



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

File Ref. : EB04990001

RSPO PUBLIC SUMMARY REPORT

CLIENT : BOUSTEAD NAK 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 / Estate	Location		
		Latitude	Longitude	Address
Boustead NAK Business Unit	NAK POM Mill	117.8552°N	5.9000°E	Mile 3 off 19 mile, Labuk Road, 90009 Sandakan Sabah
	NAK Estate	117.8522°N	5.9028°E	Mile 19, 27KM Labuk Road, 90009 Sandakan, Sabah
	Resort Estate	117.78423°N	5.6964°E	Km 100 Sandakan Road, 90009 Sandakan, Sabah.
	Sutera Estate	117.3662°N	5.6545°E	Off Mile 45, 68 km Lahad Datu Road, Sandakan, 90009 Sabah.
	Ladang Tabung Tentera Sabah (LTTS)	117.9034°N	5.2852°E	Lahad Datu - Sandakan, Off-Road KM16, Sungai Pin, 91109 Lahad Datu, Sabah.

MAP : See Attachment 1

AUDIT DATE : 18 – 22 February 2019

DURATION : 20 auditor days

TYPE OF AUDIT :  Annual Surveillance Audit No. 4

Recertification Audit

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

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

VALIDITY OF RSPO CERTIFICATE : 16/5/2015-15/5/2020

The following attachments form part of this report:

Non-conformity Report(s)

List of additional site(s)

Report by Audit Team Leader

Acknowledgement by Client's Representative

Name : Mohd Zulfakar Kamaruzaman

Name : Nurul Hanani Abdullah

Signature :

Signature :

Date : 23/5/2019

Date : 24/5/2019

## RSPO PUBLIC SUMMARY REPORT

### SUMMARY OF AUDITS

<b>Stage 2 Audit</b>				
On-site audit date :	1 – 5 December 2014		No. of auditor days :	-
Audit team :	SGS Malaysia			
No. of major NCR :	5	1.2.1, 4.7.1, 4.8.1, 5.6.1 & 6.5.1		Closing date : 2 February 2015
No. of minor NCR :	12	2.1.4, 4.2.2, 4.4.7, 4.5.4, 5.3.2, 5.6.2, 6.1.3, 6.4.2, 6.5.2, 6.5.3, 6.10.2 & 6.10.3		
Indicate the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	X		X	X
	Contract workers	NGOs	Govt. agency	Independent growers
Indigenous people	Contractor	Others (Please specify)		
	X			
Supply base sampled :	Nak Estate and Resort Estate			

<b>Annual Surveillance Audit 1</b>				
On-site audit date :	11-14 April 2016		No. of auditor days :	13 Auditor Days
Audit team :	Mohd Zulfakar Kamaruzaman (LA) , Mohd Razman Salim, Mohd Norddin Abd Jalil, Zulkarnain Abdullah			
No. of major NCR :	2	Indicator: 2.1.1 and 4.7.3		Closing date : 13 June 2016
No. of minor NCR :	5	Indicator : 4.2.1, 4.5.2, 5.3.3, 5.4.1 and 5.6.3		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	X		X	X
	Contract workers	NGOs	Govt. agency	Independent growers
Indigenous people	Contractor	Others (Please specify)		
	X			
Supply base sampled :	Resort Estate and Sutera Estate			
Changes since the last audit :	No changes.			

<b>Annual Surveillance Audit 2</b>				
On-site audit date :	6-10 March 2017		No. of auditor days	13 Auditor Days
Audit team :	Mohd Zulfakar Kamaruzaman (LA) , Rozaimée Ab Rahman, Hazani Othman, Mohd Abd Raouf Asis (Trainee Auditor)			
No. of major NCR :	2	2.1.1, 4.4.2		Closing date : 9 May 2017
No. of minor NCR :	5	2.1.2, 4.1.3, 5.2.3, 5.2.4, 6.12.3		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	X		X	X
	Contract workers	NGOs	Govt. agency	Independent growers
			X	
Indigenous people	Contractor	Others (Please specify)		
	X			
Supply base sampled :	Nak Estate and Ladang Tabung Tentera Sabah (LTTS)			
Changes since the last audit :	New Estate has been included in NAK Business Unit which is Ladang Tabung Tentera Sabah (LTTS)			

### Annual Surveillance Audit 3

## RSPO PUBLIC SUMMARY REPORT

On-site audit date	: 20-23 February 2018	No. of auditor days	: 16
Audit team	: Rozaimée Ab Rahman, Mohd Zulfakar Kamaruzaman, Ruzita Abd Gani, Mohd Abd Raouf Asis		
No. of major NCR	: 1	Indicator: 4.6.11	Closing date : 23 April 2018
No. of minor NCR	: 2	Indicator : 4.1.2, 6.5.3	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers / Local communities
	√		√
	Contract workers	NGOs	Govt. agency
	√		√
	Indigenous people	Contractors	Others (Please specify)
	√	√	
Supply base sampled	: Sutera Estate and Resort Estate		
Justification of audit planning	: Total allocation of auditor days for NAK CU were: <ul style="list-style-type: none"> <li>• Mill = 6 days (5 days for safety and health, environment, mill best practices, GHG verification) + (1 day for supply chain certification systems)</li> <li>• Sutera &amp; Resort Estate = 5 days each for verification of safety and health, environment, good agriculture best practices, GHG verification.</li> </ul>		
Changes since the last audit	: Changes on planted area based on the latest resurvey carried out by the estate.		

Annual Surveillance Audit 4			
On-site audit date	: 18-22 February 2019	No. of auditor days	: 20 Auditor days
Audit team	: Mohd Zulfakar Kamaruzaman (LA), Dzulfiqar Azmi, Khairul Najwan Ahmad Jahari, Selvasingam T. Kandiah		
No. of major NCR	: 1	Indicator : 4.7.2	Closing date : 12/5/2019
No. of minor NCR	: 3	Indicator : 2.2.2, 4.7.5, 6.5.3	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers / Local communities
	√		√
	Contract workers	NGOs	Govt. agency
	√	√	√
	Indigenous people	Contractor	Others (Please specify)
	√	√	
Supply base sampled	: Sutera Estate, Nak Estate, LTT Sabah Estate, Resort Estate		
Changes since the last audit	: Boustead Nak BU has requested to take out the LTT Sabah Estate as this estate will be reassigned as supply base under Boustead Segamaha BU. However, during this audit, LTT Sabah Estate is still under this CU and it has been sampled accordingly.		
Justification of audit planning	: Total allocation of auditor days for NAK CU were: <ul style="list-style-type: none"> <li>• Mill = 5 days (5 days for safety and health, environment, mill best practices, GHG verification and for supply chain certification systems)</li> <li>• All estate = 5 days each for verification of safety and health, environment, good agriculture best practices, GHG verification.</li> </ul>		
Report approved by	: Radziah Mohd Daud	Approval date	: 23/5/2019

# RSPO PUBLIC SUMMARY REPORT

## SUMMARY OF INFORMATION

### TABLE 1

	STAGE 2/ RA	ASA 1	ASA 2	ASA 3	ASA 4
<b>Projection Period</b>		Apr 2016 – Mar 2017	Mar 2017 – Feb 2018	Mar 2018 – Feb 2019	Mar 2019 – Feb 2020
<b>Certified FFB Processed (MT)</b>		331,316.00	283,130.14	80,870.00	72,306.77
<b>Production of Certified CPO (MT)</b>		67,920.00	59,429.02	17,387.05	15,350.36
<b>Production of Certified PK (MT)</b>		18,222.00	13,675.19	3,234.80	2,855.88
<b>Certified Areas (Ha)</b>	-	4,721.90	6,744.90	6,744.90	6,744.90
<b>Planted Areas (Ha)</b>	-	4,511.6	*6,462.20	**6,417.77	6,417.77
<b>Production Areas (Ha)</b>	-	3,987.70	5,157.76	4,926.62	4,926.62
<b>HCV Areas / Conservation Areas (Ha)</b>	-	6.90	6.90	6.90	6.90
<b>REMARKS</b>	ASA2 : *Inclusion of Ladang Tabung Tentera Sabah Estate  ASA3: **Amount of the planted area was decreased (in comparison with the previous year). This has been based on land resurvey carried out in Jan 2018.				

### TABLE 2

	PO	PK
<b>Last years certified volume (MT)</b>	17,387.05	3,234.80
<b>Last years actual certified sold (MT)</b>	15,613.67	2,753.00
<b>Last years actual sold under other schemes (MT)</b>	0	0
<b>Last years sold conventional (MT)</b>	0	0
<b>New year certified volume (MT)</b>	15,350.36	2,855.88

## RSPO PUBLIC SUMMARY REPORT

<b>Table of contents</b>	<b>Page</b>
1.0 AUDIT PROCESS	7
1.1 Certification body	7
1.2 Qualification of audit team	7
1.3 Audit methodology	7
1.4 Stakeholder consultation	7
1.5 Audit plan	7
1.6 Date of next audit	7
2.0 SCOPE OF CERTIFICATION AUDIT	8
2.1 Description of the certification unit	8
2.2 Description of the Supply Base (including planting profile)	8
2.3 Organization Information / Contact Person(s)	11
3.0 AUDIT FINDINGS	12
3.1 Changes to certified products in accordance to the production of the previous year	12
3.2 Time bound plans including changes and reasons for the changes see below	12
3.3. Overall comment in terms of acceptance or non-acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)	12
3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included , by the mill, are audited within 3 years from when their fruit was first included in the mill certification.	12
3.5 Any new acquisition which has replaced primary forests or HCV areas	12
3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	12
3.7 Status of previous non-conformities * (refer to Attachment 6)	12
3.8 Complaint received from stakeholder (if any)	12
4.0 DETAILS OF NON-CONFORMITY REPORT	13
4.1 For P&C (Details checklist refer to Attachment 3)	13
4.2 For SC (Details checklist refer to Attachment 5)	13
5.0 AUDIT CONCLUSION	13
6.0 RECOMMENDATION	13
List of Attachment	
Attachment 1 : Map of Nak BU	14
Attachment 2 : RSPO Surveillance Audit Plan	18
Attachment 3 : RSPO P&C Audit Checklist and Findings	26
Attachment 4 : Details of Non-conformities and Corrective Actions Taken	56
Attachment 5 : RSPO Supply Chain at the palm oil mill – Identity Preserved Model – Module D	59
Attachment 6 : Status of Non-conformities Previously Identified	67
Attachment 7 : Time-bound Plan	69

## 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

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd Zulfakar Kamaruzaman	Lead Auditor Land Title, HCV and SC	Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C, RSPO Supply Chain and MSPO Lead Auditor.
Selvasingam T Kandiah	Auditor GAP, Health & Safety related to plantation	Holds a B.Sc. (Hons) in Agriculture, he had work as a planter with Kumpulan Guthrie Berhad for more than 10 years including one year in Liberia and 2 years in Estate Department in Guthrie Headquarters.
Dzulfiqar Azmi	Auditor Time Bound Plan, Occupational health and safety & Environment	He holds a B. Sc. (Hons) in Plantation Technology and Management from UiTM on 2012. He has worked more than 5 years in the oil palm plantation sector. He completed the Lead Auditor Course Integrated Management Systems (IMS) and the RSPO P&C Lead Auditor Course in 2018. He is qualified auditor for MSPO, RSPO and ISO 14001 since Oct. 2018.
Khairul Najwan Ahmad Jahari	Auditor Social	Holds a B. Sc. Forestry from University Putra Malaysia. He has 7 years working experience in Forest related areas as a researcher with FRIM since 2003, and also auditor Forest Management Certification (FMC – MC&I 2002, Natural Forest and Forest Plantation).

### 1.3 Audit methodology

The scope of the audit was based on a sampling of the supply bases. However, according to the new RSPO Certification system 2017 if the unit have four or below supply base, all estate should be audited. Hence, this audit has covered Nak palm oil mill and all of its supply bases i.e. Nak Estate, LTT Sabah Estate, Sutera Estate and Resort Estate. The audit has included the on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

### 1.4 Stakeholder Consultation

Stakeholder consultation was carried out during the on-site audit. In general, there was no negative comments made against this Certification Unit.

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

### 1.6 Date of next audit : The next surveillance audit will be conducted within 12 months but not sooner than 8 months from this audit.

## RSPO PUBLIC SUMMARY REPORT

### 2.0 SCOPE OF CERTIFICATION AUDIT

#### 2.1 Description of the certification unit

The Nak Certification Unit (hereafter referred to as Nak CU) is one of the business unit under the Boustead Plantation Bhd (BPB). The CU is also known as Boustead Nak Business Unit. The CU was initially comprises of the Nak Palm Oil Mill (Nak POM) and three supply base i.e. the Nak Estate, Resort Estate and Sutera Estate. In 2017 audit, Boustead management had decided to include one new estate Ladang Tabung Tentera Sabah (LTTS) in the certification. All of the estates were fully owned by BPB. The Nak POM has a mill capacity of 40 mt/hr. All the estates have been fully developed before 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 contribution from each source to the Nak Palm Oil Mill are shown in the following tables:

Table 1: Actual FFB production by the supply base for the last reporting period (March 2018 to February 2019)

Estates	FFB Production	
	Tonnes	Percentage (%)
Nak Estate	19,993.75	27.77
Resort Estate	10,332.32	14.35
Sutera Estate	33,404.91	46.4
LTTS	8,267.12	11.48
<b>Total</b>	<b>71,998.10</b>	<b>100</b>

Table 2: Projected FFB production by the supply base for the next reporting period (March 2019 to Feb 2020)

Estates	FFB Production	
	Tonnes	Percentage (%)
Nak Estate	21,900.00	30
Resort Estate	6,915.00	10
Sutera Estate	34,641.77	48
LTTS	8,850.00	12
<b>Total</b>	<b>72,306.77</b>	<b>100%</b>

## RSPO PUBLIC SUMMARY REPORT

Table 3: Actual FFB received and CPO & PK dispatch by Nak POM for the last reporting period

(Mar 2018- Feb 2019)

RSPO Supply Chain Model : Identity Preserved	Total (MT)
FFB Received	71,998.10
FFB Processed	71,998.10
CPO Production	15,613.67
Certified CPO delivered as RSPO	15,613.67
Certified CPO delivered as non-RSPO	-
Certified CPO delivered under other sustainable schemes	-
PK Production	2,753
Certified PK delivered as RSPO	2,753
Certified PK delivered as non-RSPO	-
Certified CPO delivered under other sustainable schemes	-

