



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

File Ref. : ES11320002

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : WILMAR INTERNATIONAL LIMITED – SAREMAS 2 CERTIFICATION UNIT**

**PARENT COMPANY : WILMAR INTERNATIONAL LIMITED**

**RSPO MEMBERSHIP No.: 2-0017-05-000-00**

**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	
Saremas 2	Saremas 2 Palm Oil Mill	3° 26' 57.745"N	113 °45'59.689"E	18 KM 115, Bintulu-Miri Road 97008 Bintulu, Sarawak
	Saremas 2 Estate	3° 29' 20.648"N	113 °47'7.123"E	18 KM off KM 115, Bintulu-Miri Road 97008 Bintulu, Sarawak
	Segarmas Plantation	3° 28' 10.529"N	113 °48'12.845"E	18 KM off KM 115, Bintulu-Miri Road 97008 Bintulu, Sarawak
	Kaminsky Plantation	3° 24' 29.734"N	113 °45'22.572"E	18 KM off KM 115, Bintulu-Miri Road, 97008 Bintulu, Sarawak

**MAP :** See Attachment 1

**AUDIT DATE :** 08-12 April 2019

**DURATION :** 18 auditor days

**TYPE OF AUDIT :**  Annual Surveillance Audit 04  Recertification Audit

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

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

**VALIDITY OF RSPO CERTIFICATE :** 14/6/2015 – 13/6/2020

**The following attachments form part of this report:**

Non-conformity Report(s)

List of additional site(s)

**Report by Audit Team Leader**

**Acknowledgement by Client's Representative**

Name : ROZAIMEE BIN AB RAHMAN

Name : Foo Siew Theng

Signature :

Signature :

Date : 16/07/2019

Date : 23 July 2019

## RSPO PUBLIC SUMMARY REPORT

### SUMMARY OF AUDITS

Recertification audit					
On-site audit date	:	21-24/4/2015 and 28/4/2015	No. of auditor days	: 15	
Audit team	:	Mohd Hafiz Mat Hussain, Khairul Najwan Ahmad Jahari, Valence Shem, Mohd Razman Salim & Ismail Ibrahim			
No. of major NCR	:	4	Indicator: 4.1.1, 5.1.1, 6.5.3, 6.12.3	Closing date : 24/5/2015	
No. of minor NCR	:	5	Indicator : 1.3.1, 2.1.3, 5.4.1, 6.8.3, 6.9.3		
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		√	-	√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		√	-	-	-
	Indigenous people	Contractor	Others (Please specify)		
	-	√	-	-	
Supply base sampled	:	Segarmas Estate, Saremas 2 Estate			

Annual Surveillance Audit 1					
On-site audit date	:	16 <sup>th</sup> – 20 <sup>th</sup> /5/2016	No. of auditor days	: 15	
Audit team	:	Mohd Razman Salim, Mohd Zulfakar Kamaruzaman, Mohd Norddin Abd Jalil, Zulkefli Haron			
No. of major NCR	:	1	Indicator: 4.1.1	Closing date : 18/7/2016	
No. of minor NCR	:	2	Indicator : 4.1.2, 5.3.3		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		√	-	√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		√	-	-	-
	Indigenous people	Contractor	Others (Please specify)		
	-	√	√	-	
Supply base sampled	:	Segarmas Estate & Kaminsky Estate			
Changes since the last audit	:	The land area in Saremas 2 Estate has been increased to 4,365.04 ha due to realignment of the division within the estates (i.e. some area in Division D, which is under the Saremas CU 1 has been included in Division B).			

Annual Surveillance Audit 2					
On-site audit date	:	10 – 13/4/2017	No. of auditor days	: 16 Auditor days	
Audit team	:	Mohd Zulfakar Kamaruzaman, Rozaimie Ab Rahman, Khairul Najwan Ahmad Jahari, Selvasingam T. Kandiah, Zulkarnain Abdullah.			
No. of major NCR	:	4	Indicator: 2.1.1, 4.3.4, 5.3.1, 6.1.3	Closing date : 12/6/2017	
No. of minor NCR	:	3	Indicator : 4.1.2, 4.8.2, 5.2.4		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		X	-	X	X
		Contract workers	NGOs	Govt. agency	Independent growers
		X	-	-	-
	Indigenous people	Contractor	Others (Please specify)		
	-	X	-	-	
Supply base sampled	:	Saremas 2 Estate & Kaminsky Estate			
Changes since the last audit	:	Saremas 2 Division D which was previously under the Saremas 1 CU, has been included back into the Saremas 2 CU due to realignment of the division within the estates. This has resulted in an increase of the certified area.			

## RSPO PUBLIC SUMMARY REPORT

Annual Surveillance Audit 3			
On-site audit date :	3-6/4/2018	No. of auditor days :	16 Days
Audit team :	Rozaimée Ab Rahman, Mohd Razman Salim, Amir Bahari, Selvasingam T Kandiah, Mohd Zulfakar Kamaruzaman		
No. of major NCR :	4	4.1.2, 4.7.2, 4.7.3, 4.8.2 (upgrade)	Closing date : 2/7/2018
No. of minor NCR :	1	4.6.4	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers / Local communities
	√		√
	Contract workers	NGOs	Govt. agency
		√	
	Indigenous people	Contractor	Others (Please specify)
	√	√	
Supply base sampled :	Saremas 2 Palm Oil Mill, Saremas 2 Estate, Segarmas Estate		
Justification of audit planning	Total allocation of audit man day for Saremas 2 CU were: <ul style="list-style-type: none"> <li>Saremas 2 Estate = 6 auditor days, monitoring on critical areas such as (HCV areas, buffer zone areas, boundary forest reserve, neighbouring villagers, stakeholder, etc.) verified safety and health, environment, good agriculture best practices, GHG verification, etc</li> <li>Segarmas Estate = 6 auditor days, monitoring on critical areas such as (HCV areas, buffer zone areas, boundary forest reserve, neighbouring villagers, stakeholder, etc.) verified safety and health, environment, good agriculture best practices, GHG verification, etc</li> <li>Saremas 2 POM = 4 auditor days, for safety and health, environment, mill best practices, GHG verification, etc) + (1 day for supply chain certification systems)</li> </ul>		
Changes since the last audit :	No significant changes during last assessment		
Report approved by :	Radziah Mohd Daud	Approval date : 12/7/2018	

Annual Surveillance Audit 4			
On-site audit date :	8-12/04/2019	No. of auditor days :	18
Audit team :	Rozaimée Ab Rahman, Rahayu Zulkifli, Amir Bahari, Selvasingam T Kandiah, Mohd Zulfakar Kamaruzaman, Mohd Basri Hamzah (TE)		
No. of major NCR :	3	Indicator: 2.1.1, 4.1.1, 6.1.3	Closing date : 9/07/2019
No. of minor NCR :	5	Indicator : 4.1.3, 5.1.2, 6.2.3, 6.5.3, 4.5.4 (RSPO Certification system)	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers / Local communities
	√		√
	Contract workers	NGOs	Govt. agency
		√	√
	Indigenous people	Contractors	Others (Please specify)
	√	√	
Supply base sampled :	Saremas 2 Palm Oil Mill, Saremas 2 Estate, Segarmas Estate, & Kaminsky Estate		
Justification of audit planning	Total allocation of audit man day for Saremas 2 CU were: <ul style="list-style-type: none"> <li>Saremas 2 Estate = 5 auditor days, monitoring on critical areas such as (HCV areas, buffer zone areas, boundary forest reserve, neighbouring villagers, stakeholder, etc.) verified safety and health, environment, good agriculture best practices, GHG verification, etc</li> <li>Segarmas Estate = 4 auditor days, monitoring on critical areas such as (HCV areas, buffer zone areas, boundary forest reserve, neighbouring villagers, stakeholder, etc.) verified safety and health, environment, good agriculture best practices, GHG verification, etc</li> <li>Saremas 2 POM = 5 auditor days, for safety and health, environment, mill best practices, GHG verification, etc) + (1 day for supply chain certification systems)</li> <li>Kaminsky Estate = 4 auditor days, monitoring on critical areas such as (HCV areas, buffer zone areas, boundary forest reserve, neighbouring villagers, stakeholder, etc.) verified safety and health, environment, good agriculture best</li> </ul>		

## RSPO PUBLIC SUMMARY REPORT

	practices, GHG verification, etc	
Changes since the last audit :	Refer to Table 1 below for updates.	
Report approved by :	Radziah Mohd Daud	Approval date : 16/07/2019

## RSPO PUBLIC SUMMARY REPORT

### SUMMARY OF INFORMATION

**TABLE 1**

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
<b>Projection Period</b>		May 2016 – April 2017	April 2017 – March 2018	April 2018 – March 2019	March 2019 – February 2020
<b>Certified FFB Processed (MT)</b>		175,300.00	191,190.06	167,953.44	136,435.06
<b>Production of Certified CPO (MT)</b>		37,690.00	36,210.31	36,762.94	29,912.84
<b>Production of Certified PK (MT)</b>		8,765.00	7,844.40	7,762.87	6,386.28
<b>Certified Areas (Ha)</b>		13,080.04	*14,834.92	14,834.92	14,834.92
<b>Planted Area (Ha) (Mature + Immature)</b>		9,882.68	*10,926.08	10,926.08	***11,075.18
<b>Production Area (Ha) (Planted – Immature)</b>		No information provided	8,554.88	8,554.88	***7,527.65
<b>HCV Areas</b>		1,104.36	*1,297.23	**1,379.71	1,379.71
<b>REMARKS</b>	<p>*Increased of the total certified and HCV area were due to Saremas 2 Division D (which was previously under Saremas 1 CU) was now included into Saremas 2 CU. Another reason was the resurvey of the estate area carried out by the certified surveyor.</p> <p>**The increase of total HCV areas (riparian zone) were due to massive resurvey conducted at Saremas 2 CU.</p> <p>***Increased in planted area related to resurvey at replanting areas (92.42 ha) and Leguminase Cover Crop (LCC) planting area (56.68 ha).</p>				

**TABLE 2**

	PO	PK
<b>Last years certified volume (MT)</b>	36,762.94	7,762.87
<b>Last years actual certified sold (MT)</b>	18,978.86	6,882.20
<b>Last years actual sold under other schemes (MT)</b>	13,573.80	0.00
<b>Last years sold conventional (MT)</b>	0.00	0.00
<b>New year certified volume (MT)</b>	29,912.84	6,386.28

<b>Table of contents</b>		<b>Page</b>
1.0	AUDIT PROCESS	7
	1.1 Certification body	7
	1.2 Qualification of audit team	7
	1.3 Audit methodology	7
	1.4 Stakeholder Consultation	8
	1.5 Audit plan	8
	1.6 Date of next audit	8
2.0	SCOPE OF CERTIFICATION AUDIT	8
	2.1 Description of the certification unit	8
	2.2 Description of the Supply Base (including planting profile)	8
	2.3 Organization Information / Contact Person(s)	10
3.0	AUDIT FINDINGS	11
	3.1 Changes to certified products in accordance to the production of the previous year	11
	3.2 Time bound plans including changes and reasons for the changes see below	11
	3.3. Overall comment in terms of acceptance or non-acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)	11
	3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included , by the mill, are audited within 3 years from when their fruit was first included in the mill certification.	11
	3.5 Any new acquisition which has replaced primary forests or HCV areas	11
	3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	11
	3.7 Status of previous non-conformities * (refer to Attachment 6)	11
	3.8 Complaint received from stakeholder (if any)	11
4.0	DETAILS OF NON-CONFORMITY REPORT	12
	4.1 For P&C (Details checklist refer to Attachment 3)	12
	4.2 For SC (Details checklist refer to Attachment 5)	12
5.0	AUDIT CONCLUSION	12
6.0	RECOMMENDATION	12
 List of Attachment		
	Attachment 1 : Map of Saremas 2 CU	13
	Attachment 2 : RSPO Surveillance Audit Plan	14
	Attachment 3 RSPO P&C Audit Checklist And Findings	21
	Attachment 4 : Details of Non-conformities and Corrective Actions Taken	52
	Attachment 5 RSPO Supply Chain at Saremas 2 Palm Oil Mill – Identity Preserved model –Module D	56
	Attachment 6 : Status of Non-conformities Previously Identified	67
	Attachment 7 : Timebound Plan	69

## RSPO PUBLIC SUMMARY REPORT

### 1.0 AUDIT PROCESS

#### 1.1 Certification Body

SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally 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
Rozaimée Ab Rahman	Lead Auditor / Environment and Health & Safety related to plantation and milling operations	Holds a B.Sc. (Hons) in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation.
Mohd Zulfakar Kamaruzaman	Auditor / RSPO Supply chain	Holds a B.Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operation.
Selvasingam T Kandiah	Auditor / Good Agricultural Practices (GAP)	Holds a B.Sc. (Hons) in Agriculture. He has worked as a planter with Kumpulan Guthrie Berhad for more than 10 years including one year in Liberia and 2 years in the Estate Department in Kumpulan Guthrie Headquarters.
Rahayu Zulkifli	Auditor / Social / HCV	Holds a Degree in LLB (Hon), she was a practicing lawyer before joining WWF-Malaysia and RSPO as a Dispute Settlement Facility Manager. She is now working as a freelance RSPO auditor
Amir Bahari	Auditor / good agriculture practices and safety related to estate operation	Holds a B.Sc. (Hons) in Chemistry from Universiti Sains Malaysia and has served the plantations industry for 30 years. He has been involved in ISO 9001, ISO 14001 and EMS OHSAS 18001 implementation during the tenure of service.
Prof Mohd Basri Hamzah	Technical Expert HCV	Holds a M.Sc. and B.Sc. in Forestry from Australian National University and B.Sc. in Botany from University of Western Australia with years of experience in HCV education and fieldwork.

