Emissions per Product	tCO2e/tProduct	CPO	0.9	PK	0.9	Extraction	%	OER	19.76	KER
Emissions per Product	tCO2e/tProduct														
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Extraction	%														
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KER	4.62														

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings		
<p>Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO.</p> <p>Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>				Production	t/yr	
				FFB Processed	150880.76	
				CPO Produced	29810.91	
				Land Use	ha	
				OP planted area	8191.7	
				OP planted on peat	31.6	
				Conservation (forested)	0	
				Conservation (non-forested)	0	
				Total	8223.3	
				<u>Summary of Field Emissions and Sinks</u>		
					Own Crop	
					tCO2e	tCO2e/tFFB
				Emissions		
				Land Conversion	76329.54	9.4
				*CO2 Emissions from Fertiliser	9738.58	1.2
				**N2O Emissions	7070.1	0.87
				Fuel Consumption	660.02	0.08
				Peat Oxidation	1711.72	0.21
				Sinks		
				Crop Sequestration	-71782.78	-8.84
				Conservation Sequestration	0	0
				Total	23727.18	2.92

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings																																								
				<div>Summary of Mill Emissions and Credits</div> <table><tr><td></td><td>tCO2e</td><td>tCo2e/tFFB</td></tr><tr><td>Emissions</td><td></td><td></td></tr><tr><td>POME</td><td>8898.04</td><td>0.06</td></tr><tr><td>Fuel Consumption</td><td>962.04</td><td>0.01</td></tr><tr><td>Grid Electricity Utilisation</td><td>0</td><td>0</td></tr><tr><td>Credits</td><td>0</td><td>0</td></tr><tr><td>Export of Grid Electricity</td><td>0</td><td>0</td></tr><tr><td>Sales of PKS</td><td>-303.78</td><td>0</td></tr><tr><td>Sales of EFB</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>9556.31</td><td>0.06</td></tr></table> <div>Palm Oil Mill Effluent (POME) Treatment</div> <table><tr><td>Divert to compost</td><td>%</td></tr><tr><td>Divert to anaerobic digestion</td><td>100%</td></tr></table> <div>POME Diverted to Anaerobic Digestion:</div> <table><tr><td>Divert to anaerobic pond</td><td>100%</td></tr><tr><td>Divert to methane capture (flaring)</td><td>0%</td></tr><tr><td>Divert to methane capture (electricity generation)</td><td>0%</td></tr></table>		tCO2e	tCo2e/tFFB	Emissions			POME	8898.04	0.06	Fuel Consumption	962.04	0.01	Grid Electricity Utilisation	0	0	Credits	0	0	Export of Grid Electricity	0	0	Sales of PKS	-303.78	0	Sales of EFB	0	0	Total	9556.31	0.06	Divert to compost	%	Divert to anaerobic digestion	100%	Divert to anaerobic pond	100%	Divert to methane capture (flaring)	0%	Divert to methane capture (electricity generation)	0%
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### **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	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	YES	The SIA was carried out by external consultants in 2016. An SIA report for the Trong Business Unit dated in Nov 2016 was available during the audit. The SIA report included reports of each estate within the BU and the mill. The individual report contains respective estate map, manpower statement as at September 2016, date of focus group discussions was held, number of participants who attended each session, number of internal and external stakeholders consulted, stakeholders' perspectives, issues that were raised, and proposed mitigation/enhancement measures.

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Clause	Indicators		Comply Yes/No	Findings
participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.				The reports have covered on stakeholder mapping, employment conditions, living conditions, health & safety in the workplace, public health & safety, respect for human rights, communication with management, and community relations.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	YES	Review of the SIA report indicated that the assessment has been done with participation of the affected parties.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Major Compliance	YES	It was evident that the action plan has been developed in consultation with the affected parties. The action plan was documented with timeline of each actions and the person-in charge.
	6.1.4	The plans shall be reviewed as a min once every 2y 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	Trong BU has carried out an SIA as explained in Indicator 6.1.1, and the action plan was reviewed and updated on yearly basis with the current records dated in Feb 2018. The reviewed action plan was confirmed with the workers during the interviews and consultations with local communities.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	YES	There were no smallholder schemes in Trong BU
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	YES	The estates and mill have maintained its consultation and communication procedures and a flowchart for complaints to management for any stakeholders to communicate with the company on any issues concerning their interest.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	There is a Complaint Panel which comprises of a Chairman (Estate Manager), a Secretary, and 3 other panel members as the team responsible for any social issues in all estates and for the mill, there were 2 appointed officers in charge for social issues raised. Letter of appointment dated in Nov 2016 was sighted.
	6.2.3	A list of stakeholders, records of all communication, including	Yes	List of stakeholders and records of communication, including confirmation of receipt and efforts made to ensure understanding by affected parties, and records of actions taken in

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
interested parties		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		response to input from stakeholders were maintained at all the audited sites. The list of stakeholders at mill and estates has been updated in Jan 2018. Minutes of Stakeholder Meeting was verified by the auditor during the audit and confirmed during the consultations with workers and local communities as explained in Indicator 6.1.2 and 6.1.4.
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	All estates and mill are using the same Complaints Form which anyone can fill up and submit to the office. The audit team sighted some of the filled forms by their own employees. Most cases recorded in the form were resolved within 2 to 7 days. In some cases, some delays were noted. All the complaints forms sighted contain sections for complainants to fill up their names, and in some forms, their job and address. The BU affirms that its dispute system is open to any affected parties. Relevant policy i.e. 'Polisi Pemberian Maklumat (Whistleblowing)' and procedures were established. Anonymity of complainants and whistleblowers will be maintained and will not be disclosed to third parties where requested as explained in the job description for management social responsible person.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	YES	There was no dispute in Trong BU. This was confirmed during the consultation with the heads of nearby villages. The grievances and complaint in Malakoff Estate were recorded and documented accordingly. This has been reviewed during the audit.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	YES	The Trong BU maintained its documented procedures for identifying legal and customary right and for identifying people entitled to compensation. The objectives of the Fair Compensation procedure are to have details about implementation of fair compensation for any issues/disputes related to land, ownership and access to land, and ensures negotiations concerning compensation are dealt with through a documented system that enables indigenous peoples, local community, and other stakeholders to be treated fairly.
	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-	YES	Fair Compensation procedure details out the procedures for calculating and distributing compensation in a fair manner. This procedure specifies that it would take into account ethnic group, gender differences, etc. A flowchart to the same effect was also sighted. Nevertheless, no case of compensation related to loss of legal or customary rights of indigenous peoples, local communities or external stakeholders was observed.