Table 4: Projected FFB received and CPO & PK dispatch by Nak POM of the next reporting period

(Mar 2019- Feb 2020)

RSPO Supply Chain Model : Identity Preserved	Total (MT)
FFB Received	72,306.77
FFB Processed	72,306.77
CPO Production	15,350.36
Certified CPO delivered as RSPO	15,350.36
Certified CPO delivered as non-RSPO	-
Certified CPO delivered under other sustainable schemes	-
PK Production	2,855.88
Certified PK delivered as RSPO	2,855.88
Certified PK delivered as non-RSPO	-
Certified CPO delivered under other sustainable schemes	-

Table 5: Planted and certified area of the Nak BU

Estate	Planted (ha)	Certified (ha)
Nak	1,311.50	1,386.10
Sutera	2,100.80	2,200.70
Resort	1,054.87	1,135.10
LTTS	1,950.60	2,023.00
<b>Total</b>	<b>6,417.77</b>	<b>6,744.90</b>

Table 6: Planting profile for Nak Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1994	1 <sup>st</sup> Generation	Mature	141.40	11%
1995	1 <sup>st</sup> Generation	Mature	272.00	21%
1996	1 <sup>st</sup> Generation	Mature	147.50	11%
2001	1 <sup>st</sup> Generation	Mature	114.90	9%
2002	1 <sup>st</sup> Generation	Mature	163.80	13%
2006	2 <sup>nd</sup> Generation	Mature	86.80	7%
2007	2 <sup>nd</sup> Generation	Mature	52.10	4%
2008	2 <sup>nd</sup> Generation	Mature	42.30	3%
2009	2 <sup>nd</sup> Generation	Mature	80.60	6%



## RSPO PUBLIC SUMMARY REPORT

2010	2 <sup>nd</sup> Generation	Mature	57.60	4%
2016	2 <sup>nd</sup> Generation	Immature	68.90	5%
2017	2 <sup>nd</sup> Generation	Immature	83.60	6%
<b>Total</b>			<b>1311.50</b>	<b>100</b>

Table 7: Planting profile for Sutera Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1994	1 <sup>st</sup> Generation	Mature	475.00	23%
2005	2 <sup>nd</sup> Generation	Mature	178.30	8%
2006	2 <sup>nd</sup> Generation	Mature	139.70	7%
2007	2 <sup>nd</sup> Generation	Mature	101.60	5%
2009	2 <sup>nd</sup> Generation	Mature	141.60	7%
2010	2 <sup>nd</sup> Generation	Mature	145.90	7%
2011	2 <sup>nd</sup> Generation	Mature	145.80	7%
2012	2 <sup>nd</sup> Generation	Mature	137.00	7%
2013	2 <sup>nd</sup> Generation	Mature	93.00	4%
2014	2 <sup>nd</sup> Generation	Mature	105.8	5%
2015	2 <sup>nd</sup> Generation	Immature	89.60	4%
2016	2 <sup>nd</sup> Generation	Immature	100.20	5%
2017	2 <sup>nd</sup> Generation	Immature	247.30	12%
<b>Total</b>			<b>2,100.80</b>	<b>100%</b>

## RSPO PUBLIC SUMMARY REPORT

Table 8: Planting profile for Resort Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1993	1 <sup>st</sup> Generation	Mature	134.61	13.0
1995	1 <sup>st</sup> Generation	Mature	212.11	20.0
2015	2 <sup>nd</sup> Generation	Immature	158.86	15.0
2016	2 <sup>nd</sup> Generation	Immature	169.17	16.0
2017	2 <sup>nd</sup> Generation	Immature	169.55	16.0
2018	2 <sup>nd</sup> Generation	Immature	210.57	20.0
<b>Total</b>			<b>1,054.87</b>	<b>100</b>

Table 9 : Planting profile for LTTS Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1991	1 <sup>st</sup> Generation	Mature	145.6	7.46
1992	1 <sup>st</sup> Generation	Mature	192.1	9.85
1993	1 <sup>st</sup> Generation	Mature	128.5	6.59
1994	1 <sup>st</sup> Generation	Mature	567.7	29.10
1998	1 <sup>st</sup> Generation	Mature	238.5	12.23
2006	2 <sup>nd</sup> Generation	Mature	81.8	4.19
2007	2 <sup>nd</sup> Generation	Mature	68.1	3.49
2008	2 <sup>nd</sup> Generation	Mature	56.9	2.92
2009	2 <sup>nd</sup> Generation	Mature	83.4	4.28
2014	2 <sup>nd</sup> Generation	Mature	194.6	9.98
2015	2 <sup>nd</sup> Generation	Immature	193.4	9.91
<b>Total</b>			<b>1,950.6</b>	<b>100</b>

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

The details of the contact person is as shown below:

Name	:	Mr. Mohammad Tarmizi Taufek
Position	:	Secretary RSPO, Boustead
Address	:	11h Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia
Phone no.	:	+603-2145-2121/+6089-667-360
Fax no.	:	-
Email	:	<a href="mailto:tarmizi.bea@boustead.com.my">tarmizi.bea@boustead.com.my</a>

## RSPO PUBLIC SUMMARY REPORT

### 3.0 AUDIT FINDINGS

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

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

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

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

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

Boustead is in progress to certify all the 6 new Business Units from 2019 to 2022 as verified through the Time Bound Plan (updated in December 2018). The BU is Telok Sengat, Segamaha, Loagan Bunut, Lapan Kabu, Sugut and Sugut.

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?

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 Not applicable.  
There is no associated smallholders supplying FFB to the CU.

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.)

Manager changes:

Nak Mill; Osman Nusa replaced by Nasri Ahmat, Nak Estate; Zulkifli Mat Khatib replaced by Ahmad Kamal Mohd Yusoff, Sutera Estate; Edwin Aleng replaced by Mohd Hamdan Husin and Resort Estate; Abd Roup Awang replaced by Mohd Nazri Nanyan.

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)

No complaints from stakeholders were observed.

**RSPO PUBLIC SUMMARY REPORT**

**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 : 3	2.2.2, 4.7.5, 6.5.3
Total no. of major NCR(s) (details refer to Attachment 4 )	List : 1	4.7.2

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 :


**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.

**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.**

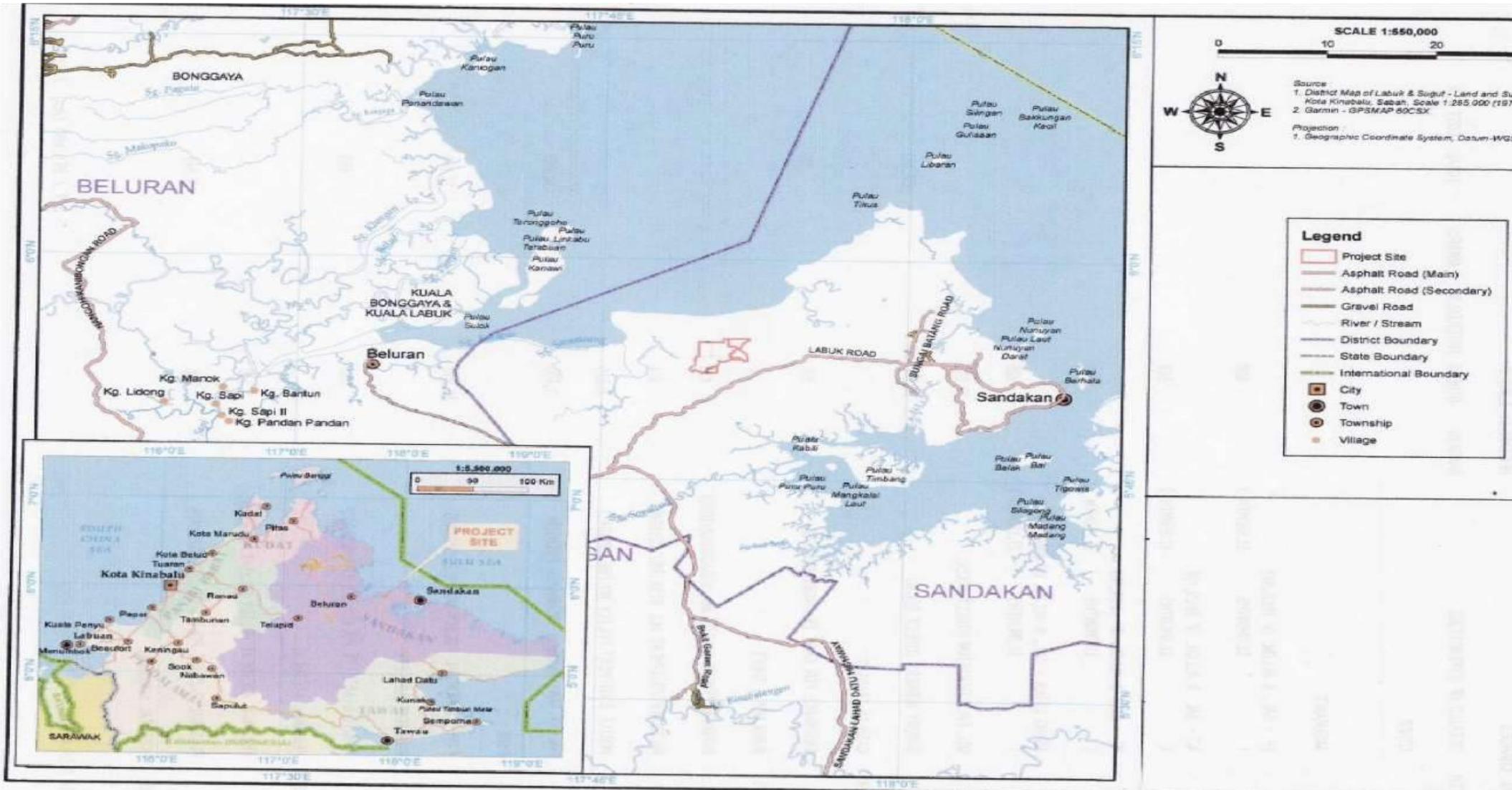
Audit Team Leader :	MOHD ZULFAKAR KAMARUZAMAN <hr style="width: 100%;"/> (Name)	 <hr style="width: 100%;"/> (Signature)	12/5/2019 <hr style="width: 100%;"/> (Date)
---------------------	---	--	--

