



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

File Ref. : EB02930002

RSPO STAGE 2 PUBLIC SUMMARY REPORT

CLIENT : Boustead Rimba Nilai Sdn Bhd

PARENT COMPANY : Boustead Plantation Berhad

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

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

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
SEGAMAHA CU	Segamaha Palm Oil Mill	05° 12.63' N	117° 48.63' E	KKS Segamaha, Lot CL 115343336, 91114, Lahad Datu, Sabah, Malaysia
	Bukit Segamaha Estate	05° 12.55' N	117° 45.57' E	Ladang Bukit Segamaha, KM 50.5, Jalan Lahad Datu-Sandakan, Kampung Paris 2, 91114, Lahad Datu, Sabah, Malaysia
	Sungai Segamaha Estate	05° 12.18' N	117° 48.50' E	Ladang Sungai Segamaha, KM 50.5, Jalan Lahad Datu-Sandakan Off Road 30 KM, Kampung Paris 2, 91114, Lahad Datu, Sabah, Malaysia
	G&G Estate	05° 9.90' N	117° 46.65' E	Ladang G&G, KM 50.5, Jalan Lahad Datu-Sandakan, Off Road 40 KM, Kampung Paris 2, 91114, Lahad Datu, Sabah, Malaysia
	Tabung Tentera Estate	05° 9.80' N	117° 46.75' E	Ladang Tabung Tentera Sabah, KM 50.5 Jalan Lahad Datu-Sandakan Off 16km, Kampung Paris 2, 91114, Lahad Datu, Sabah.

MAP : See Attachment 1

AUDIT DATE : 1-4 Oct 2018 & 15-18 Oct 2018 **DURATION** : 17 **auditor days**

TYPE OF AUDIT : Stage 2 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 Mass Balance Supply Chain Model

VALIDITY OF RSPO CERTIFICATE : 28 May 2019 to 27 May 2024

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 AB RAOUF BIN ASIS**

Name : **NURUL HANANI ABDULLAH**

Signature :

Signature :

Date : **24/5/2019**

Date : **28/5/2019**

Stage 2 audit			
On-site audit date	:	1-4 & 15-18 Oct 2018 (audit reschedule for HCV & social)	No. of auditor days : 17
Audit team	:	Mohd Ab Raouf bin Asis (LA), Ruzita binti Abdul Gani (A), Mohd Razman bin Salim (A), Rozaimie bin Ab Rahman (A), Dzulfiqar bin Azmi (TA), Suzalina Kamaralarifin (A)	
No. of major NCR	:	10	Indicator: 1.1.2, 2.1.1, 4.4.2, 4.6.11, 4.7.2, 5.3.2, 6.5.2, 6.9.1, 5.3.1 (SC), 5.3.2 (SC) Closing date: 29/4/2019
No. of minor NCR	:	5	Indicator: 2.1.2, 4.1.2, 5.1.2, 4.8.2, 6.5.3
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers
	:	/	/
	:	Contract workers	NGOs
	:	Indigenous people	Contractor
	:	NA	
Supply base sampled	:	Bukit Segamaha Estate, Sungai Segamaha Estate, G&G Estate and Ladang Tabung Tentera Sabah.	
Justification of audit planning	:	Total allocation of auditor days for Segamaha CU were: 17.0 auditor days Mill = 5 days (4 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems). Estate = 3 days each for the four estates (Bukit Segamaha Estate, Sungai Segamaha Estate, G&G Estate and Ladang Tabung Tentera Sabah) for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.	
Report approved by	:	Radziah binti Mohd Daud	Approval date : 28/05/2019

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SUMMARY OF INFORMATION

	STAGE 2
Projection Period	October 2018 – September 2019
Certified FFB Processed (MT)	137,474.00
Production of Certified CPO (MT)	27,494.80
Production of Certified PK (MT)	6,190.00
Certified Areas (Ha)	10,092.80
Planted Areas (Ha) <i>(Mature + Immature area)</i>	9,377.40
Production Areas (Ha) <i>(Mature area only)</i>	7,617.30
HCV Areas (Ha)	199.57
REMARKS	NA

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1.0 AUDIT PROCESS

1.1 Certification Body

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

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

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd Ab Raouf bin Asis	Lead Auditor, GAP, Occupational, Health and Safety	Possessed B.Sc. (Hons) Management Technology Majoring Production and Operation from UTHM in 2007. He has been in the plantation industry for 7 years assisting Estate Manager managing palm oil estates. He is a qualified RSPO P&C and MSPO Lead Auditor.
Ruzita Abd Gani	Auditor, Mill Practices, Occupational Health and Safety	Possessed Degree in Chemical Engineering. She had more than five years working experience in palm oil mill. Experienced in auditing on ISO 14001, OHSAS 18001, RSPO P&C, SC and MSPO.
Mohd Razman Bin Salim	Auditor, Social	Possessed B.Sc. Forestry (Hons) from Universiti Putra Malaysia with more than 4 years of working experience in the Forest Management, forest, HCVF and ecology.
Rozaimie bin Ab Rahman	Auditor, Environment & Occupational, Health and Safety	Holds a B. Sc. in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation.
Suzalina binti Kamaralarifin	Auditor, Supply Chain	Holds a B. Sc. of Industrial Chemistry from University Teknologi Malaysia. She had 8 years of working experience in the palm oil related industry of POM, Oleo chemical & refinery. She is a qualified Lead Auditor for RSPO Supply Chain.
Dzulfiqar bin Azmi	Trainee Auditor, Environment & Occupational, Health and Safety	Holds a B. Sc. in Agriculture from University Teknologi Mara (UiTM). He had more than 5 years of working experience in the oil palm operation.

1.3 Audit methodology

The audit covered the 1 palm oil mill and 4 of supply base. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. However, during this audit, 100% estates were sampled accordingly. The audit included an on-site audit to the estates, mill and settlers' houses to verify the

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implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the RSPO and SIRIM QAS International's websites in 20/8/2018. In addition, SIRIM QAS International had also sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs). Stakeholder consultation was carried out during the on-site audit i.e employees such as mill operator, harvesters and general workers. Other than that stakeholder consultation has been made with Head of Village and villagers representative from Kg Sri Takala. 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 9 months from this audit.

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Boustead Segamaha Business Unit is one of the business unit registered under the Boustead Estates Agency Sdn. Bhd., a subsidiary company of Boustead Plantation Bhd (BPB). The BU is located about 80 km away from Lahad Datu town. The mill located with the Ladang Sungai Segamaha and consisted of the 4 other estates namely the Bukit Segamaha Estate, Sungai Segamaha Estate, G&G Estate and Ladang Tabung Tentera Sabah (LTTS) Estate.

Segamaha Palm Oil Mill was established and commission in July 1996 with the capacity of 55 MT FFB per hour. The mill has received FFB from own estate such as Ladang Sungai Segamaha, Ladang Bukit Segamaha, Ladang Tabung Tentera and Ladang G&G. The mill also received FFB from other plantation such as Tobe Property Sdn Bhd, Tawau Cacao Imports and Exports, Hektar Pujian, Pasir Citra, Grandeed Sdn Bhd, Pertanian Selangor (Ldg. PKPS Irat) and Magna Jadi Sdn Bhd, and smallholders like Tan Chok Peng, Tan Leong Kee and Chong Shu Min. All the estates within the CU have been fully developed before the year of 2005. Hence, Principle 7 of the RSPO P&C was therefore not applicable.

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

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

Table 1: Actual FFB production by the supply base for the period from October 2017-September 2018

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Bukit Segamaha Estate	21,593.51	10.76	-
Sungai Segamaha Estate	44,207.95	22.02	-
G&G Estate	52,862.50	26.34	-
TabungTentera Estate	16,723.47	8.33	-
Ladang Resort	329.02	0.16	
Ladang NAK	529.61	0.26	
Ladang Sutera	698.70	0.35	
Rimba Nilai Palm Oil Mill	1542.20	0.77	
Chong Shu Min Plantation	152.96	0.08	-

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Tawau Cacao	2,944.09	1.47	-
Tobe Property	12,132.89	6.04	-
Hektar Pujian	3,776.13	1.88	-
Magna Jadi	7,447.32	3.71	-
Pasir Citra	6,785.95	3.38	-
Tan Chok Peng	4,616.87	2.30	-
Ladang Perbadanan Kemajuan Pertanian Selangor	16,609.91	8.28	-
Grandeed	5,854.06	2.92	-
Tang Leong Kee	1,913.28	0.95	-
Total	200,720.42	100.00	-

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

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Bukit Segamaha Estate	25,200	13.00
Sungai Segamaha Estate	46,600	24.03
G&G Estate	45,700	23.57
TabungTentera Estate	19,974	10.30
Chong Shu Min		
Tawau Cacao		
Tobe Property		
Hektar Pujian		
Magna Jadi		
Pasir Citra		
Tan Chok Peng		
Ladang Perbadanan Kemajuan Pertanian Selangor		
Grandeed		
Tang Leong Kee		
Total	193,900	100.00

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Table 3: Actual FFB received and CPO & PK dispatch by Segamaha POM for period from October 2017-September 2018

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	200,720.42
FFB Processed	200,720.42
Certified FFB Processed	18,280.80
Non-certified FFB Processed	182,439.62
Crude Palm Oil (CPO)	
Overall CPO Production	41,509.74
Certified CPO Production	NIL
Certified CPO delivered as RSPO	NIL
Certified CPO delivered as non-RSPO	41,509.74
Certified CPO delivered under other sustainable schemes	NIL
Palm Kernel (PK)	
Overall PK Production	8,528.02
Certified PK Production	NIL
Certified PK delivered as RSPO	NIL
Certified PK delivered as non-RSPO	8,528.02
Certified CPO delivered under other sustainable schemes	NIL

Table 4: Projected FFB received and CPO & PK dispatch by Segamaha POM of next reporting period October 2018 to September 2019

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	193,900.00
FFB Processed	193,900.00
Certified FFB Processed	137,474.00
Non-certified FFB Processed	56,426.00
Crude Palm Oil (CPO)	
Overall CPO Production	38,780.00
Certified CPO Production	27,494.80
Certified CPO delivered as RSPO	27,494.80
Certified CPO delivered as non-RSPO	NIL
Certified CPO delivered under other sustainable schemes	NIL
Palm Kernel (PK)	
Overall PK Production	8,726.00
Certified PK Production	6,190.00
Certified PK delivered as RSPO	6,190.00
Certified PK delivered as non-RSPO	NIL
Certified CPO delivered under other sustainable schemes	NIL

Table 5: Planted and certified area of the Segamaha CU

Estate	Planted (ha)	Certified (ha)
Bukit Segamaha Estate	2,267.70	2,415.50
Sungai Segamaha Estate	2,884.50	3,244.50
G&G Estate	2,274.60	2,409.80
TabungTentera Estate	1,950.60	2,023.00
Total	9,377.40	10,092.80

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Table 6: Planting profile for Bukit Segamaha Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
PJ2013	2 ND	MATURE	237.70	10.48
PJ2014	2 ND	MATURE	538.30	23.74
PJ2015	2 ND	MATURE	530.70	23.40
PR2016	2 ND	IMMATURE	313.50	13.82
PR2017	2 ND	IMMATURE	323.10	14.25
PR2018	2 ND	IMMATURE	324.40	14.31
Total			2,267.70	100.00

Table 7: Planting profile for Sungai Segamaha Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1 PM1989O27	1 ST	MATURE	47.5	1.65
1 PM1989P28	1 ST	MATURE	43	1.49
1 PM1989R30	1 ST	MATURE	44.7	1.55
1PM1992F53	1 ST	MATURE	37.4	1.30
1 PM1992G54	1 ST	MATURE	85.9	2.98
1 PM1999A56	1 ST	MATURE	21.0	0.73
1 PM2007A	2 ND	MATURE	42.4	1.47
1 PM2007B	2 ND	MATURE	52.2	1.81
1 PM2007C	2 ND	MATURE	93.5	3.24
1 PM2007D	2 ND	MATURE	63.1	2.19
1 PM2008A	2 ND	MATURE	67	2.32
1 PM2008B	2 ND	MATURE	40.7	1.41
1 PM2008C	2 ND	MATURE	43.7	1.51
1 PM2008D	2 ND	MATURE	39.2	1.36
1 PM2008E	2 ND	MATURE	18.9	0.66
1 PJ2009A	2 ND	MATURE	30.2	1.05
1 PJ2009B	2 ND	MATURE	64.5	2.24
1 PJ2009C	2 ND	MATURE	87.7	3.04
1 PJ2012A	2 ND	MATURE	55.6	1.93
1 PJ2012B	2 ND	MATURE	64.1	2.22
1 PJ2012C	2 ND	MATURE	50.9	1.76
1 PJ2012D	2 ND	MATURE	41.4	1.44
1 PJ2013A	2 ND	MATURE	56.5	1.96
1 PJ2013B	2 ND	MATURE	55.7	1.93
1 PJ2013C	2 ND	MATURE	51.3	1.78
1 PJ2013D	2 ND	MATURE	61.2	2.12
1 PJ2014A	2 ND	MATURE	59.2	2.05
1 PJ2014B	2 ND	MATURE	49	1.70
1 PJ2014C	2 ND	MATURE	58.9	2.04
1 PJ2014D	2 ND	MATURE	68.5	2.37
1 PJ2014E	2 ND	MATURE	67.2	2.33
1 PJ2014F	2 ND	MATURE	47.7	1.65
1 PJ2014G	2 ND	MATURE	37	1.28
1 PJ2014H	2 ND	MATURE	77	2.67
1 PJ2014I	2 ND	MATURE	60.3	2.09
1 PJ2015A	2 ND	MATURE	48.1	1.67
1 PJ2015B	2 ND	MATURE	52.6	1.82
1 PJ2015C	2 ND	MATURE	65.3	2.26
1 PJ2015D	2 ND	MATURE	47.6	1.65
1 PJ2015E	2 ND	MATURE	67.1	2.33

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1 PJ2015F	2 ND	MATURE	53.7	1.86
1 PJ2015G	2 ND	MATURE	49.7	1.72
1 PJ2015H	2 ND	MATURE	62.5	2.17
1 PR2016A	2 ND	IMMATURE	59.7	2.07
1 PR2016B	2 ND	IMMATURE	42.6	1.48
1 PR2016C	2 ND	IMMATURE	30.9	1.07
1 PR2016D	2 ND	IMMATURE	53.0	1.84
1 PR2016E	2 ND	IMMATURE	79.3	2.75
1 PR2016F	2 ND	IMMATURE	14.6	0.51
1 PR2018A	2 ND	IMMATURE	60.2	2.09
1 PR2018B	2 ND	IMMATURE	48.1	1.67
1 PR2018C	2 ND	IMMATURE	38.3	1.33
1 PR2018D	2 ND	IMMATURE	43.9	1.52
1 PR2018E	2 ND	IMMATURE	39.7	1.38
1 PR2018F	2 ND	IMMATURE	35.1	1.22
1 PR2018G	2 ND	IMMATURE	8.4	0.29
Total			2,884.50	100.00

Table 8: Planting profile for G&G Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
1997	1 ST	MATURE	1909.10	84
1999	1 ST	MATURE	365.50	16
Total			2,274.60	100.00

Table 9: Planting profile for TabungTentera Estate

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
1992	1 ST	MATURE	92.4	4.73
1993	1 ST	MATURE	128.5	6.59
1994	1 ST	MATURE	567.7	29.10
1998	1 ST	MATURE	238.5	12.23
2006	2 ND	MATURE	81.8	4.19
2007	2 ND	MATURE	68.1	3.49
2008	2 ND	MATURE	56.9	2.92
2009	2 ND	MATURE	83.4	4.28
2014	2 ND	MATURE	194.6	9.98
2015	2 ND	MATURE	193.4	9.91
2018	2 ND	IMMATURE	245.3	12.58
Total			1,950.60	100.00

2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	OSMAN BIN NUSA
Position	:	MILL MANAGER / ENGINEER
Address	:	SEGAMAHA PALM OIL MILL
Phone no.	:	089-959001
Fax no.	:	089-959008
Email	:	segamaha@gmail.com

3.0 AUDIT FINDINGS

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

NA

3.2 Progress and changes in time bound plan

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

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

Several CU under Boustead Estates Agency Sdn Bhd has not been certified. However, the time bound plan for the uncertified management units still on the track. For uncertified units internal audit was conducted by the Sustainability Unit from HQ. They monitored the compliance status on uncertified units for issues on legal compliance, HCV, safety, environment, workers welfare and social. Refer to Attachment 6.