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Clause	Indicators		Comply Yes/No	Findings
		established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance		
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance	YES	There was no dispute in Trong BU. This was confirmed during the consultation with the heads of nearby villages. Hence, this requirement was not applicable to the CU.
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	All estates and mill have documentation of pay in the form of monthly pay slips. Each employee received a copy of their pay slip every month. The pay slip contains the date, salary payable including any allowances, overtime pay, paid medical leave, minus any deductions such as advances taken, statutory deductions, temple/mosque funds, etc. Interviews with workers reveal that they understood the contents of the pay slip and would seek clarifications from the relevant clerk if they are unsure or have questions. There was evidence that workers who are paid piece-rated, and work a minimum of 8 hours per day, receive basic wages of more than RM1k per month in compliance with the Minimum Wage Order 2016.
	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	Workers and staff have their contracts of employment based on NUPW or AMESU documents, respectively. Details of payments, working hours, deductions, overtime, leave entitlement, reasons for dismissal etc, are available in the respective documents. The contracts are in Bahasa Malaysia and understood by the estate and mill employees.
	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	YES	All estates and mill provided housing facilities to the staffs and workers. Based on visits conducted, the houses provided were in good conditions and comfortable. Interviews with the workers reveal that they were satisfied with the accommodation provided at the linesite. Each family was given one house. Single workers share between 2 to 4 persons per house. All houses are supplied with 24 hours of electricity (from the national grid) and water (from government facilities). Sundry shops and recreational facilities like ping pong table, football field, volleyball and takraw/badminton court are also available. Employees are accorded with medical facilities at the estate clinic located next to the office. The Green Book initiative seen at estates and Trong Palm Oil Mill also provide space near the

## RSPO PUBLIC SUMMARY REPORT

Clause		Indicators	Comply Yes/No	Findings
		accessible. Minor Compliance		houses for the employees to plant vegetables and fruits trees. Household wastes were cleared weekly. Crèches were also available for younger children.
	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	There were no sundry shops are available within the estates premises except at Trong POM (canteen). The Trong POM and have monitored the canteen prices on the adequacy, sufficient and affordable food by annually. Consultation with the canteen owner confirm the meeting was conducted with Trong POM to monitors the food prices. The estate workers do their grocery shopping at a shop and supermarket outside the estate which is located less than 2km away.
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	YES	A valid freedom of association policy dated in Jan 2011 is available in bilingual (Malay and English). The policy is found to be posted on the company's notice and information wall. Interviews with workers found they are aware of the freedom of association.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	YES	Minutes of meeting between NUPW/AMESU representatives with estate and mill management were documented and as verified during the audit. Consultations with NUPW/AMESU representatives found they are aware of RSPO requirements and Trong BU has cooperated with them and conform the meeting was conducted as stated above.
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	The list of workers sighted contains workers' detail, including their dates of birth were sighted. Observations were also made during field inspection and during interviews with workers confirm that no one below 18 is employed in the estates and the mill.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	YES	Equal opportunities policy was sighted at every estate and mill identifying the relevant/affected groups as 'every worker, customer, business partners and members of the public involved in estate and mill activities. Among other things, the policy specifies that management would ensure that all parties directly or indirectly involved with the estate/mill would be accorded fair treatment, and that the estates/mill would not be involved in, nor support any oppression based on race, caste, nationality, religion, disability, age, sexual orientation, union membership or political leanings. Interviews



## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
orientation, union membership, political affiliation, or age, is prohibited.				conducted with the staff and workers (including foreign contract workers) at all estates and mill confirm that there is no discrimination of any form at the estates and palm oil mill.
	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	A human rights policy and equal opportunities policy sighted at all estates and mill also state their commitment against unfair and discriminatory practices. The company does not practice discrimination based on race, caste, national, origin, disability, gender, sexual orientation, union membership, political affiliation, or age. A functioning grievance mechanism is in place. The <i>Persatuan Pekerja</i> and Gender Committee also looks into allegation of discrimination if reported. Interviews with head and Penghulu of surrounding local communities, migrant workers and female employees confirm that there is no evidence of any form of discriminatory practices by the estates and oil palm 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	Based on interviews with workers/staffs at all estates and mill, they were appointed to their respective positions based on job availability, their experience and qualification. An interview with workers shows the hiring were relevant based on their capabilities and fitness.
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	A policy on sexual harassment was signed by the Plantation Director in Jan 2011 is available. The policy was also written in Malay language and displayed on the notice boards. No evidence or acts that contradict this policy were observed.
	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	All the estates and the mill adopts a written Reproductive Rights Policy. Generally, based on interviews, the female employees were aware of their maternity rights, and that they were to cease any spraying and fertilizing works once they get pregnant.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	YES	A grievance mechanism has been sighted at all estates and the mill. It involves a flowchart which explains the process of grievance handling for both external and internal parties. Chairman of the Committee at each operating units responsible in handling and channeling issue to management, if any. Management had directed the chairman of gender committee to respects and protects anonymity and complainants where requested. Complainants can submit in their complaint either in writing or verbal. Workers interviewed knew that they can either complaint to their immediate supervisor, or if they wish, to the estate management.
C 6.10 Growers and millers deal fairly and	6.10.1	Current and past prices paid for FFB shall be publicly available. Minor Compliance	YES	This CU is certified under the Identity Preserved supply chain model. Hence, the POM is not accepting any outsiders FFB from smallholders or another private plantation. Therefore, the mill is not required to display current and past prices for FFB.

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Clause	Indicators	Comply Yes/No	Findings
transparently with smallholders and other local businesses.	6.10.2	YES	This CU is to be certified under the Identity Preserved supply chain model. Hence, the POM is not accepting any outsiders FFB from smallholders or another private plantation. Therefore, the mill is not required to display current and past prices for FFB.
	6.10.3	YES	Auditor has verified through interview and verification of contract agreements and payment invoices for contractors and transporters. The agreement was renewed on annual basis. All contractors understood the content of the agreement.
	6.10.4	YES	Interviews were conducted with selected contractors and transporters. Based on interview conducted, there was evidence that all parties understood the contractual agreements they entered into, including their rights and obligations. The contractors and suppliers also informed that dealings with Trong BU have been fair, legal and transparent. Payments are received within one or two months of issuance of invoice.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	YES	Based on interview with on selected contractors and transporters and verification on tax invoices, delivery orders, purchase orders and purchase requisitions, it was noted that the payment was made in a timely manner.
	6.11.2	YES	There is no scheme smallholder in Trong BU
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	YES	All the estates and the mill adopt the Human Rights Policy which, among others, respects human rights and will not be complicit in human rights infringement. Interviews with workers and staff also confirm that they entered into the employment voluntarily and freely. Equally, they are allowed to terminate their employment as per their terms of employment, without any penalty. Foreign workers also confirm that the job they are doing corresponds with what they were told on their home country. There is no evidence of contract substitution. All employees work 8 hours a day and are paid overtime should this number of hours is exceeded. Workers who work on rest days are also compensated in accordance with the Employment Act, 1955.
	6.12.2	YES	During interview with foreign workers, they confirmed that the current job was as what they were told at their home country. There was no evidence of contract substitution.

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Clause	Indicators		Comply Yes/No	Findings
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	YES	Special labour policy for employment of foreign workers was available. Accordingly, foreign workers shall be treated fairly in terms of recruitment, terms and conditions of work, provide decent living, no contract substitution and post arrival program will be conducted once arrived for three months. Boustead has also established specific procedures/flowchart for employment of foreign workers titled '2) Sourcing Process for Foreign Workers'. The procedure has been implemented for any employment related with foreign workers.
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations. Major Compliance	YES	A policy to respect human rights has been established by Trong BU in Jan 2016. Auditor has verified through interview with workers that the policy has been communicated to all levels of the workforce and operations dated July 2017. All the estates and the mill adopt the Human Rights Policy which, among others, respects human rights and will not be complicit in human rights infringement.
	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	This indicator is not applicable as the estates and mill are located in Peninsular Malaysia.

### Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Trong BU has no plan for any new planting and no new development of area was observed during the visit. Auditors has verified through checking the [www.globalforestwatch.com](http://www.globalforestwatch.com), GOOGLE Maps, Estate Maps and also through site visit to the sampled estates area. Based on the audit findings, it is confirmed that there were no new planting or new development of areas at Trong BU.

### 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	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		

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Clause	Indicators		Comply Yes/No	Findings
demonstrable continual improvement in key operations.		Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to:		
	a)	Reduction in use of pesticides (Criterion 4.6);	YES	The estates within the BU continued to manage pests, disease and weeds using appropriate IPM techniques. In order to minimize use of insecticides, the estates have established nurseries for beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> . This was to ensure continuity in the planting of the beneficial plants. The estates were committed to reduce the use of chemicals. The estates have implemented and will continue to only spray Circles (Strip) and noxious weeds. Spraying was only carried when required. Soft weeds and <i>Nephrolepis bisserata</i> were maintained and encouraged in the inter rows. EFB was applied in single layers and was not dumped in large amounts to prevent breeding of Rhinoceros Beetles. To ensure efficient loose fruit collection, circle raking was carried to avoid VOPs from merged and for the purpose to reduce of chemical usage.
	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	The CU maintained established and implemented environmental improvement plans and measures. Among the relevant plans and measures were: <ul style="list-style-type: none"> <li>• Environmental Improvement Plan - Environmental Impact Evaluation (EIE).</li> <li>• Waste Management Action Plan 2017/18.</li> <li>• Environmental Management Programme (EMP).</li> <li>• Pollution Prevention Plan.</li> <li>• Identification and Management of Wastewater.</li> <li>• “Prosedur Untuk Pelupusan Sampah Domestik / Bahan Buangan Setempat”.</li> <li>• “Prosedur 3 Kali Pembilasan Bekas Simpanan”.</li> </ul> Among content of plans were: <ul style="list-style-type: none"> <li>• reduction of diesel usage / GHG emission.</li> <li>• reduction of POME generation.</li> <li>• maintain water quality.</li> <li>• reduce soil erosion.</li> <li>• reduce usage of chemical.</li> <li>• reduce land contamination</li> <li>• improve soil fertility</li> <li>• reduce waste</li> </ul> Further, the Trong BU already has planned for installation 1 unit of solid de-watering machine to reduce solid content.
	c)	Waste reduction (Criterion 5.3);	YES	The CU continued established and implemented waste reduction plans. Among the plans were: <ul style="list-style-type: none"> <li>• Environmental Improvement Plan - Environmental Impact Evaluation (EIE).</li> </ul>

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Clause	Indicators		Comply Yes/No	Findings
				<ul style="list-style-type: none"> <li>Waste Management Action Plan 2017/18.</li> <li>Environmental Management Programme (EMP).</li> <li>Pollution Prevention Plan.</li> <li>Identification and Management of Wastewater.</li> </ul> <p>Among type of wastes are agricultural organic wastes, rubbish, used oils, used batteries, empty pesticide containers, clinical waste, scrap iron, wastewater, etc.</p> <p>Non-reusable empty chemical containers observed disposed as per relevant requirements of scheduled wastes or using Jabatan Pertanian contractors after triple rinsed. Reusable agrochemical containers observed used for collecting of triple-rinsing wastewater.</p> <p>Scheduled wastes observed labelled with relevant information and hazard sign, and disposed to valid licensed party.</p>
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	The BU had established and implemented GHG emission reduction plan. Among the plan implemented were replacement of 2 unit of tractors of less fuel consumption, periodical maintenance of tractor and power generator installation 1 unit solid dewatering machine to reduce solid content, application of organic material (biomass) as fertilizer.
	e)	Social impacts (Criterion 6.1);	YES	<p>The Trong POM, Malaya Estate, Taiping Rubber Plantation and Bukit Mertajam Estate have allocated budget FY2018 for social commitment as continuous improvement such as:</p> <ol style="list-style-type: none"> <li>1. Linesite house upgrading</li> <li>2. Re-roofing of linesite</li> <li>3. New guard house</li> <li>4. Donation to public funds</li> <li>5. Transportation for school children</li> <li>6. Medical transportation</li> <li>7. Contribution to estate Tamil school</li> <li>8. Water supply subsidy</li> </ol>
	f)	Encourage optimising the yield of the supply base. Major Compliance	YES	In order to optimise yields all Estates were committed to implement best agricultural practices inclusive of timely and proper fertiliser application, Improve on accessibility to maximise crop evacuation, maintaining harvesting interval below 10 days, To collect all loose fruit to minimise losses, Water bodies and water conservation pits were constructed to conserve moisture.

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### RSPO Certifications Systems for Principles & Criteria June 2017

Clause	Indicators		Comply Yes/No	Findings
<p>4.5.3 Time-bound plan</p> <p>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 shall be raised;</p>	(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	For the time-bound plan, Boustead Plantations Berhad has committed to ensure all their business unit (BU) to be certified within 5 years i.e. year 2018 to 2022.
	(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 accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	Yes	There are seven CU highlighted in the time-bound plan and the certification progress aligns with that in the time-bound plan. Segaria CU has been audited by BSI on fourth quarter of 2017 and as of todate, it has undergone the Peer reviewer process. For another 2 CUs i.e. Telok Sengat BU and Segamaha, Boustead was in the process of selecting the certification body and certification audit shall be held in mid-2018. As for another CUs i.e. Lapan Kabu, Sugut, Loagan Bunut & Kanowit, the Sustainability team has conducted the periodic internal audit accordingly.
	(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	No revision of time-bound plan.
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 <sup>st</sup> 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	Verification through <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , GOOGLE maps data, estates maps and through HCV assessment report, and planting profile there was no new planting and no new development of area was observed.

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	(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	Series of Internal Audit on their uncertified unit was conducted against RSPO P&C and RSPO Partial Certification Requirements. Noted that Kanowit BU and Loagan Bunut BU has land conflict and they are being resolved. Meeting with several parties were conducted and minuted.
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;	Yes	Series of Internal Audit on their uncertified unit was conducted against RSPO P&C and RSPO Partial Certification Requirements. No case of labour dispute reported in the internal audit report.
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	Series of Internal Audit on their uncertified unit was conducted against RSPO P&C and RSPO Partial Certification Requirements. Several issues of legal non-compliance reported in the internal audit report such as lapses in scheduled waste management and it is being solved progressively.
	(e)	<p>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:</p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team.</li> <li>• Desktop study e.g. web check on relevant complaints</li> <li>• If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.</li> </ul>	Yes	Series of Internal Audit on their uncertified unit was conducted against RSPO P&C and RSPO Partial Certification Requirements. Evidence of audit attendance list, audit checklist & report were made available to auditor as the supporting evidence. Verification through <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , GOOGLE maps data, estates maps and through HCV assessment report, and planting profile there was no new planting and no new development of area was observed.
4.6.4 The CB shall review whether oil palm		No additional indicators	Yes	Boustead owned the land as mentioned in 2.2.1 of this checklist. Based on the interviews and this audit finding, it