#### 1.3 Audit methodology

The audit covered the Saremas 2 palm oil mill and three of its supply base. The sampling of the number of the supply base was using the formula of  $0.8\sqrt{y}$ . The three-supply base covered during the audit were Saremas 2, Kaminsky Estate and Segarmas Estate. The audit included on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU management, relevant settlers, employees, contractors and other relevant stakeholders conducted during the audit.

## RSPO PUBLIC SUMMARY REPORT

### 1.4 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the the SIRIM QAS International's websites. There was no comment received for this CU.

### 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 Saremas 2 certification unit (CU) is under the Saremas Sdn. Bhd. (SSB), a wholly owned subsidiary of PPB Oil Palms Berhad (PPB Oil Palms). The CU comprises of Saremas 2 Palm Oil Mill, and three of its supply base, which are Saremas 2 Estate, Segarmas Plantation and Kaminsky Plantation. This CU certified to RSPO P&C since 14 June 2010. The Palm Oil Mill commenced its operations in 2000 with processing capacity of 45 MT of FFBs per hour.

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

The FFB sourced from company owned estates that were certified. Details of the FFB contribution from each source to the Saremas 2 Palm Oil Mill are shown in the following tables:

Table 1: Actual FFB production by the supply base for the period from March 2018 to February 2019

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Saremas 1	2,250.25	1.54	SIRIM
Saremas 2	64,224.41	43.97	SIRIM
Segarmas	23,631.28	16.18	SIRIM
Kaminsky	55,965.94	38.31	SIRIM
<b>Total</b>	<b>146,071.88</b>	<b>100.00</b>	

Table 2: Projected FFB production by the supply base for the next reporting period March 2019 – February 2020

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Saremas 2	67,808.33	49.70	SIRIM
Segarmas	18,433.40	13.51	SIRIM
Kaminsky	50,193.33	36.79	SIRIM
<b>Grand Total</b>	<b>136,435.06</b>	<b>100%</b>	



## RSPO PUBLIC SUMMARY REPORT

**Table 3: Actual FFB received and CPO & PK dispatch by the Saremas 2 POM for the last reporting period  
March 2018 to February 2019**

RSPO Supply Chain Model : Identity Preserved	Total (MT)
FFB Received	146,071.88
FFB Processed	146,071.88
CPO Production	32,459.11
PK Production	6,846.62
CPO delivered as RSPO certified; As at 1 March 2018	93.55
CPO delivered as RSPO certified	18,885.31
CPO delivered under other schemes	13,573.80
CPO delivered as non-RSPO certified	0.00
PK delivered as RSPO certified; As at 1 March 2018	35.58
PK delivered as RSPO certified	6,846.62
PK delivered under other schemes	0.00
PK delivered as non-RSPO certified	0.00
Credits traded through Books and Claim	0.00

**Table 4: Projected FFB received and CPO & PK dispatch by the Saremas 2 POM for next reporting  
period March 2019 – February 2020**

RSPO Supply Chain Model : Identity Preserved	Total (MT)
FFB Received	136,435.06
FFB Processed	136,435.06
CPO Production	29,912.84
PK Production	6,386.28
CPO delivered as RSPO certified	29,912.84
CPO delivered under other schemes	0.00
CPO delivered as non-RSPO certified	0.00
PK delivered as RSPO certified	6,386.28
PK delivered under other schemes	0.00
PK delivered as non-RSPO certified	0.00

**Table 5: Planted and certified area of the Saremas 2 CU**

Estate	Planted (ha)	Certified (ha)
Kaminsky Estate	3187.01	3988
Sareamas 2 Estate	4543.57	6119.92
Segarmas Estate	3344.60	4727.00
<b>Total</b>	<b>11,075.18</b>	<b>14,834.92</b>

**Table 6: Planting profile for Saremas 2 Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
1995	1 <sup>ST</sup>	Mature	410.76	9%
1996	1 <sup>ST</sup>	Mature	750.91	17%
2000	1 <sup>ST</sup>	Mature	151.25	3%
2002	1 <sup>ST</sup>	Mature	248.32	5%
2003	1 <sup>ST</sup>	Mature	180.00	4%
2004	1 <sup>ST</sup>	Mature	235.13	5%
2005	1 <sup>ST</sup>	Mature	204.28	5%
2006	1 <sup>ST</sup>	Mature	213.11	5%
2007	1 <sup>ST</sup>	Mature	80.10	2%
2014	2 <sup>ND</sup>	Mature	673.92	15%
2015	2 <sup>ND</sup>	Mature	377.03	8%

## RSPO PUBLIC SUMMARY REPORT

RP 2016	3 <sup>RD</sup>	Immature	606.69	13%
RP 2017	2 <sup>ND</sup>	Immature	355.39	8%
RP 2019	1 <sup>ST</sup>	Immature	-	
LC	-	-	56.68	1%
<b>Total</b>			<b>4543.57</b>	<b>100%</b>
Remarks	Increase area (84.42 ha) related to resurvey 27.74 ha and LCC planting area 56.68 ha.			

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

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1995	-	Mature	816.70	24.42
2001	-	Mature	148.34	4.44
2002	-	Mature	173.80	5.20
2003	--	Mature	33.38	0.99
2015	1st	Mature	198.52	5.94
RP2016	1st	Immature	495.04	14.80
RP2017	1st	Immature	412.76	12.34
RP2018	1st	Immature	918.07	27.45
RP2019	1st	Immature	147.99	4.42
<b>Total</b>			<b>3344.60</b>	<b>100%</b>

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

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1996NP	1 <sup>st</sup>	Mature	1466.55	46%
1997NP	1 <sup>st</sup>	Mature	1075.98	34%
2017RP	2 <sup>nd</sup>	Immature	137.38	4%
2019RP	2 <sup>nd</sup>	Immature	417.53	13%
2002NP	1 <sup>st</sup>	Mature	89.57	3%
<b>Total</b>			<b>3187.01</b>	<b>100%</b>
Remarks	Increase on planted area (64.68 ha) related to survey on 2019 Replanting area.			

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

The details of the contact person is as shown below:

Name	:	Pang Kim Chuan
Position	:	Group Manager
Address	:	PPB Oil Palms Berhad - Sarawak Operations, Lot 964, Sublot 7, Taman Seaview Commercial Centre, Jalan Tanjung Batu, P.O Box 730, 97008 Bintulu, Sarawak MALAYSIA
Phone no.	:	+ 60 85 325 713/+60 86 333 286
Fax no.	:	+ 60 85 495 010/+60 86 315 220
Email	:	<a href="mailto:kimchuan.pang@my.wilmar-intl.com">kimchuan.pang@my.wilmar-intl.com</a>

**RSPO PUBLIC SUMMARY REPORT**

3.0 AUDIT FINDINGS

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

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

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

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

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

All of the estates and mills belonged to PPB had been certified to RSPO P&C. However, Wilmar is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details provided in the Time Bound Plan described in Attachment 7.

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?

N/A

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

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

If no, please state reasons Not applicable. There was no associated smallholders supplying FFB to the CU.

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

N/A

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

No

3.4 Status of previous non-conformities \*  Closed  Not closed\*

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

3.5 Complaint received from stakeholder (if any)

No complaints from stakeholders were observed.

## RSPO PUBLIC SUMMARY REPORT

### 4.0 DETAILS OF NON-CONFORMITY REPORT

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

Total no. of minor NCR(s)  
(details refer to Attachment 4 )      List : 5      RZ 02 2019, RZ 03 2019, RZ 04 2019, RAR 01 2019, RAR 02 2019

Total no. of major NCR(s)  
(details refer to Attachment 4 )      List : 3      STK 01 2019, STK 02 2019, RZ 01 2019

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

Total no. of minor NCR(s)      List : 0

Total no. of major NCR(s)      List : 0

### 5.0 AUDIT CONCLUSION

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

### 6.0 RECOMMENDATION

No NCR recorded. Recommended to continue certification.

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

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

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

Recommended to continue certification.

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

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

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

Audit Team Leader : ROZAIMEE BIN AB RAHMAN

(Name)

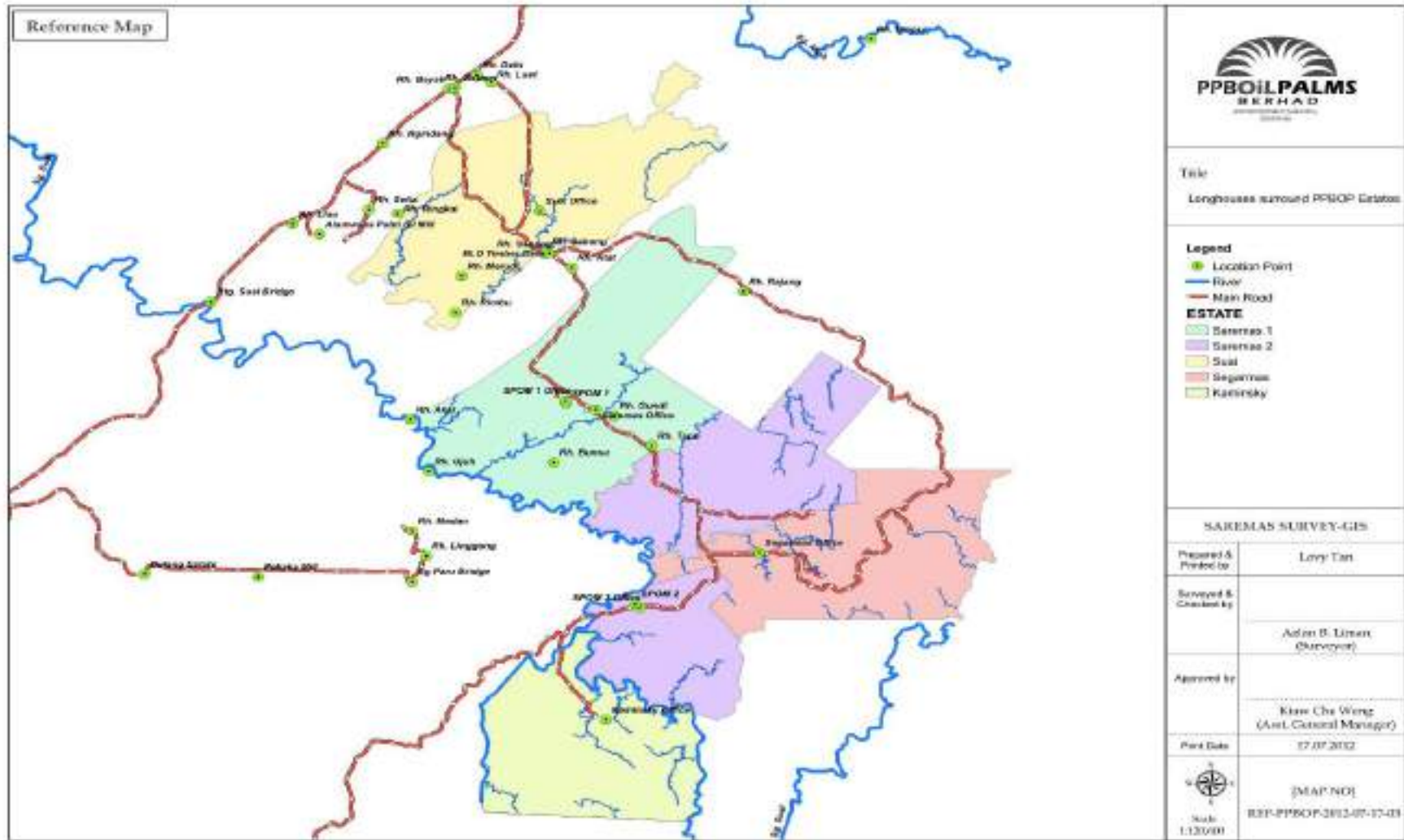


(Signature)

9/07/2019

(Date)

Map of Saremas 2 CU



**RSPO SURVEILLANCE 4 AUDIT PLAN**

**1. Objectives**

The objectives of the assessment are as follows:

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

**2. Date of assessment** : 8 - 12 April 2019

**3. Site of assessment** : Saremas 2 CU

- Saremas 2 Palm Oil Mill
- Saremas 2 Estate
- Segarmas Estate
- Kaminsky Estate

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

**5. Reference Standard :**

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

**6. Assessment Team**

Assessor: Rozaimée Ab Rahman (environment) - **(RAR)**  
Selavasingam T Kandiah (GAP) - **(STK)**  
Amir Bahari (Safety) - **(AB)**  
Rahayu Zulkiffli (Social & HCV) – **(RZ)**  
Mohd Zulfakar Kamaruzaman (SCCS) – **(MZK)**  
Prof Mohd Basri Hamzah (Technical Expert on HCV) – **(MBH)**

## RSPO PUBLIC SUMMARY REPORT

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

### 7. **Audit Method**

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

### 8. **Audit Findings**

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

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

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

### 9. **Confidentiality Requirements**

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

### 10. **Conflict of interest**

Auditors have not been employed by the organization concerned nor provided consultancy services relating to the development of its system in the past five years and next five years.