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 _____

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

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

No changes

3.4 Complaint received from stakeholder (if any)

There were some stakeholders interviewed during the conduct of this audit. These included the workers, contractors and suppliers. In general, all the interviewed stakeholders had given positive feedback on the CU. No negative comments received.

4.0 DETAILS OF NON-CONFORMITY REPORT

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

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Total no. of minor NCR(s) List (5) : 2.1.2, 4.1.2, 4.8.2, 5.1.2, 6.5.3
(details refer to Attachment 4)

Total no. of major NCR(s) List (8) : 1.1.2, 2.1.1, 4.4.2, 4.6.11, 4.7.2, 5.3.2, 6.5.2, 6.9.1
(details refer to Attachment 4)

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

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

Total no. of major NCR(s) List (2) : 5.3.1, 5.3.2
(details refer to Attachment 5)

5.0 AUDIT CONCLUSION

The audit team concludes that the organization has established 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.

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

Audit Team Leader : MOHD AB RAOUF BIN ASIS

(Name)

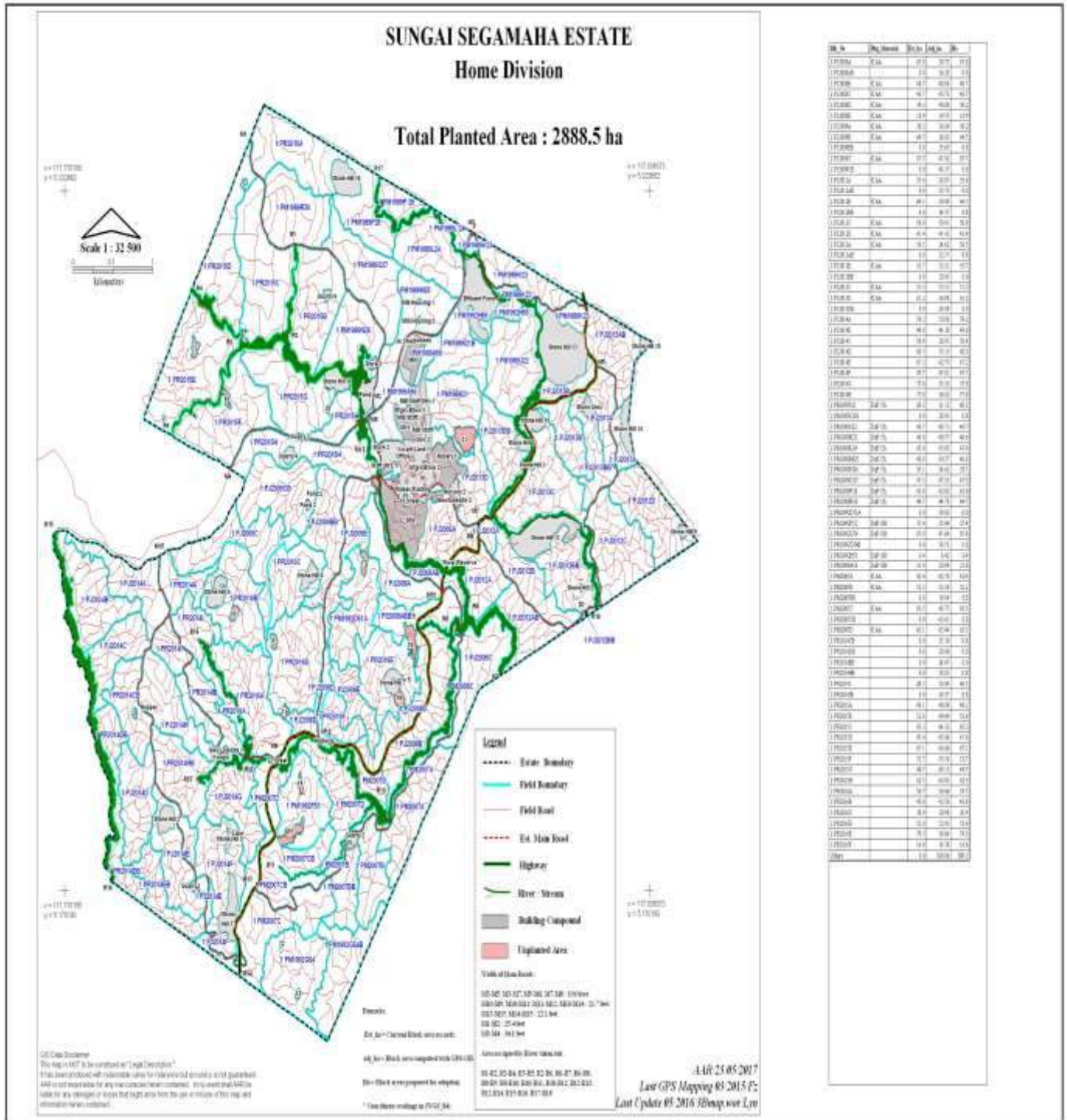


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29/4/2019

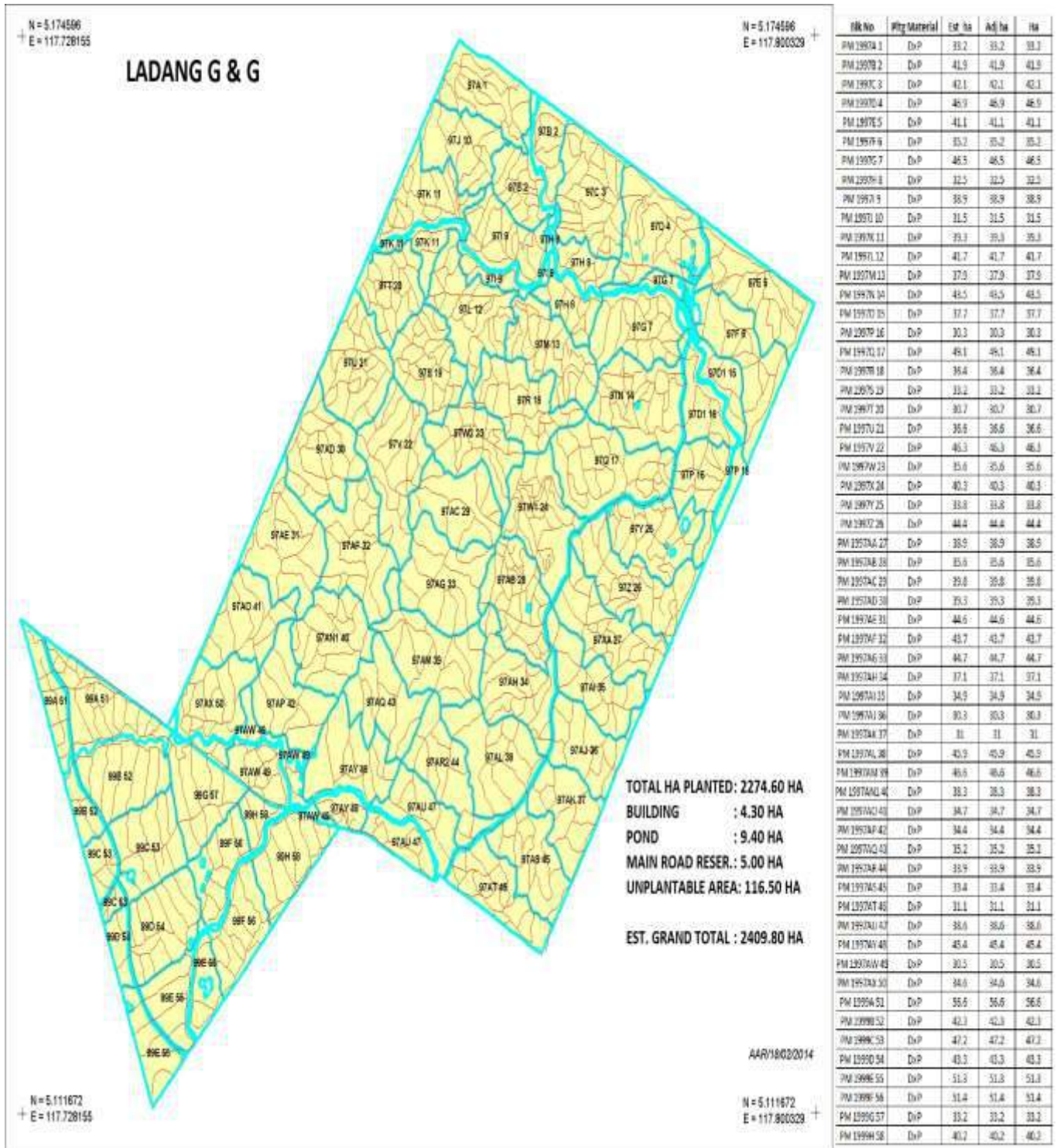
(Date)

SUNGAI SEGAMAHA ESTATE



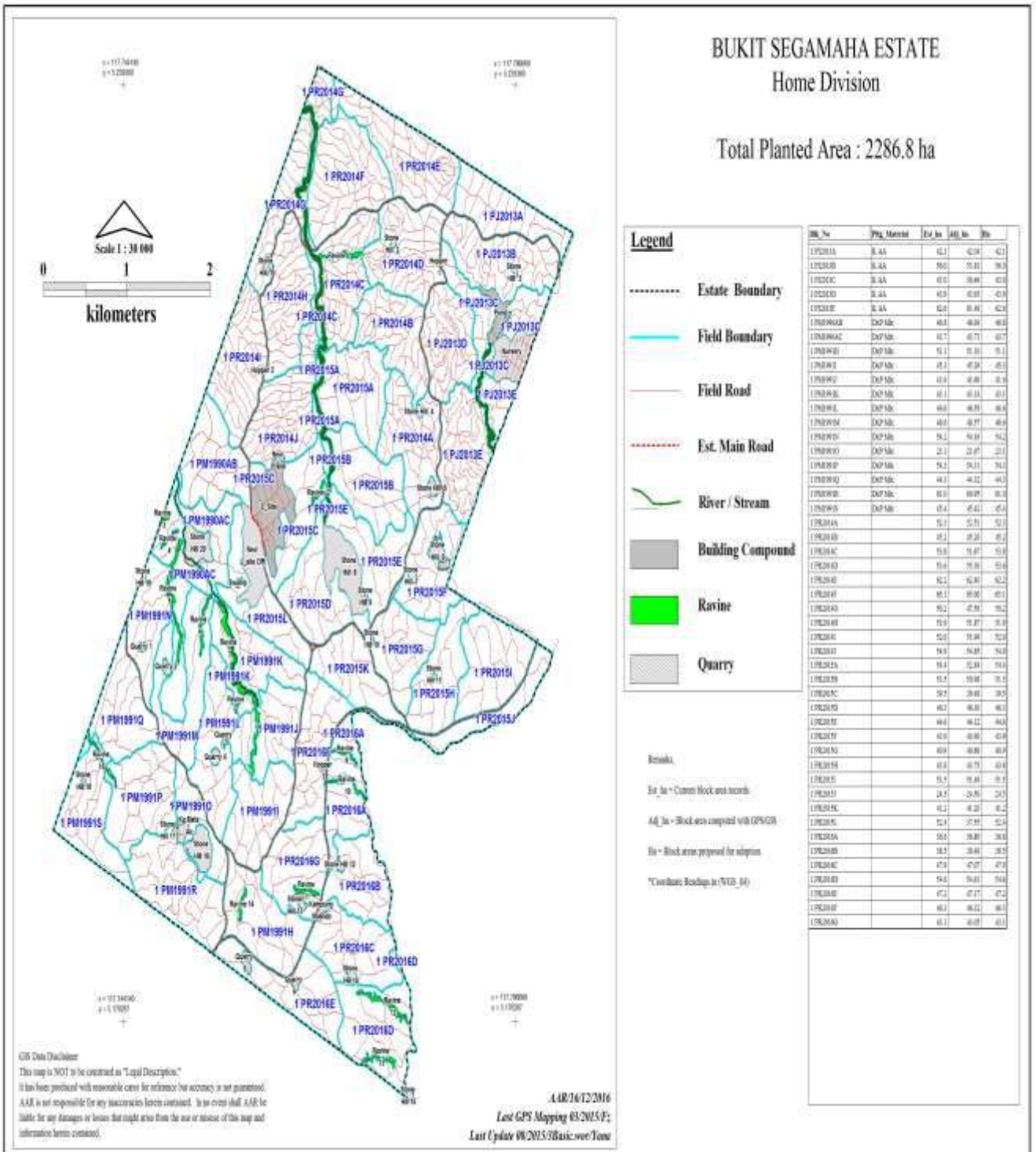
RSPO STAGE 2 PUBLIC SUMMARY REPORT

G&G ESTATE



BUKIT SEGAMAH ESTATE

RSPO STAGE 2 PUBLIC SUMMARY REPORT



Legend

- Estate Boundary
- Field Boundary
- Field Road
- Est. Main Road
- River / Stream
- Building Compound
- Ravine
- Quarry

Remarks:

- Est. Area - Current Block area in ha
- Adj. Area - Block area computed with GPS/GIS
- Blk. - Block area proposed for adoption
- *Coordinate Readings in (NAD 84)

GIS Data Disclaimer
 This map is NOT to be construed as "Legal Description".
 It has been produced with reasonable care for reference but accuracy is not guaranteed.
 AAR is not responsible for any inaccuracies herein contained. In no event shall AAR be
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 information herein contained.

AAR/16/12/2016
 Last GPS Mapping 03/2015/F2
 Last Update 06/2015/3/Basis:see/Team

Map of LTTS Estate

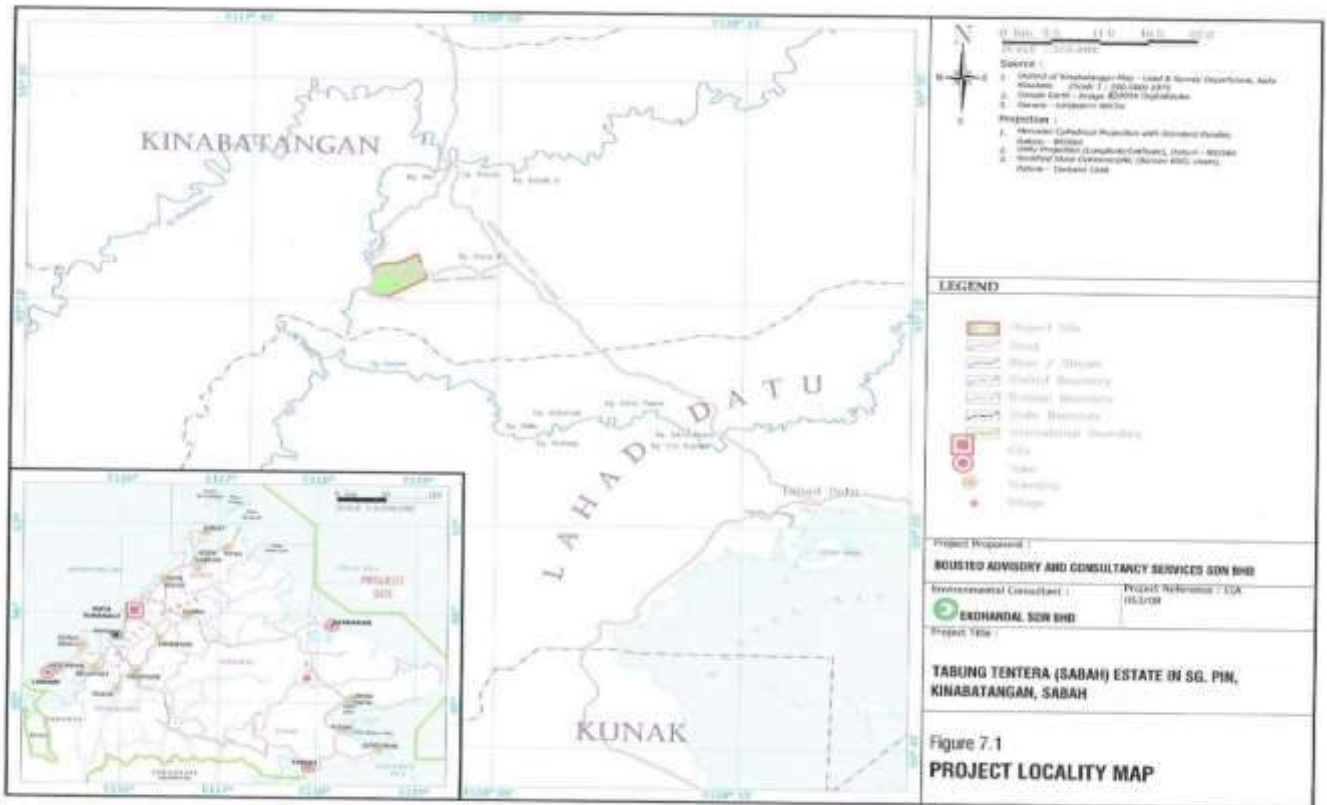


Figure 7.1
PROJECT LOCALITY MAP

AUDIT PLAN

SIRIM QAS INTERNATIONAL SDN. BHD.