# RSPO PUBLIC SUMMARY REPORT

## Attachment 1

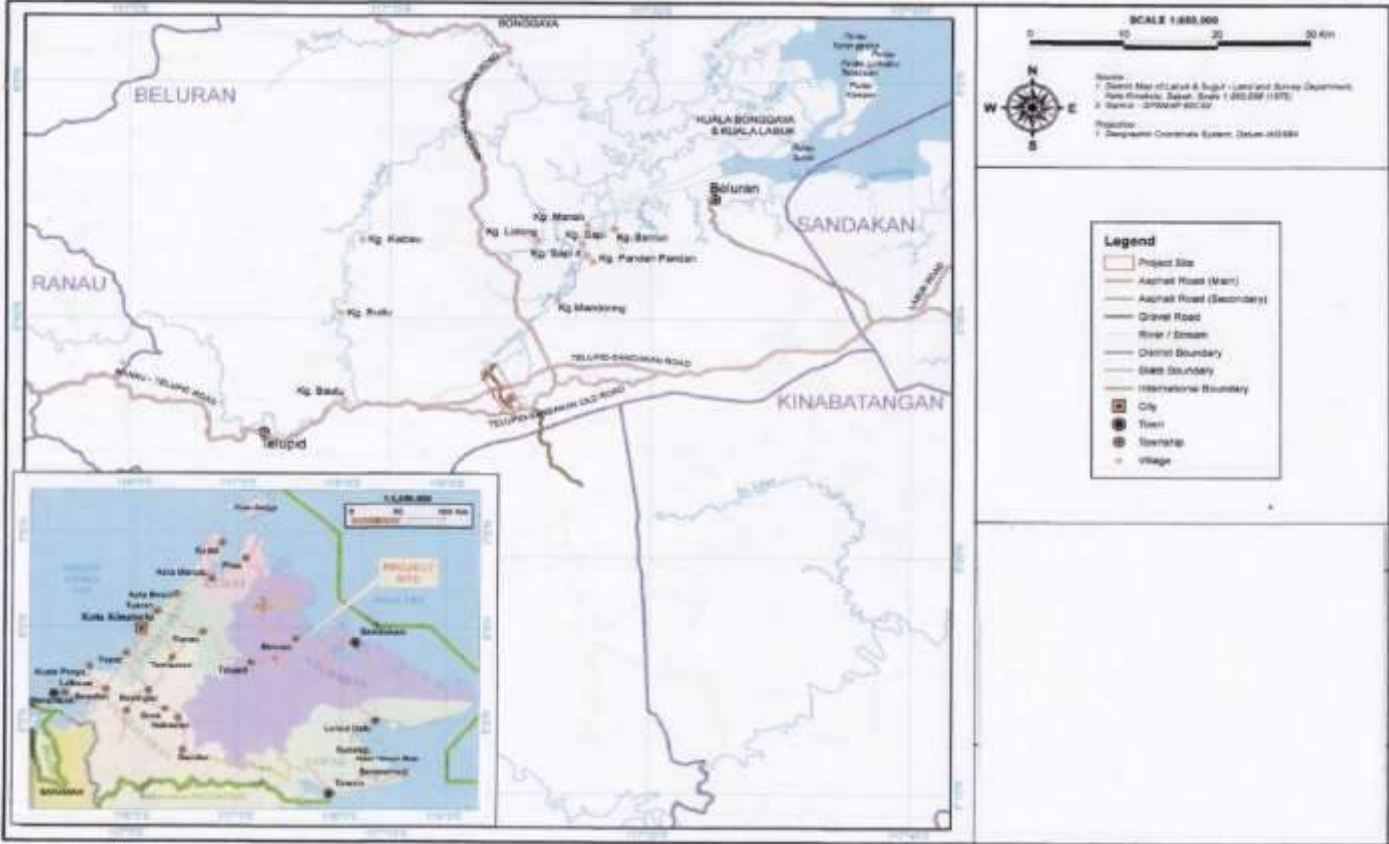
Map of Nak BU

Nak Estate



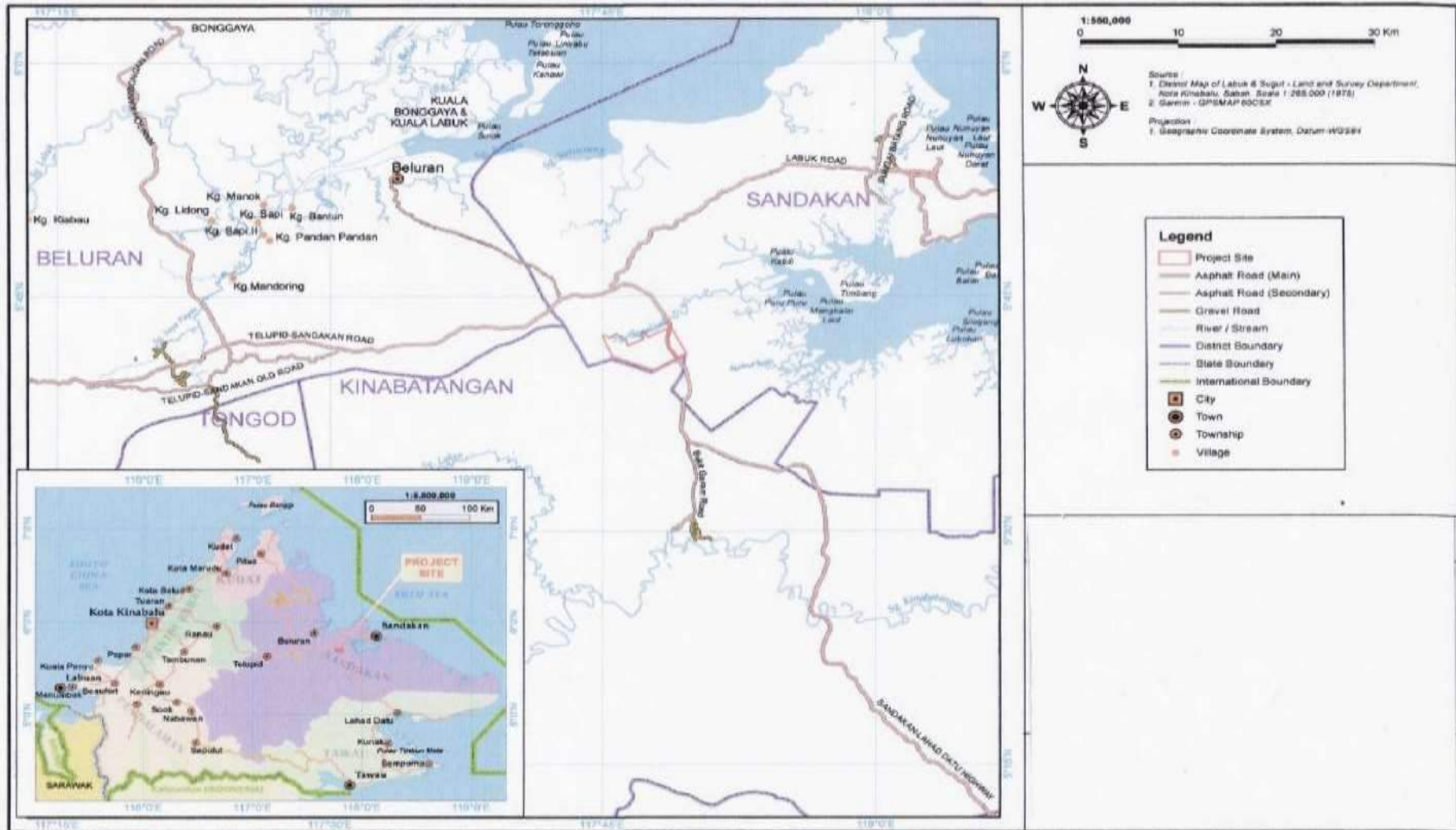
RSPO PUBLIC SUMMARY REPORT

Map of Resort Estate - Nak CU

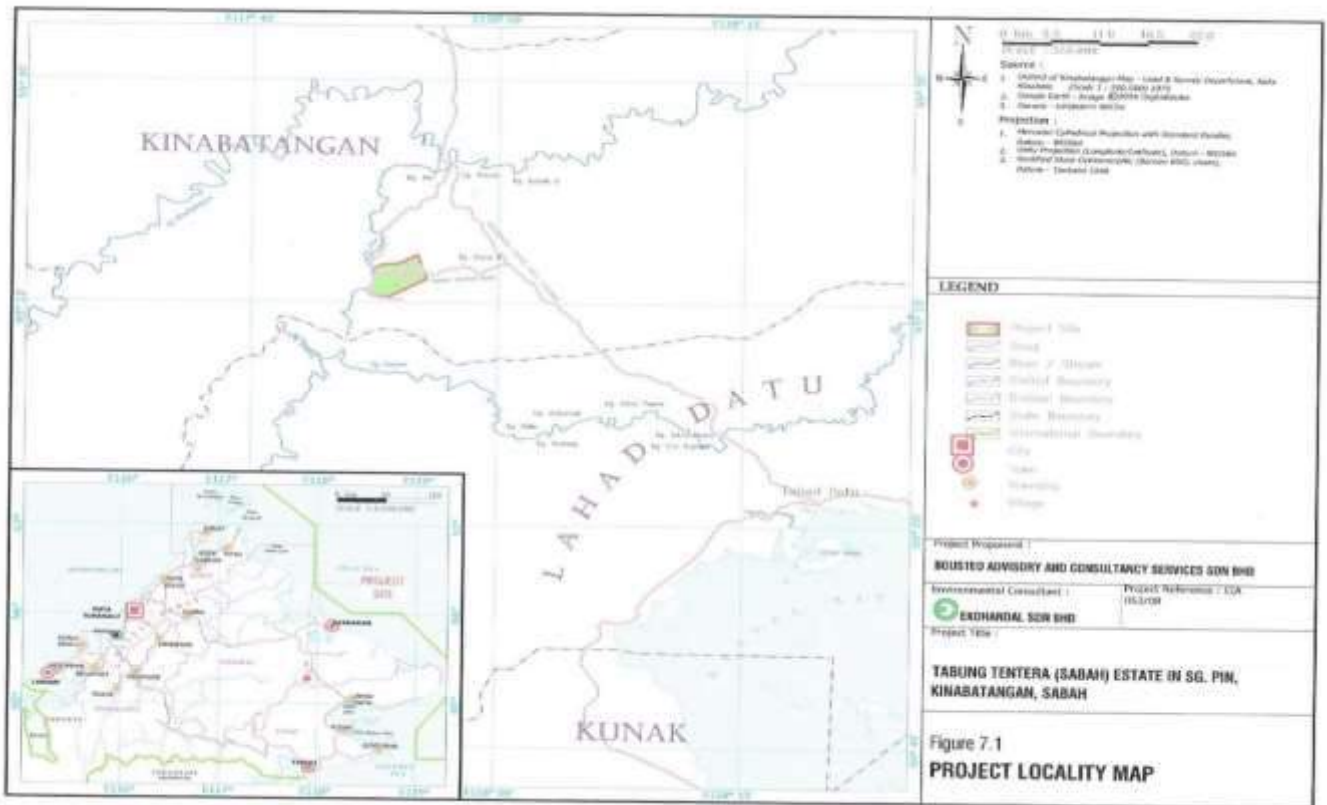


# RSPO PUBLIC SUMMARY REPORT

## Map of Sutera Estate - Nak CU



# Map of LTTS Estate - Nak CU





RSPO Surveillance Audit Plan

**1. Objectives**

The objectives of the audit are as follows:

- (i) To evaluate the Certification Unit 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** : 18<sup>th</sup> – 22<sup>nd</sup> February 2019

**3. Site of assessment** : Nak Business Unit

- Nak POM
- Nak Estate
- Resort Estate
- Sutera Estate
- Ladang Tabung Tentera Sabah (LTTS)

**4. Reference Standard:**

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

**5. Assessment Team**

- a) Lead Auditor : MOHD ZULFAKAR KAMARUZAMAN (HCV, Land Title, SC, TBP)
- b) Auditors : DZULFIQAR AZMI (Environmental, Safety, Health, GHG)  
: KHAIRUL NAJWAN AHMAD JAHARI (Social)  
: SELVASINGAM T KANDIAH (GAP, Safety)

*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. Working Language :** English and Bahasa Malaysia

**11. 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.

**12. Facilities Required**

- a. Room for discussion
- b. Relevant document and record
- c. Personnel protective equipment if required
- d. Photocopy facilities
- e. A guide for each group

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

**Day 1: 18/02/2019 (Monday)**

Time	Activities / areas to be visited				Auditee
8.00am – 8.30am	Opening Meeting at <b>NAK POM</b> – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.				
8.30am – 9.20am	<b>Organization representative to brief on the following:</b> 1) RSPO implementation at Nak BU (i.e. mill & supply base) including changes 2) Time bound plan for Boustead Gradient Sdn Bhd 3) Significant changes on organization activities, machinery, supply bases capacity etc.				Management Representative
9.20am – 10.00am	To assign each audit team members – site and the P&C requirements				
10.00am – 1.00pm	<p style="text-align: center;"><b>Zulfakar</b></p> <p style="text-align: center;"><b><u>Nak POM</u></b></p> <p>Coverage of assessment: P1, P2, <b>RSPO and MSPO Supply Chain</b></p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Site visit and assessment on Supply Chain Implementation including the 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 style="text-align: center;"><b>Najwan</b></p> <p style="text-align: center;"><b><u>Nak POM</u></b></p> <p>Coverage of assessment: P1, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Responsible consideration of employees and of individuals and communities affected by growers and millers</li> <li>• Employment conditions</li> <li>• Consultation and communication</li> <li>• Social Impact Assessment (SIA), management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, Contractors, gender committee, local communities and stakeholders</li> </ul>	<p style="text-align: center;"><b>Dzul</b></p> <p style="text-align: center;"><b><u>Nak POM</u></b></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Implementation, training and safe use of agro-chemicals.</li> <li>• Continuous improvement</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> <li>• Laws and regulations</li> <li>• witness activities at site (lab/ boiler, WTP, etc)</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Chemical store</li> </ul>	<p style="text-align: center;"><b>Selva</b></p> <p><b>Travel from KL to Sandakan. From KLIA 10.25am (Depart) SDK 1:10pm (Arrival) Presented Day 2 until Day 5</b></p>	Guide(s) for each auditor
1.00pm – 2.00pm	<b>LUNCH BREAK</b>				

## RSPO PUBLIC SUMMARY REPORT

2.00pm – 5.00pm	Continue assessment:	Continue assessment: <ul style="list-style-type: none"> <li>• Interview with FFB supplies and other supplies (if Any)</li> <li>• Interviews with estate workers</li> <li>• Interview with workers, safety committee and contractors</li> <li>• Growers and millers respect human rights.</li> </ul>	Continue assessment: <ul style="list-style-type: none"> <li>• Waste &amp; chemical management</li> <li>• Chemical store</li> <li>• implementation, training and safe use of chemicals.</li> <li>• To verified time bound plan and partial certification systems.</li> <li>• Verified GHG data and information</li> </ul>		
17.00.- 18.00	Audit team discussion / End of Day 1 audit				All

## RSPO PUBLIC SUMMARY REPORT

### Day 2: 19/02/2019 (Tuesday)

Time	Activities / areas to be visited				Auditee Guide(s) for each auditor
	Zulfakar <u>Sutera Estate</u>	Najwan <u>Nak Estate</u>	Dzul <u>Sutera Estate</u>	Selva <u>Nak Estate</u>	
8.30am – 1.00pm	<p>Coverage of assessment: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Inspection of protected sites with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighboring land use</li> <li>• Riparian zone</li> <li>• Continuous improvement</li> <li>• To verified time bound plan and partial certification systems.</li> </ul>	<p>Coverage of assessment: P1, P2, P4, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Social Impact Assessment (SIA), management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, Contractors, gender committee, local communities and stakeholders</li> <li>• Check pay slip, Contract Agreement</li> <li>• Check Sundry Shop</li> <li>• Training and skill development programmes.</li> <li>• Continuous improvement</li> </ul>	<p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Witness activities at site (weeding/ spraying, etc)</li> <li>• Interview with workers and contractors</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Chemical store/fertilizer implementation, training and safe use of agro-chemicals.</li> <li>• Continuous improvement</li> <li>• Interview with workers, environment committee and contractors.</li> <li>• Training and skill development programmes.</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Verified GHG data and information</li> </ul>	<p>Coverage of assessment: P1, P2, P3, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Interviews with estate 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> <li>• Continuous improvement</li> <li>• Good Agricultural Practice-witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application.</li> <li>• Commitment to long-term economic and financial viability.</li> <li>• Plantation on hilly/swampy area</li> <li>• New planting</li> </ul>	
1.00pm – 2.00pm	<b>LUNCH BREAK</b>				
2.00pm – 5.00pm	Continue assessment				Guide(s) for each assessor.
17.00.- 18.00	Audit team discussion / End of Day 2 audit				All

## RSPO PUBLIC SUMMARY REPORT

### Day 3: 20/02/2019 (Wednesday)

Time	Activities / areas to be visited				Auditee Guide(s) for each auditor
	Zulfakar <u>Resort Estate</u>	Najwan <u>Sutera Estate</u>	Dzul <u>Resort Estate</u>	Selva <u>Sutera Estate</u>	
8.30am – 1.00pm	<p>Coverage of assessment: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Inspection of protected sites with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighboring land use</li> <li>• Riparian zone</li> <li>• Continuous improvement</li> <li>• To verified time bound plan and partial certification systems.</li> </ul>	<p>Coverage of assessment: P1, P2, P4, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Social Impact Assessment (SIA), management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, Contractors, gender committee, local communities and stakeholders</li> <li>• Check pay slip, Contract Agreement</li> <li>• Check Sundry Shop</li> <li>• Training and skill development programmes.</li> <li>• Continuous improvement</li> </ul>	<p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Witness activities at site (weeding/ spraying, etc)</li> <li>• Interview with workers and contractors</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Chemical store/fertilizer implementation, training and safe use of agro-chemicals.</li> <li>• Continuous improvement</li> <li>• Interview with workers, environment committee and contractors.</li> <li>• Training and skill development programmes.</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Verified GHG data and information</li> </ul>	<p>Coverage of assessment: P1, P2, P3, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Interviews with estate 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> <li>• Continuous improvement</li> <li>• Good Agricultural Practice-witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application.</li> <li>• Commitment to long-term economic and financial viability.</li> <li>• Plantation on hilly/swampy area</li> <li>• New planting</li> </ul>	
1.00pm – 2.00pm	<b>LUNCH BREAK</b>				
2.00pm – 5.00pm	Continue assessment				Guide(s) for each assessor.
17.00.- 18.00	Audit team discussion / End of Day 2 audit				All