11. **Working Language** : English and Bahasa Malaysia

### 12. **Reporting**

a) Language : English

b) Format : Verbal and written

c) Expected date of issue : 2 weeks after the closure of the Major NC / or if only minor NC, 30 days from the last day of this audit

### 13. **Facilities Required**

a. Room for discussion

**RSPO PUBLIC SUMMARY REPORT**

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

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



## RSPO PUBLIC SUMMARY REPORT

Date / Time	Coverage of assessment / Activity / Site	MZK	RAR	STK	AB	RZ & MBH
Day 1-08/04/19 8.30am – 9.30am	Opening meeting at Saremas 2 Estate Office Lead Auditor to introduce audit team member, brief on audit objectives, scope, methodology, criteria and programmes Organization Representative to brief on the following : RSPO implementation at Saremas 2 CU (i.e. mill & supply base) including changes Time bound plan for Wilmar International Limited • Significant changes on organization activities, machinery, supply bases capacity etc.	/	/	/	/	/
9.30am – 12.30pm	<u>Site observation to Saremas 2 POM</u> P1, P2, P3, P4, P5, P6, P7, P8, Supply Chain • Environment, Occupational safety & health aspects, chemical management • Laws and regulations • Interview with workers, contractors etc. • Social aspects -SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the mill • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc • Mil Practice such as grading, boiler, water treatment plant, final discharge, etc • Interview with workers, contractors etc. • Laws and regulations • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc Site visit and assessment on Supply Chain Implementation including the Model used : 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, Internal Audit, Management Review.	/	/		/	/
12.30pm – 1.30pm	<u>Site observation to Saremas 2 Estate</u> P1, P2, P3, P4, P5, P6, P7, P8 • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application • Chemical store/fertilizer • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • New planting • Continuous improvement			/		
1.30pm – 5.00pm	Lunch Break Continue assessment at respective sites	/	/	/	/	/
5.00 pm	End of day 1 audits	/	/	/	/	/

## RSPO PUBLIC SUMMARY REPORT

Date / Time	Coverage of assessment / Activity / Site	RAR	STK	AB	RZ & MBH
9/04/19 8.30 –12.30 pm	<u>Site observation to Saremas 2 Estate</u> P1, P2, P3, P4, P5, P6, P7, P8, <ul style="list-style-type: none"> <li>• HCV Assessment, HCV Management</li> <li>• Biodiversity Monitoring/HCV Monitoring, HCV Planning</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the Estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>• IPM New planting</li> </ul>	/	/		/
	<u>Site observation to Saremas 2 POM</u> P1, P2, P3, P4, P5, P6, P7, P8, <ul style="list-style-type: none"> <li>• Environment, Occupational safety &amp; health aspects, chemical management</li> <li>• Laws and regulations</li> <li>• Interview with workers, contractors etc.</li> <li>• Mil Practice such as grading, boiler, water treatment plant, final discharge, etc</li> <li>• Interview with workers, contractors etc.</li> <li>• Laws and regulations</li> </ul>			/	
12.30pm – 1.30pm	Lunch Break	/	/	/	/
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/	/
5.00 pm	End of day 2 audit	/	/	/	/

## RSPO PUBLIC SUMMARY REPORT

Date / Time	Coverage of assessment / Activity / Site	RAR	STK	RZ & MBH
10/04/19 8.30–12.30 pm	<u>Site observation to Segarmas Estate</u> P1, P2, P3, P4, P5, P6, P7, P8, <ul style="list-style-type: none"> <li>• HCV Assessment, HCV Management</li> <li>• Biodiversity Monitoring/HCV Monitoring, HCV Planning</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the Estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>• IPM New planting</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/
5.00 pm	End of day 2 audit	/	/	/

Date / Time	Coverage of assessment / Activity / Site	RAR	STK	RZ & MBH
11/04/19 8.30–12.30 pm	<u>Site observation to Kaminsky Estate</u> P1, P2, P3, P4, P5, P6, P7, P8, <ul style="list-style-type: none"> <li>• HCV Assessment, HCV Management</li> <li>• Biodiversity Monitoring/HCV Monitoring, HCV Planning</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the Estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>• IPM New planting</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/
1.30pm – 5.00pm	Continue assessment at respective sites	/	/	/

## RSPO PUBLIC SUMMARY REPORT

Date / Time	Coverage of assessment / Activity / Site	RAR	STK	RZ & MBH
12/04/19 8.30–12.30 pm	Continue unfinished assessments at respective sites P1, P2, P3, P4, P5, P6, P7, P8, <ul style="list-style-type: none"> <li>• HCV Assessment, HCV Management</li> <li>• Biodiversity Monitoring/HCV Monitoring, HCV Planning</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Environmental management, waste &amp; chemical management</li> <li>• Social aspects -SIA, management plan &amp; implementation, workers' quarters,</li> <li>• Stakeholder consultation with affected communities surrounding the Estate</li> <li>• Interview with gender committee, safety committee, worker representative, contractors, supplier, etc.</li> <li>• Occupational safety &amp; health aspects , chemical management</li> <li>• Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching,</li> <li>• IPM New planting</li> </ul>	/	/	/
12.30pm – 1.30pm	Lunch Break	/	/	/
1.30pm – 3.30pm	Continue assessment at respective sites	/	/	/
3.30 pm – 4.00 pm	Audit team discussion / preparation of audit findings	/	/	/
4.00 pm – 5.00 pm	Closing meetings	/	/	/

**RSPO PUBLIC SUMMARY REPORT**

**Attachment 3**

**RSPO P&C AUDIT CHECKLIST AND FINDINGS**

**Principle 1: COMMITMENT TO TRANSPARENCY**

<b>Clause</b>	<b>Indicators</b>		<b>Comply Yes/No</b>	<b>Findings</b>
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1	There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	YES	"Consultation and Communication Procedure" was still being CU continued to be used by Saremas 2 to implement the procedure for responding to all communication. The procedure required the appointed person-in-charge to respond to all communication within a specified timeframe; Action need to be taken to fulfil the request or for making decision. All communications are to be registered. It has been observed that no request for information from the stakeholders received by Saremas 2 CU.
	1.1.2	Records of requests for information and responses shall be maintained. Major Compliance	YES	Saremas 2 Certification Unit (CU) continued to maintain records on requests for information. The CU continued to implement its communication procedure. Communications with workers were recorded in the request and complaints records. The record stated date of communication received, response and remarks.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1	Land titles/user rights (Criterion 2.2);	YES	The mill is located in the host estate Saremas 2 Estate of the same Company. As such, sharing the land title used by the estate. The boundary with the estate and the mill was evident through fencing for purpose of different management and security of the mill property. The effluent ponds were located outside the fencing area due to the huge space required. Each estate provided with legal use of the land through Country Leases signed by the Director of Lands and Surveys of Sabah. These documents were made available by all the 3 estates. The management of the 3 estates had complied with the condition that the land shall be for agricultural purposes throughout the whole tenure of the title.
		Occupational health and safety plans (Criterion 4.7);	YES	The Occupational Safety & Health Plan 2019 – PBB Oil Palms Berhad – Wilmar Sarawak Region has been established. Details as shown below; a) Series of training subjects on NADODOP, Chemical Handlings, SCH meeting b) Safety program including the medical surveillance, audiometric test and SAFETY DAY. c) Environmental Monitoring, Scheduled waste awareness, clean water campaign. d) Certification on ISCC, RSPO, MSPO and preparation for audits.
	Plans and impact assessments relating to env. & social impacts	YES	The Social Impact Assessment and action plans for Saremas 2 certification unit were available, sighted and verified during the Annual Surveillance Audit 4. Cross refer to Criteria 6.1.	
	HCV documentation summary	YES	HCV documentation summary were available at the Saremas 2 Estate and Segarmas Estate. The documents included the estate's activities, HCV area, riparian zone, map and the PIC.	

## RSPO PUBLIC SUMMARY REPORT

		Pollution prevention and reduction plans (Criterion 5.6);	YES	There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcome. Both the estates and the mill possessed similar pollution prevention and reduction plans assisted by Personnel from the Sustainability Department at Head Office level.
		Details of complaints and grievances (Criterion 6.3);	YES	Detail of complaints and grievances for Saremas 2 POM, Saremas 2 Estate and Segarmas Estate were recorded in the Complaint Form and Request Form. The complaints and grievances channelled to the CU via stakeholders meeting with internal and external stakeholders, Joint Consultative Committee-Public Stakeholders (JCC-PS), Social and Welfare Committee, Community Based Development Committee (CBDC) and the Women and Children Committee. All the documents were made available at the visited Estates and Mill.
		Negotiation procedures (Criterion 6.4);	YES	Saremas 2 CU has established standard procedures titled as 'Process for Identification of Legal and Customary Rights and Identifying People Entitled for Compensation' and 'Dispute & Grievances Procedure for handling any complaints and grievances. The procedure describes how to check for legal status of the lands in question and specifies the criteria in deciding who should be compensated and the amount of compensation.
		Continual improvement plans (Criterion 8.1);	YES	Continual improvement plans were made available at the Saremas 2 POM, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate.
		Public summary of certification assessment report;	YES	The public summary of the certification assessment report for Saremas 2 CU was available at SIRIM QAS website.
		Human Rights Policy (Criterion 6.13).	YES	The Saremas 2 CU was bound by Wilmar International Limited's Human Rights Policy which was last reviewed in January 2018 and signed by its Chairman and Chief Executive Officer on dated June 2014. The Policy states Wilmar's endeavours to conduct its business in a responsible and ethical way, and strives to protect human rights, personal security that is free from any harassment or abuse of any kind, and to provide a safe, clean, and healthy workplace and living environment.
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	Saremas 2 CU was bound by Wilmar International Limited's written Code of Ethics and Code of Conduct. Both policies commit to the code of ethical conduct and integrity in all operations and transactions and were available and sighted during the audit. The Code of Conduct comprises 3 main principles, name avoiding conflict of interest, avoiding misuse and/or abuse of position, and ensuring confidentiality of information and preventing misuse of information. The Code of Ethics prescribes the moral and ethical standard of behaviour that was expected of all Employees.

### **Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS**

Clause	Indicators	Comply Yes/No	Findings
C 2.1 There is compliance with all applicable local, national and	2.1.1 Evidence of compliance with relevant legal requirements shall be available. Major Compliance	NO	The CU complied with all of the applicable local, national, ratified international laws and regulations. Provided were the required permits/licences required for the mill to possess for the day-to-day operation. The list of compliance by Saremas 2 Mill among others comprises of the following; 1) MPOB License, Energy Commission and Domestic Trade Ministry for diesel storage, Lesen

**RSPO PUBLIC SUMMARY REPORT**

ratified international laws and regulations.				<p>untuk Menggaji pekerja bukan permastautin, Fire Certificate.</p> <p>2) Factory and Machinery Act 1967</p> <p>i) <i>Person In Charge Regulation 1970</i></p> <p>ii) <i>Steam Boiler and Unfired Pressure Vessel 1970</i></p> <p>iii) <i>The Factories and Machinery (Notification, Certificate of Fitness and Inspection), Regulations, 1970 Regulation 10(2)</i></p> <p>iv) <i>Noise Exposure Regulations 1989</i></p> <p>3) EQ (Prescribed Premise) Crude Palm Oil Regulations 1977</p> <p>4) Scheduled Waste Regulations 2005</p> <p>i) Regulation 3 (Notification of scheduled waste generated)</p> <p>ii) Regulation 9 (Storage of scheduled waste &lt; 180 days)</p> <p>iii) Regulation 11 (Inventory of scheduled waste)</p> <p>5) OSHA 1994, Use and Standards Of Exposure of Chemicals Hazardous to Health Regulations 2000</p> <p>i) Regulation 27 (health surveillance programme)</p> <p>ii) Code of Practice in Confined Space 2010 (Medical Surveillance 2 years once)</p> <p>However, Major NCR STK 01 2019 was issued due to the following:</p> <p>Segarmas Estate: The Work Permit of the worker observed applying fertiliser in Block 045, Emiliati (Passport No. AT 597198), had expired on 20.02.2019.</p> <p>Kaminsky Sdn Bhd – The Work Permit of the worker observed working in the Oil Palm Nursery, Mirna Jama (Passport No. AT 237818), had expired on 06.04.2019.</p>
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	YES	At Saremas 2 POM, Saremas 2 Estate, Segarmas Esatet, and Kaminsky Estate, there was a documented system for identifying, tracking, updating changes in legal requirements and to monitor the status of their legal compliance. Each sites had developed its own legal register. There were evidences of compliance to legal requirements which have been evaluated on an annual basis.
	2.1.3	A mechanism for ensuring compliance implemented. Minor Compliance	YES	A mechanism to ensure compliance to legal and other requirement in has been documented The Sustainability Unit will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Thereafter the requirement emailed to the estates and mill for compliance. The respective Regional office and Senior Management will be informed. The compliance status will be checked during the internal audits or other regulatory visits to the estates and mills.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	YES	PPB Oil Palm Berhad Sustainability Unit or Legal Officer PPB Oil Palms Berhad who was based in Kuala Lumpur was responsible for tracking any changes to the Acts and Regulations. This was done through communicating with the publisher of the documents. This mechanism was outlined in its procedure. The updating of the legal register was carried out on periodical basis. Any change in the legal register was communicated to the respective Unit within the Group.