RSPO STAGE 2 ASSESSMENT PLAN – SEGAMAHA CERTIFICATION UNIT

1. Objectives

The objectives of the assessment are as follows:

- (i) To evaluate Segamaha CU conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI)
- (ii) To make appropriate recommendations based on the assessment findings

2. **Date of assessment** : 1-4 October 2018 & 15-18 October 2018 (audit reschedule for HCV & social)

3. **Site of assessment** : Segamaha Certification Unit;
 i) Segamaha Palm Oil Mill
 ii) Sungai Segamaha Estate
 iii) Bukit Segamaha Estate
 iv) G&G Estate
 v) Ladang Tabung Tentera

4. **Scope of certification** : Production of Sustainable Crude Palm Oil and Palm Kernel using the Mass Balance Supply Chain Model

5. **Reference Standard** : i) RSPO P&C MYNI 2014
 ii) RSPO Certification Systems, June 2017
 iii) RSPO Supply Chain Standard, 14 June 2017
 iv) Company's audit criteria including Company's Manual/Procedures

6. Assessment Team

- i) Mohd Ab Raouf bin Asis (GAP, Partial Certification)
- ii) Ruzita binti Abdul Gani (Safety, Environment- Mill & Partially estate)
- iii) Rozaimie bin Ab Rahman (Safety, Environment- Estate)
- iv) Mohd Razman bin Salim (HCV, Social)
- v) Suzalina binti Kamalarifin (Supply chain)
- vi) Trainee Auditor : Dzulfiqar bin Azmi

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

7. **Audit Method**

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

8. **Audit findings**

Audit findings shall be classified as major and/or minor.

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 and other local languages (if there is a need)

11. **Reporting**

- | | | | |
|----|------------------------|---|--|
| a) | Language | : | English |
| b) | Format | : | Verbal and written |
| c) | Expected date of issue | : | Thirty days after the date of assessment |
| d) | Distribution list | : | client file |

10. **Facilities Required**

- Room for discussion
- Relevant document and record
- Personnel protective equipment if required
- Photocopy facilities
- A guide for each assessor

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

RSPO STAGE 2 PUBLIC SUMMARY REPORT

Day 1: Monday (1/10/2018)

Time	Activities / areas to be visited					Auditee
8.30 a.m.- 9.00 a.m.	Opening Meeting – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.					Management Representative
9.00 a.m.– 9.20 a.m.	Briefing on the organization background and implementation of RSPO at CU (including actions taken to address Stage I assessment findings) by company Management Representative. Logistics discussion to the sites to be visited.					Management Representative
	Raouf (POM)	Ruzita/Dzulfiqar (Bukit Segamaha)	Rozaimiee (Sungai Segamaha)	Razman (POM)	Suzalina (POM)	
9.20 a.m. - 9.40 a.m.	Travel to Supply base					Auditee
9.40 a.m. – 1.00 p.m.	Documentation and records review at CU. Documentation and records review at supply base sites (including verification on action taken to address Stage 1 assessment findings).					Guide(s) for each assessor
	Coverage of assessment: <ul style="list-style-type: none"> • Commitments to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Time bound plan & Partial certification • Training and skill development program • Local sustainable development • Continuous improvement • Other area identified during the assessment 	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Waste management including disposal site • Aspects/impacts of plantation management • Management and disposal of waste including pesticides containers • Schedule waste store, workshop • Continuous improvement • GHG calculation • Other area identified during the assessment 	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Safety & Health practice – witness activities at site • Hazard identification and Risk Management • Chemical management • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Facilities at workplace (water treatment plant, clinic & etc) • Other area identified during the assessment 	Coverage of assessment: <ul style="list-style-type: none"> • Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. • Laws and regulations • Land titles user rights • Local communities and stakeholders • Interview with Union representatives • Workers Issues • Facilities at workplace (rest area, etc) • Line site • Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc) • Continuous improvement • Other area identified during the assessment 	Audit of relevant Supply Chain model used, which may include: <ul style="list-style-type: none"> • General Chain of Custody System Requirements for the supply chain • Documented procedures • Purchasing and goods in • Outsourcing activity • Sales and goods out • Processing • Records keeping • Registration • Training • Claims 	Guide(s) for each assessor
1.00 p.m.	LUNCH BREAK and SOLAT					All

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2.00p.m. - 5.00 p.m.	Continue assessment	Continue assessment	Continue assessment	Continue assessment	Guide(s) for each assessor
5.00 p.m	End of Assessment of Day 1				All

Day 2: Tuesday (2/10/2018)

Time	Activities / areas to be visited				Auditee
8.30 a.m.-9.00 a.m.	Overview of current activities at Supply base sites				Respective Scheme Manager
9.00 am – 1.00 pm	Raouf (Tabung Tentera)	Ruzita/Dzulfiqar (Sungai Segamaha)	Rozaimée (Tabung Tentera)	Razman (Bukit Segamaha)	
	Documentation and records review at CU. Documentation and records review at supply base sites (including verification on action taken to address Stage 1 assessment findings)				Guide(s) for each assessor
	Coverage of assessment: <ul style="list-style-type: none"> • Commitments to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Replanting on sloping land must be in compliance with MSGAP Part 2: OP (4.4.2.2) • Good Agricultural Practice-witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application • Nursery (if any) • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • Riparian zone • Training and skill development program • Local sustainable development • Continuous improvement • Other area identified during the assessment 	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Waste management including disposal site • Aspects/impacts of plantation management • Management and disposal of waste including pesticides containers • Schedule waste store, workshop • Continuous improvement • GHG calculation Other area identified during the assessment	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Safety & Health practice – witness activities at site • Hazard identification and Risk Management • Chemical management • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Facilities at workplace (water treatment plant, clinic & etc) • Training and skill development program • Other area identified during the assessment 	Coverage of assessment: <ul style="list-style-type: none"> • Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. • Laws and regulations • Land titles user rights • Local communities and stakeholders • Interview with Union representatives • Workers Issues • Facilities at workplace (rest area, Line site • Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc) • Inspection of protected sites with HCV attributes • Forested area • Plantation Boundary, adjacent and neighbouring land use • Riparian zone • River system and Water bodies • Source of water supply 	Guide(s) for each assessor

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				<ul style="list-style-type: none"> • Continuous improvement • Other area identified during the assessment 		
1.00 p.m.	LUNCH BREAK and SOLAT					All
2.00p.m. -5.00 p.m.	Continue assessment	Continue assessment	Continue assessment	Continue assessment	Guide(s) for each assessor	
5.00 p.m	End of Assessment of Day 2					All

Day 3: Wednesday (3/10/2018)

Time	Activities / areas to be visited					Auditee
8.30 a.m.-9.00 a.m.	Overview of current activities at Supply base sites					Respective Scheme Manager
9.00 am – 1.00 pm	Raouf/Dzulfiqar (Bukit Segamaha)	Ruzita (POM)	Rozaimiee (G&G)	Razman (Bukit Segamaha)	Hazani (Bukit Segamaha)	
	Documentation and records review at CU. Documentation and records review at supply base sites (including verification on action taken to address Stage 1 assessment findings)					Guide(s) for each assessor
	Coverage of assessment: <ul style="list-style-type: none"> • Commitments to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Replanting on sloping land must be in compliance with MSGAP Part 2: OP (4.4.2.2) • Good Agricultural Practice-witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application • Nursery (if any) • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • Riparian zone • Training and skill development program • Local sustainable 	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Environment, Safety & Health practice – witness activities at site (POM) • Hazard identification and Risk Management • Chemical management • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Waste management including disposal site • Aspects/impacts of plantation management • Management and disposal of waste including pesticides containers • Schedule waste store, workshop • Continuous improvement • GHG calculation Other area identified during the assessment	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Safety & Health practice – witness activities at site • Hazard identification and Risk Management • Chemical management • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Facilities at workplace (water treatment plant, clinic & etc) • Training and skill development program • Other area identified during the assessment 	Coverage of assessment: <ul style="list-style-type: none"> • Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. • Laws and regulations • Land titles user rights • Local communities and stakeholders • Interview with Union representatives • Workers Issues • Facilities at workplace (rest area, Line site • Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc) • Inspection of protected sites with HCV attributes • Forested area • Plantation Boundary, adjacent and neighbouring land use • Riparian zone • River system and Water bodies • Source of water supply • Continuous improvement • Other area identified during the assessment 	Guide(s) for each assessor	

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	development <ul style="list-style-type: none"> • Continuous improvement • Other area identified during the assessment 				
1.00 p.m.	LUNCH BREAK and SOLAT				All
2.00p.m. - 5.00 p.m.	Continue assessment	Continue assessment	Continue assessment	Continue assessment at Sungai Segamaha with same coverage of assessment at Bukit Segamaha	Guide(s) for each assessor
5.00 p.m	End of Assessment of Day 3				All

Day 4 : Thursday (4/10/2018)

Time	Activities / areas to be visited					Auditee
8.30 a.m.- 9.00 a.m.	Overview of current activities at Supply base sites					Respective Scheme Manager
9.00 am – 1.00 pm	Raouf/Dzulfiqar (Sungai Segamaha)	Ruzita (POM)	Rozaimée (G&G)	Razman (G&G)	Hazani (G&G)	
	Documentation and records review at CU. Documentation and records review at supply base sites (including verification on action taken to address Stage 1 assessment findings).					Guide(s) for each assessor
	Coverage of assessment: <ul style="list-style-type: none"> • Commitments to transparency • Laws and regulations • Commitment to long-term economic and financial viability • Replanting on sloping land must be in compliance with MSGAP Part 2: OP (4.4.2.2) • Good Agricultural Practice-witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application • Nursery (if any) • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. 	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Environment, Safety & Health practice – witness activities at site (POM) • Hazard identification and Risk Management • Chemical management • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Waste management including disposal site • Aspects/impacts of plantation management • Management and disposal of waste including pesticides containers • Schedule waste store, workshop • Continuous improvement 	Coverage of assessment: <ul style="list-style-type: none"> • Laws and regulations • Safety & Health practice – witness activities at site • Hazard identification and Risk Management • Chemical management • Chemical/ fertilizer store, workshop • Interview with workers , safety committee and contractors • Facilities at workplace (water treatment plant, clinic & etc) • Training and skill development program • Other area identified during the assessment 	Coverage of assessment: Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Local communities and stakeholders • Interview with Union representatives • Workers Issues • Facilities at workplace (rest area, Line site • Facilities provided at line site (i.e. mosque, surau, community center, GPW, Tadika, provision shop & etc) • Inspection of protected sites with HCV attributes • Forested area Plantation Boundary, adjacent and neighbouring land use <ul style="list-style-type: none"> • Riparian zone • River system and Water bodies • Source of water supply • Continuous improvement 	Guide(s) for each assessor	

RSPO STAGE 2 PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> • Riparian zone • Training and skill development program • Local sustainable development • Continuous improvement • Other area identified during the assessment 	<ul style="list-style-type: none"> • GHG calculation • Other area identified during the assessment 		Other area identified during the assessment	
12.00 p.m.	LUNCH BREAK and SOLAT				All
1.00 pm-3.00 pm	Continue assessment on unfinished area	Continue assessment on unfinished area	Continue assessment on unfinished area	Continue assessment at Segamaha POM	
3.00p.m. - 4.00 p.m.	Verification on outstanding issues for CU Assessor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.				All auditors
4.00 p.m – 4.30 pm	Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager				Auditors, Mill and Plantation / Scheme Managers
4.30 pm – 5.00 pm	Closing meeting at Segamaha Mill				All
5.00 pm	End of Stage 2 RSPO audit				

RSPO P&C PUBLIC SUMMARY REPORT

Attachment 3

RSPO P&C AUDIT CHECKLIST AND FINDINGS

Principle 1: COMMITMENT TO TRANSPARENCY

Clause	Indicators	Comply Yes/No	Findings
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1 There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	YES	Segamaha mill, Bukit Segamaha & Sungai Segamaha have committed to provide necessary information requested by their stakeholders related to environmental and occupational safety & health (OSH) related information. This information mainly requested by government authority such as Department of Environment (DOE), Environmental Protection Board (EPD) and Department of Occupational Safety & Health (DOSH). The CU continues to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records inspected were correspondences with the authorities and employees.
	1.1.2 Records of requests for information and responses shall be maintained. Major Compliance	NO	Segamaha mill, Bukit Segamaha & Sungai Segamaha as identified relevant person-in-charge as document controller. Interview with the document control and assessment of record was confirmed record related to environment & OSH submitted to relevant government authority was made available and well maintain. However, it was noted that the mill has received Letter from DOE dated 13/5/2016 and in accordance with the said information, the record of request from Department of Environment (DOE) related to new boiler and scrubber was not made available during the audit. Therefore, non-conformity was raised in NCR No RAG 01 2018.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1 Land titles/user rights;	YES	Land titles documents for Sg. Segamaha Estate, G&G Estate, Bukit Segamaha Estate and Segamaha POM were available at the estate's and mill's office.
	Occupational health and safety plans;	YES	Publicly available. Cross refer to Indicator 4.7.1.
	Plans and impact assessments relating to environmental and social impacts;	YES	There was procedure to guide for the organization's management document to be made publicly available.
	HCV documentation summary;	YES	HCV documentation summary were available at Sg. Segamaha Estate, G&G Estate, Bukit and Segamaha Estate.
	Pollution prevention and reduction plans;	YES	There was procedure to guide for the organization's management document to be made publicly available.
	Details of complaints and grievances;	YES	Segamaha POM, Sg. Segamaha Estate, G&G Estate, Bukit and Segamaha Estate have maintained their record of requests and responses to the 'Borang Aduan Masalah Pekerja' and 'Borang Aduan Masalah Stakeholder'. Management documents of pertaining complaint / grievance, internal and external grievances flowchart are maintained and available at the CU.