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<p>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>				<p>has been confirmed that there was no such case concerning the rights of local communities and indigenous people at Trong BU.</p>
<p>Note:</p> <ol style="list-style-type: none"> <li>1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&amp;C. 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;</li> <li>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.</li> </ol>				



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### Attachment 4

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

P & C Indicator	Specific ation Major/Minor	Detail Non-conformances	Corrective Action Taken by the CU and Verification by Auditors
Indicator 4.1.1	Minor	<b>#NCR No : RAR 01 2018</b> Finding : Water management plan to carried out water sampling on quarterly basis was not complied with Objective evidence : At Malaya Estate sighted last water sampling and analysis has been carried out by NM laboratory Sdn Bhd on 22/12/2015.	<b>Corrective Action:</b> - The estate will conduct quarterly basis monitoring to ensure water quality. Latest water sampling was carried out by Eurofin NM Laboratory Sdn Bhd on 17 <sup>th</sup> April 2018. All relevant point of inlet & outlet were taken for analysis purposes  <b>Status:</b> Open. The effectiveness of the corrective action will be verify during next audit
Indicator 4.6.2	Major	<b>#NCR No : MAR 01 2018</b> Finding : Records of pesticides use i.e. active ingredients applied per Ha and number of applications not provided. Objective evidence : At Malaya Estate record of a.i was not available	<b>Corrective Action:</b> Record of pesticide usage was establish accordingly and made available at all times including a.i per ha. <b>Auditor Verification:</b> Auditor has viewed picture of the records of pesticides i.e. active ingredients applied per Ha and number of applications.  <b>Status:</b> Closed.
Indicator 4.7.5	Minor	<b>#NCR No : MAR 02 2018</b> Finding : First aid kit was not available at worksites. Objective evidence : Taiping Rubber Plantation Estate (spraying operation field PR2015) and Bukit Mertajam Rubber Plantation Estate (harvesting operation field 94E and chemical store). Antiseptic cream was found expired at Malaya Estate (decreeping activity).	<b>Corrective Action:</b> -To put First Aid Kit at worksite area (Chemical store/Fertilizer store and Schedule waste store) and logbook for recording usage of its content. -To monitor and checking First Aid Content regularly to ensure it's enough and not over the expire date.  <b>Status:</b> Open. The effectiveness of the corrective action will be verify during next audit
Indicator 5.2.4	Minor	<b>#NCR No : MZK 01 2018</b> Finding : Monitoring of HCV area was not adequate. Objective evidence : Sighted when field visit found that: - At Malaya Estate even though the monitoring was carried out on 3 monthly basis, it was not enough due to the HCV area nearing to the Sungai Kerian and the workers always sighted the intrusion from people nearby and the villagers.	<b>Corrective Action:</b> - Patrolling of the area was carried out on daily basis by Auxiliary Police. - Record keeping was maintained on weekly basis and made available at all times.  <b>Status:</b> Open. The effectiveness of the corrective action will be verify during next audit

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Attachment 5

### RSPO SUPPLY CHAIN : AUDIT CHECKLIST (INCLUDING MULTISITE /GROUP CERTIFICATION OPERATIONS)

#### SECTION A : GENERAL INFORMATION

1. File Reference No.	: ES10170013
2. Name of facility/ site(s) /entity(ies)	: Boustead Plantation Berhad – Trong POM
3. Site Location (single site/multisite/Group)	: Locked Bag 3,34800 Trong, Taiping, Perak, Malaysia
4. SC model	: Identity preserves
5. Type of entity	: Mill /Crusher / Refinery / Biodiesel plant / Primary Oleochemical / Secondary Oleochemical / End product manufacturer  <i>For oleochemicals and its derivatives, please check the conversion factor against the "RSPO Rules for Oleochemicals and its Derivatives" dated 1st December 2016</i>
6. RSPO Member Number	: 1-0012-04-000-00
7. Annual summary records of certified oil palm products purchased and claimed	: Projected for last year for period of April 17 until March 18 CPO Projected: 30,100.00 mt PK Projected: 7,000.00 mt CPO Sell: 29,292.94 mt CPO Claim as Identity Preserved: 10,366.48 mt CPO Claim as Non-RSPO: 18,926.46 mt PK Sell: 7,060.53 mt PK Claim as Identity Preserved: 0 mt PK Claim as Non-RSPO: 7,060.53 mt

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

	Requirements	Remarks
	<b>Audit Process Requirements – FOR STAGE 2 / RECERTIFICATION AUDIT</b>	
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.	NA
	<b>Audit Process Requirements – SURVEILLANCE AUDIT</b>	
5.3.26	The surveillance audit shall review whether the organizational systems, the management systems and the operational systems,	Trong POM Organizational, management systems and the operational systems, documented policies and procedures of the organization holding certification, are

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	<p>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.</p> <p>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.</p>	<p>sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.</p> <p>Sighted Trong palm oil mill documented procedure name integrated RSPO: Supply Chain procedure revised dated March 2018 (revision : 4), describing the procedures on the following activities related on its supply chain certification standard required by the RSPO. There was no evidence that Trong POM seeking outsources activities to independent third parties.</p>
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### SECTION B (ii): GENERAL CHAIN OF CUSTODY REQUIREMENTS FOR THE SUPPLY CHAIN

	Requirements	Remarks
<b>1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>	
1.1	<p>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.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- For client with SG or IP in the scope, check the weighbridge system, packaging, receiving, loading and storage facility area.</li> </ul>	Trong POM has legal ownership and physically handles RSPO certified sustainable crude palm oil and palm kernel.
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 due to Trong POM is processing facility.
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 membership no : 1-0012-04-000-00 Registered under parent company : BOUSTEAD PLANTATIONS BERHAD
1.4	Processing aids do not need to be included within an organization's scope of certification.	No processing aid involved in Trong POM scope of certification
<b>2</b>	<b>Supply chain model</b>	
2.1	<p>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 -&gt; Segregated -&gt; Mass Balance.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- For MB check the conversion factor used and the mass balance table.</li> </ul>	Trong POM has aware on the need to downgrading of supply chain model. Incoming FFB and products dispatch record was verified and confirmed no downgrading was implemented.
2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Trong POM has continued to maintain IP model.