## RSPO PUBLIC SUMMARY REPORT

<p>C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights</p>	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised NCR land) and the actual legal use of the land shall be available. Major Compliance	YES	The copies of legal ownership of the land for Saremas 2 estate was verified. The estate was confirmed to be operating on land of with legitimate status. The Saremas 2 Estate hosts the site of the Saremas II Mill complex. 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 Sarawak 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. Minor Compliance	YES	Boundary markers were available to identify the boundary and were satisfactorily maintained. Sighted during the audit were red/white painted boundary pillars and blue painted palms to indicate the border between Saremas 2 Estate and Megajuta Estate. 2 Physical markers were sighted on Segarmas Estate and Bintulu Lumber Development Estate. On Kaminsky Estate, physical markers were sighted along Gayanis Estate boundary.
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with FPIC. Minor Compliance	YES	There were currently two existing disputes; Iban and Penan Claim. Based on the audit and the records available, it was evident that legal acquisition of land has been obtained by Saremas Sdn Bhd. It has been noted that the Penan people was appealing against the high court decision at the Court of Appeal and waiting for hearing date. Further to appeal by Sarawak govt., Federal Court rules no NCR over 'pemakai menoa', 'pulau galau' which greatly affect the plaintiff' decision to proceed with case. It has been noted that the Court of Appeal had decided in October 2018 that the previous Court case filed be withdrawn with no liberty to file afresh. While for the Iban Community, the status was stagnant since last audit in 2017.
	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	The requirements for acceptable conflict resolution process was implemented and accepted by the parties involved. Minutes of meeting showed that both the CU's and the Penan Community of Jambatan Suai have agreed to resolve the issues in line with RSPO requirements. As reported in 2.2.3, there were existing disputes from Iban and Penan Claim. Based on the audit and the records available, it was evident that legal acquisition of land has been obtained by Saremas Sdn Bhd. As observed during the audit, the company had received letter in Feb 2019 from the Working Committee of Kaum Penan, Kg Jambatan Suai, Suai, Niah, Bahagian Miri, Sarawak. The signatories of the letters claim that they represent all Penan villagers from Jambatan Suai, Suai, Niah, Miri. The letter alleged as follows: 1) The company was currently occupying their native customary (NCR) land without consent, and therefore, are considered as criminal trespassers on their NCR land; 2) Companies' activities are destroying their NCR land and resources, pollute rivers which are detrimental to their rights, sources of income and health; 3) Demanded that the Company meet them within 30 days of the letter to negotiate and settle their demands, failing which they would conduct a blockade. Conflict resolution process commenced in March 2019 when representatives from the companies met with the Penan community's legal representative. The meeting agenda was to discuss the NCR land claim by the Penan villagers from Jambatan Suai, Suai, Niah, Bahagian Miri, Sarawak. At the end of the meeting, both parties agreed to the appointment of their respective representatives and



**RSPO PUBLIC SUMMARY REPORT**

				spokesperson and further meetings to be held to discuss a win-win solution for all sides. While all this happening to Penan community, the Iban Community status was stagnant since last audit in 2017.
	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 and relevant authorities where applicable). Minor Compliance	YES	The meeting in March 2019 did discuss the issue of verification of the land area claimed. However, since this meeting was only the beginning of the conflict resolution process, and identification of representatives and spokespersons, no participatory mapping has been physically carried out yet by the parties.
	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	There was no evidence that the Company has instigated violence in maintaining peace and order.
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 recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (incl. neighbouring communities where applicable, and relevant authorities). Major Compliance	YES	The meeting in March 2019 did discuss the issue of verification of the land area claimed. However, since this meeting was only the beginning of the conflict resolution process, and identification of representatives and spokespersons, no participatory mapping has been physically carried out yet by the parties.
	2.3.2	Copies of negotiated agreements detailing the process of FPIC shall be available and shall include:	YES	Saremas Sdn Bhd has entered into an MOU with the indigenous Iban community residing in a longhouse within the plantation of SSB on Lot 49, Sawai Land District, Miri Division, Sarawak. The MoU was entered with their free, prior and informed consent in August 2008. This MOU was signed by Tuai Rumah (Rumah Tapu), SSB representatives, namely Assistant General Manager, Mr Kiaw Che Weng. This MoU was witnessed by the Group Manager. In this MoU, SSB has allowed the local Iban community to occupy, conduct livelihood, cultivate settlement area, maintain burial grounds and practice all native customs and rites, consume or trade all the fruits and their cultivation. Included also are their rights to hunt and gather other forest produce naturally necessary for their culture and sustenance.
		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;		

**RSPO PUBLIC SUMMARY REPORT**

	<p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance</p>		
2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor Compliance</p>	YES	All related documentation and records of meeting regarding the land acquisition was kept in Saremas 2 Office and was verified by the auditor.
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance</p>	YES	It was evident that communities were represented through institutions or representatives of their own choosing, including legal counsel. The meeting held in March 2019 was attended by Penan group's legal representative and 2 representatives from the Sarawak Dayak Iban Association (SADIA).

## RSPO PUBLIC SUMMARY REPORT

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

Clause	Indicators		Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	YES	All 3 Estates, Saremas 2 Estate, Segarmas Estate and Kamisky Estate continued to be committed to long-term economic and financial viability. The Estates had management plans in their current year's budgets and projections. The annual budgets and projections were prepared on an annual basis before the end of current year. The yearly budget and projections where the cost of production was reviewed annually and compared against expenditure for each year was an on-going process. The parameters monitored remained essentially unchanged and included Capital (CAPEX) and Operating costs. The operating expenditure included expenditure for Replanting, Mature and Immature Oil Palm upkeep, Administration cost, Housing and Machinery upkeep, allocation for sustainability implementation (environmental, social, occupational safety and health), infra-structure development (roads, etc.), and training etc. The budget for 2019 and projections until year 2028 were made available to the auditors.
	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, see Criterion 4.3), with yearly review, shall be available. Minor Compliance	YES	All 3 Estates, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate had established and maintained replanting programme which was reviewed annually. The replanting programs were noted till 2028.

### **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	NO	The manuals and Standards Operating Procedures adopted by both the mill and estate as listed below. They used for guidance for the day-to-day operations. However, Standard Operating Procedure (SOP) for Peat Soil Management was not available. At Kaminsky Sdn Bhd – for the management of Peat Soils in Blocks 33 & 34, there was no Standard Operating Procedure (SOP) established and documented at time of visit. Thus the Major NCR STK 02 2019 was issued.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	YES	The mechanism of ensuring consistent implementation was by : <ul style="list-style-type: none"> <li>i. Periodic reporting from operating units</li> <li>ii. On site visits, inspections and discussions with relevant personnel</li> <li>iii. Assessments and audits like Internal Audits, PA visits and by RSPO Audits</li> <li>iv. Consultation with RSPO team &amp; management.</li> </ul> All 3 Estates, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate had in place the mechanism to check consistent implementation of procedures. All 3 estates had lists of SOPs and monitored good agricultural practices as per SOPs by on-site visits, inspections and discussions

## RSPO PUBLIC SUMMARY REPORT

				with relevant personnel and by conducting Assessments and audits like Internal Audits, Agronomist/Head R&D visits and by RSPO Audits.									
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	NO	The mechanism of ensuring consistent implementation was by: <ul style="list-style-type: none"> <li>i. Periodic reporting from operating units</li> <li>ii. On site visits, inspections and discussions with relevant personnel</li> <li>iii. Assessments and audits like Internal Audits, PA visits and by RSPO Audits</li> <li>iv. Consultation with RSPO team &amp; management.</li> </ul> <p>Based on housing inspection reports of Saremas 2 Palm Oil Mill, the same issue identified during housing inspections has been recurring since April 2018 until 6 April 2019. The housing inspection form has identified and recorded a recurring issue of “Kebersihan Kawasan Kediaman: ada tin kosong, takungan air, dan tempat nyamuk membiak” from April 2018 until 6 April 2019. No record of monitoring action taken is available. Therefore, a Minor Non-Compliance RZ 04 of 2019 was raised.</p>									
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance		Saremas II Palm Oil Mill received FFB only from the Group Estates.									
C 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	YES	Fertiliser application was of paramount importance for maintenance of soil fertility and the estates continued to apply fertilisers as per EMU recommendations made by Head of R&D Department. In addition, all 3 Estates, Saremas 2 Estate, Segarmas Estate and Kamisky Estate continued to manage soil fertility as per the SOPs in the Agriculture Manual. Soil fertility had been managed by recycling of bio-mass like frond stacking and EFB application (in some areas), water management in low lying areas, maintenance of soft weeds, LCC, and <i>Nephrolepis biserrata</i> in the interline.									
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	YES	Records of programs and applications of fertilisers were made available to auditors. Records showed that the main fertilisers applied in 2018 were NPK, NK1, NK2, RP, SOA, MOP, Urea, Kieserite and Borate.									
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	YES	Records showed that the estates continued to carry out periodic foliar and soil sampling to monitor changes in nutrient status. Annual foliar sampling, as for the SOP of EMU, for the nutrients N, P, K, Mg, Ca & B had been carried out in accordingly by the appointed third party.									
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME, and palm residues. Minor Compliance	YES	All 3 Estates had a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and by EFB application. From records and weigh bridge tickets it was noted EFB applications were on going in all 3 Estates. There was no POME applied in all 3 Estates.									
C 4.3 Practices minimize and control erosion and degradation of	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance		Based on the soil maps of Param Agricultural Soil Survey (M) Sdn. Bhd. in 2007 the soil series were: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Saremas 2 Estate</td> <td>Segarmas Estate</td> <td>Kaminsky</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>Bedup</td> <td>Bedup</td> <td>Bedup</td> </tr> </table>	Saremas 2 Estate	Segarmas Estate	Kaminsky				Bedup	Bedup	Bedup
Saremas 2 Estate	Segarmas Estate	Kaminsky											
Bedup	Bedup	Bedup											

**RSPO PUBLIC SUMMARY REPORT**

soils.				<table border="1"> <tr><td>Bekenu</td><td>Bekenu</td><td>Musang</td></tr> <tr><td>Derawan</td><td>Derawan</td><td>Bekenu</td></tr> <tr><td>Kapit</td><td>Kerayong</td><td>Nyalau</td></tr> <tr><td>Kekura</td><td>Kuah</td><td>Semerak</td></tr> <tr><td>Nyalau</td><td>Nyalau</td><td>Derawan</td></tr> <tr><td>Semerak</td><td>Semerak</td><td>Kapilit</td></tr> <tr><td></td><td>Rasau</td><td>Kuah</td></tr> <tr><td></td><td>Tebok</td><td>Kekura</td></tr> <tr><td></td><td></td><td>Kapit</td></tr> <tr><td></td><td></td><td>Tebok</td></tr> <tr><td></td><td></td><td>Rasau</td></tr> <tr><td></td><td></td><td>Kechor</td></tr> <tr><td></td><td></td><td>Kerayong</td></tr> <tr><td></td><td></td><td>Gong Chenak</td></tr> <tr><td></td><td></td><td>Sogomana</td></tr> <tr><td></td><td></td><td>Lunas</td></tr> <tr><td></td><td></td><td>Mukah</td></tr> <tr><td></td><td></td><td>Steepland</td></tr> </table>	Bekenu	Bekenu	Musang	Derawan	Derawan	Bekenu	Kapit	Kerayong	Nyalau	Kekura	Kuah	Semerak	Nyalau	Nyalau	Derawan	Semerak	Semerak	Kapilit		Rasau	Kuah		Tebok	Kekura			Kapit			Tebok			Rasau			Kechor			Kerayong			Gong Chenak			Sogomana			Lunas			Mukah			Steepland
	Bekenu	Bekenu	Musang																																																							
	Derawan	Derawan	Bekenu																																																							
	Kapit	Kerayong	Nyalau																																																							
	Kekura	Kuah	Semerak																																																							
	Nyalau	Nyalau	Derawan																																																							
	Semerak	Semerak	Kapilit																																																							
		Rasau	Kuah																																																							
		Tebok	Kekura																																																							
			Kapit																																																							
			Tebok																																																							
			Rasau																																																							
			Kechor																																																							
			Kerayong																																																							
			Gong Chenak																																																							
		Sogomana																																																								
		Lunas																																																								
		Mukah																																																								
		Steepland																																																								
			There were no fragile/marginal soils in Saremas 2 Estate and Segarmas Estate. As for Kaminsky, there was some peat soils (Mukah Series) and some sandy soil.																																																							
4.3.2	A management strategy shall be in place for plantings on slopes between 9 & 25 degrees unless specified otherwise by the company's SOP. Minor Compliance		All 3 Estates, i.e. Saremas 2, Segarmas & Kaminsky continued to have in place management strategy for plantings on slopes between 12 and 25 degrees. It was observed that in all 3 areas the hilly areas had been terraced. Slopes especially along some road side had well established <i>Mucuna bracteata</i> . Interline was with good establishment of <i>Nephrolepis biserrata</i> fern. The CU practiced soil erosion control by constructing terraces in all sloping areas with bund at regular interval of 20 meters to retain water. This was observed in the 2019 replant where replanting was in progress.																																																							
4.3.3	A road maintenance programme shall be in place. Minor Compliance	YES	During the field visit, it was noted road conditions were well maintained and accessibility were made possible by regular maintenance guided by its road maintenance programmes which consist of road resurfacing, grading & compacting and culvert maintenance. The financial support for these programs were sighted in the annual budgets.																																																							
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	YES	There were no peat soils in both Saremas 2 Estate and Segarmas Estate. The peat area was visited and it was found that subsidence of peat soil was continued to be monitored. Records showed since April 2017 subsidence of 7cm had taken place. Water management and ground cover management was continued to be carried out.																																																							
4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance	YES	NA, as there were no peat soils in both Saremas 2 Estate and on Segarmas Estate. As for Kaminsky Estate no replanting was due in the peat areas.																																																							