**RSPO PUBLIC SUMMARY REPORT**

**Day 4: 21/02/2019 (Thursday)**

Time	Activities / areas to be visited				Auditee Guide(s) for each auditor
	Zulfakar	Najwan	Dzul	Selva	
8.30am – 1.00pm	<p align="center"><b><u>LTTS Estate</u></b></p> <p>Coverage of assessment: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Inspection of protected sites with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighboring land use</li> <li>• Riparian zone</li> <li>• Continuous improvement</li> <li>• To verified time bound plan and partial certification systems.</li> </ul>	<p align="center"><b><u>LTTS Estate</u></b></p> <p>Coverage of assessment: P1, P2, P4, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Social Impact Assessment (SIA), management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, Contractors, gender committee, local communities and stakeholders</li> <li>• Check pay slip, Contract Agreement</li> <li>• Check Sundry Shop</li> <li>• Training and skill development programmes.</li> <li>• Continuous improvement</li> </ul>	<p align="center"><b><u>LTTS 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>• Witness activities at site (weeding/ spraying, etc)</li> <li>• Interview with workers and contractors</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Chemical store/fertilizer implementation, training and safe use of agro-chemicals.</li> <li>• Continuous improvement</li> <li>• Interview with workers, environment committee and contractors.</li> <li>• Training and skill development programmes.</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Verified GHG data and information</li> </ul>	<p align="center"><b><u>LTTS Estate</u></b></p> <p>Ccoverage of assessment: P1, P2, P3, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Interview with FFB supplies and other supplies</li> <li>• Interviews with estate 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> <li>• Continuous improvement</li> <li>• Good Agricultural Practice-witness activities at site (weeding/ spraying, etc</li> <li>• EFB mulching, POME application.</li> <li>• Commitment to long-term economic and financial viability.</li> <li>• Plantation on hilly/swampy area</li> <li>• New planting</li> </ul>	Guide(s) for each auditor
1.00pm – 2.00pm	<b>LUNCH BREAK</b>				
2.00pm – 5.00pm	Continue assessment				Guide(s) for each assessor.
17.00.- 18.00	Audit team discussion / End of Day 2 audit				All

## RSPO PUBLIC SUMMARY REPORT

### Day 5: 22/02/2019 (Friday)

Time	Activities / areas to be visited				Auditee
	Zulfakar	Najwan	Dzul	Selva	
8.30am – 1.00pm	<p style="text-align: center;"><u>Nak Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land titles user rights</li> <li>• Inspection of protected sites with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighboring land use</li> <li>• Riparian zone</li> <li>• Continuous improvement</li> <li>• To verified time bound plan and partial certification systems.</li> </ul>	<p style="text-align: center;"><u>Resort Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P6, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Social Impact Assessment (SIA), management plan &amp; implementation</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Interview workers, Contractors, gender committee, local communities and stakeholders</li> <li>• Check pay slip, Contract Agreement</li> <li>• Check Sundry Shop</li> <li>• Training and skill development programmes.</li> <li>• Continuous improvement</li> </ul>	<p style="text-align: center;"><u>Nak Estate</u></p> <p>Coverage of assessment: P1, P2, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Witness activities at site (weeding/ spraying, etc)</li> <li>• Interview with workers and contractors</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Chemical store/fertilizer</li> <li>• Implementation, training and safe use of agro-chemicals.</li> <li>• Continuous improvement</li> <li>• Interview with workers, environment committee and contractors.</li> <li>• Training and skill development programmes.</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Verified GHG data and information</li> </ul>	<p style="text-align: center;"><u>Resort Estate</u></p> <p>Coverage of assessment: P1, P2, P3, P4, P5, P7, P8</p> <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Interviews with estate 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>• Good Agricultural Practice-witness activities at site (weeding/ spraying, etc</li> <li>• EFB mulching, POME application.</li> <li>• Commitment to long-term economic and financial viability.</li> <li>• Plantation on hilly/swampy area</li> <li>• New planting</li> </ul>	Guide(s) for each auditor
1.00pm – 2.00pm	<b>LUNCH BREAK</b>				
2.00pm – 3.30pm	Continue assessment on unfinished area				Guide(s) for each assessor.
3.30pm – 4.00 pm	Move to Nak Estate for Closing Meeting <ul style="list-style-type: none"> <li>• Verification on outstanding issues</li> <li>• Audit Team discussion, preparation on audit findings and issuance of NCR (if any)</li> </ul>				
4.00pm – 5.00pm	Closing Meeting				All



**RSPO PUBLIC SUMMARY REPORT**

**Attachment 3**

**RSPO P&C Audit Checklist and Findings**

**Principle 1: COMMITMENT TO TRANSPARENCY**

<b>Clause</b>	<b>Indicators</b>		<b>Comply Yes/No</b>	<b>Findings</b>
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1	There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	YES	The Nak BU continued to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the authorities and employees. The CU continued to use internet 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 Plantation 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	The estates have identified personnel responsible for complaints. Records of communication (classified as internal and external) were identified and maintained in different files, depending on the stakeholders. Among the records reviewed were correspondences with the authorities, local communities and employees. The latest communications sighted in these records were the “Borang Aduan” requesting repairs of the employee’s houses.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1	Land titles/user rights;	YES	Land titles for Nak POM, Nak Estate, LTT Sabah Estate, Sutera Estate and Resort Estate were available and kept at their respective office.
		Occupational health and safety plans;	YES	Occupational Health & Safety Plan 2018/2019 has been established. Indicators set in the plan were monitored.
		Plans and impact assessments relating to environmental and social impacts;	YES	Plans and impact assessments relating to environmental and social impacts maintained available.
		HCV documentation summary;	YES	HCV documentation maintained available.
		Pollution prevention and reduction plans;	YES	Pollution prevention and reduction plans maintained available.
		Details of complaints and grievances;	YES	There were no complaints and grievances observed.
		Negotiation procedures;	YES	Negotiation procedure maintained available.
		Continual improvement plans;	YES	Continuous improvement plans for 2019 are available for Nak POM, Nak Estate, LTT Sabah Estate, Resort Estate and Sutera Estate.
Public summary of certification	YES	The Public summary is available in website: <a href="http://www.sirim-gas.com.my">http://www.sirim-gas.com.my</a> .		

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
		assessment report; Human Rights Policy.	YES	Human rights policy maintained available.
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	Documented code of ethical conduct and integrity titled 'Code of Ethics and Conduct' maintained and had been communicated to all level of the workforce of the CU.

### 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	It was evident that Nak POM and the estates continue to comply with most of the applicable laws and regulations with regards to: <ul style="list-style-type: none"> <li>• POM MPOB License</li> <li>• Licence to employ foreign worker</li> <li>• "Permit Barang Kawalan Berjadual"</li> <li>• "Lesen Bagi Pemasangan Persendirian" from Suruhanjaya Tenaga</li> <li>• Factory and Machinery Act 1967</li> <li>i) <i>Person In Charge Regulation 1970</i></li> <li>ii) <i>Steam Boiler and Unfired Pressure Vessel 1970</i></li> <li>iii) <i>The Factories and Machinery (Notification, Certificate of Fitness and Inspection), Regulations, 1970</i></li> <li>iv) <i>Noise Exposure Regulations 1989</i></li> <li>• EQ (Prescribed Premise) Crude Palm Oil Regulations 1977</li> <li>• Scheduled Waste Regulations 2005i) <i>Regulation 3 (Notification of scheduled waste generated)</i></li> <li>ii) <i>Regulation 9 (Storage of scheduled waste)</i></li> <li>iii) <i>Regulation 11 (Inventory of scheduled waste)</i></li> <li>• OSHA 1994, Use and Standards of Exposure of Chemicals Hazardous to Health Regulations 2000 -<i>Regulation 27 (health surveillance programme)</i></li> </ul>
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	YES	Document titled "Legal & Other Requirement Register" maintained available at NAK BU. The document last reviewed on 03/01/2019 by HQ.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	Any changes to legal requirements were monitored and updated accordingly in the LORR. The CU determined their status of compliance with the applicable regulations. Appropriate actions shall be taken should there be any non-compliance found. The evaluation of compliance was carried out on an annual basis by the AM of the respective site.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	Changes to the law and regulation are monitored by the OSH Department of Boustead Sandakan Office. Various sources were referred in obtaining information about the updates of legal requirements. This include checking with the industrial association attending seminar/conference, buying of the law books, government agencies websites, etc.
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 Native Customary Right (NCR) land) and the actual legal use of the land shall be available. Major Compliance		It has been verified as follows: <u>Sutera Estate:</u> Boustead has bought the land in 1995, as Country Lease. It was previously owned by The North Borneo Trading Company Limited of 60, The Strand, London. The Land Title was stated the company has leased since 10/7/1888 for 999 years and registered at Jesselton (Kota Kinabalu) on 28/2/1953 after that, the land has been sold to Sharikat Hing Lee Sdn Bhd on date 6/12/1972 (as per land Title). Boustead has acquired the land from Sharikat Hing Lee Sdn Bhd on year 1995 and change the name to Boustead Sutera on 7/6/2005. <u>Resort Estate:</u> As Country Lease, the land Title was previously owned by Thai Hong Hang (Sabah) Sdn Bhd and was sublease to Resort Corporation (Sabah) Sdn Bhd. Resort Corporation has changed their name to Boustead Segaria Sdn Bhd on 4/9/2014 and at the same time has changed their sublease to Boustead Rimba Nilai Sdn Bhd. <u>Nak Estate:</u> There are mixed land title which is from several company Boustead has bought all the land in 1985, as Country Lease. It was previously owned by Syarikat Kemajuan Bumi Daya (Sabah) Sdn Bhd, Gradient Holdings Sdn Bhd, Yaw Lim Plantations Sdn Bhd. <u>LTT Sabah Estate:</u> The land it was originally owned by Lembaga Tabung Angkatan Tentera, Boustead (Lembaga Tabung Angkatan Tentera) has bought the land in 29 January 1985 from Sabah Land Development as Country Lease. All The land titles were for planting either oil palm or agricultural crops for economic value.
	2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	NO	Field verification at Nak Estate, Sutera Estate, LTT Sabah Estate and Resort Estate, observed the boundary stones were maintained between the estate and the neighboring private oil palm estates and also with nearby village. However, it was found that Visible marker was not maintain and some of the marker was not visible and faded. Thus Minor NCR MZK 01 2019 has been raised.
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with FPIC. Minor Compliance	YES	As reported in 2.2.1 of this checklist, it has been verified that the land is now legitimately owned by Boustead Nak CU since 1990. The audit team had confirmed that there were no land issues related to previous owners.
	2.2.4	There shall be an absence of	YES	As reported in 2.2.1 of this checklist, it has been verified that the land is legitimately owned

**RSPO PUBLIC SUMMARY REPORT**

Clause	Indicators		Comply Yes/No	Findings
		significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved. Major Compliance		by Boustead Nak CU since 1990. Hence, there is no land conflict anticipated and no need for acceptable conflict resolution processes.
	2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties. Minor Compliance	YES	As reported in 2.2.1, it has been verified that there is no conflict or dispute over the land. Auditor has verified this through JCC and JKRR Meetings and interviewed with settlers and other oil palm plantation companies that there was no violence action taken by the NAK CU in maintaining peace. Nak CU only employed watchmen in order to guard their workers, staffs and children life, their belongings and company properties.
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance	YES	As reported in 2.2.1 of this checklist, it has been verified that the land is owned by Boustead Nak CU since 1990. Hence, there was no land conflict anticipated nor the need to avoid escalation of conflict is required.

**RSPO PUBLIC SUMMARY REPORT**

Clause	Indicators		Comply Yes/No	Findings
<p>C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior, and informed consent.</p>	<p>2.3.1</p>	<p>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</p>	<p>YES</p>	<p>As reported in 2.2.1 of this checklist, Boustead Nak CU has been developed since 1990, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in Boustead HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Hence, there was no need for the establishment of map showing the legal, customary, or user right of other users as required by this indicator.</p>

**RSPO PUBLIC SUMMARY REPORT**

Clause	Indicators	Comply Yes/No	Findings
	<p>2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision-making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>Minor Compliance</p>	YES	As reported in 2.2.1 of this checklist, Boustead Nak CU has been developed since 1990, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in Boustead HQ Office and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.
	<p>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</p>	YES	As mentioned in 2.3.2 a) to c) of this checklist, this requirement in this indicator does not apply to Boustead Nak CU.
	<p>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</p>	YES	As mentioned in 2.3.2 a) to c) of this checklist, this requirement in this indicator does not apply to Boustead Nak CU.

## RSPO PUBLIC SUMMARY REPORT

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

Clause	Indicators		Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented. That includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	NAK Business Unit continued to achieve long term economic and financial viability through documented management plan projected to year 2024. Since there was no smallholders in this Business Unit, therefore a business case for scheme smallholders was not considered. A Management Plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2019 to 2024 had been prepared for all the estates as well as the POM and made available to the audit team. This plan had also included mature area and also for the expected FFB production per hectare for the period 2019 to 2024.
	3.1.2	An annual replanting programme projected for a minimum of five years with yearly review, shall be available. Minor Compliance	YES	All 4 estates had replanting programs in place (2019 to 2024).

### **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	NAK BU has developed and documented several manuals for its use. Among them were: <ul style="list-style-type: none"> <li>Standard Operating Procedure (SOP) that provide guidelines to staff members in respect of certain major aspects of Estate and Mill operations.</li> <li>Oil Palm Circulars – that provides guidelines Oil Palm from land clearing &amp; planting to despatch of FFB.</li> <li>Safe Work Procedure.</li> <li>OSHA Manual, Occupational Safety and Health Guidelines.</li> <li>Procedure for the training entitled Sustainability Guidelines.</li> </ul>
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	Yes	The mechanism to check consistent implementation of procedures remained the same. Implementations were monitored through on-site visits like Agronomist visits, VA visits, and inspections and discussions with relevant personnel and by internal audits and RSPO audit.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Yes	Records of monitoring and action taken had been maintained for more than 12 months at mill and estates. Overall, this record verified to be satisfactory. Records of monitoring and the actions taken by the Estates were maintained and kept for a minimum of 12 months.
	4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	YES	Auditor has verified that there was no third party FFB supplier send their FFB to Nak POM. The CU is certified under the Identity Preserved supply chain model. Hence, this indicator is not applicable.