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<b>3</b>	<b>Documented procedures</b>	
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:	The Supply Chain Procedure was revised March 2018 (revision : 4), the said procedure was sighted and found all elements of the RSPO Supply Chain standard were covered. The revised procedure has addressed that for palm products despatch i.e CPO and PK, need to perform quality test on individual consignment. Verification of record dated 11.4.2018, 5.4.2018, & 4.4.2018 was confirmed inspection was carried out accordingly.
a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	The Supply Chain Procedure was revised March 2018 (revision : 4), the said procedure was sighted and found all elements of the RSPO Supply Chain standard were covered.
b)	Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).	Sighted CPO and PK production record, weighbridge report, dispatch record and training record was up to date and well maintained.
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.	The RSPO Chairman has the overall responsibility and authority over the implementation of the supply chain requirements. It was noted RSPO Chairman has assigned the TPOM Assistant Manager to ensure the implementation of supply chain procedure met the RSPO requirements. Interviewed with relevant person in-charge at critical control point was revealed they are understood on the RSPO standard requirements which requires no mixing of RSPO certified and non RSPO certified material in receiving, processing, storage and delivery.
3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii. Effectively implements and maintains the standard requirements within its organization.  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.	RSPO internal audit was conducted in Feb 2018 by the internal auditors. There are 1 opportunities for improvement (OFI) were raised. Audit Attendance sheet, audit plan, audit notes, and OFI was sighted by auditor. Trong POM has taken necessary action to close out the OFI.
<b>4</b>	<b>Purchasing and goods in</b>	
4.1	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: <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> </ul>	Trong POM had continued received FFB supply from own company estate namely TRP estate, Kuala Muda estate, Malaya estate, Stothard Estate, Batu Pekaka Estate, BMR Estate and Malakoff estate. Sighted FFB consignment note for TRP estate, Kuala Muda estate, Malaya estate, Stothard Estate, Batu Pekaka Estate, BMR Estate and Malakoff estate. from 15 December 2017 till 25 March 2018. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight.

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	<ul style="list-style-type: none"> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number.</li> </ul> <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>	
a)	<p>The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Obtain list of all suppliers and list of purchase orders/invoices issued to the suppliers</li> <li>- Check for agreement/contracts signed with suppliers</li> <li>- Sampling of purchase orders/invoices shall be done on a random basis and the minimum number of samples selected shall be based on the square root formula for each suppliers.</li> <li>- Ensure the purchase orders/invoices have the supplier's Supply Chain number.</li> </ul>	<p>Trong POM had continued received source of RSPO certified FFB from own group estate. Trong POM has continued to implement and comply with the procedure in handling of purchasing and receiving as per RSPO standard requirements. Among the samples of all document dated from 15 December 2017 till 25 March 2018 related to the incoming FFB from TRP estate, Kuala Muda estate, Malaya estate, Stothard Estate, Batu Pekaka Estate, BMR Estate and Malakoff estate.</p>
b)	<p>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.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Request the PIC to demonstrate the use of the RSPO IT platform.</li> </ul>	<p>Trong business unit has registered in IT platform (Palm Trace)</p>
c)	<p>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.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Request for list of suppliers</li> <li>- Request the PIC to demonstrate where in the RSPO IT platform this can be found.</li> </ul>	<p>Trong POM had continued received FFB supply from own company estate namely TRP estate, Kuala Muda estate, Malaya estate, Stothard Estate, Batu Pekaka Estate, BMR Estate and Malakoff estate.</p>
4.2	<p>The site shall have a mechanism in place for handling non-conforming material and/or documents.</p>	<p>Trong POM has established BMS (Boustead management system) is catering to control incoming material and outgoing products. The FFB supplier &amp; Product buyer &amp; its vehicle</p>

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		registration has to been registered in the system prior weighing. RSPO Supply Chain procedure item 7.4 has indicate the mechanism to handle non-conforming material/documents such as validity of certificate supplying estate.
<b>5</b>	<b>Outsourcing activities</b>	
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><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Request for list of appointed subcontractors</li> <li>- Check on the availability of signed agreement or contract on the outsourced activity.</li> </ul>	The outsource activity was transporting the CPO and PK transporter.
5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ol style="list-style-type: none"> <li>a) The site has legal ownership of all input material to be included in outsourced processes;</li> <li>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.</li> <li>c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</li> <li>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.</li> </ol> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Check the signed agreement has included a provision as required in para (d) of this requirement.</li> </ul>	The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted. Inspection was carried out as additional effort to ensure no contamination sighted "Pemeriksaan CSPO"
5.3	The site shall record the names and contact details of all contractors used for the processing or production of RSPO certified materials.	List of contact person for both transporters were made available and up-to-date.

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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.	No new contractors used for the processing or production of RSPO certified materials.
<b>6</b>	<b>Sales and goods out</b>	
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"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number;</li> <li>• A unique identification number.</li> </ul> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Sampling of shipping documents shall be done on a random basis and the minimum number of samples selected shall be based on the square root formula for each customer</li> <li>- Conduct traceability verification during the audit.</li> </ul>	The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Boustead Estate Agency Sdn Bhd., Marketing Department (HQ) on behalf of Trong POM. Sample of deliveries document were sighted during the audit and it was found all related information were adequate. Trong POM's RSPO certificate number and product name together with model used were stated in the delivery documents.
<b>7</b>	<b>Registration of transactions</b>	
7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are supply chain actors between the mill and final refinery;</li> <li>• take legal ownership and physically handle RSPO Certified Sustainable oil palm products; and</li> <li>• are part of the supply chain of RSPO Certified Sustainable oil palm products</li> </ul> <p>must register their transaction in the RSPO IT platform at the time of physical shipment as required by the rules set by RSPO.</p>	Trong POM has legal ownership and physical handle RSPO certified sustainable CPO and PK.
<b>8</b>	<b>Training</b>	
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.	Training plan has included the RSPO Supply chain training scheduled in Jan 2018 for staff & workers.

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	<p>Additional Guidance:</p> <ul style="list-style-type: none"> <li>- Availability of an approved annual training plan; and</li> <li>- Training record (training attendance list)</li> </ul>	
8.2	<p>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.</p> <p>Training shall be specific and relevant to the task(s) performed.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Request the list of personnel involved in managing the RSPO SC system in the company</li> <li>- Check the training identified for the personnel and interview to verify the effectiveness of the training</li> <li>- Request for the training materials and check on the training effectiveness.</li> </ul>	Training was conducted for staff and workers in Jan 2018 by PIC. Attendance list & photograph was seen.
<b>9</b>	<b>Record keeping</b>	
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.	Sighted CPO and PK delivery note, weighbridge ticket, production data and internal audit records were found up-to-date.
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 was maintained more than 7 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.	Available.
<b>10</b>	<b>Conversion factors</b>	
5.10.1	<p>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 (<a href="http://www.rspo.org">www.rspo.org</a>). 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 (<a href="http://www.rspo.org">www.rspo.org</a>).</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- For secondary oleoderivatives – the quantity based on molecular weight relative (refer to table 4 of the RSPO Rules for Oleochemicals and its Derivatives) to the primary oleochemical</li> </ul>	OER and KER has been used as the conversion factors.



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	feedstock	
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate. <u>Additional Guidance:</u> - Request client to demonstrate the conversion factor used and check the mass balance table.	It has been based on the actual performance of the mill.
<b>11</b>	<b>Claims</b>	
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 the RSPO Rules on Communications and Claims.	No claim been made.
<b>12</b>	<b>Complaints</b>	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints. <u>Additional guidance</u> - Procedure shall cover complaints from customers and stakeholders.	Documented procedure has established to address collecting and resolving the complaint.
<b>13</b>	<b>Management review</b>	
13.1	The organization is required to hold management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	Documented procedure has defined management review will be conducted once a year.
13.2	The input to management review shall include information on: • 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 meeting dated in March 2018, discussed the following: • Internal audit – 1 OFI • Customer feedback – data analysis show result from customer survey (i.e. RSPO-CSPO related to meeting the contract volume, timely delivery, dispatch documentation) result meet 77% above the set target of 70%. Survey was send six monthly. • Previous meeting – was highlighted • Changes • Recommendation for improvement – improve the established system
13.3	The output from the management review shall include any decisions and actions related to: • Improvement of the effectiveness of the management system and its processes • Resource needs	Recommendation for improvement discussed. Resource sufficient.