RSPO P&C PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
		Negotiation procedures;	YES	The negotiation procedure titled 'Fair Compensation" has been established. This procedure is applicable to all Boustead's BU. The procedure included the negotiation process.
		Continual improvement plans:	YES	Among the continual improvement plan at Bukit Segamaha estate are construction of 7 units oil traps, 6 units of sediment points, roofed scheduled store complete with secondary containment, chemical store complete with secondary containment & spill kit, allocated 7 unit of recycle bins and improved flooring and overall condition of general workshop. While at G&G estate among continual improvement related to environment such as installed new diesel skid tank, scheduled waste store, new generator house, fertilizer and chemical stores, workshop & garage for tractor. At the mill was observed an improvement on existing facility at scrap iron area, scheduled waste store with secondary containment and oil trap, chemical store with ventilation and locked and ensuring good bund system at effluent pond. The mill has installed 1-unit boiler where moving grate furnace technology where ash and clinker are removed from furnace without interaction by boiler personal. Therefore, less hazard to operator & more stable operation avoid black smoke. & consistent supply of steam. Auto fuel feeding system based on boiler pressure. In addition, Mill also has installed scrubber system & 1 new boiler (no# 2) as to ensure their commitment to comply with Environmental Quality (Clean Air) Reg. 2014 which will be enforced mid-2019.
		Public summary of certification assessment report;	YES	The public summary of Segamaha CU will be published in the SIRIM QAS International website upon completion of the report.
		Human Rights Policy (Criterion 6.13).	YES	A policy to respect human rights has been established by the CU. The policy was dated in Jan 2016. The policy was made available at the estate's and mill's office.
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	Code of ethical conduct and integrity titled 'Code of Ethics & Conduct' has been established and distributed to all staffs and workers. All visited sites has briefed this policy to all workforce as verified through briefing records and interview with staff and workers.

Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators		Comply Yes/No	Findings
C 2.1 There is compliance with all	2.1.1	Evidence of compliance with relevant legal requirements shall be available. Major Compliance	NO	It was evident that Segamaha CU comply with relevant legal requirements as follows: Suruhanjaya Tenaga : Lesen bagi pemasangan persendirian, Permit to purchase and storage of diesel, EQ (Prescribed Premise) Crude Palm Oil Regulations 1977, Scheduled

RSPO P&C PUBLIC SUMMARY REPORT

Clause	Indicators		Comply Yes/No	Findings
applicable local, national and ratified international laws and regulations.				Waste Regulations 2005, OSHA 1994, Use and Standards Of Exposure of Chemicals Hazardous to Health Regulations 2000, Lesen untuk Menggaji Pekerja bukan pemastautin for foreign workers, Permit to work more than normal hours, Permit for wage deduction, Permit And passport for foreign worker and MPOB license. However, audit team has found a non-compliance on undocumented workers and deduction of cash advance without approval from authority department as below. A Major NCR MRS 01 2018 was raised. <ol style="list-style-type: none"> 1. Undocumented Indonesian workers worked at Sungai Segamaha Estate, G&G Estate & Bukit Segamaha Estate. 2. Segamaha POM has made deduction for Cash Advance and Welfare Fund as verified through payslip 'Monthly Pay Slip Sept 2018' without approval from Sabah Labour Department.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	NO	Document titled "List of Legal Register" maintained available at Segamaha CU. It was found that not all written information on legal requirements have been listed. Segamaha POM, Bukit Segamaha and Sungai Segamaha did not listed the Employment Insurance System Act 2017 in legal register. NCR MAR 01 2018 has been raised.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	YES	The legal register has been used as guidance in carrying out the periodic evaluation of compliance exercise. Through this exercise, the CU determined their status of compliance with the applicable regulations. Appropriate actions shall be taken should there be any non-compliance found. Based on the verification of this exercise, the auditors confirmed that most of the non-compliance found have been acted upon. Other mechanism were internal audit and PA visit. Noted that appropriate records available to ensure consistent implementation i.e. work program, work records, muster chit and costing book.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	The CU maintained to track any changes to applicable law and had appointed a PIC in the Boustead Plantation Division as the person responsible to monitor any changes to the law and to cascade those changes to all sites.
C 2.2 The right to use the land is demo, & is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised NCR land) and the actual legal use of the land shall be available. Major Compliance	YES	The documents related to the right to use the land was made available to the audit team. Records of ownership were maintained at respective estate's office. This plantation area was previously owned by Sabah State Government.
	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.	YES	Physical markers such as boundary drain, pegs and boundary stones along the perimeter adjacent to the estate land and other reserves are available at site and visibly maintained. All estates have maps to indicate the locations of the boundary pegs.

RSPO P&C PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	Minor Compliance		
	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	Based on interviews with head of village and villager representatives from nearby village, there was no issue of disputes in Segamaha CU.
	2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved. Major Compliance	YES	Based on interviews with head of village and villager representatives from nearby village, there was no issue on land conflict in Segamaha CU.
	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 (incl. neighbouring communities & relevant authorities where applicable). Minor Compliance	YES	Based on interviews with head of village and villager representatives from nearby village, there was no conflict or dispute in Segamaha CU.
	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	Maintenance of peace was being carried out by respective teams of auxiliary police, who are responsible to guard the safety of the Mill and the estates, protection of its employees, properties and company assets. Interview with head of village and villager representatives from nearby village also confirm that no violence has been committed in the mill and estate operations.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior, and informed consent.	2.3.1 Maps of an appropriate scale showing the extent of recognised legal, customary or user rights shall be developed through participatory mapping involving affected parties (incl. neighbouring communities where applicable, and relevant authorities). Major Compliance	YES	Based on interviews with head of village and villager representatives from nearby village, there was no issue raised on land dispute with Segamaha CU, hence the mapping was not needed.
	2.3.2 Copies of negotiated agreements		

RSPO P&C PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	detailing the process of FPIC shall be available and shall include:		
	a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision-making;	YES	Based on interviews with head of village and villager representatives from nearby village, there was no issue raised on land dispute with Segamaha CU, hence the mapping was not needed.
	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;	YES	As above.
	c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance	YES	As above.
	2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance	YES	Based on interviews with head of village and villager representatives from nearby village, there was no issue raised on land dispute with Segamaha CU, hence this requirement was not applicable.
	2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	YES	Based on interviews with head of village and villager representatives from nearby village, there was no issue raised on land dispute with Segamaha CU, hence this requirement was not applicable.

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

Clause	Indicators		Comply Yes/No	Findings																																	
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented. That includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	Segamaha CU maintained to have minimum 4 years' business plans called business horizon plan. The budget allocations at estates, include activities for operating expenditure i.e. upkeep, cultivation, harvesting & evacuation, welfare, other than that, capital expenditure, RSPO compliance, etc. Attention was given to crop projection, cost of production, cost per ton and per hectare indicators to monitor the performance of each operating unit. The cost of production was reviewed and compared against expenditure each year with projections in place for future years. While, provisions at mill, include the activities for milling process, general charges, RSPO compliance and capital expenditure.																																	
	3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils), with yearly review, shall be available. Minor Compliance	YES	Segamaha CU has demonstrated projected annual replanting program and the tabulations for each estate as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>No</th> <th>Estate</th> <th>Year replanting</th> <th>Hectarage</th> </tr> </thead> <tbody> <tr> <td rowspan="5">1</td> <td rowspan="5">Tabung Tentera</td> <td>2018</td> <td>245.30</td> </tr> <tr> <td>2019</td> <td>254.50</td> </tr> <tr> <td>2020</td> <td>258.10</td> </tr> <tr> <td>2021</td> <td>276.00</td> </tr> <tr> <td>2023</td> <td>238.50</td> </tr> <tr> <td>2</td> <td>Bukit Segamaha</td> <td>2018</td> <td>324.40</td> </tr> <tr> <td rowspan="2">3</td> <td rowspan="2">Sungai Segamaha</td> <td>2018</td> <td>276.30</td> </tr> <tr> <td>2019</td> <td>258.50</td> </tr> <tr> <td rowspan="3">4</td> <td rowspan="3">G&G</td> <td>2021</td> <td>358.30</td> </tr> <tr> <td>2022</td> <td>396.60</td> </tr> <tr> <td>2023</td> <td>394.60</td> </tr> </tbody> </table>	No	Estate	Year replanting	Hectarage	1	Tabung Tentera	2018	245.30	2019	254.50	2020	258.10	2021	276.00	2023	238.50	2	Bukit Segamaha	2018	324.40	3	Sungai Segamaha	2018	276.30	2019	258.50	4	G&G	2021	358.30	2022	396.60	2023
No	Estate	Year replanting	Hectarage																																		
1	Tabung Tentera	2018	245.30																																		
		2019	254.50																																		
		2020	258.10																																		
		2021	276.00																																		
		2023	238.50																																		
2	Bukit Segamaha	2018	324.40																																		
3	Sungai Segamaha	2018	276.30																																		
		2019	258.50																																		
4	G&G	2021	358.30																																		
		2022	396.60																																		
		2023	394.60																																		

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	Mill Operation Manual, Quality Assurance Manual and Standard Operating Procedure was established for Segamaha Mill. The established procedure has covered all operation in the mill such as machinery layout, Quality plan, Reception station, Fruit handling, Sterilization station, Threshing station, Pressing station, Depericarping station, Nut cracking and kernel station, Clarification station, Boiler house, Engine room, Effluent treatment, Laboratory and laboratory test methods, Raw water treatment and Security. In addition, Mill also has established Safe Work Procedure as guidance for safe milling practices while RSPO Supply Chain Procedure established to guide for traceability practices.
	4.1.2	A mechanism to check consistent	NO	There was evidence of mechanism on checking the implementation of procedures in

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Clause	Indicators		Comply Yes/No	Findings
		implementation of procedures shall be in place. Minor Compliance		Segamaha CU such as PA Visit, Agronomist Report and Internal audit. However, it was noted that there was inconsistency in the implementation of the effluent treatment procedure - Mill Operational Manual (issue 1 MOM) for Effluent treatment procedure which related with the following: ensuring all the sprinkler system in good condition (Sprinkler total no. 1362) and ensuring influent flowrate meter in good condition (faulty since May 2018). Therefore, non-conformity was raised in NCR No RAG 02 2018.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	YES	Relevant records on implementation of established manual and procedures i.e. OPC, Estate SOP, Mill Operation Manual (MOM), Quality Assurance Manual (QAM) and Standard Operating Procedure (SOP), Safe Work Procedure (SWP) as well as RSPO Supply Chain Procedure were sighted. Among others Mill machinery maintenance record, chemical register, FFB grading records, Mill losses, CPO and PK quality, Production data, Scheduled waste inventory records as well as effluent quality. All the records were maintained in hardcopy (log book) as well as softcopy (online system). Among the records for estates were: Program sheets, Field cost books, Planting Advisor reports, Agronomic reports, Harvesting Interval records, Rat baiting records, Fertiliser application records, Monthly Progressive Reports, scheduled wastes records, PPE Checklist etc. Most records are being maintained for more than a year and some much longer.
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance	YES	Record available.
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 SOPs, are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	YES	Sg. Segamaha, Bukit Segamaha, G&G and Ladang Tabung Tentera Sabah (LTTS) estate continued to practice the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB application. Fertiliser application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made by qualified third party. Annual fertiliser recommendations were made based on annual foliar sampling. Soil sampling was carried out yearly consistently with foliar sampling.
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	Fertiliser inputs were based on recommendation by the Applied Agricultural Resources Sdn Bhd. The application programs were monitored using program sheets, bin cards, field cost book and manuring program sheets. Records of programs and applications of fertilisers were available. Records showed that actual applied in 2018 was in line with recommendations in all estates sampled.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	It was evident that all estates have carried out the periodic tissue and soil sampling accordingly. Records sighted.
	4.2.4	A nutrient recycling strategy shall be	YES	Sg. Segamaha and Bukit Segamaha estate had a nutrient recycling strategy in place. Palm

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Clause	Indicators		Comply Yes/No	Findings
		in place, and may include use of EFB, POME, and palm residues. Minor Compliance		fronds were stacked in the fields to decompose. EFB for mature palm and AA+ Mulch for immature palm were also applied. The actual rate applied varied depending upon availability of EFB, transport and labour.
C 4.3 Practices minimise and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	YES	There were no fragile/marginal soils in both estates visited based on the soil maps provided sourced from Soil of Sabah.
	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	Segamaha CU had a management strategy for planting on slopes and to minimize and control erosion and degradation of soils. The plantings on slopes was guided by its Oil Palm Circular dated in 1994. Segamaha CU continued to plant palms within slopes between 0 and 25° as per Boustead Plantations Berhad policy dated in Jan 2015. The policy, together with the SOPs to minimise soil erosion based on local soil and climate conditions, ground cover management, biomass recycling, terracing and natural regeneration of Nephrolepis biserrata, were posted at the Estates notice board. It was observed in both mature and immature areas that slopes were terraced. The terrain in both estates was mainly flat and undulating with no slopes above 25°.
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	During the field visit, it was observed that the main and field roads of Segamaha CU were in satisfactory condition and accessibility were made possible by regular maintenance. There was evidence of road maintenance programmes which consist of road resurfacing with grading and compaction and culvert maintenance. It has been noticed that stock piles of dry laterite put in several designated main road and collection road for the reason of continuous maintenance.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	YES	There were no peat soils in all sampled 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	There were no peat soils in all sampled estates.
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	YES	There were no peat soils in all sampled estates.
C 4.4 Practices maintain the quality and availability of surface	4.4.1	An implemented water management plan shall be in place. Minor Compliance	YES	Segamaha CU had its Water Management Plan for year 2017/2018 which was developed in order to maintain the quality and availability of natural water resources by practicing efficient water consumption through various methods such as implementation of rain water harvest, construction of water gate for effective management of collection/main drain, establishment

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Clause	Indicators		Comply Yes/No	Findings
and ground water.				of <i>Mucuna bracteata</i> to prevent erosion, side drain at field road to control water, frond stacking, enhancement of ground vegetation at bare ground area.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. Major Compliance	NO	During the site audit at the estates, it was noted that buffer zones were allocated along the natural waterways. Signage and red paint on oil palm trunk were used as demarcations of the buffer zones. The width of the buffer zone varies depending on the width of the river in accordance to the DID specifications. The boundary marker for buffer was sufficient and maintained. It was clear that Boustead had a policy to maintain the buffer by restricting agrochemicals application. There was no sign of agrochemicals applied. However, during site visit at Sungai Segamaha Estate sighted infringement of buffer zone at replanting area and nearby football field. NCR RAR 01 2018 has been raised.
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. Minor Compliance	YES	Treatment of effluent from the mill is using the open ponding system then the treated effluent were channelled to estate as land irrigation. The mill is committed to continually improvement environmental impacts. Quality of effluent is continued to be monitored and analysed. The results complied with the conditions of license imposed by DOE to the mill.
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor Compliance	YES	Processing water obtained from water catchment near to the mill. The mill water usage per tonne of FFB continued to be monitored on monthly basis and record were maintained.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	YES	Segamaha CU continued to implement IPM in all sampled estates. Estates continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma..
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	Training related to IPM implementation was conducted by the Assistant Manager in Sg. Segamaha Estate and Bt Segamaha Estate in Aug 2018 while for Tabung Tentera in June 2017. Records of training were available for verification
C 4.6 Pesticides are used in ways that do not endanger health or the environment.	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	YES	Justification of all pesticides used had been documented in Standard Operating Procedure on Sustainability. The use of selective products that are specific to the targeted weed had been demonstrated in the Group Standard Operating Procedure for Estate Operations, in the Group Environmental Impact Assessment and Management Action Plans and Oil Palm Circular (OPC) manual.
	4.6.2	Records of pesticides use (incl. ai used and their LD50, area treated, amount of active ingredients applied per Ha and no. of applications) shall	YES	All estates had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, and Ai/Ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, cost books and in progress reports.