**RSPO PUBLIC SUMMARY REPORT**

<b>Clause</b>	<b>Indicators</b>		<b>Comply Yes/No</b>	<b>Findings</b>
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 (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	YES	NAK BU continued to implement the good agriculture practices as per Oil Palm Circular Manual to ensure optimal and sustained yield, and complied with recommendations for the application of the fertilizer in Mulching and Oil Palm Manuring Recommendations 2018 by third party. All 4 Estates in NAK BU continued to implement the good agriculture practices to maintain long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention and some EFB application.
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	NAK BU continued to monitor their fertilizer inputs as recommended by their agronomist from third party. The records of the fertiliser inputs were maintained in the Fertilizer Application Record Books and the Bin Card.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	Periodic foliar and soil sampling were carried out by the third party and its result formed part of the basis for the fertilizers input recommendation. Foliar samplings and Soil sampling, which was conducted together, were carried out in February 2018 (NAK Estate, Sutera Estate & Resort Estate) and in May 2018 on LTTS Estate.
	4.2.4	A nutrient recycling strategy shall be in place, including the use of EFB, POME, and palm residues. Minor Compliance	YES	All 4 Estates continued to have a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and EFB applied. Records of application and maps were reviewed by the audit team.
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	Based on soil maps provided and field visits was observed that no fragile or marginal soils was found in NAK BU.
	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	NAK BU had a management strategy in place for plantings on slopes between 9 and 25 degrees.
	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 in Sutera Estate, LTTS Estate & Resort Estate were in satisfactory condition and accessibility were made possible by regular maintenance. On NAK Estate roads damaged due to high rainfall in January was in progress of being repaired.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme in place. Major Compliance	YES	Based on the soil maps provided and field visits there were no peat soils in all 4 estates.
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance	YES	NA as based on the soil maps provided and field visits there were no peat soils in all 4 estates.
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	YES	NA as based on the soil maps provided and field visits there were no fragile and problem soils in all 4 estates.
C 4.4	4.4.1	An implemented water management plan	YES	Water Management Plan for NAK BU was made available to the audit team. The



## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
Practices maintain the quality and availability of surface and ground water.		shall be in place. Minor Compliance		Management Plan was developed in order to maintain the quality and availability of natural water resources by practicing efficient water consumption through various methods.
	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	Riparian buffer zones areas were identified and marked. No activities in buffer zone area. Vetiver grass had been planted along the river banks and water spring. During the field visit, there were evidences that these areas were free from chemical spraying and manuring application. The practices are guided by a policy "Polisi Perlindungan Cerun & Zon Penampian Sungai" signed by the Senior Manager of Boustead Plantation.
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulation. Minor Compliance	YES	Treatment of effluent from the mill is using the open ponding system. The CU is committed to continually improvement environmental impacts. Treated effluent is allowed to be discharge as land irrigation. Analysis of the final discharge was carried out on monthly basis. Review of the results indicated that all parameters were within the regulatory limit.
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor Compliance	YES	Water usage in the mill monitored by monthly. Sighted mill maintained the record of water usage per FFB.
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	NAK BU continued to monitor the Implementation of IPM plans. The estate had in place documented the IPM plan which covered monitoring of pest, control of pest population levels at below threshold levels by using cultural, biological, physical/mechanical and use of pesticides. In order to minimize use of insecticides on leaf-eating pest, the estates had planted beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> along the roadsides. The plan also advocated single layer EFB mulching in order to prevent the breeding of rhinoceros beetles. Monthly detection and observation of leaf eating pests, mammalian pests and diseases had been continued. These monthly detection and observations were carried by staff. Census records for Ganoderma affected palms were sighted.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	All estates continued to train those involved in the implementation of IPM. Records verified showed that trainings related to IPM implementation was conducted accordingly.
C 4.6 Pesticides are used in ways that do not endanger health or the environment.	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	YES	Justification of the use of pesticides had been documented. The Manual had included a chemical register list which indicated the purpose of usage (intended target), hazards signage, trade and generic names. All 4 Estates had maintained chemical registers and were up dated periodically.
	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)	YES	NAK BU continued to record areas where pesticides were used. Pesticides were used only when justified and as programmed. Records of pesticides used by area, quantity used, hectares applied, LD 50 and Ai/Ha were made available to auditors.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	shall be provided. Major Compliance		
4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with IPM plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. Major Compliance	YES	NAK BU is committed to minimise the usage of agrochemicals by implementing IPM with the increased in the planting of beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> . Blanket spraying was also not practiced by the BU and soft grasses were maintained in the field. It had also been the practice that insecticides and rat baits are used only after a threshold level has been exceeded as per the S.O.P. Prophylactic use of such pesticides was carried out in the Oil Palm nurseries as per SOP.
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 (Sect. 53A); and in accordance with USECHH Reg. (2000). Minor Compliance	YES	There was no evidence to show that Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, were used in all 4 estates visited. The Estates had used only Class II, Class III and Class IV chemicals. All the pesticides used were those registered under the Pesticides Act 1974 (Act 149).
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 shall be properly observed, applied, and understood by workers. Major Compliance	YES	Records showed that pesticides were handled by trained persons and used as per the MSDS/SDS of the pesticide, CHRA and HIRARC. As mentioned under Indicator 4.6.1, the estate had the SOPs for the use of pesticides. The staff and workers such as the storekeepers, sprayers and those workers apply the fertilizer were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to the workers through the MSDS/SDS training. It was also noted that MSDS/SDS are available at all sites during the audit. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issuance and replacement records were verified by the auditors. It was also observed that PPE was used by workers working in the fields.
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and	YES	The chemical stores in both 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.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance		
	4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	All 4 estates on NAK BU continued to apply pesticides by proven methods that minimise risk and impacts. Application of pesticides was based on and guided by: CHRA, MSDS/SDS supplied by the manufacturer, OPC Manual & Safe work procedure Manual.
	4.6.8 Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	YES	Aerial spraying was not practiced by all four estates. There was no evidence to show that any had been carried out. All estates only practices circle spraying and selective spraying which was only for targeted species such as woodies and VOPs. This was confirmed through records verification and observation during the site visit, estate complex and interview with the employees.
	4.6.9 Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide-handling shall be demonstrated or made available. Minor Compliance	YES	Training on pesticide/chemical handling for employees was continuously carried out at all 4 estates of NAK BU. The trainings included the safety aspects and usage of PPE when handling with pesticides and herbicides. There were no associated small holders in NAK BU. From the interviews with the staff and workers such as the storekeepers and workers who applied fertilizers, it was evident that they have been trained and understood the hazards involve and how the chemicals should be used 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	The documentation and identification of all waste product such as scheduled wastes, domestic wastes, clinical wastes, recyclable wastes such as metal, tins, plastics, bottles, mill wastes and polluting material e.g. EFB and POME. Scheduled wastes and disposal were properly recorded and documented. Scheduled wastes had been disposed of through a licensed contractor approved by DOE. Segregations of waste i.e. general and scheduled wastes was verified to be satisfactory carried out in the NAK BU. Proper storage areas were identified for the storage of the recycle waste at the estates and mill.
	4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	YES	CHRA reports for Nak CU was available and last was conducted in 2014 and 2018 for some estates. Annual inspection, examination and testing of local exhaust ventilation (LEV) systems has been inspected by third party and registered Hygiene Technician. The medical surveillance was carried out by registered OHD. Report indicated that all workers were found to be fit to continue with their respective duties.
	4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	YES	The NAK BU had a policy "handling high toxic pesticide" which stated that no work with pesticides shall be undertaken by pregnant or breast-feeding women. On all 4 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. Monthly medical check-up for women sprayer was also being carried out by VMO.
C 4.7 An occupational	4.7.1 An occupational health and safety policy shall be in place. An occupational health	YES	An Occupational health and safety policy has been communicated to all levels of employees of the organization. The communication was carried out through briefings

**RSPO PUBLIC SUMMARY REPORT**

Clause	Indicators	Comply Yes/No	Findings
health and safety plan is documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:		and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	and displayed prominently on the notice boards at the mill, estate offices and Muster Ground. The policy is available in both Bahasa Malaysia and English. Random interviewed with the employees showed that they generally understood the basic requirements of the policy. An Occupational health and safety (OHS) management plan titled "Annual Master Programme Year 2019" for NAK BU has been established.
	4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	NO The hazard identification, risk assessment and risk control (HIRARC) procedure has been established on 01/12/2011. According to HIRARC Procedure, dated on Dec 2011, "HIRARC should be reviewed and updated at least once a year by HIRARC Review Team for its effectiveness and also under the following circumstance: (a) Immediately, whenever there is an accident, near miss, dangerous occurrence, etc. at the work place and (b) When there is a new activity, process or operation. However, replanting activities/operation at all estates has not been risk assessed. Therefore, Major NCR DA 01 2019 was raised.
	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 Training programme plan and carried out for the year 2018 and 2019 include appropriate training on safe working practice for all categories of workers. The training programme included the various type of training such as firefighting, fire drill, exposed to high noise levels and control measure for protection of hearing and audiometric test, understanding SDS and first aid training. The training was conducted and records were available.
	4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major Compliance	YES Occupational Safety Health and Environment (OSHE) Committee has been established. The OSHE committee organisation chart for 2018/2019 was available. The responsible PIC has been appointed accordingly and the meetings were carried out accordingly, Records were available for review. Among the agenda discussed, included the following: <ul style="list-style-type: none"> <li>▪ Passing of previous minutes and arising matters.</li> <li>▪ Accident report (Monthly Accident statistics)</li> <li>▪ Workplace inspection</li> <li>▪ Safety and environment report and programme</li> </ul>
	4.7.5	Accident and emergency proc. shall exist and instr. shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid eq. available at worksites. Records of all accidents shall be kept & periodically reviewed. Minor Compliance	NO Accident and emergency procedures were available in OSHA Manual, i.e. Chapter 15: Accident, Incident, Non conformity, Corrective and Preventive Action & Chapter 16: Emergency Response and Preparedness. Emergency situations identified were fire, explosions, and medical emergencies, uncontrolled release of hazardous substances, security threats and floods. Interview with field workers and staffs revealed that they were aware and understood the established procedure. The estate shall test their emergency response plans at least annually. Site inspection evidence that first aid kit is available at all works place with complete contents. The stock of first aid box is regularly check and refill when necessary.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
				However, at time of visit it was observed that adequate and appropriate protective equipment were not available to all workers at the place of work. And the content was not in accordance with the 4 <sup>th</sup> schedule of Safety, Health & Welfare Regulation 1970. As such the Minor NCR STK1 2019 was issued.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	Local & Foreign workers are covered by SOCSO (Pertubuhan Keselamatan Sosial). The 'Jadual Caruman Bulanan' for January 2019 were reviewed.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	Nak BU already established Lost Time Incident (LTI) summary for 2018/2019. The JKPP 8 for 2018 was submitted to DOSH on timely manner i.e. in Jan 2019. Accident statistics were being maintained in a satisfactory manner and injury record were recorded using Lost Time Accident (LTA) metrics. No accident was reported for the mills, but Sutera estate has had 11 cases of accidents with lost time of working days. 7 accident cases for Resort estate and for LTTS, there were 6 case accident with lost time of working days. Sighted 1 accident with >4days MC related to tractor issued and it was reported to JKPP 6 in March 2018. It was noted that the management already took action from the accident i.e. accident investigation, safety training and reviewed on HIRARC. Last but not least, there were 3 accidents with lost time of working days.
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	YES	Formal training programmes for 2018/2019 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors by the Nak BU. Year 2019 Training Plan was established in January 2019. A training needs identification matrix has been established with target dates for the training to be conducted. The training program includes ESH Legal & Other requirements, Safe handling of Electrical Equipment, Use & Standard Exposure of Chemical Hazardous to Health (USECHH) 2000, Accident Investigation Techniques etc.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	Records of training conducted were available and reviewed accordingly.

### **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,	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	YES	NAK POM has established its environmental aspects / impacts register associated with their activities. Environmental aspect and impact (EAI) which covers form upstream activities such as FFB reception until downstream processes was sighted during assessment and established for 2018/2019. Identification and evaluation of environmental impact was done for all activities and processes related to the mill

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
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.				operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent (POME) discharge to land application by sprinkler system. For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill has been identified. For both estates, latest environment aspect impact assessment was reviewed on 03/01/2019 covering all activities in estates certification units. The main purposed of this assessment was to evaluate and analyse the operations impact on soil, water, and lair associated with the organization activities. Among environment aspects assessed were agrochemical applications, land and water contamination from hazardous material and farm vehicles, human settlement disturbance and abandonment areas.
	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	At Nak BU, Environment Management Plan 2018/2019. – compliance to legal requirements, aspects/impacts, action plans, waste identification & disposal method, control of scheduled waste, lit of pollutants and monitoring system, improvement plan. Positive and negative impacts are identified. So far no timetable for changes identified. Mitigation measures of significant aspects that could negatively affect the environment maintained implemented as per established plans.
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance	YES	The monitoring of the documented environmental management plans is ongoing. Implementation and monitoring of the documented environmental management plans will be reviewed on annual basis. The review will take into consideration the mitigation of negative impacts and promotion of positives ones such as the monitoring of buffer zone, scheduled waste management and etc.
C 5.2 The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or	5.2.1	Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance	YES	The report “High Conservation Value & Social Impact Assessment Boustead Plantations, Sabah, Malaysia” was showed to the audit team. It was noted that the report was prepared by Wild Asia (Malaysia) in May 2012 and had identified all the High Conservation Value (HCV) within and adjacent to the Nak CU. The HCV assessment had also identified the rare, threatened and endangered species at Nak, Sutera, and Resort estate. The report has also included the management and action plan. The total HCV area for this CU is 6.90Ha.
	5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be	YES	Identification and assessment of HCV habitats or protected areas is done prior the main assessment through the appointment of Wild Asia. The HCV Assessment Report Ref: High Conservation Value & Social Impact Assessment (Boustead Plantation Sabah) prepared by Wild Asia, dated December 2011 is available during the audit. Observed that the assessment identifies the HCV landscapes and biodiversity of NAK Business