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### SECTION C : SUPPLY CHAIN MODELS

	<b>Module D – CPO Mills: Identity Preserved</b>	
<b>D.3</b>	<b>Documented procedures</b>	
D.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 procedures covering the implementation of all the elements in these requirements; b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.	The Supply Chain Procedure was revised March 2018 (revision : 4), the said procedure was sighted and found all elements of the RSPO Supply Chain standard were covered.
D.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	As stated in the procedure An integrated RSPO: Supply Chain procedure revised March 2018 (revision : 4), Receiving of certified and non-certified FFB procedure is stated in section 7.0 (Receiving FFB at the Mill)
<b>D.4</b>	<b>Purchasing and goods in</b>	
D.4.1	The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.	Upon receiving of the FFBs, the Mill Gate Security will check on the incoming FFB and its accompanying dispatch note issued by the supplying estate before allowing entry. This will be followed by checking and verification by the Weighbridge Clerk to determine details on the dispatch note tallied with the incoming FFB such as supplying estate and weight (volume). All certified FFB came from Trong BU estates. All delivery documents of certified FFB were verified to ensure the certified status of the FFB. Volumes of certified FFBs received by the mill had been properly recorded and monitored.
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	The overproduction of PK was not approved as the extension of volume was not evident during the audit. Therefore, Major NCR MZK 02 2018 was raised to address this.
<b>D.5</b>	<b>Record keeping</b>	
D.5.1	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.	Record of RSPO certified and delivery of RSPO certified CPO and PK was established i.e. weighbridge daily report which indicate estate name, vehicle no. , date & time enter in Nak mill. While the weighbridge summary report also record buyer name, product name i.e. CPO or PK, vehicle no., date & time of delivery. Trong POM also has maintained the three-monthly accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK. The Record titled are <i>"Identity Preserved Record for Trong Oil Mill"</i> .
<b>D.6</b>	<b>Processing</b>	
D.6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified oil palm product including during transport and storage.	RSPO supply chain procedure (rev. 4) clause 9.0 CPO and PK dispatch did required inspection need to be carried out on the vehicle carried sustainable product.

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	The objective is for 100 % segregated material to be reached.	Trong POM does not accept any non-certified FFB. It was confirmed through summary of weighbridge ticket and interview with weighbridge operator.
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### Details of Non-conformities and Corrective Actions Taken for RSPO SUPPLY CHAIN (Module D Identity Preserved)

P & C Indicator	Specification <i>Major/Minor</i>	Detail Non-conformances	Corrective Action Taken by the CU and Verification by Auditors
Indicator D.4.2	Major	<p><b>#NCR No : MZK 02 2018</b></p> <p>Finding: There is projected overproduction of certified tonnage. Objective evidence: Sighted that overproduction Projected PK IP for period March 2017 – Feb 2018 which is projected 7,000 mt and actual 7,060.53 and Trong POM yet to inform the CB and apply extension to the RSPO.</p>	<p><b>Corrective Action:</b></p> <ul style="list-style-type: none"> <li>-Estimate the CPO and PK production based on high OER performance will be achieve.</li> <li>-To record and monitor the CPO and PK production by quarterly basis.</li> <li>-request extension approval from RSPO</li> </ul> <p><b>Status:</b> The extension of volume i.e. additional 100MT was carried out and sighted the approval from RSPO palm trace on 25/04/2018.</p> <p><b>Closed</b></p>

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Attachment 6

### STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED (STAGE 2 AUDIT)

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken by the CU and Verification by Auditors
Indicator 2.1.1	Major	<p>#NCR No : MZK 01 2017</p> <p>Finding : Noncompliance against the Environment Quality (Schedule Waste) Regulation 2005. Regulation 9. Storage of Schedule waste more than 180 days at Trong POM and Kuala Muda Estate</p> <p>Objective evidence :</p> <ul style="list-style-type: none"> <li>- At Kuala Muda Estate SW 305, SW 410 and SW 409 date generated from February 2016 was not disposed accordingly.</li> <li>- At Trong POM SW 305, SW 110, SW 410 date generated from October 2015 was not disposed accordingly.</li> </ul>	<p>#NCR No : MZK 01 2017</p> <p>Auditor Verification:</p> <p><u>TRP Estate</u></p> <ul style="list-style-type: none"> <li>• 5<sup>th</sup> schedule- inventory has been submitted to DOE by monthly basis, sighted on 30/03/2018, 28/02/2018, 29/01/2018</li> <li>• 6<sup>th</sup> schedule- consignment note- SW has been disposed through Edsha Solutions Sdn Bhd, (license no:004252 on 06/03/2018 for SW 409, SW 410, and on 26/01/2018 for SW 305 by Chong Fok Hiyun Trading (license no:001823)</li> </ul> <p><u>Malaya Estate</u></p> <ul style="list-style-type: none"> <li>• For domestic waste it has been send to land fill, located at block PM 93.</li> <li>• 5<sup>th</sup> schedule- inventory has been submitted to DOE by monthly basis, sighted on 06/04/2018, 30/03/2018, and 03/02/2018</li> </ul> <p><u>Bukit Mertajam Rubber Estate</u></p> <ul style="list-style-type: none"> <li>• For domestic waste at KB Division was disposed through Majlis Daerah Kulim and at Batu Putih Division was disposed at land fill area located at Block 93D which was located far from water bodies and riparian area and line sites.</li> <li>• 5<sup>th</sup> schedule- inventory has been submitted to DOE by monthly basis, sighted on 08/04/2018, 02/03/2018, and 03/02/2018</li> <li>• 6<sup>th</sup> schedule- consignment note- SW has been disposed through Kualiti Alam Sdn Bhd, (license no:004252 and 004993) for SW 409, SW 305, and SW 410 on 06/04/2018)</li> </ul> <p>Status: Closed</p>