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Clause	Indicators	Comply Yes/No	Findings
	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	Segamaha BU continued to plant nectariferous beneficial plants as part of the IPM plan. Nurseries were available for continuous planting to reduce use of insecticides on bagworms and for control of rats included rearing barn owls (<i>tyto alba</i>). EFB was applied in single layers in order to prevent the breeding of Rhinoceros beetles. In flat and undulating areas where Oil Palm had been planted on un-terraced areas, harvesting paths were grass cut to control noxious weeds. And, spraying of weeds was carried out as programmed.
4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conv, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be min. and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Reg (2000). Minor Compliance	YES	All pesticides used were those officially registered under the Pesticide Act 1974. Segamaha CU had used Class 2, Class 3 & Class 4 pesticides. No illegal agrochemicals (stated by local and international laws) in particular paraquat were used or found.
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	Pre-mixing of agrochemical was practiced at the estate stores for delivery to field. This is to avoid human exposure to concentrated chemicals and it was confirmed that no in-field mixing of agrochemicals by sprayers were observed. The pre-mixing was done by the mandore. All staff and workers such as the storekeeper, mandores, sprayers, fertilizer applicators and rat bait applicators who handled, used or applied pesticides had been trained and they had understood of the hazards and how to handle the chemicals in a safe manner.
4.6.6	Storage of all pesticides shall be according to recognised best	YES	During the audit it was observed that the storage of chemicals used by the estates were stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and

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Clause	Indicators	Comply Yes/No	Findings
	practices. All pesticide containers shall be properly disposed of and not used for other purposes. Pesticides shall be stored in acc. to the Occupational Safety and Health Act 1994 (Act 514) and Reg. and Orders, Pesticides Act 1974 (Act 149) and Reg. Major Compliance		Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. The stores were pad locked, posted with safety signages requiring those entering to wear respirator, goggle, safety shoes and gloves. The stores are ventilated. Liquids pesticides were placed in secondary containment to contain spillage occurrence, if any. Only authorized personnel have access to the chemical store. All empty pesticides containers were triple rinsed in accordance to SOP.
	4.6.7 Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	The Safety Procedures for pesticides application were well described in Safe Operating Procedure, Spraying of Chemicals, Highly toxic chemicals, Application of Fertilizer Using Machine or Manual and Rat Baiting which the CU complied with. In addition to the Safety Procedures, Safety Data Sheet information of each chemical had been made known through training with emphasis on its danger, precautionary measures to be observed including the use of PPE.
	4.6.8 Pesticides shall be applied aerially only where there is doc. justification. Communities shall be informed of impending aerial pesticide applications with all relevant info within reasonable time prior to application. Major Compliance	YES	Aerial spraying was not practiced in Segamaha BU and there was no evidence to show that any had been carried out.
	4.6.9 Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide-handling shall be demonstrated or made available. Minor Compliance	YES	The Segamaha Palm Oil Mill did not purchase any smallholders crop and therefore training on pesticides handling for them is not applicable. The mill processed FFB from their own estates. Training for pesticides handling for field sprayers, rat bait applicators and fertilizer applicators were carried out at the respective estates.
	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	Domestic wastes and recycle wastes were segregated by the workers. Only organic wastes were throw at the landfill. Recycle material such as cans, glass bottle, plastic bottle and paper were sent to recycle area. Field inspection and observation confirmed chemicals were applied in accordance with the product safety precautions and workers of its risks. MSDS were made available at point of use e.g. at the workshop, store, and Estate water treatment plant. Interview with staffs and workers i.e. storekeepers and chemical mixer were trained, and they had understood the hazards involve and how the chemicals should be used and disposed in a safe manner.
	4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related	NO	CHRA was available and medical surveillance has been conducted accordingly. However, Major NCR RAR 02 2018 has been raised to address the following: 1) LTTS: Personal exposure monitoring has not been conducted for manuring and spraying

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Clause	Indicators		Comply Yes/No	Findings
		health conditions, shall be demonstrated. Major Compliance		operator as per recommend made by CHRA. 2) G&G: The chemical exposure monitoring for monitored air contamination for workshop and manuring activity was not conducted. 3) Segamaha POM: The retest for Audiometry test in Jan 2018 for 3 workers were not carried out as recommended.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	YES	Segamaha BU Estates complied with their organization policy, whereby no work with pesticides was given to pregnant or breast-feeding women. All estates maintained the list of sprayers. Identification of pregnancy status was made by the respective appointed Medical Assistant during the monthly check-up. Field interviews with the lady workers confirmed that such a regulation was a standard practice in the estates and in compliance.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	YES	An Occupational health and safety policy dated in June 2012 has been communicated to all levels of employees of the organization. The communication was carried out through briefings and displayed prominently on the notice boards at estate offices and Muster Ground. The policy was available in both Bahasa Malaysia and English. Random interviewed with the employees showed that they generally understood the basic requirements of the policy. An OHS management plan 2018 for Estate has been established. The plan included issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, treatment of illness/injury during the job, use of PPE, OSH Committee meetings, etc.
	4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be doc. & impl. to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	NO	The HIRARC procedure has been established. Segamaha CU have conducted the risk assessment on all its operation as well as determining their control measures. Risk assessment on activities such as harvesting, spraying, manuring, pruning, weeding, pest & disease, FFB evacuation, etc., have been carried out and control measures have been determined. Last review was carried out for Segamaha CU in Sept. 2018. However, at G&G estate, it was found that certain construction activities yet to be assessed and not updated in the HIRARC. Therefore, major NCR was raised RAG/DA03 2018.
	4.7.3	All workers involved in the op 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 op, such as pesticide application, machine op, and land preparation, harvesting and, if it is	YES	First aid box available at several location i.e. Mill office, FFB grading, process supervisor, Boiler engine room, workshop electrical. Site visit was observed at process the first aid box made available & issuance was recorded. Training for first aider was carried out in Nov 2017 for first aiders. All staff and workers such as the storekeepers, sprayers, workers applying fertilizer and rat baits were continuously trained and random interviews conducted showed that they had understood the hazards involved and the usage and handling of chemicals in a safe manner. At the same time, appropriate PPE were given to employees of estate visited.

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Clause	Indicators		Comply Yes/No	Findings
		used, burning. Major Compliance		
	4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible persons & 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	OSHE Committee has been established. The OSH safety committee organization chart for 2018 was available. Relevant PIC has been identified and appointed accordingly and meetings were done on 3-monthly basis. Confirmed that among the agenda discussed, included the following: Passing of previous minutes and arising matters, Accident report (Monthly Accident statistics), Estate Inspection Report and Environment issues (zero burning, buffer zone, schedule waste, illegal hunting). Records of accidents were managed individually by every estates and mill. Relevant submission to DOSH evident.
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	YES	ERP has been established and included in the Environmental Impact Assessment, Management Action Plan and Continuous Action Plan. Interviews with mill/estate staffs and mandores revealed they understood and were aware of the emergency procedures requirements. It was observed that all operating units were provided with first aid boxes which were checked on a monthly basis by the Hospital Assistants. At the estates, first aid box was given to mandores and available at estate office and workplace. Records of replenishment were verified by the auditor. Telephone numbers and names of the members of the ERT were communicated to all employees and displayed at notice boards. Telephone numbers of the PIC, Police Station, Fire Brigade, and Hospital were also included. Segamaha CU had emergency response plan and has been prepared by ERT officer.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	Local workers are covered by SOCSO while foreign workers at Segamaha CU were covered by Workmen Compensation provided as per Compensation Act 1952 through AXA Affin General Insurance Berhad. At the same time, the estates and mill provide medical care to all workers using own Medical Assistant services. Cases requiring additional/serious treatment are referred to Hospital Kinabatangan 70 km away.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	No accident recorded and reported for G&G and Bukit Segamaha while 1 accident recorded for Sg. Segamaha. LTAs were monitored appropriately and submission of JKPP 8 to DOSH has been carried out on timely manner.
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	The annual training program titled 'Training Programme 2018' at Segamaha POM, Sg. Segamaha Estate, G&G Estate, and Bukit Segamaha Estate has covered all aspects on environmental, safety & health and social aspects. A formal training program covering all aspects of the RSPO Principles and Criteria were established in the 'Training Program year 2018'. A regular assessments of training needs was also conducted for all its workers and staffs. The training identified included among others the following: Harvesting and pruning, Spraying training, Scheduled waste training, Chemical handling, First Aid Kit Training etc.

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Clause	Indicators		Comply Yes/No	Findings
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	NO	The CU had trained their staff, workers and records of training were kept in the RSPO training file at each respective offices. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue. However, there was found that at Sg. Segamaha and G&G estate training related to Gen Set operation, emergency response, safe operating procedures was not maintained. Therefore, minor NCR was raised RAG/DA 02 2018.

Principle 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY

Clause	Indicators		Comply Yes/No	Findings
C 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	YES	Boustead Segamaha CU has established its environmental aspects/impacts register associated with their activities. A procedure titled as "Environmental Aspect Impact/ Environmental Impact Evaluation" had been established to guide on how to carry out the environmental aspect impact evaluation. The identification of the environmental aspects was carried out using the Environmental aspect & impact identification form. The environmental aspect and impact (EAI) covers the upstream activities such as FFB reception until the downstream processes. For the estate operation, all activities from harvesting, manuring, weeding, nursery, pest and disease, scheduled wastes store, road maintenance, upkeep programs until delivery to mill has been identified.
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. Minor Compliance	NO	Mitigation measures of significant aspects that could negatively affect the environment maintained implemented as per established plans. The plans among others contain action plan, responsibilities and timetable. Among the relevant plans were: water sources contamination and agricultural land contamination. Mitigation measures of significant aspects that could negatively affect the environment maintained implemented as per established plans. The plans among others contain actions, responsibilities and timetable. Among the relevant plans and measures were the Environmental Improvement Plan - Environmental Impact Evaluation, Waste Management programme (EMP), Identification and Management of Wastewater and Waste management action plan for year 2018. However, some non-conformity was sighted during site visit at: <ul style="list-style-type: none"> At Sg Segamaha Estate, oil spillage was sighted at parking tractor areas and chemical spillage at contractor store. At LTTS Estate, oil spillage was sighted at nursery (water pump) there was no secondary container or tray has been provided to prevent leachate. Thus, minor NCR RAR 03 2018 has been raised.
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be	YES	Environmental Management plan has been recorded in the "Environmental Management Programme (EMP) – Plan & Progress to Control Pollution 2018". There were 5 objectives and action plan has been taken were:

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Clause	Indicators	Comply Yes/No	Findings																		
	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		<ul style="list-style-type: none"> ▪ Objective 1: Water Source Contamination – to ensure water quality meets the EQA 1974 ▪ Objectives 2: Conservation Soil Erosion – to ensure the soil erosion reduced at any point from further destruction. ▪ Objectives 3: Agricultural Land Contamination – to reduce contamination of chemical or fertilizer to surface water source. ▪ Objectives 4: Degradation of Land Agricultural – to conserve soil fertility ▪ Objective 5: Chemical Reduction – to reduce application of chemical usage such as pesticide or herbicide. 																		
C 5.2 The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.	5.2.1	Information shall be collated in a HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance	<p>YES</p> <p>The CU conducted HCV assessment as verified through HCV report titled 'The Assessment of High Conservation Value Sites within Sungai Segamaha, Bukit Segamaha and Ghafar & Group Estates and Mill Complex in Sabah'.</p> <table border="1"> <thead> <tr> <th>Site</th> <th>HCV</th> <th>Area (ha)</th> </tr> </thead> <tbody> <tr> <td>Sg. Segamaha Estate</td> <td>1.2, 1.4, 4.2</td> <td>53.30</td> </tr> <tr> <td>Bukit Segamaha Estate</td> <td></td> <td>32.57</td> </tr> <tr> <td>G&G Estate</td> <td>1.1, 1.2, 1.4, 4.2</td> <td>106.80</td> </tr> <tr> <td>LTTS</td> <td></td> <td>6.90</td> </tr> <tr> <td>TOTAL</td> <td></td> <td>199.57</td> </tr> </tbody> </table>	Site	HCV	Area (ha)	Sg. Segamaha Estate	1.2, 1.4, 4.2	53.30	Bukit Segamaha Estate		32.57	G&G Estate	1.1, 1.2, 1.4, 4.2	106.80	LTTS		6.90	TOTAL		199.57
	Site	HCV	Area (ha)																		
	Sg. Segamaha Estate	1.2, 1.4, 4.2	53.30																		
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G&G Estate	1.1, 1.2, 1.4, 4.2	106.80																			
LTTS		6.90																			
TOTAL		199.57																			
5.2.2	Where RTE species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance	YES	<p>The CU has established an action plan titled 'HCV Management Plan' dated in Jan 2018. Among the plan such as:</p> <ol style="list-style-type: none"> 1. Appropriate measures to protect wildlife and conservation area were observed. 2. The management had also erected signage "Biodiversity Area" at the forested area. 3. The CU practiced planted cover crop and grass cut for field upkeep and no use of chemical at area of stream edge to avoid water pollution by chemical. 4. Planting trees in buffer zone area & monitoring of hunting incidences 5. Working closely with local authorities such as Wildlife Department 																		
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance	YES	<p>The CU had maintained signage and information on notice board about protection and prohibition related to wildlife and conservation area to ensure employees and visitor aware of its requirements. The CU also routinely remind its employees about the requirement during morning muster as verified through training records available.</p>																		

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Clause	Indicators		Comply Yes/No	Findings
	5.2.4	Where an action plan has been created there shall be ongoing monitoring; The status of HCV and RTE species that are affected by plantation or mill operations shall be documented & reported; Outcomes of monitoring shall be fed back into the action plan. Minor Compliance	YES	The Auxilliary Police of the CU maintained patrolling the estate and its surroundings including the conservation area. It has been confirmed that there were no illegal activities found that requires feedback and revision of action plan.
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	YES	There was no HCV area set-asides for local communities use as verified through consultation with head of village from nearby village.
C 5.3 Waste is reduced, recycled, re-used, and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	YES	The auditor had verified that waste products and sources of pollution had been identified and documented as found in the respective site's waste management plan. It had listed the waste product, sources of pollution, action to be taken, target, and person responsible. Among the wastes that were identified and documented included the domestic wastes from household, scrap iron, empty chemical containers, and used lubricants/engine oil.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	NO	<p>Scheduled Wastes were disposed responsibly. The CU recognized them as scheduled wastes and handled them in accordance to established procedure "Scheduled Wastes Management". They were triple rinsed, punched with holes and disposed to DOE registered Scheduled Waste collector. Records of empty pesticide containers and its disposal were maintained by the respective estates.</p> <p>However, it was found that:</p> <p>G&G Estate:</p> <ul style="list-style-type: none"> ▪ No hazard signage on the waste containers and inaccurate date of waste generation for. SW 409, SW 410, SW 102 & SW 305. ▪ SW 409 was keep in the non-durable containers i.e. plastic bag. ▪ 7th schedule / waste information not available for SW 110, SW 102, SW 409, SW 410, SW 305 ▪ Interview with Store clerk revealed lack knowledge in handling of scheduled wastes. <p>Bukit Segamaha estate:</p> <ul style="list-style-type: none"> ▪ 7th schedule / waste information not available for SW 110, SW 102, SW 409, SW 410, SW 305. ▪ Interview with Store clerk revealed lack knowledge in handling of scheduled wastes. <p>Therefore, major NCR was raised RAG/DA 01 2018 has been raised.</p>

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Clause	Indicators		Comply Yes/No	Findings
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. Minor Compliance	YES	Waste management and disposal plan to avoid or reduce pollution had been documented and implemented as discussed in Indicator 5.1.3 above. 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	The CU had established a plan for improving efficiency of the use of fossil fuels and to optimize renewable energy. The plan contained in "Reducing Greenhouse Gases (GHG) Action Plan".
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 the CU by burning as Boustead Plantations Berhad practiced the zero burning. A policy on the zero burning has been established since Jan 2011. It was also observed that signage " <i>Dilarang Membakar</i> " was available at various locations within the estates.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Minor Compliance	YES	There was no evidence that fire had been used to prepare land for replanting in both estates. No open burning at all the visited replanting areas within the two estates. Also, no fire was used for waste disposal.
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent.	YES	The "Environmental Aspect & Impact Assessment Identification (EAI)" had included assessment of gaseous emissions, particulate/soot emissions and effluent.
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	The significant pollutants and greenhouse gas (GHG) emissions had been identified and documented and plans to reduce or minimise were being implemented. At the estate level minimize the use of chemical fertilizer by complementing the application of EFB mulching although their use is considered carbon neutral. The "Environmental Aspect & 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 & Palm GHG FY 2017/18".
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate	YES	The CU had used RSPO Palm GHG version 3.0.1 Calculator as a tool to calculate the GHG emissions. The CU has used option 2 full version to calculate the data. Sighted report sends to RSPO in Sept 2018. The input data was verified, and the following were determined:

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<p>and methodology. It is also recognised that it is not always feasible or practical to reduce or minimise these emissions. Growers and millers commit to an implementation period until the end of Dec 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>	<p>and mill operations, using appropriate tools. Minor Compliance</p>		<p>Summary of Net GHG emission:</p> <table border="1" data-bbox="1093 328 2000 416"> <thead> <tr> <th>Emission sources</th> <th>tCO2e/tonProduct</th> <th>Extraction</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>2.31</td> <td>OER</td> <td>23.01</td> </tr> <tr> <td>Fuel PK</td> <td>2.31</td> <td>KER</td> <td>4.63</td> </tr> </tbody> </table> <table border="1" data-bbox="1093 443 1727 520"> <thead> <tr> <th>Production</th> <th>t/yr</th> </tr> </thead> <tbody> <tr> <td>FFB processed</td> <td>197495.04</td> </tr> <tr> <td>CPO produced</td> <td>45,442.48</td> </tr> </tbody> </table> <table border="1" data-bbox="1093 547 1727 703"> <thead> <tr> <th>Land use</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>OP planted area</td> <td>9878</td> </tr> <tr> <td>OP planted on peat</td> <td>89</td> </tr> <tr> <td>Conservation (forested)</td> <td>0</td> </tr> <tr> <td>Conservation (non forested)</td> <td>21.31</td> </tr> <tr> <td>Total</td> <td>9899.31</td> </tr> </tbody> </table> <p>Mill emissions:</p> <table border="1" data-bbox="1093 751 1879 962"> <thead> <tr> <th>Emission sources</th> <th>tCO2e</th> <th>tCO2e/tFFB</th> </tr> </thead> <tbody> <tr> <td>POME</td> <td>38712.37</td> <td>0.2</td> </tr> <tr> <td>Fuel consumption</td> <td>1547.48</td> <td>0.01</td> </tr> <tr> <td>Grid electricity utilisation</td> <td>0</td> <td>0</td> </tr> <tr> <td>Export of excess electricity to housing</td> <td>0</td> <td>0</td> </tr> <tr> <td>Sale of PKS</td> <td>0</td> <td>0</td> </tr> <tr> <td>Sale of EFB</td> <td>0</td> <td>0</td> </tr> <tr> <td>Total</td> <td>40259.85</td> <td>0.2</td> </tr> </tbody> </table> <p>Estate emissions:</p> <table border="1" data-bbox="1093 1010 2080 1372"> <thead> <tr> <th rowspan="2">Description</th> <th colspan="3">Own</th> <th colspan="3">3rd Party</th> </tr> <tr> <th>tCO2e</th> <th>tCO2e/ha</th> <th>tCO2e/tFFB</th> <th>tCO2e</th> <th>tCO2e/ha</th> <th>tCO2e/tFFB</th> </tr> </thead> <tbody> <tr> <td>Land conversion</td> <td>150135.21</td> <td>15.47</td> <td>0.76</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>CO2 emission from fertiliser</td> <td>9948.35</td> <td>1.03</td> <td>0.05</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>N2O emission</td> <td>8235.91</td> <td>0.85</td> <td>0.04</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Fuel consumption</td> <td>1378.6</td> <td>0.14</td> <td>0.01</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>Peat Oxidation</td> <td>4742.53</td> <td>0.49</td> <td>0.02</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Emission sources	tCO2e/tonProduct	Extraction	%	CPO	2.31	OER	23.01	Fuel PK	2.31	KER	4.63	Production	t/yr	FFB processed	197495.04	CPO produced	45,442.48	Land use	Ha	OP planted area	9878	OP planted on peat	89	Conservation (forested)	0	Conservation (non forested)	21.31	Total	9899.31	Emission sources	tCO2e	tCO2e/tFFB	POME	38712.37	0.2	Fuel consumption	1547.48	0.01	Grid electricity utilisation	0	0	Export of excess electricity to housing	0	0	Sale of PKS	0	0	Sale of EFB	0	0	Total	40259.85	0.2	Description	Own			3 rd Party			tCO2e	tCO2e/ha	tCO2e/tFFB	tCO2e	tCO2e/ha	tCO2e/tFFB	Land conversion	150135.21	15.47	0.76	0	0	0	CO2 emission from fertiliser	9948.35	1.03	0.05	0	0	0	N2O emission	8235.91	0.85	0.04	0	0	0	Fuel consumption	1378.6	0.14	0.01	0	0	0	Peat Oxidation	4742.53	0.49	0.02	0	0	0
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Clause	Indicators		Comply Yes/No	Findings						
				Crop sequestration	-88798.44	-9.19	-0.45	0	0	0
				Sequestration in conservation area	0	0	0	0	0	0
				Total	85642.16	8.79	0.43	0	0	0
				Palm oil mill effluent (POME) treatment:						
				Divert to compost		0				
				Divert to anaerobic digestion		100				
				POME diverted to anaerobic digestion:						
				Diverted to anaerobic pond		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 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	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	YES	A Social Impact Assessment report, May 2017 was made available during the audit titled 'Social Impact Assessment (SIA) Sungai Segamaha, Bukit Segamaha, G&G Estates and Sungai Segamaha Oil Palm Mill'. The assessment had covered all estates and mill in the CU. The report has covered on stakeholder mapping, wages and decent living wage, employment conditions, living conditions, health & safety in the workplace, public health & safety, respect for human rights, communication with management, and community relations.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	YES	As the estates and mill have no immediate neighbouring local communities, the assessment focused on the welfare of workers and estates employees and legality status of workers. The interviewed were conducted in Dec 2016 & Jan 2017. All records of meetings, consultation takes place during the SIA is incorporated in the report. List of the stakeholders consulted was also included in the report.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the	YES	Plans for mitigation of negative impacts have been established. A timetable with responsibilities for mitigation and monitoring was reviewed and updated accordingly. Specific person in charge (PIC) has been identified and be responsible for taking actions on each of the mitigation measures with specific time intervals. Stakeholders meeting were held by the CU to gather inputs during the the process of reviewing and updating the 'Management Plan

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Clause	Indicators	Comply Yes/No	Findings
improvement.			on SIA 2018'. The monitoring records were verified at all visited estates and mill.
	6.1.4	YES	The Segamaha CU will review the action plan 'Management on SIA 2018' by annually after Stakeholders Meeting in 2019.
	6.1.5	YES	There is no smallholder schemes related with 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	YES	The CU has established a procedure in order to comply with the requirement and it describe the procedures and mechanism to be taken should any stakeholders wish to communicate with the company on any issues concerning their interest.
	6.2.2	YES	Management officials responsible for handling of social issues have been identified. Appointment letters have been sighted during the audit.
	6.2.3	YES	List of stakeholders that may be relevant to the company's operation including local communities, local authorities and NGOs has been established and updated for year 2018 as verified at Sg. Segamaha Estate, G&G Estate, Bukit Segamaha Estate and Segamaha POM. As mentioned earlier, consultation with the stakeholders during the establishment of Social Action Plan was conducted. Evidence of participation of the stakeholders were available in signed attendance list as well as photographs showing evidence of the consultation that had took place. The minutes of the meeting of the consultation were also maintained.
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all	6.3.1	YES	The Segamaha CU maintained affirms that its dispute system is open to any affected parties. Relevant policy titled 'Polisi Pemberian Maklumat (Whistleblowing)' and procedures were available. In accordance with the procedure, the anonymity of complainants and whistleblowers will not reveal to third parties.
	6.3.2	YES	Complaints on housing and other services were usually entered into record form. The records include the name of the person who complained, his address, date, and type of service required. Visits to the line sites at Sg. Segamaha Estate, G&G Estate, Bukit Segamaha

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Clause	Indicators		Comply Yes/No	Findings
affected parties		Major Compliance		Estate and Segamaha POM confirm that actions were taken on the complaints made by the workers.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with thru a doc. Sys. that enables indigenous peoples, local communities & 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 (internal and external) complaints and grievances were kept within the grievance/request record book as well as in gender committee folder and workers union folder. Records of communication for workers and staff complaint at Segamaha CU has been reviewed and found out that the process of dispute was resolved in accordance with the established procedure titled 'Prosedur Penentuan Hak Pemilikan Tanah / Procedure in resolving land conflict'. The CU had also developed a SOP - Fair Compensation in order to handle any issues related with compensation.
	6.4.2	A procedure for calculating and distributing fair compensation shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance	YES	As mentioned in 6.4.1, the CU has established a procedure for calculating the compensation. The process and outcome of any compensation claims is documented and made publicly available.
	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	Based on interviews with head of village and villager representatives from nearby village, there was no issue raised on land dispute with Segamaha CU.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	YES	Pay slip for sprayer, harvester and nursery workers was verified by auditor. The wages has followed the Minimum Wages Order 2016 where they are paid at RM35.38 per day with a total of RM9.20 per month (minimum). Employee's pay slip for sprayer, harvester and nursery and the employment agreement were verified.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of	NO	The employment contract is in Bahasa for local and foreign workers. However, the pay slip is in English and its computations are quite complicated. The CU has explained the pay slip to the workers. Employment contract of foreign worker clearly stated the working hours,

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Clause	Indicators	Comply Yes/No	Findings
and are sufficient to provide decent living wages	employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance		employee provident fund (for local only), annual leave, medical benefits and sick leave, insurance scheme, retirement, and etc. During interviewing the local workers and foreign as mentioned in 6.5.1, they were understood the content of their contract of employment and pay slip statement. However, auditor has found that contract agreement for contractor's employees at Sg. Segamaha Estate did not stated in detail termination clause and period of notice. Thus, a Major NCR MRS 02/2018 was raised.
	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	Segamaha CU has provided adequate housing, water supplies, medical, educational and welfare amenities in accordance with the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). Children 6 years old and below were staying at Cre'che and CLC until their parent finish their job. Transportation was provided to send children 7 years old and above to the nearby Government schools – SK Paris. During the audit, it was found that inspection of linesite was not conducted on weekly basis at Segamaha POM. Thus, a Minor NCR MRS 03/2018 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	The CU has demonstrated effort to monitor once a year the adequacy, sufficient and affordable of food supply and price at the sundry shop within the estate. The CU maintained has agreement with inside shoppers and ensured price are publicly displayed at shops. Workers' access to adequate, sufficient and affordable food is via sundry shops available near the workers' housing. Prices at the sundry shops are adequately labelled. Workers interviewed informed that the prices in the estate shops are slightly higher than those in town, but the price difference is acceptable and not excessive.
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	6.6.1 A published statement in local languages recognising freedom of association shall be available. Major Compliance	YES	A policy titled as "Polisi Kebebasan Berpersatuan" dated in Jan 2011 was available in the CU. The policy was written in Bahasa and languages understood by the workers and displayed at the public places at all estates/mill. The policy included statements, among others, that the workers are allowed to join any registered organizations or associations.
	6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	YES	The CU continues to retain Workers Committee minutes of meetings. Sighted during audit.

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Clause	Indicators		Comply Yes/No	Findings
are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.				
C 6.7 Children are not employed or exploited.	6.7.1	There shall be documentary evidence that minimum age requirements are met. Major Compliance	YES	"Polisi Penggajian Pekerja Kanak-Kanak dan Had Umur Minima" dated in Jan 2011 was publicly available at the visited estates and mill. The policy statements emphasized on child under 18 years must not be employed to work in hazardous areas. This policy was posted on notice boards in the estates/mill office.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	YES	The 'Polisi Kesamarataan Hak' dated in Jan 2011 was publicly available in the estate and POM. The policy statements emphasized on worker information, recruitment and selection, training, employee development, terms of service and records of service. This policy was posted on notice boards in the estates/mill office.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	YES	There was a publicly available equal opportunities policy (Polisi Kesamarataan Hak) dated in Jan 2011 which states that the company is providing equal opportunity to all and does not practice discrimination based on race, caste, national, origin, disability, gender, sexual orientation, union membership, political affiliation, or age.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	YES	The job advertisements and records of hiring and promotion were reviewed during the audit. It was noted that the hiring and promotion are based on the skills, capabilities, qualities and medical fitness. This was confirmed by the employees who were interviewed during the audit.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	NO	A policy on sexual harassment dated in Jan 2011 was available, signed by the Plantation Director. The policy is also written in Bahasa and displayed at the notice boards within the estates and mill office. No evidence or acts that contradict this policy were observed. Based on Gender Committee Meeting minute at Sg. Segamaha, Segamaha Estate and Segamaha POM, it was noted that the committee did not discussed the following matters: training on women's rights; counselling for women affected by violence; child care facilities to be provided by the growers and millers; women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks; and women to be given specific break times to enable effective breastfeeding. Thus, a Major NCR MRS 04/2018 was raised.

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Clause	Indicators		Comply Yes/No	Findings
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	YES	The CU maintained its documented policy to protect. The CU also maintained implemented the policy through continued having meeting for reviewing of violation of reproductive right 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	The specific grievance mechanism is available in the CU. The chair of the Gender Committee at each operating units is responsible for handling and communicating issue to the management, if any. Management has directed chairman of gender committee to respects and protects anonymity and complainants where requested. The mechanism has been communicated to all levels of the workforce as verified by auditor during interview with the female workers. The Gender Committee was conducted meeting at least once a year.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	YES	The Segamaha POM has displayed monthly prices paid for FFB at weighbridge counter.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). Major Compliance	YES	Evident.
	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	Evident. The businesses have been providing their services for more than 10 years. They confirmed that the prices, the transactions entered with the mill and estates are fair and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	Based on interview with contractors from Segamaha POM, Sg Segamaha Estate, G&G Estate and Bukit Segamaha Estate, the audit team was informed that any payments to supplier and contractor were made in a timely manner.
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 CU continued to contribute to local development needs.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or	YES	There was no scheme smallholders involved with Segamaha CU.

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Clause	Indicators		Comply Yes/No	Findings
		resources have been allocated to improve smallholder productivity. Minor Compliance		
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance	YES	There was no trafficked labour were used. This was verified through foreign workers passport, contract agreements and work permit including interview with workers at visited estates and mill.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	There was no contract substitution occurred as stated in the 'Polisi Pekerja Buruh Asing' dated in April 2016 in Segamaha CU. All of them were aware of the types of work they would be doing before they arrived in Malaysia. The actual job undertaken was the same as what they were informed about while they were still in their home country. No contract substitution has therefore occurred.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	YES	A special labour policy for employment of foreign workers has been addressed in the social policy. The policy mentioned that foreign employees will be treated fairly in terms of recruitment, terms and conditions of work, provide decent living and no contract substitution.
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be doc 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 in Jan 2016. All visited sites has briefed this policy to all workforce as verified through briefing records and interview with staff and workers.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	YES	The Segamaha CU has provided Crèche, CLC and Humana for workers children. The teacher and teaching syllabus was provided and assisted by Humana Child Aid Society Sabah.

Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Segamaha CU 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, GOOGLE Maps, Estate Maps and also through site visit to all four estates. Based on the audit findings, it is confirmed that there were no new planting or new development of areas at Segamaha CU. Thus Principle 7 is not applicable.