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
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.			Unit for the 3 estates namely Sutera, Resort and NAK. Based on the assessment conducted, the audit team notes that the consultant has concluded "due to the fact that Boustead estates are surrounded by other mature plantations, there are no naturalised vegetated zones in which a large variety of animals can migrate which would explain lack of HCV's identified". The Plan for all estates has been updated in Jan 2019.
	5.2.3	YES	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
	5.2.4	YES	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
	5.2.5	YES	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
C 5.3 Waste is reduced, recycled, re-used, and disposed of in an environmentally and socially responsible manner.	5.3.1	YES	All waste products and sources of pollution shall be identified and documented. Major Compliance
	5.3.2	YES	All chemicals and their containers shall be disposed of responsibly. Major Compliance
			The mill and estates have identified and documented type of waste that generated from its operation in a waste management action plan 2018/2019, identification of all waste products and operational plan to reduce pollution. The waste management plan has also identified source of pollution, mitigation measures, and person responsible. The documentation and identification of all waste product such as scheduled wastes, domestic wastes, clinical wastes, recyclable wastes such as metal, tins, plastics, bottles, mill wastes and polluting material e.g. EFB and POME. Segregations of waste i.e. general and scheduled wastes was verified to be satisfactory carried out in the NAK BU. Proper storage areas were identified for the storage of the recycle waste at the estates and mill.
			Among the identified wastes include empty chemical containers including pesticides containers. Empty pesticide containers was punctured and disposed in an environmentally and socially responsible way, such that there was no risk of contamination of water sources or to human health. Inventory and consignment

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
			documents verified for confirmation of proper management and disposal. The scheduled wastes generated at Nak BU not more than 180 days @ 20mt.
	5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	YES	Nak POM has compiled Environmental Aspects and Impacts Identification and Risk Assessment for each activity and updated every year. The last up date was made on January 2019. The company has also compiled an Environmental Management Plan in an effort to minimize the environmental impacts identified in Environmental Aspects and impacts identification and risk assessment. Waste management and disposal plan to avoid or reduce pollution had been documented and implemented. Procedures and guideline were used to guide the waste disposal activities and to reduce pollution during routine operation.
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	Sighted "Plan for Improving Fossil Fuel and Palm GHG FY 2018/2019". Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Site visit to Nak POM, showed evident that they are compiling the data and document it for further action to improve on their efficiency of using the renewable and non-renewable energy. Apart from use of grid electricity, palm fibre and shells were also used to generate electricity through steam turbine and boiler.
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	There was no land preparation in NAK BU by burning ever since Boustead Plantations Berhad practice zero burning as per the policy dated in January 2011.
	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 during the last oil palm replanting in all 4 Estates visited.
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that	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	Monitoring of mill gas emission is being done online using the Continuous Emission Monitoring System (CEMS) and supported by Ringelmann Smoke Charts. Report show evidence that the emission is within the permissible limits of DOE as verified by document made available during on site visit to the Nak POM. POME treatment, monitoring and land application is monitored, maintained and adhere to DOE requirement. Stack emission and boiler ashes were maintained and monitored at mill. Regular reporting of twice yearly was carried out and report made available during the audit. BOD analysis was conducted on a monthly basis and result confirmed it was below the allowable limit i.e. <100mg/l as per DOE specification. Water analysis, both raw and treated water, conducted one every 6 months.



## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings																																												
<p>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.</p> <p>Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the</p>	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES																																												
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance	YES	<p>The “Environmental Aspect &amp; Impact Assessment Identification (EAI)” had included significant environmental aspect of greenhouse gas (GHG). Plans to reduce the GHG had been documented in “Plan for Improving Fossil Fuel &amp; Palm GHG FY 2018/2019”. The plan observed being implemented. Among other, the plan contain source of usage, means to reduce usage, and monitoring. Among actions observed were, installation of 3 unit of solar panel for lighting of guard houses, and periodical maintenance of tractor and power generator, application of organic material (biomass) as fertiliser.</p> <p><b>Summary of net GHG emissions from PalmGHG calculator</b></p> <p><b>PalmGHG calculation option used: Option 2</b></p> <p><b>Summary of Net GHG Emissions</b></p> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Emissions per Product</th> <th style="text-align: right;">tCO2e/tProduct</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td style="text-align: right;">1.41</td> </tr> <tr> <td>PK</td> <td style="text-align: right;">1.41</td> </tr> </tbody> </table> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Extraction</th> <th style="text-align: right;">%</th> </tr> </thead> <tbody> <tr> <td>OER</td> <td style="text-align: right;">21.70</td> </tr> <tr> <td>KER</td> <td style="text-align: right;">3.89</td> </tr> </tbody> </table> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Production</th> <th style="text-align: right;">t/yr</th> </tr> </thead> <tbody> <tr> <td>FFB Processed</td> <td style="text-align: right;">76024.43</td> </tr> <tr> <td>CPO Produced</td> <td style="text-align: right;">16497.00</td> </tr> </tbody> </table> <table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Land Use</th> <th style="text-align: right;">Ha</th> </tr> </thead> <tbody> <tr> <td>OP planted area</td> <td style="text-align: right;">6398.70</td> </tr> <tr> <td>OP planted on peat</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Conservation (forested)</td> <td style="text-align: right;">145.20</td> </tr> <tr> <td>Conservation (non-forested)</td> <td style="text-align: right;">0</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>6543.90</b></td> </tr> </tbody> </table> <p>*Figure before Jan 2019</p> <p><b>Summary of Field Emissions and Sinks</b></p> <table border="1" style="width: 100%;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2" style="text-align: center;">Own Crop</th> </tr> <tr> <th style="text-align: right;">tCO2e</th> <th style="text-align: right;">tCO2e/tFFB</th> </tr> </thead> <tbody> <tr> <td><b>Emissions</b></td> <td></td> <td></td> </tr> <tr> <td>Land Conversion</td> <td style="text-align: right;">44464.40</td> <td style="text-align: right;">0.53</td> </tr> <tr> <td>*CO2 Emissions from Fertiliser</td> <td style="text-align: right;">8945.36</td> <td style="text-align: right;">0.10</td> </tr> </tbody> </table>	Emissions per Product	tCO2e/tProduct	CPO	1.41	PK	1.41	Extraction	%	OER	21.70	KER	3.89	Production	t/yr	FFB Processed	76024.43	CPO Produced	16497.00	Land Use	Ha	OP planted area	6398.70	OP planted on peat	0	Conservation (forested)	145.20	Conservation (non-forested)	0	<b>Total</b>	<b>6543.90</b>		Own Crop		tCO2e	tCO2e/tFFB	<b>Emissions</b>			Land Conversion	44464.40	0.53	*CO2 Emissions from Fertiliser	8945.36
Emissions per Product	tCO2e/tProduct																																														
CPO	1.41																																														
PK	1.41																																														
Extraction	%																																														
OER	21.70																																														
KER	3.89																																														
Production	t/yr																																														
FFB Processed	76024.43																																														
CPO Produced	16497.00																																														
Land Use	Ha																																														
OP planted area	6398.70																																														
OP planted on peat	0																																														
Conservation (forested)	145.20																																														
Conservation (non-forested)	0																																														
<b>Total</b>	<b>6543.90</b>																																														
	Own Crop																																														
	tCO2e	tCO2e/tFFB																																													
<b>Emissions</b>																																															
Land Conversion	44464.40	0.53																																													
*CO2 Emissions from Fertiliser	8945.36	0.10																																													

**RSPO PUBLIC SUMMARY REPORT**

Clause	Indicators		Comply Yes/No	Findings		
support of all other stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.				**N2O Emissions	5717.00	0.07
				Fuel Consumption	1676.39	0.02
				Peat Oxidation	0	0
				Crop Sequestration	-45184.92	-0.58
				Conservation Sequestration	0	0
				<b>Total</b>	<b>15618.23</b>	<b>0.15</b>
				<b>Summary of Mill Emissions and Credits</b>		
					<b>tCO2e</b>	<b>tCo2e/tFFB</b>
				POME	10951.90	0.14
				Fuel Consumption	982.79	0.01
				Grid Electricity Utilisation	0	0
				<b>Credits</b>	0	0
				Export of Grid Electricity	-81.12	0
				Sales of PKS	0	0
				Sales of EFB	0	0
			<b>Total</b>	<b>11853.57</b>	<b>0.16</b>	
			<b>Palm Oil Mill Effluent (POME) Treatment</b>			
			Divert to compost	0%		
			Divert to anaerobic digestion	100%		
			<b>POME Diverted to Anaerobic Digestion:</b>			
			Divert to anaerobic pond	100%		
			Divert to methane capture (flaring)	0%		
			Divert to methane capture (electricity generation)	0%		

**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	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented.	Yes	A documented High Conservation Value & Social Impact Assessment dated in May 2012 was made available during audit. It was noted that the report had covered all the states and the mill. The report also covered the stakeholder mapping, wages and decent living wages,

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.		Major Compliance		employment conditions, living conditions, health & safety in the workplace, public health & safety, respect for human rights, communication with management, and community relations.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	Yes	The assessment was done from 1 to 7 Nov 2011 with workers, kindergarten teacher, clinic attendant, independent smallholders, small growers, Kampung Sungai Segaliud and Kampung Sungai Tiram. All records of the meetings, consultation takes place during the SIA is incorporated in the assessment document. List of the stakeholders consulted are also available within the document.
	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	Auditor has verified the Social Action Plan titled ' <i>Pelan Pengurusan Dari Penilaian Impak Sosial 2019</i> ' for Nak POM, Nak Estate, Sutera Estate, Resort Estate and LTTS. The Social Action Plan specified the issues and strategies to be implemented The plan also specifies the responsible person to implement and the timeframe for the action plan to be conducted.
	6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. Minor Compliance	Yes	The SIA Action Plans are being updated every year, or sooner, such as when issues arise and are discussed with the affected parties.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	Yes	It has been confirmed that there were no smallholder schemes in Nak certification unit. Hence, the requirement of this indicator did not applied to the CU.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	Yes	The consultation and communication procedures were documented. External and internal communication procedures developed by Boustead Plantation for the estates and mill maintained to be followed and available at the audited sites. Consultation and communications procedures for Nak CU is documented in the <i>Carta Aliran Membuat Aduan Kepada Pihak Pengurusan (Dalaman)</i> , External Communications Procedure, Fair Compensation Procedure. This document was sighted during the audit.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	Yes	Nak POM, Nak Estate, Sutera Estate, Resort Estate and LTTS have assigned the Social Liason Officer as the responsible person in handling all matters and issues pertaining to social.
	6.2.3	A list of stakeholders, records of all communication, incl. confirmation of receipt and that efforts are made to	Yes	The list of stakeholders for Nak BU are maintained, and made available during the audit. The stakeholders list at Nak BU's are including the contractors, vendors, neighbouring estates/smallholders, villagers and government agencies Records of communications are

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
		ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance		documented and filed. Records also show actions taken in response to inputs from stakeholders, and that efforts are made to ensure understanding by affected parties.
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 have a complaints forms which anyone can fill up and submit to the office. The forms sighted were all filled up by internal stakeholders only, i.e. staff and workers. Most recorded complaints were resolved within 2 to 7 days, depending on the complication. 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 CU maintained affirms that its dispute system is open to any affected parties. Relevant policy titled ' <i>Polisi Pemberian Maklumat (Whistleblowing)</i> ' and procedures were observed maintained available for sighted. Anonymity of complainants and whistle-blowers will not reveal to third parties where requested as explained in the job description for management social responsible person. So far, it can be concluded that the system that open to all affected parties were in place and shall be able to resolves disputes, when there were any.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	Yes	Nak POM, Nak Estate, Sutera Estate, Resort Estate and LTTS have developed a complaint form for workers and stakeholders titled 'Borang Aduan Pekerja/Stakeholder'. During this audit, there was no dispute case on NAK BU.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	Yes	All records of complaints and grievances by external and internal stakeholders are kept within the grievance/request record form/book as well as in gender committee folder and worker's union folder. Records of communication for labour and staff complaint at NAK POM, Sutera Estate and Resort Estate were reviewed and found that the process of dispute was resolved in accordance with procedure titled ' <i>Prosedur Penentuan Hak Pemilikan Tanah / Procedure in resolving land conflict</i> '.
	6.4.2	A proc for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This proc shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus	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. Interviews with the relevant stakeholders has confirmed that there was no existing/known dispute that causing the need for any negotiation resulting in compensation process etc. either in the mill or the estate.

**RSPO PUBLIC SUMMARY REPORT**

Clause	Indicators		Comply Yes/No	Findings
		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	It has been confirmed that there was no issue on compensation claim occur as verified by the auditors.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	The documentation of pay was in the form of monthly pay slips. Conditions of pay are contained in the workers' respective employment contracts. Samples of the monthly pay slips and employment contracts were made available and reviewed during the audit. Each pay slip documents the name of employee, month of pay, income, deductions, net salary, annual leave and medical leave taken, etc. Interview with workers reveal that they understand the contents of the pay slips and seeks explanation from the office whenever they needed any clarifications.
	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	Contracts agreements for local and foreign workers at Nak POM, Nak Estate, Sutera Estate, LTTS and Resort Estate were sampled during the audit. The terms and conditions of employment are contained in the employment contracts and include duration of employment, place of work, salary, working hours, medical benefits, accommodation, annual leave, sick leave, termination of service, and other benefits provided (housing, employment cost, etc). The employment contracts that were prepared in Bahasa Malaysia, explanation and briefing were given to the workers prior to signing. This was further confirmed by the workers during interviews.
	6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible. Minor Compliance	NO	The Nak POM, Nak Estate, Sutera Estate, Resort Estate and LTTS have provided adequate housing, water supplies, medical, educational and welfare amenities. These were found to be in accordance with the Workers' Minimum Standard of Housing Standard of Housing and Amenities Act 1990 (Act 446). Children 4 years old and below will stay at the Crèche until their parents finish their job. For children above 4 years, they were sent to CLC School for basic education. Transportation was provided for all children from their house to CLC or Government school. The line site inspection was carried out on weekly basis. However, during this audit, it was found the site living quarters or workers' housing sanitation service/condition was not effectively carried out. The Supply of potable piped water which filtered and treated was mixed with untreated rain-harvesting water, hence Minor NCR KN01/2019 was raised.
	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. Minor Compliance	Yes	NAK CU has provided sundry shops and canteen in order to help their staff and workers to get their basic food. The estates have listed pricing limit for all the goods. Price List " <i>Senarai Harga Barang Kedai Runcit</i> " January 2019 was sighted.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
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 ( <i>Polisi Kebebasan Berpersatuan</i> ) dated in January 2011 is available in bilingual (Malay and English). The policy was posted at the Nak POM, Nak Estate, LTTS, Sutera Estate and Resort Estate notice board and information wall. Interviews with workers they were aware of their workers' representatives.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	Yes	Although there were no official trade unions in Sabah operating within the NAK CU, workers had appointed their own representatives to sit on the Workers Representative Committee. The Workers Representative Committee comprise worker and management representatives.
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 Boustead <i>Polisi Penggajian Pekerja Kanak-Kanak dan Had Umur Minima</i> dated 17 Feb 2017 was publicly available at the offices of the Nak Palm Oil Mill, Sutera Estate and Resort Estate. The Policy defines child labour, and Boustead commitments not to employ children, and will comply with all applicable child labour laws. Based on the workers list sighted at the Nak CU, copies of passports sighted, and further verified during field interviews and field observations, there is no evidence that the Nak CU employs anyone below 18 years.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	Yes	The Boustead Equal Opportunity Policy updated in January 2011 was publicly available at the offices of the Nak Palm Oil Mill, Sutera Estate and Resort Estate. This Policy states Boustead Policy on equal opportunity in all aspects of its employment including recruitment, training and promotion. The Policy identifies under-represented groups where they are encouraged to apply for training and employment opportunities with the Company, and that where possible, special training will be provided for such groups to prepare them to compete on equal terms for jobs and promotion.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been	Yes	There is a publicly available equal opportunities policy ( <i>Polisi Kesamarataan Hak</i> ) dated in January 2011 which states that the company was an equal opportunity employer, whereby the company does not practice discrimination based on race, caste, national, origin, disability, gender, sexual orientation, union membership, political affiliation, or age. There was no