**RSPO PUBLIC SUMMARY REPORT**

	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	YES	There were no fragile and problem soils in both Saremas 2 Estate and on Segarmas Estate. There was no other fragile soils in Kaminsky Estate other than the declared hectareage.
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	YES	The mill has established a Water Management Plan dated Jan 2015. For all estates had been recognize the objectives regarding water quality, quantity, and consumption usages.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones shall be demonstrated. Major Compliance	YES	The mill conducted water analysis made for the upstream and downstream of Sg Suai for detection of any contamination to the nearby watercourse as results from the mill activities. Results showed that there was no contamination detected on the watercourse affected from the Mill activities.
	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	The Mill analyzed the effluent quality on a monthly basis for submission to DOE made on a quarterly basis. Parameters monitored as shown in the following table. The analysis was made by an independent Lab. All parameters were within the DOE regulatory standards.
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor Compliance	YES	The Mill records the water consumption for the mill processing. The total water consumption comprises of the following main activities/components Clarifier/process and Domestic/boiler.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of IPM plans shall be monitored. Major Compliance	YES	Saremas 2 Estate, Segarmas Estate and Kaminsky Estate continued to implement IPM as per Agricultural Manual and Standard Operating Procedure for Oil Palm. In order to minimize the use of pesticides, all 3 units had planted beneficial plants mainly Tunera subulata and some Antigonon leptopus with maps indicating areas planted. The visited units had in place documented IPM plans covered Monitoring of pest, control of pest population levels at below threshold levels by using cultural, biological, physical/mechanical and use of pesticides.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	YES	Training related to IPM Implementation for the whole CU by officers from the Eco-Management Unit (EMU) for the 3 Estates in March 2018 and focusing on training had focused on Cultural Control, Biological Control, Physical Control and Chemical Control. It has been confirmed that training records had been properly filed. The records include information on the title of the training, name and signature of the attendees, name of the trainer, time and venue.
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 demonstrated. The use of selective products that are specific to the target pest, weed or disease had been demonstrated in SPO Manual, Agriculture Manual and Agriculture Manual. Saremas 2 CU continued to use agrochemicals based on the Agricultural Manual and Standard Operating Procedure for Oil Palm for various fields operations. The manual has included a chemical register list which indicates the purpose of usage (intended target), hazards signage, trade and generic names as well as the specific targets and the correct dosage of agrochemicals to be used. All chemicals usage was based on the "need to do basis " to enhance field operations. It was found that no Class I chemicals had been used. Additionally, paraquat had not been used since 2008.
	4.6.2	Records of pesticides use	YES	All 3 estates continued to record areas where pesticides had been used. Pesticides used only when

**RSPO PUBLIC SUMMARY REPORT**

	(including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major Compliance		justified and application areas were recorded in store issue chits, bin cards, program sheets, SAP system, costing records and progress reports. Records of pesticides used by area, quantity used, hectares applied and Ai/Ha were made available to auditors.
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	YES	The CU as per the IPM plan continued to manage pests, other than weeds, at below threshold levels. No prophylactic spraying had been carried out on all 3 units. The units, in order to minimise pesticide usage do not carry out calendar baiting of rats. Rat baiting was carried out as and when required and only in areas where census showed damage above threshold level. Baiting was carried out only in 2017 & 2018. Furthermore, in order to minimize the use of weedicide only spraying of circle and paths was done. Spraying was done according to the program. Weeds in the inter rows were mainly slashed with minimum spraying.
4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance	YES	During the audit, it was noted that Segarmas 2 Estate and Segarmas Estate had not use chemicals categorized as World Health Organization (WHO) type 1A or 1B or listed by the Stockholm or Rotterdam Conventions. Paraquat has not be used since 2008 and was replaced by a systemic herbicide and glufosinate ammonium. All 3 estates had maintained chemical registers for chemicals used and were updated in January 2019. The Chemical Registers had listed all Chemicals, Diesel, Petrol, Lubricants and Fertilisers, thus the Minor NCR STK 02 2018 was now closed.
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	YES	Noted that in Segarmas 2 Estate, Segarmas Estate and Kaminsky Estate except for rat damage no outbreaks of pest and disease occurred. Interviews with the workers handling chemical were carried out during the site visit. From their explanation, it was noted that they have been regularly trained and were aware of the safety standards and SOPs.

**RSPO PUBLIC SUMMARY REPORT**

		products shall be properly observed, applied, and understood by workers. Major Compliance		
4.6.6		Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance	YES	The chemical stores in all estates were observed to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations. Record of the purchase, storage and use had been properly maintained. All of the stores were locked, well ventilated and equipped with exhaust fans. Only authorized personnel was allowed to handle the chemicals. All the chemicals were stored and segregated accordingly. Empty pesticides containers had been triple rinsed, holes punched in them and stored separately in the schedule waste store awaiting proper disposal.
4.6.7		Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	YES	Pesticide applications were guided Wilmar International Limited, Agriculture Manual & SOP for Oil Palm 2011, Safe Standard Operating Procedure for Oil Palm Plantations, CHRA and by MSDS supplied by the manufacturer. All necessary PPE was used as per requirement in the CHRA, HIRARC and MSDS.
4.6.8		Pesticides shall be applied aurally only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	YES	Aerial spraying was not practiced by Saremas 2 Estate, Segarmas Estate and Kaminsky Estate and there was no evidence to show that any had been carried out.
4.6.9		Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. Minor Compliance	YES	From the random interviews conducted it was evident that the staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were regularly trained and they had understood the hazards involved and how the chemicals should be used in a safe manner. Trainings related to pesticide handling as explained in Indicator 4.6.5. There were no associated smallholders in Saremas 2 CU supply base.
4.6.10		Proper disposal of waste material, according to procedures that are fully understood by workers and	YES	Procedure for handling of empty agrochemical containers had been established. Triple rinsing of all its empty agrochemical containers was used as a method of disposal. Based on interview with the workers, the procedure is fully understood by them. They were briefed through several trainings by the management. The containers were then punctured after triple rinsing and kept in a



**RSPO PUBLIC SUMMARY REPORT**

		managers shall be demonstrated (see Criterion 5.3). Minor Compliance		store before disposal. The wastewater from the triple rinsing will be reused in chemical mixture. The records of triple rinsing was available at the site. Records of disposals i.e. Log Book and Consignment Notes for domestic wastes and scheduled wastes respectively were sighted.
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. Major Compliance	YES	The medical surveillance for the mill was held in Dec 2018 for required employees by competent assessor.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women Major Compliance	YES	All 3 Estates continued to comply with the requirement where no work with pesticides was given to pregnant or breast-feeding women. List of sprayers were maintained by all 3 estates and mill. Identification of pregnancy was done at the estate's clinics during the monthly medical check-up and interview with female workers. Pregnancy test was conducted on doubtful cases.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.	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	The Group Workplace Health Safety & Health Policy had been established and implemented. The Policy was signed by <i>The Chairman and Chief Executive Officer Wilmar International Limited</i> dated in Apr 2019 and displayed prominently on notice boards in English and local language Bahasa Malaysia. The Sustainability Unit monitored at Head Office implements the Policy through the OSH activities. During interviews with the workers and staff during the site visit workshop, office compound, workshop, laboratory, engine room, boiler house revealed that the employees had been briefed and understood the policy.
The occupational health and safety plan shall cover the following:	4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	YES	The Mill had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. HIRARC for the mill was formalized in 2013 with review made annually. The significant and routine activities for mill were adequately covered and appropriate risk control measures were determined and implemented for the respective activities and operation. On all 3 Estate the HIRARC was updated in Apr 2018 to include risk assessment nursery and replanting activities. This was after the comment from NIOSH on harvesting at the slippery areas at the Landfill.
	4.7.3	All workers involved in the operation shall be adequately trained in safe working practices. Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine	YES	The annual training program has been established and significantly covers all aspects of the RSPO requirements. There were also additional subjects including the mill operating procedures, parameters of mill produce, machinery maintenance etc. The training program also specified the target group of employees to be trained under the allocated subjects. The Sustainability Unit formulates the core subjects/activities. The training held for the year was adequate to address the requirement of the mill operations and RSPO and other management system. Communication on the hazards of chemical was given through awareness and training program to all workers involved in handling of dangerous chemicals. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE.

**RSPO PUBLIC SUMMARY REPORT**

		operations, and land preparation, harvesting and, if it is used, burning. Major Compliance		
	4.7.4	The responsible person/s shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare discussed at these meetings, issues raised shall be recorded. Major Compliance	YES	The Mill management conducts regular two-way communication with their employees through the quarterly ESH meeting. The person responsible was the Manager appointed as The Chairman via letter signed by the Group Manager The date of meetings held and records were verified.
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor Compliance	YES	The procedures for accident and emergencies has been established. There was formation of ERP Team & ERP for all the identified incidences. The organization chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. Procedures guidelines were issued by Sustainability Unit and amended to tailor to the situation differences in the estates and mills. Accident statistics were maintained and periodically reviewed during the quarterly OSH Committee meeting. In addition, submission of accidents incidences was compiled in the JKPP 8 for submission to DOSH every Jan of the new year.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	YES	The CU provides medical care to the estate/mill workers with the estate clinics located within the Complex. Cases requiring higher attention of medical care were referred to Hospital Bintulu located approximately 50 km from the complex. The Foreign Workers Compensation Scheme Certificate of Insurance covers the foreign workers while all local workers and some foreign workers were covered with SOCSO. Following the recent Government announcement for the foreign workers to be included into the SOCSO scheme "Skim Bencana Kerja Perkeso (SBKP): the management was gradually phasing out the insurance scheme upon expiry of the period covered.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	YES	Records of all accidents were kept accordingly. The monitoring of occupational injuries was recorded using LTA i.e. <i>Lost Man day MC</i> . This was summarized officially in the JKPP 8. Records were kept for a minimum 10 years in the office. Summary for the year was described in the JKPP 8, a mandatory requirement and was submitted to DOSH in Jan 2019. There was one incident in Aug 2018 in the mill involving an operator handling the press. The management has follow-up by holding a training for the press operators on the safety measures in the same month.
C 4.8	4.8.1	A formal training programme	YES	The training program for 2019 covering all aspects of the RSPO Principles and Criteria and other

**RSPO PUBLIC SUMMARY REPORT**

All staff, workers, smallholders and contract workers are appropriately trained.		shall be in place that covers all aspects of the RSPO P&C, that includes regular assessments of training needs & doc. of the programme. Major Compliance		essential operations activities were established in Feb 2019. Regular assessments of training needs were available and verified. Training needs identification matrix has been established with target dates accordingly.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	YES	All 3 Estates in Saremas 2 CU had trained their staff, workers and records of training were kept in the RSPO training file. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue. As at time of visit records of training for GAP activities like Harvesting, Pruning, Selective Weeding, Manuring, Rat Baiting, Loose Fruit Collection had been conducted.

**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		Saremas 2 CU has established its environmental aspects / impacts register associated with their activities. The Environmental aspect and impact (EAI) initial list was formulated in Jan 2015 covering activities from upstream activities such as FFB reception until downstream processes. The main purpose was to evaluate and analyze impact on soil, water, and air associated with the organization activities. Reviews were made and recorded, the latest being in Apr 2018 for the added activities of installation of new mill electrical power supply. Other records maintained by the mill were the <i>Mitigation Methods For The Identified Significant EAI</i> .
	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 persons. Minor Compliance	NO	There being no changes of current practices required to mitigate negative effects based on identified impacts for both the mill and estates. However, the mill and estates have conducted periodical review on the aspects and impacts identified and evaluated as registered. All estates audited had mitigation measures defined in the Waste Management Plan has been updated in Apr 2018 and Mitigation Method For Significant EAI. The plan was to ensure proper control of the wastes in the estates to prevent pollution. The programme covers the activities, sources of pollution, effect to environment, prevention, and mitigation. The programme also indicated the proposed start and completion date, budget and person in charge as well as the status/verification. However, during site visit at Kaminsky Estate, Kongsu Lama, Genset room, oil trap was not maintain properly and sighted oil spillage to nearby drainage. Thus, #Minor NCR RAR 01 2019 has been raised.