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		<p>#NCR No : MRS/01/2017</p> <p>Finding : Noncompliance against:</p> <ol style="list-style-type: none"> <li>1. Industry Code of Practice for Working in a Confined Space Area, 2010</li> <li>2. Section 12. Inspection of place of work, OSH (Safety and Health Committee) Regulations 1996</li> <li>3. 22. Information, instruction and training – OSH (USECHH) Regulations 2000</li> <li>4. OSH (Classification, Labelling and Safety Data Sheet of Hazardous Chemical) Regulations 2013</li> </ol> <p>Objective evidence :</p> <ol style="list-style-type: none"> <li>1. Based on 'Borang Permit Bekerja Bagi Memasuki Ruang Terkurung' on 23 June 2016 at Boiler 2 Steam Drum and on 18 June 2016 at Vacuum Dearator, there was no record of Health fitness certificate for authorized entrance.</li> <li>2. Workplace inspection was carried out only two times e.g. 6 December 2016 and 24 September 2016</li> <li>3. Record of refresher training for chemical handling (Mohd Zubail Othman &amp; Hadi Alias) was not evident</li> <li>4. Secondary container of N-Hexane and alcohol at laboratory was not labelled as required by CLASS Reg.</li> </ol> <p>#NCR No : RZ 01/2017</p> <p>Finding : Staff salary deducted for temple and mosque funds but there was no evidence of request in writing by the employees, and the prior permission in writing of the Labour Office. This is a requirement under Section 24(4) of the Employment Act 1955</p> <p>Objective evidence : Trong Palm Oil Mill – RM10 of the workers' salary was deducted for temple fund. There was no written permission from the Labour Office for this deduction. Written request on 14 August 2014 from the employees for this deduction was available, but the list was not updated.</p> <p>Stothard Estate – RM10 of the workers' salaries were deducted for</p>	<p>#NCR No : MRS/01/2017</p> <p>Auditor verification:</p> <ol style="list-style-type: none"> <li>1) Mill already performed the Health Fitness Certificate for authorized entrance on 29<sup>th</sup> March 2017.</li> <li>2) The workplace inspection will be included in Mill Programme Year 2018.</li> <li>3) Mill has amended the attendance record, and make sure record of attendance will be sign when finish the training.</li> <li>4) Secondary container of N-Hexane and Alcohol has been labelled as required by CLASS Reg.</li> </ol> <p>Status: Closed</p> <p>#NCR No : RZ 01/2017</p> <p>Auditor verification.</p> <p>Estate and POM have received consent letter pertaining deduction for mosque fund from Muslim workers. Approval from Labour Office was obtained on 1 July 2013. List has been updated as per attached appendix.</p> <p>Status: Closed</p>
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		mosque fund. There was no written consent from the Labour Office for this deduction. Written consent from the Muslim employees dated 17 May 2013 were available, but the list was not updated.	
Indicator 2.1.2	Minor	<p>#NCR No : MRS/02/2017</p> <p>Finding : The applicable legal requirement was not updated in the legal register</p> <p>Objective evidence : Trong BU has not included the following regulations in their established legal register:</p> <ol style="list-style-type: none"> <li>1. Children and Young Persons</li> <li>2. National Land Code, 1965</li> <li>3. Workmen Compensation Act, 1952</li> <li>4. Pension Law of Malaysia</li> <li>5. Water Act 1920 (Act 418)</li> <li>6. FMA (Persons-In-Charge) (Amendment) Regulations, 2014</li> <li>7. Industry Code of Practice for Safe Working in a Confined Space 2010</li> <li>8. Poisons Ordinance, 1952</li> <li>9. Poisons (Sodium Hydroxide) Regulations, 1962</li> <li>10. Factories and Machinery (Electric Passenger and Goods Lift) Regulations, 1970</li> </ol>	<p>Auditor Verification:</p> <p>- All applicable legal requirement updated as per below: -</p> <ol style="list-style-type: none"> <li>1) Children and Young Persons (updated)</li> <li>2) National Land Code, 1965 (updated -Land Acquisition Act 1960)</li> <li>3) Worksmen Compensation Act, 1952(updated)</li> <li>4) Pension Law of Malaysia</li> <li>5) Water Act 1920 (Act 418) (Updated)</li> <li>6) FMA (Persons-In-Charge) (Amendment) Regulations, 2014(updated)</li> <li>7) Industry Code of Practice for Safe Working in a Confined Space 2010(updated)</li> <li>8) Poisons Ordinance, 1952(superseded)</li> <li>9) Poisons (Sodium Hydroxide) Regulations, 1962(updated)</li> <li>10) Factories and Machinery (Electric Passenger and Goods Lift) Regulations, 1970 (updated)</li> </ol> <p>Status: closed</p>
Indicator 2.1.3	Minor	<p>#NCR No : MZK 02 2017</p> <p>Finding: Mechanism for ensuring compliance was not effective at Trong POM</p> <p>Objective evidence: Evidence of boiler ash flowing to the drain during rain.</p>	<p>Auditor Verification:</p> <p>During site visit at POM sighted a roof has been installed to prevent leachate from boiler ash to the monsoon drain.</p> <p>Status: closed</p>
Indicator 2.2.2	Minor	<p>#NCR No : MRS/03/2017</p> <p>Finding: Physical markers was not always maintained along the legal boundaries at all estate boundaries</p> <p>Objective evidence: During audit, the audit team found that physical markers along the legal boundaries were not available at the following areas:</p> <ol style="list-style-type: none"> <li>1. Stothard Estate - Ladang Kim Seng, abandoned area which belongs to local community, and also Kg. Kuala Merah</li> </ol>	<p>Auditor verification:</p> <p>During site visit at all estates erected boundary marker and signage along the boundary has been marking clearly with paint and boundary drain.</p> <p>Status: closed</p>

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		<p>2. Batu Pekaka Estate - Sime Darby Kuala Ketil Estate and Genting Plantation</p> <p>3. Kuala Muda Estate – OSK Properties</p>	
Indicator 4.1.2	Minor	<p>#NCR No : RR 02 2017</p> <p>Finding : The practice of reusing all water from emergency showers was not reused.</p> <p>Objective evidence : At Batu Pekaka Estate, water from emergency shower was directed into a field drain.</p>	<p>Auditor Verification: During site visit at all Estates visited. Water from emergency shower has been collected and reused as a chemical mixing.</p> <p>Status: closed</p>
Indicator 4.4.2	Major	<p>#NCR No : MZK 03 2017</p> <p>Finding : Management did not prevent their buffer zones from any chemical activities</p> <p>Objective evidence : Stothard Estate</p> <ol style="list-style-type: none"> <li>During site review at the water pond/lake in Stothard Estate Block 95A and 97A, it was found that no signage to prevent from spraying or fishing available at site. Further, there was signed of spraying in the buffer zone area.</li> </ol>	<p>Auditor Verification: During site visit at all estates visited it was sighted signage has been erected along the buffer zone to prevent any spraying and fishing activities.</p> <p>Status: Closed</p>
Indicator 4.6.6	Major	<p>#NCR No : RR 03 2017</p> <p>Finding : The requirement regarding storage of all pesticides shall be according to recognized best practices not implemented</p> <p>Objective evidence : At Kuala Muda Estate</p> <ul style="list-style-type: none"> <li>Petrol has not keep inside a safety can as determined by the assessor (CHRA).</li> <li>Storage of fertilizer was not in accordance with the fertilizer management guidelines</li> <li>In chemical store-all chemical drums not keep inside a bunding area or tray to prevent pollution occurs.</li> </ul>	<p>Auditor Verification: During site visit at all estates. It was sighted that all the petrol has been keep inside a safety can with proper labelling and chemical drums was keep inside the POL store with trail and bunding. Storage of fertilizer was in accordance With pallet was used to prevent leachate.</p> <p>Status: Closed</p>