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
prohibited.		discriminated against. Major Compliance		evidence of discrimination when a cross section of employees was interviewed. A functioning grievance mechanism is in place. The <i>Persatuan Pekerja</i> and Gender Committee also looks into allegation of discrimination if reported.
	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	As stipulated in the contracts, Job Description and Yearly Salary Scale for workers and Staff the recruitment selection, hiring and promotion where relevant are based on availability, skills, capabilities, qualities, and medical fitness necessary for the jobs.
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 titled ' <i>Polisi Gangguan Seksual</i> ' has been established since January 2011. The policy was signed by the Plantation Director and is available in Malay language. The policy is displayed on the notice boards at the mill and the estates offices. No evidence or acts that contradict this policy were observed as interviewed the women workers/staffs and gender committee during the audit in the CU.
	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	Nak CU has established a policy titled ' <i>Hak Reproduksi</i> ' dated in August 2015. Nak POM, Sutera Estate and Resort Estate have briefed their workers from time to time during muster briefings. Based on interview with workers, they basically understood the intent of the policy.
	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 maintained by the CU. Chairman of Gender Committee at each operating units responsible in handling and channeling issue to management. The management has directed the chairman of the Gender Committee to respects and protects anonymity and complainants where requested. The mechanism has been communicated to all levels of the workforce as verified by auditor during interview with female workers at all estates and Mill.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	Yes	This indicator was not applicable as the mill only received FFB from their own supply base.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented. Major Compliance	Yes	NAK POM has documented their pricing mechanisms for CPO transporters in the contract agreement. From the verification of the contract agreement and payment invoices, it was noted that the pricing is as agreed by both parties. The agreement will be renewed on an annual basis.
	6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Minor Compliance	Yes	Interviewed with The suppliers/contractors and tenant interviewed found that the Nak BU had signed and provided contractual agreements to them. They also acknowledged that the agreements were fair, legal and transparent, and they understand the content.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	Yes	Payment has made in timely manner for CPO transporters between 5 <sup>th</sup> and 10 <sup>th</sup> of the month, and not later than 13 <sup>th</sup> of the month.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	Yes	The individual estates and the mill have a very basic form of corporate social responsibility, which usually involves stakeholders, in particular local communities neighboring the company for contributions and donations on various occasions.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	Yes	There are no smallholders FFB supplier involved with Nak POM.
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance	Yes	A review of the employee list, pay slips, employment contract and letter of job offer confirmed that the CU did not use any form of forced or trafficked labour. Rest days, overtime payment, rest day payment, sick leave, medical benefits, insurance, etc. were clearly stated in the contracts and offer letter.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	Yes	During the auditing process no evidence of contract substitution emerged. This issue was also not raised by the employees interviewed.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	Yes	A special labour policy for employment of foreign workers has been addressed in the ' <i>Polisi Pekerja Buruh Asing</i> '. The policy mentioned that all employees should be treated fairly in terms of recruitment, terms and conditions of work, provide decent living, no contract substitution and post arrival programme will be conducted once arrived for three months. The CU maintained its specific procedure / flowchart for employment of foreign workers titled '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 the CU dated 11 Jan 2016. Auditor has verified through interview with workers that the policy has been communicated to all levels of the workforce and operations from time to time.
	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	Yes	Sutera Estate has constructed a CLC and its operated since January 2018 to workers' children. Resort Estate also has CLC who operate since 2016, Nak POM has provided transport CLC School for foreign workers' children to take care their children during working hours without any fee.



**RSPO PUBLIC SUMMARY REPORT**

Clause	Indicators	Comply Yes/No	Findings
	secure these children access to education as a moral obligation. Minor Compliance		

**Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS**

Nak 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 Nak CU. Thus Principle 7 is not applicable.

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

Clause	Indicators	Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1 The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a) Reduction in use of pesticides(Criterion 4.6);	Yes	All 4 estates 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 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.

## RSPO PUBLIC SUMMARY REPORT

	b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	Yes	<p>NAK POM has established its environmental aspects / impacts register associated with their activities. Environmental aspect and impact (EAI) which covers from upstream activities such as FFB reception until downstream processes was sighted during assessment and established for 2018/2019. Identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent (POME) discharge to land application by sprinkler system.</p> <p>For the estate operation, all activities from harvesting, pest and disease, upkeep programme until delivery to mill has been identified. For both estates, latest environment aspect impact assessment was reviewed in Jan 2019 covering all activities in estates certification units. The main purpose of this assessment was to evaluate and analyse the operations impact on soil, water, and air associated with the organization activities. Among environment aspects assessed were agrochemical applications, land and water contamination from hazardous material and farm vehicles, human settlement disturbance and abandonment areas. Positive and negative impacts are identified. So far no timetable for changes identified. Mitigation measures of significant aspects that could negatively affect the environment maintained implemented as per established plans.</p>
	c)	Waste reduction (Criterion 5.3);	Yes	<p>The mill and estates have identified and documented type of waste that generated from its operation in a waste management action plan 2018/2019, identification of all waste products and operational plan to reduce pollution. The waste management plan has also identified source of pollution, mitigation measures, and person responsible. The documentation and identification of all waste product such as scheduled wastes, domestic wastes, clinical wastes, recyclable wastes such as metal, tins, plastics, bottles, mill wastes and polluting material e.g. EFB and POME. Segregations of waste i.e. general and scheduled wastes was verified to be satisfactory carried out in the NAK BU. Proper storage areas were identified for the storage of the recycle waste at the estates and mill.</p>
	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	Yes	<p>The CU continued to establish and implement GHG emission reduction plan. Among the plan implemented were, installation of 3 unit of solar panel for lighting of guard houses, and periodical maintenance of tractor and power generator, application of organic material (biomass) as fertiliser.</p>
	e)	Social impacts (Criterion 6.1);	Yes	<p>The CU continued to establish and implement the social improvement / action plan.</p>
	f)	Encourage optimizing the yield of the supply base	Yes	<p>As NAK BU is part of a well-established organisation, Boustead Plantations Berhad, the yield performance has always been the top priority in ensuring long-term economic and financial viability. In order to optimise yields, all 4 Estates were committed: to implement best agricultural practices, timely and proper fertiliser application, Improve accessibility to maximise crop evacuation, maintaining harvesting interval below 10 days, ensure collection of all loose fruit to minimise losses, to construct/maintain water bodies and water conservation pits to conserve moisture and continue to use only clonal and high yielding planting material in all replants.</p>

## RSPO PUBLIC SUMMARY REPORT

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

Clause	Indicators	Comply Yes/No	Findings
4.5.3 Time-bound plan  Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;	(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 BU highlighted in the time-bound plan and the certification progress consistent with that in the time-bound plan. The progress was as provided in the TBP in Attachment 7. For another 4 BUs 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	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.

## RSPO PUBLIC SUMMARY REPORT

	RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;		
(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 on 8-17/10/2018 (Teluk Sengat BU), 25-27/12/2018 (Lepan Kabu), 26-29/11/2018 (Sugut BU), 18-20/7/2018 (Pertama BU) and 10-11/11/2018 (Loagan Bunut and Kanowit BU). The audit 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 as reported above. The audit 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 as reported above. The audit 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's being solved progressively.

## RSPO PUBLIC SUMMARY REPORT

	<p>(e) The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:</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	<p>Based on statement in (a) to (d) above, the CU has assessed the condition of their uncertified unit and has stated full commitment to comply with all relevant requirements as specified above. Sighted the series of Internal Audit on their uncertified unit as conducted and reported accordingly. The audit was conducted against RSPO P&amp;C and RSPO Partial Certification Requirements. Evidence of audit attendance list, audit checklist &amp; 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. With this, it can be concluded that the positive assurance made was justified.</p>
<p>4.6.4 The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of</p>	<p>No additional indicators</p>	YES	<p>Boustead owned the land (brought from the Government) as mentioned in 2.2.1 of this checklist. Based on the interviews and this audit finding, it has been confirmed that there was no such case concerning the rights of local communities and indigenous people at Nak BU.</p>

## RSPO PUBLIC SUMMARY REPORT

<p>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>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>			

**RSPO PUBLIC SUMMARY REPORT**

**Attachment 4**

**Details of Non-conformities and Corrective Actions Taken**

<b>P &amp; C Indicator</b>	<b>Specification Major/Minor</b>	<b>Detail Non-conformances</b>	<b>Corrective Action</b>	<b>Verification by Assessor</b>
2.2.2 MZK 01 2019	Minor	Finding : Physical markers was not maintained along the legal boundaries at estate boundaries  Objective evidence: During site visit at Sutera estate, auditor found that physical markers at the legal boundaries between Sutera Estate block PM 09B and Government road reserve was not visible and paint marker faded.	Corrective Action Plan: The estate has made boundary marking between estate and government road reserve by marking the palm with red and white paint.	Corrective action Plan accepted. The implementation of corrective action plan will be verified by next audit.  <b>Status: Open</b> <b>The implementation of corrective action plan will be verified by next audit.</b>
4.7.2 DA 01 2019	Major	Finding: Not all operations in NAK BU Estates has been risk assessed.  Objective evidence: Replanting activities/operation at all the estates in NAK BU has not been risk assessed.	The Estate in NAK BU has conducted HIRARC for all Replanting activities.	Auditor has received and verified HIRARC for all replanting Activities at LTTS Estate, Resort Estate and Sutera Estate dated 9/4/19.  <b>Status: Closed</b> <b>The implementation of corrective action will be verified by next audit.</b>
4.7.5 STK-01 2019	Minor	Finding: Adequate and appropriate protective equipment were not available to all workers at the place of work  Objective evidence: • First Aid Boxes were not available at most worksites in the BU at time of visit. • First Aid Box contents was not in accordance with the 4th schedule of Safety, Health & Welfare Regulation 1970.	Corrective Action Plan: The estate will ensure all first aider bring the first aid boxes at worksite and first aid boxes content in accordance with 4 <sup>th</sup> schedule of Safety, Health & Welfare Regulation 1970.	Corrective action Plan accepted. The implementation of corrective action plan will be verified by next audit.  <b>Status: Open</b> <b>The implementation of corrective action plan will be verified by next audit.</b>
6.5.3 KN01/2019	Minor	Finding: 1. The site living quarters or workers' housing sanitation service/condition was not effectively carried out. 2. Supply of portable piped water which filtered and treated was mixed with untreated rain-harvesting water.  Objective evidence: 1. Site visit to living quarters / workers housing at Nak Estate and	Corrective Action Plan: 1. LTTS and Nak Estate Drainage system surrounding linesite area has been upkeep and repaired accordingly, Domestic waste has been collected 2 times a week to make sure no more domestic	Corrective action Plan accepted. The implementation of corrective action plan will be verified by next audit.  <b>Status: Open</b> <b>The implementation of corrective action plan will be verified by next audit.</b>

**RSPO PUBLIC SUMMARY REPORT**

		<p>Ladang Tabung Tentera Sabah (LTTS) showed;</p> <ul style="list-style-type: none"> <li>The upkeep (sanitation) of workers' housing area was not effectively carried out. It was observed that drains were not well maintained, and domestic waste were disposed into monsoon drains which caused water clogging.</li> </ul> <p>2. Site visit to living quarters or workers housing at Nak Estate, Ladang Tabung Tentera Sabah (LTTS) and Resort Estate found;</p> <ul style="list-style-type: none"> <li>The treated water is connected to rain water harvesting tank and were used for consumptions. Supply of piped water which filtered and treated was mixed with untreated rain-harvesting water. No evidence to show that the tank water is fit for human consumption.</li> </ul>	<p>waste disposed into monsoon drain and being monitored by our estate dresser through weekly site inspection.</p> <p>2. LTTS and Nak Estate The proposal to construct water treatment system has been approved and as per letter of acceptance (LOA) received from our top management, the construction of water treatment system will be start on May 2019 and expected to finish on November 2019. The water analysis will still be carried out for our water own consumption system before our water treatment system completed by end this year. This matter also discussed and agreed with Pejabat Kesihatan Kinabatangan for us to carry out the analysis of water by quarterly and additional inlet and outlet will be add together at the selected water tank from workers and staff housing.</p> <p>Resort estate - currently we are stop from mixing rain water harvest and using treatment water for daily usage. However we had send water sample at labour quarters (water treatment mixed with rain water harvest) and awaiting the result for water mixing and will be used</p>	
--	--	---	---	--



**RSPO PUBLIC SUMMARY REPORT**

			only when the analysis shows it safe for drinking. Enlosed herewith the photo which we have dismantle piping from rain water harvest to water tank at labour quarter	
--	--	--	--	--

## RSPO PUBLIC SUMMARY REPORT

Attachment 5

### RSPO SUPPLY CHAIN : AUDIT CHECKLIST

#### SECTION A : GENERAL INFORMATION

1. File Reference No.	: EB04990001
2. Name of facility/ site(s) /entity(ies)	: Boustead Nak POM
3. Site Location (single site/multisite/Group)	: Locked Bag No 69, 90009 Sandakan, Sabah
4. SC model	: Identity Preserved
5. Type of entity	: Mill / <del>Crusher</del> / 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 Mar 18 until Feb 19 CPO Projected: 17,387.05 PK Projected: 3,234.80 CPO Sell: 15,613.67 CPO Claim as Identity Preserved: 15,613.67 CPO Claim as Non-RSPO: - PK Sell: 2,753.00 PK Claim as Identity Preserved: 2,753.00 PK Claim as Non-RSPO: -