**RSPO PUBLIC SUMMARY REPORT**

	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance	YES	Saremas 2 POM – There was no changes made to the environmental aspects and impacts or current practices which require changes in the environmental action plans at the mill. Nevertheless, the existing environmental action plans had identified timeframes and responsible person at each operating unit assessed: BOD final discharge, Reduce water consumption & Reduce electricity consumption. Estates - An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. The pollution prevention plan and waste management plan were reviewed on yearly basis and was verified at all visited operating units.
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 HCV assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance	YES	The CU has conducted the HCV assessment in July 2008. The assessment had covered all the HCV on RTEs species within the residual forested areas of the estates. The report also included the management and action plan. The identified HCV areas included the steep logged over hill dipterocarp forest of Bukit Durang Conservation Area (HCV4). The auditor had verified the identified HCV areas of Bukit Durang Conservation Area located within Segarmas and Saremas 2 Estates. It was found that the CU had maintained, conserved and protected the area.
	5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill ops, appropriate measures that are expected to maintain and /or enhance them shall be implemented through an action plan. Major Compliance	YES	Based on the research carried out with UNIMAS between May 2014 to July 2015, RTEs are present within the Saremas 2 Certification Unit. Measures taken to maintain and/or enhance the RTEs are contained in the action plan. Sighted during the audit were HCV Monitoring & Action Plan 2019 – 2023 for Segarmas and Saremas 2 estates.
	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	Programmes to continuously educate their employees on RTE species were in place. In accordance with the company rules, appropriate disciplinary measures will be taken against any employees found capturing, harming, collecting or killing these species. 'HCV Yearly Work Plan Summary 2019 for Saremas 2 CU, including POM 2 was made available during the audit. Training for all workers were carried out. The objectives of the training include understanding what was HCV, riparian areas, prohibited activities. The trainings conducted covered awareness of environment, understand HCV & riparian and prohibited and illegal activities, creating awareness on protected wildlife & fauna and safety measures when encountering wildlife.

## RSPO PUBLIC SUMMARY REPORT

	5.2.4	Where an action plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> <li>The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>Outcomes of monitoring shall be fed back into the action plan.</li> </ul> Minor Compliance	YES	Bukit Durang Conservation Area was monitored monthly by the HCV team to ensure no encroachment and no clearing of vegetation. Sighted during the audit were monthly monitoring reports from January to March 2019. The monitoring result had been updated in the HCV monitoring and action plan. Signage for prohibiting illegal hunting, fishing and collecting activities as well as poster of protected wildlife at entrant had been erected and posted at the strategic locations. Based on the report, monitoring was done walking or on a motorbike. Sightings and signs of wildlife was recorded in the monitoring report.
	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	It has been confirmed that the HCV or land with slope more than 25 degrees set-asides was within the Saremas 2 Estate, Segarmas Estate and Kaminsky Estate. The area does not affect the local communities land.
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	YES	At Saremas 2 CU has documented identification of all waste product and sources of pollution. The Pollution Prevention plans were then established to mitigate applicable identified waste product and source of pollution the plans was update in Apr 2018. The most significant environmental receptors for the estates and mill operations were: <ul style="list-style-type: none"> <li>Air – Source from boiler stack (smoke and particulate), vehicle &amp; generator (smoke and gases), anaerobic processes (ETP, EFB dumping), GHG.</li> <li>Water – Cleaning water/run-off/process station waters (hydrocyclone /sterilizer condensate/clarification waste) &amp; boiler quenching water and blowdown.</li> <li>Land – Scheduled waste, domestic waste and industrial/process waste, Nursery Operation, Estate operation.</li> <li>Clinical waste – generated from Clinics</li> </ul>
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	YES	At all Estates disposal of waste material related to pesticide containers were being carried out as per established procedures. Triple rinsing activities continually implemented for empty pesticide container. Triple rinsed container were then pierced and stored prior disposing and disposed to the approved contractor by Bahagian Kawalan Racun Perosak Sarawak to implement a Sarawak chemical container recycling programme. Sighted date of disposed between March and April 2019.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	YES	For the identified waste and pollutants, there were procedures and guideline established as to guide the waste disposal activities and to reduce pollution on the routine operation. The waste management plans were then established to mitigate applicable identified waste product and source of pollution the plans were update in March 2017 Industrial @ mill and estate process/residue wastes had been disposed as follows; <ol style="list-style-type: none"> <li>1. EFB were sent for mulching in the field, while crop residue/biomass i.e. fiber and shell</li> </ol>

## RSPO PUBLIC SUMMARY REPORT

				<p>were used as fuel in the boiler. For Estates, Chemical container and lubricant oil was disposed using scheduled waste.</p> <ol style="list-style-type: none"> <li>2. On the monitoring of water and effluent discharge, monthly and quarterly report for final discharge were submitted in timely manner as stipulated in the written approval.</li> <li>3. Effluent quality monitoring was also done on the monthly basis. Sample taken at final discharge point was sent for analysis.</li> <li>4. On the scheduled waste management, the established procedures - Handling of Scheduled Waste. Scheduled wastes were disposed through DOE's licensed contractor.</li> </ol>
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	A plan for improving the efficiency of the use of fossil fuels is in place and incorporated into the Environmental Aspect and Impact activities 2019. The document was updated on Jan 2019. In addition the mill and estates record the consumption of diesel on a monthly basis and tabulate the ratio against the FFB produced to determine the efficiency of their operations.
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 ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Major Compliance	YES	It was verified during the site visits, interviews and review of records that no open burning had been carried out in line with the CU's policy on zero burning.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Minor Compliance	YES	There was no evidence that fire had been used to prepare land for replanting in all Estates visited. There was also no evidence of open burning at all the visited replanting areas within the two estates. No fire was used for waste disposal.
C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent.	YES	An assessment of identified polluting activities was being conducted and monitored, inclusive of gaseous emissions, particulate / soot emissions and effluent. The environmental aspect and impact (EAI) covers the upstream activities such as FFB reception until the downstream processes. At the mill, the identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the significant environmental receptors are the air emission from the boiler stack, the generation of the palm oil mill effluent (POME) and land contamination which were related to the management of scheduled wastes and domestic wastes.
	5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance	YES	The environmental aspect and impact (EAI) was used to identify the GHG emissions. Some of the Greenhouse Gas emissions are through Land Conversation, Crop Sequestration, Fertiliser, N <sub>2</sub> O from fertiliser, Fuel Consumption, Peat Oxidation. Plans to reduce or minimise them are in place. Saremas 2 also plan to reduce GHG by construct Biogas plant to capture Methane gas generated from the Effluent Treatment Plant to generate bio gas engine to produce electricity for mill and domestic use. The Plant has been Complete and now in the trial process.

**RSPO PUBLIC SUMMARY REPORT**

<p>with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these emissions. Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>	<p>5.6.3</p>	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance</p>	<p>YES</p>	<p><u>Summary of net GHG emissions from PalmGHG calculator</u></p> <p>PalmGHG calculation option used: Option 2</p> <p><u>Summary of Net GHG Emissions</u></p> <table border="1"> <thead> <tr> <th>Emissions per Product</th> <th>tCO2e/tProduct</th> <th>Extraction</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>0.49</td> <td>OER</td> <td>22.02</td> </tr> <tr> <td>PK</td> <td>0.49</td> <td>KER</td> <td>4.67</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Production</th> <th>t/yr</th> </tr> </thead> <tbody> <tr> <td>FFB Processed</td> <td>151387.29</td> </tr> <tr> <td>CPO Produced</td> <td>33339.161</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Land Use</th> <th>ha</th> </tr> </thead> <tbody> <tr> <td>OP planted area</td> <td>15686.18</td> </tr> <tr> <td>OP planted on peat</td> <td>22.7787</td> </tr> <tr> <td>Conservation area</td> <td>1604.95</td> </tr> </tbody> </table> <p><u>Summary of Field Emissions and Sinks</u></p> <table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">Own Crop</th> </tr> <tr> <th>tCO2e</th> <th>tCO2e/ ha</th> <th>tCO2e/ FFB</th> </tr> </thead> <tbody> <tr> <td>Emissions source</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Land Conversion</td> <td>11196.95</td> <td>9.91</td> <td>0.67</td> </tr> <tr> <td>*CO2 Emissions from Fertiliser</td> <td>6441.69</td> <td>0.65</td> <td>0.04</td> </tr> <tr> <td>**N2O Emissions</td> <td>6526.5</td> <td>0.62</td> <td>0.04</td> </tr> <tr> <td>Fuel Consumption</td> <td>3425.65</td> <td>0.31</td> <td>0.02</td> </tr> <tr> <td>Peat Oxidation</td> <td>1243.79</td> <td>0.08</td> <td>0.01</td> </tr> <tr> <td>Sinks</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Emissions per Product	tCO2e/tProduct	Extraction	%	CPO	0.49	OER	22.02	PK	0.49	KER	4.67	Production	t/yr	FFB Processed	151387.29	CPO Produced	33339.161	Land Use	ha	OP planted area	15686.18	OP planted on peat	22.7787	Conservation area	1604.95		Own Crop			tCO2e	tCO2e/ ha	tCO2e/ FFB	Emissions source				Land Conversion	11196.95	9.91	0.67	*CO2 Emissions from Fertiliser	6441.69	0.65	0.04	**N2O Emissions	6526.5	0.62	0.04	Fuel Consumption	3425.65	0.31	0.02	Peat Oxidation	1243.79	0.08	0.01	Sinks			
Emissions per Product	tCO2e/tProduct	Extraction	%																																																														
CPO	0.49	OER	22.02																																																														
PK	0.49	KER	4.67																																																														
Production	t/yr																																																																
FFB Processed	151387.29																																																																
CPO Produced	33339.161																																																																
Land Use	ha																																																																
OP planted area	15686.18																																																																
OP planted on peat	22.7787																																																																
Conservation area	1604.95																																																																
	Own Crop																																																																
	tCO2e	tCO2e/ ha	tCO2e/ FFB																																																														
Emissions source																																																																	
Land Conversion	11196.95	9.91	0.67																																																														
*CO2 Emissions from Fertiliser	6441.69	0.65	0.04																																																														
**N2O Emissions	6526.5	0.62	0.04																																																														
Fuel Consumption	3425.65	0.31	0.02																																																														
Peat Oxidation	1243.79	0.08	0.01																																																														
Sinks																																																																	

**RSPO PUBLIC SUMMARY REPORT**

				<table border="1"> <tr> <td>Crop Sequestration</td> <td align="right">-105583.04</td> <td align="right">-9.36</td> <td align="right">-0.63</td> </tr> <tr> <td>Conservation Sequestration</td> <td align="right">-10860.32</td> <td align="right">-0.78</td> <td align="right">-0.05</td> </tr> <tr> <td>Total</td> <td align="right">15391.22</td> <td align="right">1.43</td> <td align="right">0.1</td> </tr> </table> <p>Summary of Mill Emissions and Credits</p> <table border="1"> <thead> <tr> <th></th> <th align="right">tCO2e</th> <th align="right">tCo2e/tFFB</th> </tr> </thead> <tbody> <tr> <td>Emissions Sources</td> <td></td> <td></td> </tr> <tr> <td>POME</td> <td align="right">3963.8</td> <td align="right">0.03</td> </tr> <tr> <td>Fuel Consumption</td> <td align="right">295.79</td> <td align="right">0</td> </tr> <tr> <td>Grid Electricity Utilisation</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Credits</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Export of Grid Electricity</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Sales of PKS</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Sales of EFB</td> <td align="right">0</td> <td align="right">0</td> </tr> <tr> <td>Total</td> <td align="right">4259.59</td> <td align="right">0.03</td> </tr> </tbody> </table> <p>Palm Oil Mill Effluent (POME) Treatment</p> <table border="1"> <tr> <td>Divert to compost</td> <td align="right">0 %</td> </tr> <tr> <td>Divert to anaerobic digestion</td> <td align="right">100 %</td> </tr> </table> <p>POME Diverted to Anaerobic Digestion:</p> <table border="1"> <tr> <td>Divert to anaerobic pond</td> <td align="right">0</td> </tr> <tr> <td>Divert to methane capture (flaring)</td> <td align="right">73%</td> </tr> <tr> <td>Divert to methane capture (electricity generation)</td> <td align="right">27%</td> </tr> </table>	Crop Sequestration	-105583.04	-9.36	-0.63	Conservation Sequestration	-10860.32	-0.78	-0.05	Total	15391.22	1.43	0.1		tCO2e	tCo2e/tFFB	Emissions Sources			POME	3963.8	0.03	Fuel Consumption	295.79	0	Grid Electricity Utilisation	0	0	Credits	0	0	Export of Grid Electricity	0	0	Sales of PKS	0	0	Sales of EFB	0	0	Total	4259.59	0.03	Divert to compost	0 %	Divert to anaerobic digestion	100 %	Divert to anaerobic pond	0	Divert to methane capture (flaring)	73%	Divert to methane capture (electricity generation)	27%
Crop Sequestration	-105583.04	-9.36	-0.63																																																					
Conservation Sequestration	-10860.32	-0.78	-0.05																																																					
Total	15391.22	1.43	0.1																																																					
	tCO2e	tCo2e/tFFB																																																						
Emissions Sources																																																								
POME	3963.8	0.03																																																						
Fuel Consumption	295.79	0																																																						
Grid Electricity Utilisation	0	0																																																						
Credits	0	0																																																						
Export of Grid Electricity	0	0																																																						
Sales of PKS	0	0																																																						
Sales of EFB	0	0																																																						
Total	4259.59	0.03																																																						
Divert to compost	0 %																																																							
Divert to anaerobic digestion	100 %																																																							
Divert to anaerobic pond	0																																																							
Divert to methane capture (flaring)	73%																																																							
Divert to methane capture (electricity generation)	27%																																																							

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

Clause	Indicators	Comply Yes/No	Findings
C 6.1	6.1.1 A social impact assessment	YES	The SIA report "Scoping SIA Saremas 1 & 2, Segarmas and Kaminsky Estates" prepared in 2008