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Indicator 4.6.11	Major	<p>#NCR No : RR 01 2017</p> <p>Finding :</p> <p>The recommendation for medical surveillance made in the CHRA (2016) for sprayers and foreman was not complied</p> <p>Objective evidence : At Batu Pekaka Estate - Workers carrying out spraying in nursery and foreman were not sent for medical surveillance.</p>	<p>Auditor Verification:</p> <p>At Trong Rubber Plantation Estate CHRA has been conducted by Nation Safety Consultancy(M) Sdn Bhd (JKKP HIE 127/171-2(342)) the assessment has been carried out for 4 units such as tractor driver, pre mixer, sprayer, and nursery sprayer. Based on recommendation made by assessor was to conduct medical surveillance for pre mix operator, chemical sprayer operator and nursery spayer with interval not more than 12 months. Sighted medical surveillance has been carried out by BP Healthcare Group, Dr Tan Kian Gin (DOSH Reg:HQ/14/DOC/00/66) on 12/02/2018 for 6 workers and the results for 6 workers was normal.</p> <p>At Malaya Estate same assessor has been used to conduct CHRA assessment on 26/02/2014. The assessment has been carried out for 4 units such as chemical store, pre mixer, sprayer, and maintenance workshop. Recommendation made by assessor was to conduct medical surveillance for pre mix operator, chemical sprayer operator and workshop attendant with interval not more than 12 months. Sighted medical surveillance has been carried out by Dr Zainatul Asma Bt Che Abu Shafie (DOSH registration no: HQ/08/DOC/00/409) ON 06/03/2018 for 7 workers and the result from inspections was satisfactory and workers was fit to handling chemical.</p> <p>At Bukit Mertajam Estate CHRA assessment has been carried out on 10-29/02/2016 by Mr. Lim Boon Tik (JKKP registration no: JKKP HIE 127/171-2(284)). The assessment has been carried for work units such as herbicide and pesticide spraying operator, chemical mixing operator, chemical store keeper, schedule waste handler, and maintenance technician (workshop). Recommendation made by assessor was to conduct medical surveillance for herbicide and pesticide spraying operator, chemical mixing operator, and chemical store keeper with interval not more than 12 months. Sighted medical surveillance has been carried out by Dr T.Sakthi Yananthan (DOSH registration no: HQ/12/DOC/00/262) ON 30/09/2017 for 46 workers and the result from inspections were:</p> <ul style="list-style-type: none"> <li>• 44 workers - fit</li> <li>• 2 workers - not fit. – to carry out retest on 12/02/2018 and was showed normal result and fit to handle chemical.</li> </ul> <p>Status: Closed.</p>
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Indicator 4.7.2	Major	<p>#NCR No : MRS/06/2017</p> <p>Finding :</p> <p>Risk assessment not covered all activities in the working place</p> <p>Objective evidence :</p> <p>Risk assessment was not carry out for the following mill's activities:</p> <ol style="list-style-type: none"> <li>1. Conveyor / rotating machine</li> <li>2. Heat stress at grading, boiler, sterilizer and EFB area</li> <li>3. Construction / upgrading sterilizer (non-routine work)</li> </ol>	<p>Auditor Verification</p> <ol style="list-style-type: none"> <li>1. HIRARC for Conveyor/Rotating machine was carry out and done the assessment.</li> <li>2. Mill already included Heat Stress for HIRARC at Grading, Boiler, Steriliser and EFB area.</li> <li>3. The HIRARC for construction had been done.</li> </ol> <p>Status: Closed.</p>
Indicator 6.1.3	Major	<p>#NCR No : RZ 02/2017</p> <p>Finding :</p> <p>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones was not available</p> <p>Objective evidence :</p> <p>Kuala Muda Estate - There is no evidence of any action plan developed, no timetable, and no responsibilities for implementation was identified.</p> <p>Stothard Estate – Although an action plan was developed and documented, there is also no timetable and no responsibilities for implementation was identified.</p>	<p>Auditor Verification:</p> <p>Social Plan named 'Maklumbalas hasil dari penilaian impak sosial (SIA report 19.7.2016) dalaman (Pekerja/Staff and Contractor) for all Estate visited was available. The plan had included all the timetable and person responsible for the action.</p> <p>Status: Closed.</p>
Indicator 6.2.3	Minor	<p>#NCR No : RZ 03/2017</p> <p>Finding :</p> <p>There is no evidence that foreign workers or their representatives attended the stakeholders' meeting</p> <p>Objective evidence :</p> <p>The stakeholders' meeting was not attended by any foreign workers or their representative at Kuala Muda Estate. The meeting was attended by the mandore and labour supplier contractor.</p>	<p>Auditor Verification:</p> <p>1) all estates visited has Appoint foreign worker's representatives at stakeholders' meeting.</p> <p>Status: closed</p>
Indicator 6.5.2	Major	<p>#NCR No : MRS/05/2017</p> <p>Finding :</p> <p>Employment contract for foreign workers had not stated the Minimum Wage Order 2016</p>	<p>Auditor Verification:</p> <p>A copy of new agreement between Nalvam Enterprise and their workers with reference to the Minimum Wages Order 2016 has stated in para 5(3).</p> <p>Status: Closed.</p>

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		Objective evidence : Auditor has found that employment contract of two foreign workers (AT864408 & B3675050) not stated Minimum Wage Order 2016.	
Indicator 6.5.3	Minor	<p>#NCR No : MRS/04/2017</p> <p>Finding :</p> <p>Weekly inspection was not carried out by weekly as required by Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446)</p> <p>Objective evidence :</p> <ol style="list-style-type: none"> <li>1. Kuala Muda has conducted housing inspection twice in a month by VMO and Hospital Assistant (HA) on 6 &amp; 27 February 2017, 9 &amp; 26 January 2017 and 5 &amp; 29 December 2016.</li> <li>2. Batu Pekaka Estate only conducted housing inspection on 2 March 2017 and 6 &amp; 12 January 2017</li> </ol>	<p>Auditor Verification: Discussion and briefing have been conducted with HA and executive at respective estate. Staffs to conduct housing inspection weekly.</p> <p>Status: closed</p>
Indicator 6.9.1	Major	<p>#NCR No : RZ 04/2017</p> <p>Finding :</p> <p>There is no evidence that the policy to prevent sexual has been implemented and communicated to all levels of workforce</p> <p>Objective evidence :</p> <p>Interviews with workers at all visited estates and mill reveal that there is either inadequate understanding, or no understanding on sexual harassment and what constitutes sexual harassment (Polisi Gangguan Seksual). There is also no evidence that it has been communicated to all levels of workforce.</p>	<p>Auditor Verification:</p> <ol style="list-style-type: none"> <li>1) Estate has conduct briefing regarding to sexual harassment and the briefing to all level of workforce.</li> <li>2) Mill management invited officer from JTK Taiping to brief the sexual harassment on 3<sup>rd</sup> Apr 2017 for all workers. Mill will conduct understanding test to all workers tentatively after 3 months to evaluate their understanding.</li> </ol> <p>Status: Closed</p>

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Attachment 7

## Boustead Plantations Berhad Time Line on RSPO Certification.

Business Unit	2011	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	1	2	3	4	5	6	7	8	9	10	11
Sg. Jernih Business Unit											
Nak Business Unit ,											
TRP Business Unit											
Segaria Business Unit											
Telok Sengat Business Unit											
Segamaha Business Unit											
Lapan Kabu Business Unit											
Sugut Estates Business,											
Loagan Business Unit											
Kanowit Business Unit											