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

Clause	Indicators	Comply Yes/No	Findings
<p>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.</p>	<p>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:</p>		
	<p>a) Reduction in use of pesticides (Criterion 4.6);</p>	<p>YES</p>	<p>All estates continued to manage pests, disease and weeds using appropriate IPM techniques. In order to minimize use of insecticides, the estate had established nurseries for beneficial plants mainly <i>Turnera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>. This was to establish continuity in the planting of beneficial plants, The estates were committed to reduce using chemicals and now have implemented and will continue to only spray Circles and noxious weeds. Soft weeds and <i>Nephrolepis bisserata</i> were maintained and encouraged in the inter rows. Where possible, Harvesters' paths were grass cut. This also suppresses growth of noxious weeds and thus reduce use of pesticides for selective weeding too. EFB was applied in single layers to prevent/suppress Rhinoceros Beetle from breeding.</p>
	<p>b) Environmental impacts (Criteria 4.3, 5.1 and 5.2);</p>	<p>YES</p>	<p>Segamaha CU had established its Environmental Management Programme to reduce impacts to the environment as identified in their Environmental Aspect Impact Register. Each of the site list out their environmental Objectives, Target, Action Plan and Monitoring, Proposed Completion date and Person In-Charge. The CU continued to comply with the management strategy in place for planting on slopes and to minimise and control erosion and degradation of soils. It was also observed that practices to minimise environmental impacts were also advocated through proper stacking of fronds, EFB application, avoidance of blanket spraying, planting of beneficial plant, barn owl program and reduce reliance on rat baits, road maintenance and maintenance of soft vegetation in interlines. In general, action plans to mitigate negative environmental impact and to conserve identified HCVs areas continued to be implemented.</p>
	<p>c) Waste reduction (Criterion 5.3);</p>	<p>YES</p>	<p>The CU had established its Waste Management and Reduction Plan to reduce waste that it had identified. At the respective estate visited the following were sighted evident:</p>

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Clause	Indicators	Comply Yes/No	Findings
			<ul style="list-style-type: none"> • EFB, decanter cake and pruned fronds continued reused for nutrient recycling in estate. • reuse of wastewater generated from pre-mixing and triple-rinsing. • empty agrochemical containers were disposed responsibly, and • the practice of 3R (Reduce, Reuse and Recycle) for office and household wastes (at line-site). • domestic wastes segregated for recycling. • organic wastes collected and land-filled. • scheduled wastes disposed according to applicable regulation. <p>Mill approach to waste reduction were as follows:</p> <ul style="list-style-type: none"> • effluent quality continued monitored, analyzed and discharge according to applicable regulation. • Fibre & shell were reused as fuel in the boiler. • scheduled wastes disposed according to applicable regulation. • The practice of 3R for office wastes.
	d) Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	<p>Pollution and GHG emission plans continued to be implemented. These included:</p> <ul style="list-style-type: none"> • monitoring of compliance to applicable requirements of black smoke and dust particulate emission from chimneys by mill. • Road grader, Compactor and Tractor Service Program and Road Maintenance Program to improve efficiency of usage of fossil fuels by estates. • reduce of fertilizer usage by estate via: <ul style="list-style-type: none"> (i) use as per dosage recommendation. (ii) fertilizer application calibration. (iii) use of fertilizer dosage (amount) control spreader. (vi) reuse of EFB and decanter cake. • Increase barn owl occupancy rate and reduce the rat bait usage <p>Records of implementation maintained available. Such examples of records were related to vehicles maintenance, diesel usage, CEMS, stack analysis, fertilizer usage, etc.</p>
	e) Social impacts (Criterion 6.1);	YES	<p>The Segamaha CU continues to implement the social action plan determined as of results of stakeholders consultation and meetings. Among the improvement made were shortened timeframe for payment to supplier, contractor and payment made by HQ, workers and staff salary following Minimum Wage Order, street and house lighting, court sports, children playground, workers' hall, vehicle to town, school & mosque, and recreational activities and etc.</p>
	f) Encourage optimising the yield of the supply base Major Compliance	YES	<p>All estates were committed to implement best agricultural practices, inclusive of</p> <ul style="list-style-type: none"> • timely and proper fertilizer, EFB & compost application; • maintain/conserves water by water management,

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Clause	Indicators	Comply Yes/No	Findings
			<ul style="list-style-type: none"> • improve on accessibility to maximise crop evacuation • reduce surface run off water to prevent leaching of fertilisers • improving extended harvesting interval

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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 TBP, the later CB shall accept the appropriateness of the TBP 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 6. 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	YES	No revision of time-bound plan.

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		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);		
4.5.4 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since 1 st January 2010 shall comply with the RSPO NPP. For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	YES	Verification through www.globalforestwatch.com , 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.
	(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.
	(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units.	YES	

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		<p>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"> • 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; 		<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&C and RSPO Partial Certification Requirements. Evidence of audit attendance list, audit checklist & report were made available to auditor as the supporting evidence. Verification through www.globalforestwatch.com , 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. Complaints were checked through RSPO website: https://www.rspo.org/members/status-of-complaints/ and no issue found. With this, it can be concluded that the positive assurance made was justified.</p>
		<ul style="list-style-type: none"> • Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team. 		
		<ul style="list-style-type: none"> • Desktop study e.g. web check on relevant complaints 		
		<ul style="list-style-type: none"> • If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements. 		
<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 these parties to assess whether land transfers and/or</p>		<p>No additional indicators</p>	<p>YES</p>	<p>Boustead owned the land 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 Segamaha BU.</p>

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land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.				
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Note:

1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&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; 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.

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Attachment 4

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

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
Indicator 2.1.1 MRS 01	Major	<p>1. The following estates permit undocumented migrant workers to enter or remain at any premises, in contravention with Section 55E Immigration Act):</p> <ul style="list-style-type: none"> a. Sungai Segamaha Estate b. G&G Estate c. Bukit Segamaha Estate <p>2. Segamaha POM has made deduction for Cash Advance and Welfare Fund as verified through payslip 'Monthly Pay Slip September 2018' without approval from Sabah Labour Department.</p>	<p><u>Bukit Segamaha Estate</u> Legalization processes were completed on 9/11/2018. Immediate action would be taken by estate management to ensure compliant of Immigration Act 1959 (Act 155) in future.</p> <p><u>Sungai Segamaha Estate</u> Legalization process were completed on 7/1/2019. Immediate action would be taken by estate management to ensure compliant of Immigration Act 1959 (Act 155) in future.</p> <p><u>G&G Estate</u> Legalization of undocumented estate foreign workers was already 50% completed and on 18th October 2018 estate already received and completed the passport and work permit as per attachment.</p> <p><u>Segamaha POM</u> Letter dated 19/10/2018 to the Jabatan Tenaga Kerja Kota Kinabatangan were provided. The letter then replied by JTK Kota Kinabatangan on 17/12/2018 stated that their application was approved.</p>	<p>1. Auditor has received evidence that Bukit Segamaha, Sungai Segamaha and G&G ('Estates') has sent the workers for legalization (Pemutihan) and the workers has received the documents.</p> <p>2. Auditor has received application letter dated 19/10/2018 and letter replied by JTK Kota Kinabatangan dated 17/12/2018 stated that the application was approved.</p> <p>Status: Closed</p>
Indicator 6.5.2 MRS 02	Major	<p>Contract agreement for employee did not stated in detail termination clause and period of notice. Auditor has found that contract agreement for contractor's employees at Sg. Segamaha Estate did not stated in detail termination clause and period of notice.</p>	<p>Contract agreement has been updated on 29/10/2018.</p>	<p>Auditor has received evidence copy of contract agreement.</p> <p>Status: Closed</p>
Indicator 6.5.3	Minor	<p>Linesite inspection was not conducted by weekly as per requirements Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446).</p>	<p>Segamaha POM has instructed the relevant personnel to conduct weekly linesite inspection. Inspection has been conducted on 19/10/2018, 25/10/2018</p>	<p>The corrective action accepted. The effectiveness of the corrective action will verify during next audit.</p>

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MRS 03		Inspection of linesite was not conducted by weekly at Segamaha POM. The linesite inspection was conducted on 10 Oct 2018, 25 Sept 2018 and 26 May 2018.	and 3/11/2018.	Status: Open
Indicator 6.9.1 MRS 04	Major	<p>Gender Committee Meeting did not discuss the matters that required as stated in the specific guidance.</p> <p>Based on Gender Committee Meeting minute at Bukit Segamaha Estate and Segamaha POM, the committee was not discussed the following matters:</p> <ol style="list-style-type: none"> 1. training on women's rights; 2. counselling for women affected by violence; 3. child care facilities to be provided by the growers and millers; 4. women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks; and 5. women to be given specific break times to enable effective breastfeeding. 	<p>Gender Committee has been conducted on 20/10/2018 and the following matters were discussed:</p> <ol style="list-style-type: none"> 1. training on women's rights; 2. counselling for women affected by violence; 3. child care facilities to be provided by the growers and millers; 4. women to be allowed to breastfeed up to nine months before resuming chemical spraying or usage tasks; and 5. women to be given specific break times to enable effective breastfeeding. 	<p>Auditor has received the copy of Gender Committee minute of Meeting dated 20/10/2018. The minute of meeting include attendance and "kadar penilaian" for the woman representative attended the meeting.</p> <p>Status: Closed</p>
Indicator 1.1.2 RAG 01	Major	Record of request from Department of Environment (DOE) related to new boiler and scrubber was not made available during the audit.	The contractor "Boilermech Sdn Bhd" has provided all the documentation request by the mill.	<p>Auditor has received the copy of the 'Application for approval to install one (1) unit 35,000 kg/hr Model: BMWT3525SAT Bi-Drum Water Tube Boiler, One (1) Unit Multicyclone Dust Collector, One (1) Unit Chimney (1.8m dia x 38.1 m height) and One (1) Unit Wet Scrubber System (SF-57) at Segamaha Palm Oil Mill, Lahad Datu, Sabah dated 22/3/2016.</p> <p>Auditor also has received copy of "Pemberitahuan Bertulis Punca Pencemaran Udara (Sistem KAwalan Pencemaran Udara Perangkap Habuk Empar) Di Bawah Peraturan 5, Peraturan-Peraturan Kualiti Alam Sekeliling (Udara Bersih) 2014 dated 22/3/2016.</p> <p>Status: Closed</p>

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Indicator 4.1.2 RAG 02	Minor	In consistent implementation of the effluent treatment procedure. Mill Operational Manual (issue 1 MOM) for Effluent treatment procedure, <ul style="list-style-type: none"> - ensuring all the sprinkler system in good condition (Sprinkle total no. 1362). - ensuring influent flowrate meter in good condition (faulty since May 2018). 	Segamaha POM currently in progress of installation all sprinkler system. Influent flowmeter already calibrated on 2/11/2018.	The corrective action accepted. The effectiveness of the corrective action will verify during next audit. Status: Open
Indicator 4.4.2 RAR 01	Major	Management did not maintain their buffer zone and prevent from any activities. During site visit at Sungai Segamaha Estate infringement of buffer zone was sighted near the replanting area and football field areas.	Action has been taken on 20/10/2018. Signboard and marking for buffer zone area has been installed. Estate management will continuously monitor this buffer zone area.	Auditor has received copy picture of signboard and marking for buffer zone. Status: Closed
Indicator 4.6.11 RAR 02	Major	1. Recommendation made by CHRA assessor was not complied. 2.Recommendation made by OHD on audiometry for standard threshold shift (retest in 3 month) was not complied <ul style="list-style-type: none"> • At LTTS Estate – personal air monitoring was not conducted for spraying and manuring activities • At G&G Estate - chemical exposure monitoring to monitored air contamination for workshop and manuring activity was not conducted. • At Segamaha Palm Oil Mill – audiometry test report 	<u>G&G</u> G&G – The assessments and monitoring was done by 3 rd party consultant. The chemical monitoring report should be submitted to estate within 1 month. The evidence for monitoring practiced as per printed emailed. <u>Segamaha POM</u> Summary of Audiometry Retest as per the attachment. <u>LTTS</u> NIOSH advised to carry out re-assessment of CHRA due to changes in type of chemical. CHRA has been conducted on 29/12/2018. The CHRA assessor recommend not to continue chemical exposure monitoring as the estate no longer used paraquat and the current measures are adequate.	<u>G&G</u> Auditor has received copy of email from third party stated that the personal chemical exposure monitoring has been done on 5/1/2019 and the report will be submitting to the estate within 1 month. <u>Segamaha POM</u> Auditor has received copy of 'Summary of Audiometry Retest' dated 13/10/2018. <u>LTTS</u> Auditor has received copy of the letter from third party consultant dated 15/1/2019. The letter stated that Chemical Exposure Monitoring not needed due to the estate no longer used paraquat and the current control measures are adequate. Status: Closed
Indicator 5.1.2 RAR 03	Minor	Waste management program / plan was not implement accordingly. <ul style="list-style-type: none"> • At Sg Segamaha Estate, oil spillage was sighted at parking tractor areas and chemical spillage at contractor store. • At LTT Estate, diesel spillage was sighted at nursery area (water pump) 	Estate was built concrete cement for parking tractor areas and provide tray for oil spillage and chemical spillage at contractor store. It was done 10/10/2018.	The corrective action accepted. The effectiveness of the corrective action will verify during next audit. Status: Open

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<p>Indicator 5.3.2 RAG/DA 01</p>	<p>Major</p>	<p>All chemicals and their containers shall be disposed of responsibly. According to Environmental Quality Act 1974, Environmental Quality (Scheduled Wastes) Regulations 2005, refer to Third Schedule (Regulation 10) Labelling Requirement for Scheduled Wastes and Seventh Schedule (Regulation 13) Information. G&G Estate:</p> <ul style="list-style-type: none"> ▪ No hazard signage on the waste containers and inaccurate date of waste generation for. SW 409, SW 410, SW 102 & SW 305 ▪ SW 409 was keep in the non-durable containers i.e. plastic bag. ▪ 7th schedule / waste information not available for SW 110, SW 102, SW 409, SW 410, SW 305 ▪ Interview with Store clerk revealed lack knowledge in handling of scheduled wastes <p>Bukit Segamaha estate:</p> <ul style="list-style-type: none"> ▪ 7th schedule / waste information not available for SW 110, SW 102, SW 409, SW 410, SW 305 ▪ Interview with store clerk revealed lack knowledge in handling of scheduled wastes 	<p>-Estate already attached the hazard signage sticker on each container with the date of waste generated accordingly. -Starting from October 2018, no more non-durable containers i.e. plastic bags were to be used to collect any waste containers. -The 7th schedule waste information already been made available for further references. -The training on handling of schedule waste for Store Clerk was done by competence person on 10hb October 2018.</p>	<p>Auditor has received photos for the hazard signage, 7th schedule waste information and training conducted on 10/10/2018. Status: Closed</p>
<p>Indicator 4.8.2 RAG/DA 02</p>	<p>Minor</p>	<p>Records of training for diesel gen set operator was not maintained. Sg. Segamaha & G&G Estate:</p> <ul style="list-style-type: none"> ▪ Training related to Gen Set operation, emergency response, safe operating procedures 	<p>The proper training was done by Estate Management on 5th November 2018. Evidence of the training was documented for proper reference.</p>	<p>The corrective action accepted. The effectiveness of the corrective action will verify during next audit. Status: Open</p>
<p>Indicator 4.7.2 RAG/DA 02</p>	<p>Major</p>	<p>Certain operation yet to be risk assessed. G&G Estate:</p> <ul style="list-style-type: none"> ▪ Certain construction activities at G&G Estate yet to be risk assessed and not updated in the HIRARC: <ol style="list-style-type: none"> i. Fertilizer Store ii. Creche iii. Shop House iv. General & Chemical Store v. Workshop vi. Clinic vii. Workers Quarters (18 doors) 	<p>The HIRARC for the construction works mentioned has been updated accordingly on 8th October 2018.</p>	<p>Auditor has received copy of HIRARC dated 8/10/2018. Status: Closed</p>

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<p>Indicator 2.1.2 MAR 01</p>	<p>Minor</p>	<p>Not all written information on legal requirements have been maintained. Segamaha POM, Bukit Segamaha and Sungai Segamaha does not have listed Employment Insurance System Act 2017 in legal register.</p>	<p>Employment Insurance System Act 2017 has been updated in the Legal Register on 9/11/2018 for Segamaha POM, Bukit Segamaha and Segamaha Estates. Action would be taken by management to ensure legal requirement being updated and maintained in the future.</p>	<p>The corrective action accepted. The effectiveness of the corrective action will verify during next audit. Status: Open</p>
<p>Indicator 5.3.1 SKA 01</p>	<p>Major (Supply Chain)</p>	<p>The procedures and/or work instruction related to the implementation of the RSPO Supply Chain Certification Standard within the organization have not fully captured the standard requirements. RSPO Supply Chain (SCC) Procedures Issue 1 July 2016 rev 4 (March 2018) sighting old/obsolete standard (2014 revision).</p>	<p>Boustead Plantation through Sustainability Unit has revised the RSPO Supply Chain (SCC) Standard (Revision October 2018). The new update standard has been implemented to all mill level. Memo has been sent to person in charge of the documents to be more vigilant on changes to the standards.</p>	<p>Auditor has received copy of RSPO Supply Chain Certification Procedures (revised) dated October 2018. Status: Closed</p>
<p>Indicator 5.3.2 SKA 02</p>	<p>Major (Supply Chain)</p>	<p>The organization has not fully cover the RSPO Supply Chain Certification Standard requirements during the conduct of internal audit. Internal audit conducted on March 2018 was based on RSPO Supply Chain Certification Standard, 2014 revision and the audit did not cover module requirement specific to the site – Module E: CPO Mills: Mass Balance.</p>	<p>Mill supply chain has been re-audited using the new updated standard on 3/10/2018.</p>	<p>Auditor has received copy of Internal Audit report dated 3/10/2018. Status: Closed</p>