## RSPO PUBLIC SUMMARY REPORT

Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.		(SIA) including records of meetings shall be documented. Major Compliance		was still the basis for managing social issues in Saremas 2 CU. The report was prepared combined with the Saremas 1 CU and with the participation of the relevant stakeholders, such as the estate workers and the neighbouring five long-house communities. It has been confirmed that there was no long-houses community surrounding Saremas 2 CU.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	YES	As highlighted in the previous audit report, in addition to the estate workers, representatives from five long-house communities, namely Bunsu, Gundi, Tapu, Sabang and Marudi (from Saremas 1 CU) have participated in the assessment. The inputs from the participants were incorporated in the management plan.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, incl. responsibilities for implementation. Major Compliance	NO	Pursuant to the SIA, Action Plans were prepared in consultation with affected parties and updated annually. The Action Plans take into account feedbacks/inputs received from various stakeholders such as Social and Welfare committee meetings, Women and Children Committee meetings and Environment Performance Committee Meeting. The Action Plan contains issues, recommendations and action plans, person in charge and current status. However, it was found during the audit that impacts of replanting at Saremas 2 Estate, Segarmas Estate and Kaminsky Estate, if any, have not been identified nor developed in consultation with workers who could be potentially affected by replanting activities undertaken at these estates. There is also no evidence available in the Social Impact Assessment Action Plans for Saremas 2 Estate, Segarmas Estate and Kaminsky Estate that field workers have been consulted on any potential impacts they may incur arising from the ongoing replanting activities at these estates. Therefore, a Major Non-Compliance NCR RZ 01 of 2019 was raised.
	6.1.4	The plans shall be reviewed as a minimum once every 2 yrs and updated as necessary, in those cases where the review has concluded that changes made to current practices. There shall be evidence that the review incl. the participation of affected parties. Minor Compliance	YES	There was evidence that the action plans for all units within the Saremas 2 CU were being reviewed at least once every 2 years.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	N/A	There was no smallholder schemes within Saremas 2 CU. Therefore, this indicator was not applicable.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	YES	There was a documented consultation and communication procedure which was established and prepared by the RSPO Unit of PPB Oil Palms Bhd. This document was prepared, reviewed and approved on 4 January 2010. This procedure was used by the CU in handling internal and external communications.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	YES	Management official responsible in the communication and consultation with external stakeholders were appointed accordingly. Appointments were evident.
	6.2.3	A list of stakeholders, records of all communication, including	NO	List of stakeholders for all units within Saremas 2 CU were sighted during the audit. All stakeholder lists were updated in 2019. They contain list of suppliers, contractors, grocery supplier, government

## RSPO PUBLIC SUMMARY REPORT

		confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance		agencies, NGOs, local communities, clinics, neighbouring estates and smallholders, etc. Efforts made to ensure understanding by affected parties were carried out via meetings. For example, at Saremas 2 Palm Oil Mill, meeting with canteen operator was held on 27 March 2019 to inform them of labour requirements (employment contracts, salary slips, housing amenities), not to sell restricted items without licence, prohibition on the storage of highly combustible items inside the shop, displaying price tag, etc. However, despite employing Indonesian workforce, Saremas 2 Palm Oil Mill, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate have not identified the Consulate General of the Republic of Indonesia, Kuching, Sarawak as a stakeholder. Therefore, a Minor Non-Compliance RZ 03 of 2019 was raised.
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. Major Compliance	YES	There was a documented system used by Saremas 2 Certification Unit when dealing with complaints and grievances which was open to all affected parties. This was available in the Group's No Deforestation, No Peat, No Exploitation Policy dated in Dec 2013 under the paragraph entitled "Resolve All Complaints and Conflicts Through an Open, Transparent and Consultative Process". Additionally, there was also the Dispute and Resolution Procedure which was last updated in Oct 2018. This procedure applies to negotiation procedures involving external and internal stakeholders. It also explains the Group's conflict resolution process in a flowchart. The procedure starts with the receipt of complaint from any party, its investigation, proposed solutions and acceptance of the solutions or otherwise. If the proposed solution rejected, the dispute will be brought for third party arbitration. The negotiation and mediation process specify that parties are to commit to observe the timeline and to act on the arrived decision and agree on punctuality. Additionally, parties are also to agree to a timeline of progress and other details. Protection for whistle blowers is available under the "Whistle Blowing Policy" which was issued in Feb 2018.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	YES	Disputes or complaints can be lodged in the Complaints Book. The Complaints Book for Saremas 2 POM was sighted which contains mainly complaints about house defects. For example, on 16 February 2019, a worker complained about defective plug in the house. The matter was attended to on and rectified on the same day.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views	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	For cases involving the loss of customary land rights, the estate will manage them using the procedure entitled "Process for Identification of Legal and Customary Rights and Identifying People Entitled for Compensation", adopted in July 2009.
	6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into	YES	The procedure for calculating and distributing fair compensation is contained in the document entitled "Process for Identification of Legal and Customary Rights and Identifying People Entitled for Compensation" adopted in July 2009. In it, the process of determining compensation was addressed.

**RSPO PUBLIC SUMMARY REPORT**

through their own representative institutions.		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		
	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	As of the date of the 4 <sup>th</sup> Surveillance Audit, Saremas 2 and Segarmas Plantation Sdn Bhd were in the process of a conflict resolution with the Penans of Jambatan Suai. Since the process was still in its preliminary stage, no negotiated agreements or compensation claims have taken place.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	YES	Documentation of pay were available in monthly payslips, and conditions for all workers were available in employment contracts. Samples of payslips and employment contracts were sighted and verified. Each pay slip contains the following information: month of pay, workers' name and code, basic salary, allowances, piece rate amount, paid annual leave/public holiday, statutory deductions for EIS, EPF and SOCSO, total number of days worked, total number of rest days, overtime hours, annual leave/public holidays, etc. Workers interviewed confirmed that they were given their monthly payslips. Employment contracts and payslips for sampled months were sighted and verified accordingly.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance	YES	All the employment contracts were prepared in dual language and generally follows the format issued under the Labour Ordinance 1952, Sarawak. Among the terms in the contracts include date of commencement, duration, place of work and job specification, workers' responsibilities, employers' responsibilities, workers' levy payable by employer, salary and allowances, working hours and overtime, public holiday, annual leave, medical leave, workers' work pass, maternity leave, insurance, etc. Employment contracts that were sampled were valid and contain the latest employment provisions including the latest minimum wages under the Minimum Wages Order 2018. Workers interviewed confirmed that they understood the contents of the employment contracts and that the contents were explained to them prior to affixing their signatures/thumbprints.
	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	NO	The houses provided to all the workers within the Saremas 2 CU were adequate with water supplies, medical facilities (all go to the clinic at Segarmas Estate), education facilities, namely the Community Learning Centre for Indonesian children. Creche was also available for infants aged 1 to 5. Other welfare amenities include football ground, badminton/takraw court, provision of transport for school-going children, places of worship, and grocery shops. Treated water was provided for domestic use. There was evidence that water quality monitoring for E.coli and total coliform were done. At Saremas 2 Palm Oil Mill:

**RSPO PUBLIC SUMMARY REPORT**

		446) or above, where no such public facilities are available or accessible. Minor Compliance		<p>a. The area surrounding the workers' housing was not kept clear of undergrowth and maintained in a clean and sanitary condition. This was a non-compliance of Section 23 (1) (a) of the WMSHA Act.</p> <p>b. The perimeter drains in particular behind Block H9, and the one drain separating the workers' housing from the staffs' housing including all outlet drains were covered in undergrowth causing water to stagnate. This was a non-compliance of Section 23 (1) (b) of the WMSHA Act.</p> <p>c. Overflowing of rubbish bins in front of units E7/99, E10/99, E11/99, E14/99. This was a non-compliance of Section 23 (1) (c) of the WMSHA Act.</p> <p>2. At Saremas 2 Estate: The drain in particular behind Block H4, were covered in undergrowth causing stagnant water. This was a non-compliance of Section 23 (1) (b) of the WMSHA Act.</p> <p>3. At Segarmas &amp; Kaminsky Estate: Housing inspections were carried out not in accordance with the stated frequency. This was a non-compliance of Section 23 (2) of the WMSHA Act which requires housing inspections to be carried out weekly.</p> <p>4. Records of visits by the visiting medical officer to Segarmas Estate clinic were reviewed and it was found that this was a non-compliance against Section 19 (3) of the WMSHA Act which requires a registered medical practitioner to visit the clinic at least once a fortnight to supervise the operations and management of the clinic and to provide medical treatment to workers and their dependents. Therefore, a Minor Non-Compliance RZ 02 of 2019 was raised.</p>
	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. Minor Compliance	YES	There was evidence that all units within Saremas 2 CU monitor workers' access to adequate, sufficient and affordable food. Each unit has a grocery store that supply a variety of items such food and non-food items. The store operators are required to comply with the price list of essential items such as rice, cooking oil, noodles, chicken, fish, onions, coffee and cooking gas. Sighted was a price list dated in March 2019 for these essential items. Spot checks were also carried out to ensure the price list was complied with. Prices for all other items sold in the grocery stores were adequately displayed. Workers able to buy in cash or via credit. Visited during the audit were Golden Sand Enterprise at Saremas 2 Estate and Jim Trading at the Saremas 2 Palm Oil Mill. Interviews with workers also confirm that they can easily obtain items at these stores at reasonable prices.
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	YES	A written statement on the rights of employees to form and join trade unions of their choice, and to bargain collectively are contained in Wilmar's No Deforestation, No Peat and No Exploitation Policy dated in Dec 2013. The statement displayed at the public places at all the estates/mill. Training were also done to workers which was conducted in Bahasa Malaysia.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	YES	Although there was no trade union within Saremas 2 Certification Unit, each unit has its own Social and Welfare Committee. Members of the Social and Welfare committees comprise worker representatives elected by the workers themselves. The election processes were sighted for all units. The committee also comprise management representatives in almost equal number to the worker representatives.

**RSPO PUBLIC SUMMARY REPORT**

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	The Wilmar Group Child Labour Policy which was updated in Sept 2010 was publicly available at the offices of the Saremas 2 Palm Oil Mill, Saremas 2, Kaminsky and Segarmas Estates. The policy defines Wilmar Group's commitments not to employ children, and the policy defines 'child' in accordance with the ILO Convention definition irrespective of what the local and national law stipulates. Workers' lists were also sighted for all units within Saremas 2 CU.
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 Wilmar Group Equal Opportunity Policy updated in Jan 2018 signed by the Chairman and CEO of Wilmar International. It was publicly available at the offices of the Saremas 2 Palm Oil Mill, Saremas 2, Kaminsky and Segarmas Estates. This Policy states Wilmar Group's Policy on equal opportunity in all aspects of its employment including recruitment, training and promotion. The Policy identifies under-represented groups where they are encouraged to apply for training and employment opportunities with the Company, and that where possible, special training will be provided for such groups to prepare them to compete on equal terms for jobs and promotion. Briefing on equal opportunities policy was given in Feb 2019 at Segarmas & Kaminsky Estate.
	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	Based on workers' employment contracts and confirmed during interviews conducted with local and foreign workers (both male and female) who work as general workers, sprayers, manurers and harvesters, there was no evidence that they have been discriminated against in terms of employment, wages paid, work assignments, housing allocations and other benefits. This also is in line with the Wilmar Group's Equal Opportunity Policy updated in Jan 2018.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	YES	As stipulated in the "Recruitment selection, Hiring and Promotion" and "Recruitment of Workers" for workers the recruitment selection, hiring and promotion where relevant are based on availability, skills, capabilities, qualities, and medical fitness necessary for the jobs. For monthly paid employees, interviews were done before a panel of interviewers who would objectively assess the candidate for suitability. Promotions were based on recommendations and performance.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	YES	A policy on Sexual Harassment, Violence and Abuse, Reproductive Rights (updated in Jan 2018) was available during the audit. The policy was displayed at notice boards in the office of all units within Saremas 2 CU. Among other things, this Policy defines what is sexual harassment, violence, abuse and reproductive rights, as well as implementation and enforcement of the Policy. This includes how investigations are to be conducted, and emphasised the confidential nature of the investigations. Based on interview with workers, they were aware of the policy and hw to complaint should an abuse occurs. The policy had been communicated to all staffs and workers during morning muster and training session.
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated	YES	Saremas 2 CU applies Wilmar's Policy on 'Sexual Harassment, Violence and Abuse, Reproductive Rights Policy' updated in Jan 2018 signed by the Managing Director. This Policy was prepared in English and exhibited prominently at the Mill and Estate offices, notice boards, muster grounds and housing complexes. Among other things, this Policy defines what is sexual harassment, violence,