#### 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.	<b>N/A as this audit is a surveillance audit.</b>

## RSPO PUBLIC SUMMARY REPORT

Audit Process Requirements – SURVEILLANCE AUDIT		
5.3.26	<p>The surveillance audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.</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>Nak POM had revised their documented procedure title ‘ <i>RSPO : Supply Chain Standard</i>’, <i>Revision 5 dated October 2018</i> The procedure described the following:</p> <ul style="list-style-type: none"> <li>• 3.0 Scope</li> <li>• 4.0 Responsibilities</li> <li>• 5.0 Control of Documents</li> <li>• 6.0 Delivery of FFB the Estates (FFB)</li> <li>• 7.0 Purchasing and Goods In</li> <li>• 8.0 Process monitoring</li> <li>• 9.0 CPO and PK Despatch</li> <li>• 10.0 Record Keeping</li> <li>• 11.0 Product Claims</li> <li>• 12.0 Outsourced Contractor</li> <li>• 13.0 Training</li> <li>• 14.0 Management Review &amp; Audit</li> <li>• 15.0 Reclassification of Mill’s Supply</li> <li>• 16.0 Processing / Continuous Accounting System</li> <li>• 17.0 Complaints</li> <li>• 18.0 Definitions</li> </ul> <p>The procedure was kept in file RSPO Supply Chain Manual. Appropriate changes were also made in the change to include the Palmtrace no, Appendix I, inserting new clause 7.0 Purchasing and Goods In (changes from receiving FFB at the Mill) 10.0 Record Keeping, 17.0 Complaints.</p>

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

	Requirements	Remarks
1	<b>Applicability of the general chain of custody requirements for the supply chain</b>	
1.1	Organization takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.	Nak 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 Nak POM is processing facility.
1.3	Either the operator at site level or its parent company seeking	Registered under company : BOUSTEAD GRADIENT SDN BHD –NAK BUSINESS

## RSPO PUBLIC SUMMARY REPORT

	certification shall be a member of the RSPO and shall register on the RSPO IT platform	UNIT
1.4	Processing aids do not need to be included within an organization's scope of certification.	No processing aid involved in Nak POM scope of certification
2	<b>Supply chain model</b>	
2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	Nak 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.	Nak POM has continued to maintain IP model.
3	<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 in documented procedure title ' <i>RSPO : Supply Chain Standard</i> ', <i>Revision 5 dated October 2018</i> as above.
a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	
b)	Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).	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 Manager has the overall responsibility and authority over the implementation of the supply chain requirements in the Nak POM. It was noted Manager has assigned the assistant 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 January 2019 by the internal auditor. There was 1 OFI raised by auditor. Audit Attendance sheet, audit plan, audit notes, and OFI was sighted by auditor. Nak POM has taken necessary action to close out the OFI.

## RSPO PUBLIC SUMMARY REPORT

<b>4</b>	<b>Purchasing and goods in</b>	
4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <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> <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>	<p>Nak mill has continued received and process certified FFB came from own supply base/estates namely Nak Estate, Resort Estate, Sutera Estate and Ladang Tabung Tenera (LTT) Estate. 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.</p> <p>A Delivery Note and FFB ticket from Resort estate was sighted. Both documentation has clearly indicate information such as name &amp; address of estate, delivery date , date of document was issue and FFB quantity</p>
a)	The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).	Nak mill had continued received source of RSPO certified FFB from own group estate. Nak mill has continued to implement and comply with the procedure in handling of purchasing and receiving as per RSPO standard requirements.
b)	The site ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcement and Shipping Confirmation on the RSPO IT platform on the level of each shipment.	Shipping announcement of certified CPO produce were made in the RSPO IT Platform (palm trace).
c)	A check of the validity of the Supply Chain Certification of suppliers for all sites that are SC certified. This shall be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcement	Sighted summary of weighbridge report and confirmed Nak mill had continued received source of RSPO certified FFB from own group estate.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	Nak mill has established BMS (Boustead management system) to control incoming material and outgoing products. The FFB supplier & Product buyer & its vehicle 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>	

## RSPO PUBLIC SUMMARY REPORT

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>No outsource activity except for CPO and PK. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted.</p>
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>Nak mill has outsource the transportation of certified CPO and certified PK. An agreement covering the outsource activity was sighted. It has been noted that the meeting highlighted the information on the implementation of RSPO standard.</p>
5.3	<p>The site shall record the names and contact details of all contractors used for the processing or production of RSPO certified materials.</p>	<p>No contractor involved in the processing of CPO and PK.</p>
5.4	<p>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.</p>	<p>As of todate, no contractors used for processing or production of the RSPO certified materials.</p>
<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> </ul>	<p>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 Nak mill. Sample of deliveries document were sighted during the audit and it was found all related information were adequate. Nak mill's RSPO certificate number and product name together with model used were stated in the delivery documents.</p>

## RSPO PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> <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>	
<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>	Marketing Department Boustead at HQ Raja Chulan are the incharge update the RSPO IT Platform based on input provided by Nak POM.
<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 Nov 2018 for staff & workers.
8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification system. Training shall be specific and relevant to the task(s) performed.	Training was conducted for workers in Nov 2018 by Staff Incharge.
<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.	All relevant document and recodrs were sighted and found that NAK mill maintained accurate, complete, up to date, and accessible records and reports covering all aspects of these RSPO SCCS Standard requirements. Among the record sighted incoming FFB weighbridge ticket, delivery note, mill production report, outgoing CPO and PK, dispatch note, contract order and training record.
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.	All records related to RSPO SC were maintain minimum for 2 years. Sample CPO dispatch note since Jan 2015 until to date was available and well maintained.
9.3	The organization shall be able to provide the estimate volume of palm	The estimate volume of FFB, CPO and PK were verified and record were maintained

## RSPO PUBLIC SUMMARY REPORT

	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.	for 12 months period.
<b>10</b>	<b>Conversion factors</b>	
5.10.1	Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <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> ).	The amount of CPO and PK has been determined using Oil Extraction Ratio (OER) and Kernel Extraction Ratio (KER).
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	Both conversion rates, the OER and KER 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.	Relevant information on product claim (including applicable SC model and certificate no.) being correctly indicated in the relevant outgoing paperwork. Nak POM has not use any RSPO trademark.
<b>12</b>	<b>Complaints</b>	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Procedure was available to handle stakeholder compliant. As to date there is no complaint as per highlight in the Management review meeting.
<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: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO SCCS</li> <li>• Customer feedback</li> <li>• Status of preventive and corrective actions</li> <li>• Follow-up actions from management reviews</li> <li>• Changes that could affect the management system</li> <li>• Recommendations for improvement</li> </ul>	Management review meeting in Jan 2019, combined RSPO SC and MSPO traceability and MSPO SCCS.
13.3	The output from the management review shall include any decisions and actions related to:	Recommendation for improvement Resource sufficient.



## RSPO PUBLIC SUMMARY REPORT

- Improvement of the effectiveness of the management system and its processes
- Resource needs

### RSPO Supply Chain at the palm oil mill - Module D – CPO Mill: Identity Preserved

<b>D 3</b> <b>D 3.1</b>	<b>Documented procedures</b> The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.	a) Nak POM had revised their documented procedure title ' <i>RSPO : Supply Chain Standard</i> ', Revision 5 dated October 2018 as provided above.
<b>D 3.2</b>	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	Nak POM has implemented Clause 7.0 – Purchasing and Goods In <i>RSPO : Supply Chain Standard</i> for receiving and processing certified and non-certified FFBs. As of to-date, there is no non-certified FFB receive as verified by the Auditor.
<b>D.4</b> D.4.1	<b>Purchasing and goods in</b> The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.	Nak POM will only accept the RSPO certified FFB which are from came from own supply base/estates namely Nak Estate, Resort Estate, Sutera Estate and Ladang Tabung Tentera (LTT) Estate. Monitoring records titled as " <i>RSPO Records for Oil Mills</i> " has recorded the tonnage of certified FFB and its supplying estate. Random sample of weighbridge ticket from Nak Estate, Resort Estate, Sutera Estate and Ladang Tabung Tentera (LTT) Estate.
<b>D 4.2</b>	The site shall inform the CB immediately if there is a projected overproduction.	Based on inventory record no overproduction for CSPO and CSPK from period March 2018 to 18 Feb 2019.
<b>D.5</b> D.5.1	<b>Record keeping</b> The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	Record of 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.
<b>D 6</b> <b>D.6.1</b>	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	RSPO supply chain procedure (rev. 5) clause 8.0 Traceability. CPO and PK dispatch did required inspection need to be carried out on the vehicle carried sustainable product. No case of contamination was recorded.
<b>D.6.2</b>	The objective is for 100 % segregated material to be reached.	Interview with mill security, weighbridge clerk and mill supervisor were confirm no uncertified FFB was received and process in Nak mill. They are also aware on the requirement of RSPO SC related to 100% segregated from uncertified FFB. Also weighbridge summary report has reported no uncertified FFB was received from period March 2018 to Jan 2019. In conclusion, the objective for 100 % segregated material has been achieved.

**RSPO PUBLIC SUMMARY REPORT**

**Attachment 6**

**Status of Non-conformities Previously Identified**

<b>P &amp; C Indicator</b>	<b>Specification Major/Minor</b>	<b>Detail Non-conformances</b>	<b>Corrective Action</b>	<b>Verification by Assessor</b>
Indicator 4.1.2	Minor	<p><b>#NCR No : RR 01 2018</b>                      Finding :                      Pollution prevention plan and safety was not effectively implemented.</p> <p>Objective evidence :                      At Sutera Estate, the oil trap and oil sump were found not properly maintained at genset area. During the site visit, both trap and sump were full with oil and the oil were leaking into the estate drain.</p>	<p><b>Corrective Action:</b>                      The estate will regularly (twice a month) conduct a monitoring to ensure that no spillage flow out to environment. The upkeep of oil sump was done on 24 February 2018.</p>	<p>During this Audit (2019) Assessor has found out during Site inspection at Genset area, chemical store, scheduled store and diesel tank sighted oil trap and oil sump were found in good condition and properly maintained.</p> <p><b>Status Closed.</b></p>
Indicator 4.6.11	Major	<p><b>#NCR No : RR 02 2018</b>                      Finding :                      The recommendation for medical surveillance made in the CHRA (2013) was not complied.</p> <p>Objective evidence :                      At Sutera Estate, the CHRA assessor has recommended the estate to install emergency shower, PPE storage, first aid boxes and MSDS to be available at the water treatment plant.</p>	<p><b>Corrective Action:</b>                      The estate has constructed the emergency shower; provide the PPE storage, First Aid Kit and SDS at the water treatment plant.</p>	<p>During this Audit (2019) Assessor has found out During site visit at water treatment plant, sighted the estates already install emergency shower and PPE Storage. Meanwhile, first aid boxes and MSDS was available and adequate at the site.</p> <p><b>Status Closed.</b></p>
Indicator 6.5.3	Minor	<p><b>#NCR No : MZK 01 2018</b>                      Finding:                      Non-compliance against Section 23(2) of the Workers' Minimum Standards of Housing &amp; Amenities Act 1990.</p> <p>Objective evidence:                      At Sutera Estate, workers' housing inspection was carried out monthly on Nov 2017, Dec 2017, Jan 2018 and on Feb 2018, instead of weekly required Section 23(2) of the Workers' Minimum Standards of Housing &amp; Amenities Act 1990.</p>	<p><b>Corrective Action:</b>                      The estate has started the weekly inspection on workers' housing and other amenities done by estate's nurse and assistant.</p>	<p>During this audit (2019), it was found the record on line-site audit which was generally conducted on weekly basis as below;</p> <ul style="list-style-type: none"> <li>• Dated 11/2/19, 4/2/19, 28/1/19 at the NAK POM.</li> <li>• Dated 18/2/19, 11/2/19, 4/2/19 at the Nak Estate</li> <li>• Dated 13/1/19,18/1/19, 17/12/18 at the Sutera Estate</li> </ul>

RSPO PUBLIC SUMMARY REPORT

				<ul style="list-style-type: none"><li>• Dated 2/1/2019, 9/1/2019, 22/1/2019 at the LTTS</li><li>• Dated 13/2/2019, 9/2/2019, 18/1/2019 at the Resort Estate</li></ul> <p><b>Status:</b> Closed</p>
--	--	--	--	--

## RSPO PUBLIC SUMMARY REPORT

### Attachment 7

#### Details of Time Bound Plan - Boustead Plantations Bhd

No	PMU	Loc	Main Assessment	Certification Status	Status	Updated Information for Partial Certification, Clause 4.5.3 RSPO Time-bound Plan & 4.5.4 Requirements for uncertified management units
1.	Sg. Jernih BU	Pahang	11 Sep 2011	Stage 2	Certification completed	nil
			11 Sep 2016	Re-certification	Recertification completed	nil
2.	Nak BU	Sabah	16 May 2015	Stage 2	Certification completed	nil
			May 2017	Include LTTS	Certification completed	LTTS- Ladang Tabung Tentera Sabah
3.	Trong BU	Perak	20 July 2017	Stage 2	Certification completed	nil
4.	Segaria BU	Sabah	Dec 2017	Stage 2	Certification completed	nil
5.	Segamaha BU	Sabah	Oct 2018	Stage 2	Certification completed	SIRIM (CB) - Peer review Stages
6.	Telok Sengat BU	Johor	2019	-	Deferred to 2019 (initially 2018)	Boustead Plantations Berhad Sustainability Board Committee (SBC) to put on hold RSPO Certification Scheme for New Business Unit due to: 1.To give priority & speed up the progress and establishment of Malaysian Sustainable Palm Oil (MSPO) Certification in all business unit before 30 <sup>th</sup> June 2019 2. Low premium prices (for selling CSPO) offered by RSPO
7.	Lepan Kabu	Kelantan	2019	-		Lepan Kabu Mill ceased operation in May 2018
8.	Sugut BU	Sabah	2020	-		
9.	Loagan Bunut BU	Sarawak	2021	-		
10.	Kanowit BU	Sarawak	2022	-		
11.	Pertama BU	Sabah	2021	-		New Acquisition in 2018 from Duta Plantations Berhad. As per RSPO Certification System for P&C June 2017; new acquisitions shall be certified within a three-year timeframe.

	Certified Management Units
	Uncertified Management Units