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Attachment 5

RSPO SUPPLY CHAIN : AUDIT CHECKLIST

SECTION A : GENERAL INFORMATION

1. File Reference No.	: EB02930002
2. Name of facility/ site(s) /entity(ies)	: Boustead Rimba Nilai Sdn Bhd, Segamaha Business Unit
3. Site Location (single site/multisite/Group)	: P.O Box 60856, 91117 Lahad Datu, Sabah
4. SC model	: Mass Balance
5. Type of entity	: Palm Oil Mill
6. RSPO Member Number	: 1-0012-04-000-00
7. Annual summary records of certified oil palm products purchased and claimed	: No transaction – Stage 2

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

	Requirements	Remarks																		
	Audit Process Requirements – FOR STAGE 2 / RECERTIFICATION AUDIT																			
5.3.8	The certification audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization seeking or holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.	<p>The organizational systems, the management systems and the operational systems, including any documented policies and procedures of Segamaha Palm Oil Mill (hereafter refer as SPOM) are sufficient and adequate in complying with latest revision of RSPO Supply Chain Certification Standard.</p> <p>The manual covers;</p> <table border="1"> <tr> <td>1.0 Introduction</td> <td>10.0 Product Claims</td> </tr> <tr> <td>2.0 Objective</td> <td>11.0 Outsourced Contractor</td> </tr> <tr> <td>3.0 Scope</td> <td>12.0 Training</td> </tr> <tr> <td>4.0 Responsibilities</td> <td>13.0 Management Review & Audit</td> </tr> <tr> <td>5.0 Control of Documents</td> <td>14.0 Reclassification of Mill's Supply Chain Model</td> </tr> <tr> <td>6.0 Delivery of FFB from Estate (FFB)</td> <td>15.0 Production Volume</td> </tr> <tr> <td>7.0 Receiving FFB at the Mill</td> <td>16.0 Definitions</td> </tr> <tr> <td>8.0 Process Monitoring</td> <td>17.0 List of Appendix</td> </tr> <tr> <td>9.0 CPO & PK Dispatch</td> <td></td> </tr> </table>	1.0 Introduction	10.0 Product Claims	2.0 Objective	11.0 Outsourced Contractor	3.0 Scope	12.0 Training	4.0 Responsibilities	13.0 Management Review & Audit	5.0 Control of Documents	14.0 Reclassification of Mill's Supply Chain Model	6.0 Delivery of FFB from Estate (FFB)	15.0 Production Volume	7.0 Receiving FFB at the Mill	16.0 Definitions	8.0 Process Monitoring	17.0 List of Appendix	9.0 CPO & PK Dispatch	
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3.0 Scope	12.0 Training																			
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9.0 CPO & PK Dispatch																				

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	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>	Not Applicable														

SECTION B : GENERAL CHAIN OF CUSTODY REQUIREMENTS FOR THE SUPPLY CHAIN

	Requirements	Remarks
1	Applicability of the general chain of custody requirements for the supply chain	
1.1	Organization takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.	Segamaha POM (hereafter refer as SPOM) shall takes legal ownership and physically handles RSPO Certified Sustainable oil palm products (certified FFB, CSPO, CSPK) at following location – P.O Box 60856, 91117 Lahad Datu, Sabah
1.2	Traders and distributors require a licence obtained from RSPO to sell RSPO certified product but do not themselves require certification. When selling RSPO certified product a licensed trader and/or distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.	Not Applicable
1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform	RSPO membership no. 1-0012-04-00-00 through RSPO website

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1.4	Processing aids do not need to be included within an organization's scope of certification.	Not Applicable										
2	Supply chain model											
2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	<p>SPOM obtained certified FFB from own certified supply base (as listed below) as well as external crop. Below is list of suppliers (internal 70% and external 30%) maintained by SPOM – reference Appendix C for external supplier list.</p> <p>List of certified supply base; - Ladang Tabung Tentera Estate (certified)</p> <p>Future certified supplier under same BU; - Sungai Segamaha Estate - Bukit Segamaha Estate - G&G Estate</p> <p>Appendix C (external supplier list)</p> <table style="width: 100%; border: none;"> <tr> <td>- Tobe Property Sdn Bhd</td> <td>- Pertanian Selangor (Ldg. PKPS Irat)</td> </tr> <tr> <td>- Tawau Cacao Imports & Exports</td> <td>- Tan Chok Peng</td> </tr> <tr> <td>- Hektar Pujian</td> <td>- Tang Leong Kee</td> </tr> <tr> <td>- Pasir Citra</td> <td>- Magna Jadi Sdn Bhd</td> </tr> <tr> <td>- Granded Sdn Bhd</td> <td>- Chong Shu Min</td> </tr> </table>	- Tobe Property Sdn Bhd	- Pertanian Selangor (Ldg. PKPS Irat)	- Tawau Cacao Imports & Exports	- Tan Chok Peng	- Hektar Pujian	- Tang Leong Kee	- Pasir Citra	- Magna Jadi Sdn Bhd	- Granded Sdn Bhd	- Chong Shu Min
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2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	SPOM only apply model E - CPO Mills: Mass Balance										
3	Documented procedures											
3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:	-										
a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	<p>Also refer to Mill Operational Manual, Issue 1 (January 2018)</p> <p>Consist of</p> <ol style="list-style-type: none"> a. Machinery Layout b. Schematic Flow Diagram c. Quality Plan d. Station SOP <table style="width: 100%; border: none;"> <tr> <td>- Reception station</td> <td>- Fruit handling</td> </tr> <tr> <td>- Sterilization station</td> <td>- Threshing station</td> </tr> <tr> <td>- Pressing station</td> <td>- Depericarping station</td> </tr> </table> 	- Reception station	- Fruit handling	- Sterilization station	- Threshing station	- Pressing station	- Depericarping station				
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		<ul style="list-style-type: none"> - Nut cracking & kernel station - Clarification station - Boiler house - Engine room - Effluent treatment - Laboratory & laboratory test methods - Raw water treatment - Mill stores - Security - Process check sheets & work instructions
b)	Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).	<p>Among record sighted are as followed (sample of non- certified paper works) and found that they were in compliance with the standard requirements except for description of product, applicable supply chain model and RSPO cert no. and;</p> <ul style="list-style-type: none"> FFB delivery/ consignment note WB advice ticket FFB grading chit Daily FFB, CPO & PK production Daily FFB received Daily production report Mass Balancing Record for Oil Mills
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.	<p>Appointment letter dated January 2018 were referred and found adequate. Consisting of following personnel (refer para 5.3.8 of this checklist);</p>
3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <ul style="list-style-type: none"> 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. <p>Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management review at least annually. The organization shall be able to maintain the internal audit records and reports.</p>	<p>SPOM refer to Internal Audit SOP Issue 1 (July 2016)</p> <p>The procedure sighted found adequate and listed the following reference/ appendix</p> <ul style="list-style-type: none"> - audit schedule - non- conformance report - internalaudit - audit notes - observations for improvements (OFI) notes - audit summary report - audit programme <p>Internal audit conducted in March 2018, done by HQ personnel (Visiting Engineer & Mill Manager) based on 2014 Standard Revision. Coverage of audit was found to insufficient due to not covering the applicable supply chain module - Module E CPO Mills: MB.</p> <p>No OFI or NCR issued during the audit.</p>
4	Purchasing and goods in	

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4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment / delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number. <p>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</p>	All relevant detail included except for applicable supply chain and certificate no.
a)	The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).	To demonstrate that purchases are made to the material category agreed with their supplier, SPOM will ensure consignment note from supplying estates being marked/ stamped accordingly to indicate the RSPO certified status.
b)	The site ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcement and Shipping Confirmation on the RSPO IT platform on the level of each shipment.	For certified CPO & PK produced, SPOM update their stock in Palm Trace (done by Marketing Department).
c)	A check of the validity of the Supply Chain Certification of suppliers for all sites that are SC certified. This shall be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements.	For their future verification, internal certified supplier will be of under same certification. Whereas for external certified supplier (if any), the relevant paperwork will be checked during material receiving at mill to ensure relevant detail presented accordingly. Ms. Rohani (document controller) will keep a copy of supplier certificate for reference. SPOM shall use the RSPO IT Platform accordingly as they are one of the main supply chain actor – refer para 7 of this checklist.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	As describe under para 7.4 of RSPO SCC Procedures, it was noted that any non-conforming incoming documents shall be handled accordingly and upon satisfactory verification, the material shall be release with approval/ authorization from Mill Manager or Assistant Engineer.

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5	Outsourcing activities	
5.1	<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard.</p> <p><i>This requirement should not apply to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the organization (not the tank farm manager).</i></p>	SPOM outsource transportation of certified product. List of Contractors for Transportation, Storage, Processing etc. available.
5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <ul style="list-style-type: none"> a) The site has legal ownership of all input material to be included in outsourced processes; b) The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The responsibility is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary. c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. 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. 	The agreement sighted found adequate and complying with the standard requirements.
5.3	The site shall record the names and contact details of all contractors used for the processing or production of RSPO certified materials.	Not Applicable
5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or production of RSPO certified materials.	Not Applicable

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6	Sales and goods out	
6.1	<p>The organization shall ensure that the following minimum information for RSPO certified products is made available in document form. Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ul style="list-style-type: none"> • The name and address of the buyer; • The name and address of the seller; • The loading or delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number; • A unique identification number. 	<p>The requirement of sales & goods out especially on notation of SC model applied & SC cert no complied by indicating in weighbridge dispatch ticket</p>
7	Registration of transactions	
7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> • are supply chain actors between the mill and final refinery; • take legal ownership and physically handle RSPO Certified Sustainable oil palm products; and • are part of the supply chain of RSPO Certified Sustainable oil palm products <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>	<p>Marketing personnel updated the RSPO IT platform system on monthly basis as requested by buyer.</p> <p>Marketing department updated the system based on input provided by SPOM (e.g of input Projected & Actual FFB Processed template, Mass Balancing Records for Oil Mills (3 monthly), daily production summary report, monthly production summary report etc.)</p>
8	Training	
8.1	<p>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.</p>	<p>Mill Annual Master Programme FY 2018 had been established & being reviewed accordingly by the Management. The training record was well maintained.</p>
8.2	<p>Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation</p>	<p>Last training conducted on 21/02/2018; Trainer - previous Mill Manager</p>

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	of the supply chain certification system. Training shall be specific and relevant to the task(s) performed.	Trainee - Critical Control Points (CCP) personnel identified – weighbridge clerk, general clerk, office clerk, FFB grader, auxiliary police (AP), laboratory, general worker (document controller). Training focus on relevant MB procedures and record. Training material was found to be adequate in addressing the standard requirements.
9	Record keeping	
9.1	The site shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirements.	The relevant record pertaining to RSPO SCCS within SPOM will be updated accordingly and be made easily accessible during the audit.
9.2	Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	Relevant record pertaining to implementation of RSPO SCCS within SPOM shall be retained for more than 2 years (7 years).
9.3	The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	SPOM had established format/ reporting template to monitor the volume of their purchased (input) and claimed (output) over a period of twelve (12) months.
10	Conversion factors	
5.10.1	Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website (www.rsपो.org). This is in particular relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries. The guidance document for oleochemicals is available on the RSPO website (www.rsपो.org).	SPOM process all the received certified crop & their processing output will be based on their actual Oil Extraction Rate (OER) & Kernel Extraction Rate (KER). These figures were monitored on daily & monthly basis by the mill using the prepared template to ensure their accuracy as well as monitoring of their ongoing performance.
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	
11	Claims	
11.1	The site shall only make claims regarding the use of or support of	Relevant information on product claim (including applicable SC model and certificate no.)

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	RSPO certified oil palm products that are in compliance with the RSPO rules on communications and claims.	shall be correctly indicated in the relevant outgoing paperwork (e.g. sales contract). SPOM did not planned to use of RSPO trademark logo.
12	Complaints	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Refer Consultation and Communication Procedure dated July 2017 as well as Stakeholder Engagement/ Negotiation dated March 2017. Refer 'Carta Aliran Aduan/ Pendapat' using Borang Aduan/ Pendapat Pekerja Kilang, Ladang, Orang Awam dan Lain-lain.
13	Management review	
13.1	The organization is required to hold management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	Management review planned once annually. Last conducted in March 2018
13.2	The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO SCCS • Customer feedback • Status of preventive and corrective actions • Follow-up actions from management reviews • Changes that could affect the management system • Recommendations for improvement 	Management review meeting minute had been established. Coverage of review meeting found sufficient, input and output discussed had listed the item as required by the standard.
13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes • Resource needs 	

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SECTION C : SUPPY CHAIN MODELS (to only use whichever is applicable)

Module E – CPO Mills: Mass Balance		
E.1 E.1.1	<p>Defination To verify :</p> <p>a) the volume of certified and uncertified FFB entering the mill b) the volume sales of RSPO certified</p> <p>The claim only the volume of oil palm products produced from processing of the certified FFB as MB</p>	<p>SPOM has yet to purchase and sell RSPO certified material.</p> <p>SPOM had established format/ reporting template (daily/ monthly basis) to monitor the volume of their input and output, for both certified and uncertified. These figures will later be consolidated to product the annual report.</p>
E 2 E..2.1	<p>Explanation Estimate total tonnage of CPO and PK potentially produce in a year</p>	<p>Based on their 2017 data, the total tonnage of CPO and PK potentially produced in a year are as followed;</p> <p>FFB received – 193,900mt FFB processed – 193,900mt (certified FFB – 137,474mt) Average OER – 21% Average KER – 4% CPO certified – 27,494.80mt PK certified – 6,190.00mt</p>
E. 2 E 2.2	<p>Explanation The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim.</p>	<p>As highlighted under para 7 of this checklist (Supply Chain part), Marketing personnel updated the RSPO IT platform system on monthly basis as requested by buyer.</p> <p>Marketing department updated the system based on input provided by SPOM (e.g. of input Projected & Actual FFB Processed template, Mass Balancing Records for Oil Mills (3 monthly), daily production summary report, monthly production summary report etc.)</p>

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E.3	Documented procedures	
E.3.1	<p>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:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.</p>	As provided in checklist above.
E.3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	As described above, SPOM refer to their normal Mill Operational Manual.
E.4	Purchasing and goods in	
E.4.1	The site shall verify and document the volumes of certified and non-certified FFBs received.	SPOM had established format/ reporting template to monitor the volume of their purchased (input) and claimed (output), which being monitored on daily & monthly basis.
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	Not Applicable. However, the relevant person in charge of SPOM was aware that any future over-production of certified tonnage shall be notified to CB for further action.
E.5	Record keeping	
E.5.1	<p>a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and/or three-monthly basis.</p> <p>b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short (i.e.</p>	Not Applicable. However, the relevant person in charge was aware of the requirements with regards to their record keeping which will be monitored using their Mass Balancing Record for Oil Mills.

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product can be sold before it is in stock.)

For further details refer to Module C.

Module D – CPO Mills: Identity Preserved – Not Applicable

Annex 2 – Book & Claim (BC) – Not Applicable

Annex 3 – RSPO Rules on Communications and Claims – Not Applicable

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Attachment 6

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 th 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