**RSPO PUBLIC SUMMARY REPORT**

		to all levels of the workforce. Major Compliance		abuse and reproductive rights, as well as implementation and enforcement of the Policy. The policy had been communicated to all staffs and workers during morning musters and trainings. This was confirmed during interviews with mill workers, harvesters, sprayers and manurers who were interviewed.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented & communicated to all levels of the workforce. Minor Compliance	YES	For handling of sexual harassment issue, an SOP entitled 'Sexual Harassment – Complaint / Investigation Procedure was available. The manager of the estates or mill was appointed as the responsible person to receive any grievance, conduct investigation and take necessary actions related to this issue. As for sexual harassment, the Chairman of the Women and Children Committee as mentioned in indicator 6.9.1 was responsible to manage any raised issue on sexual harassment. The grievance mechanism had been explained to the Women and Children Committee. A flowchart explaining the process of handling grievances had been displayed at the estates' and mill's noticeboard. The SOP contains the complaint and investigation procedure to handle sexual harassment in the workplace. The Women and Children Committees of Saremas 2 Palm Oil Mill, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate conduct meetings and brief their members on the objectives of the establishment of the committee, mechanism to address issues related with women and children and their annual programme.
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	Saremas 2 POM did not buy outside crops or from the smallholders. Therefore, this indicator was not applicable.
	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	N/A	The Saremas 2 Palm Oil Mill did not buy outside crops from smallholders and therefore this indicator does not apply.
	6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Minor Compliance	YES	Interviews with the contractors and suppliers revealed that they had understood the terms stipulated in the contract signed with the estates and mill. Most of the contractors and suppliers have been in business for a long time. The payment from the each of the sites was made in a timely manner. The contractor confirms the existence of a contract which specifies clearly the calculation of payment due for the services rendered, and that the contract is fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	YES	Contractors interviewed confirmed that payments were made promptly i.e. less than one month after the issuance of invoice.
C 6.11 Growers and millers contribute to local	6.11.1	Contributions to local development that are based on the results of consultation with	YES	The Saremas 2 CU contributed to the socio-economic development of the local long-house communities via employment opportunities, medical services, school buses, roads, water tanks and oil palm seedlings. In addition, the CU had also given advisory services on the plantation and

**RSPO PUBLIC SUMMARY REPORT**

Sustainable development where appropriate.		local communities shall be demonstrated. Minor Compliance		management of oil palm crops.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	N/A	There was no scheme smallholders related to Saremas 2 CU and so this indicator was not applicable.
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	No evidence of forced or trafficked labour was observed within the Saremas 2 CU. This was verified through interview with workers (chemical sprayers, harvesters), verification of employment contracts and work permit for field workers. The workers informed that they were employed voluntarily and freely, without any threats of a penalty. Workers has the freedom/right to terminate the employment contract without penalty given by company within 28 days. Evidence of no forms of forced or trafficked labour can be seen in local language of Indonesian “ <i>No Deforestation, No Peat, No Exploitation Policy</i> ” dated in Dec 2013. Passports for foreign workers were kept in the pigeon boxes near the Mill and Estate guardhouse. All foreign workers keep their own keys and have access to their respective passports.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	YES	Based on interviews conducted with Mill and Estate workers, there was no evidence of contract substitution at Saremas 2 CU. All workers Interviewed confirmed that they were doing the job as promised prior to recruitment.
	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 and procedures titled as “Recruitment of Workers” dated in May 2015 to employ foreign workers was established and implemented. A post-arrival orientation programme was also carried out at Saremas 2 POM in March 2019. Among the contents of the programme covered labour ordinance, immigration laws, employment contracts and keeping of passports, safety and health of workers, etc.
C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations. Major Compliance	YES	Saremas 2 CU has adopted the Wilmar Group Human Right Policy updated in Jan 2018. The policy been communicated to all levels of workforce. Awareness on Human Right Policy was conducted in Feb 2019 at Segarmas Estate and in Jan & Feb 2019 in Kaminsky Estate.
	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	Community Learning Centre (CLC) was available at Segarmas Estate for children of Indonesian workers. The CLC has 5 teachers and 92 children ranging from 7 to 12 years of age. The CLC uses the Indonesian government curriculum with added subject of Bahasa Malaysia. The Company provides housing for the teachers and free maintenance of the building and CLC premises. Additionally, the Company also provides daily-subsidised meals during recess, computers and free transportation from the linesite to the CLC.

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

## RSPO PUBLIC SUMMARY REPORT

Saremas 2 has no plan for any new planting and no new development of area was observed during the visit. Auditors has verified through checking the [www.globalforestwatch.com](http://www.globalforestwatch.com), GOOGLE Maps, Estate Maps and through site visit to the sampled estates area. Based on the audit findings, it was confirmed that there were no new planting or new development of areas at Saremas 2 CU. Thus Principle 7 is not applicable.

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

Clause	Indicators	Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1 The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a) Reduction in use of pesticides(Criterion 4.6);	YES	All Estates continued to manage pests, disease and weeds using appropriate IPM techniques. In order to minimize use of insecticides, the estates had planted beneficial plants mainly Tunera subulata and Antigonon leptopus. The CU was committed to reduce using of chemicals and now have implemented and will continue to only spray Circles (Strip) and noxious weeds while woody growths were mainly slashed. Soft weeds and Nephrolepis bisserata were maintained and encouraged in the inter rows. EFB was applied in single layers and is not dumped in large amounts to prevent breeding of Rhinoceros Beetles. The Estate management also monitored the Harvesting Interval to ensure efficient loose fruits collection and expedite circle raking to avoid VOPs.
	b) Environmental impacts (Criteria 4.3, 5.1 and 5.2);	YES	The CU has reviewed the environmental aspects and impacts on annual basis. Regular monitoring of water quality, air emission as per the legal requirements have been carried out accordingly. All internal and external communication on environmental complaints had been handled in accordance with the established procedure. It was also noted that the CU had implemented greening programme at the riparian zone and conservation area.
	c) Waste reduction (Criterion 5.3);	YES	The CU continued to practice 3R (reduce, recycle, re-use) programme on waste management. The Waste Management Plan was established for 2019. The CU is generally active in maximizing the recycling activities. This could be evident through sales of recyclable materials such as plastic and metal. The CU continues to make full use of the biomass waste to minimize waste such as POME, EFB decanter cake for estate usage.



## RSPO PUBLIC SUMMARY REPORT

	d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	YES	Pollution and greenhouse gas (GHG) emission were identified in the Environmental Improvement Action Plan', where all waste products and sources of pollution were identified. The EIA plan has been reviewed through the Management Meeting.
	e)	Social impacts (Criterion 6.1);	YES	The CU had reviewed recommendations from SIA report and record of complaints. Regular meetings with the stakeholders were held, and periodical monitoring of their activities performances based on SIA Action Plan were carried out accordingly. Most of the monitoring were based on SIA Action Plan especially on improving the conditions at the housing area e.g. cleaning of drainage system, training on sexual harassment specifically to male workers improvement of treated water quality, monitoring of prices at the grocery stores, transportation of school children to the CLC, etc.
	f)	Encourage optimising the yield of the supply base	YES	As Saremas CU is part of a well-established organisation, PPB Oil Palms Berhad, the yield performance has always been the top priority in ensuring long-term economic and financial viability. Various efforts had been made to optimise the yield of the plantation such as maximising crop recovery, optimum ripeness standard (harvest ripe bunches only and 100% loose fruit collection), maintaining soil fertility and using 60% clonal material in replants.

### RSPO CERTIFICATIONS SYSTEMS FOR PRINCIPLES & CRITERIA JUNE 2017

	Indicators		Comply Yes/No	Findings
<p>4.5.3 Time-bound plan</p> <p>Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;</p>	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	YES	Wilmar is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills.
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	YES	Details of the Time Bound Plan described as per attachment 7.
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or	YES	Wilmar is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment 7.

**RSPO PUBLIC SUMMARY REPORT**

<p>4.5.4 Requirements for uncertified management units:</p>	<p>(a)</p>	<p>chamber of commerce (or equivalent); No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&amp;C criterion 7.3. Any new plantings since 1<sup>st</sup> January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;</p>	<p>NO</p>	<p>Sighted internal audit assessment report has been carried out for clause 4.2.4 (e)-(h) of certification system for units such as:</p> <p><u>Indonesia Units</u></p> <ul style="list-style-type: none"> <li>- Ksu Mutiara Bosa Sikilang on June 2018</li> <li>- Kud Damai Sejahtera on June 2018</li> <li>- Kud Kapar on June 2018</li> <li>- Koperasi Karya Makmur Pahirangan on February 2019</li> <li>- Koperasi Mamur Sejahtera on January 2019</li> <li>- Kud Permata Sawit Maligi on June 2018</li> <li>- Kud Rantau Pasaman Sasak on June 2018</li> <li>- Pt. Buluh Cawang Plantation on June 2018</li> <li>- Pt. Daya Landak Plantation on June 2018</li> <li>- Pt. Indoresin Putra Mandiri on June 2018</li> <li>- Pt. Putra Indotropical on June 2018</li> <li>- Pt. Pratama Prosentindo on June 2018</li> <li>- Pt. Agronusa Investama – PAHAUMAN on June 2018</li> <li>- Pt. Sarana Titian Permata Pom 2 on January 2019</li> <li>- Koperasi Tuah Jubata on February 2019</li> </ul> <p><u>Arica Units</u></p> <ul style="list-style-type: none"> <li>- Biase Plantation Limited (BPL) on February 2019</li> <li>- Eyop Industries Limited (EIL) on February 2019</li> </ul> <p><u>Malaysia Units</u></p> <ul style="list-style-type: none"> <li>- Jebawang Sdn Bhd – Laba Utama on April 2019</li> <li>- Suburmas Plantation Sdn Bhd on April 2019</li> </ul> <p>However, supporting documentation for self - declaration was inadequate. Evidences &amp; document reference such as HCV report results, land title, Racp status, LUCA status, planting statement, SOP for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, SOP calculating and distributing fair compensation, etc was not adequate in the report for all uncertified management units. Refer to NCR Minor RAR 02 2019.</p>
	<p>(b)</p>	<p>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&amp;C criteria 2.2, 6.4, 7.5 and 7.6;</p>		
	<p>(c)</p>	<p>Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&amp;C criterion 6.3;</p>		
	<p>(d)</p>	<p>Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&amp;C criterion 2.1;</p>		
	<p>(e)</p>	<p>The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self- declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:</p>	<p>NO</p>	
		<ul style="list-style-type: none"> <li>• A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement.</li> </ul>		
		<ul style="list-style-type: none"> <li>• Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team.</li> </ul>		
		<ul style="list-style-type: none"> <li>• A desktop study e.g. web check on relevant</li> </ul>		

**RSPO PUBLIC SUMMARY REPORT**

		<p>complaints</p> <ul style="list-style-type: none"> <li>If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.</li> </ul>		
<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 land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p>		<p>No additional indicators</p>		<p>The copies of legal ownership of the land for Saremas 2 estate was verified. It was confirmed that the estates were operating on land of with legitimate status. The Saremas 2 Estate hosts the site of the Saremas II Mill complex. 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 Sarawak State Government. It was confirmed that there were no issues related to the rights of local communities and indigenous people.</p>
<p>Note: 1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&amp;C. For example, if an NC against a major indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed; 2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.</p>				

**RSPO PUBLIC SUMMARY REPORT**

**Attachment 4**

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

<b>P &amp; C Indicator</b>	<b>Specificati on Major/Minor</b>	<b>Detail Non-conformances</b>	<b>Corrective Action Taken by the CU</b>	<b>Verification by Auditors</b>
Indicator 2.1.1 STK 01 2019	Major	<p>Finding: 1. Evidence of compliance with relevant legal requirements was not available</p> <p>Objective evidence: 1. Segarmas Estate: The Work Permit of the worker observed applying fertiliser in Block 045, Emiliati (Passport No. AT 597198), had expired on 20.02.2019. 2. Kaminsky Sdn Bhd – The Work Permit of the worker observed working in the Oil Palm Nursery, Mirna Jama (Passport No. AT 237818), had expired on 06.04.2019</p>	<p>Management has issue the “Memo Periksa Keluar” to both of employees and the passport has been send to Sarawak Immigration for stamping on 08/04/2019 &amp; 09/05/2019. Both of them will going back to their respective country when their temporary pass has been expired (30days after stamping.</p>	<p>Sighted an evidence from Sarawak Immigration related to “Memo Periksa Keluar” related to end of service period on date 21/03/2019 and 01/02/2019.</p> <p>Status: Closed</p>
Indicator 4.1.1. STK 02 2019	Major	<p>Finding: 1. Standard Operating Procedure (SOP) for Pear Soil Management was not available.</p> <p>Objective evidence: Kaminsky Sdn Bhd – For management of Peat Soils in Blocks 33 &amp; 34, there was no Standard Operating Procedure (SOP) established and documented at time of visit.</p>	<p>The management has immediately established the standard operating procedure on peat management for the company and will be implement it accordingly.</p>	<p>Sighted standard operating procedure “Wilmar Best Practices and Standard Operating Procedure for Management of Existing Oil Palm Cultivation on Peat Soil”. The relavent area as been concern in the SOP to include water management, drainability assessment, replanting technique, road and drainage construction, monitoring and documentation.</p> <p>Status: Closed</p>
Indicator 4.1.3 RZ 04 2019	Minor	<p>Finding: The same issue identified during housing inspections at the Saremas 2 Palm Oil Mill has been recurring since April 2018 until 6 April 2019.</p> <p>Objective evidence: The housing inspection form of Saremas 2 Palm Oil Mill, has identified and recorded a recurring issue of “Kebersihan Kawasan Kediaman: ada tin kosong, takungan air, dan tempat nyamuk membiak” from April 2018 until 6 April 2019. No record of action taken is available.</p>	<p>Management unit has taken an action immediately to clean all the housing area and will be strength it during housing inspection and monitored the issues from the social &amp; welfare meeting.</p>	<p>Corrective action plan accepted The effectiveness of implementation will be verified during next audit</p> <p>Status : Open</p>

**RSPO PUBLIC SUMMARY REPORT**

<p>Indicator 5.1.2  RAR 01 2019</p>	<p>Minor</p>	<p>Finding : Implementation from action plan (Mitigation Method for Significant EAI) was not comprehensive.</p> <p>Objective evidence : During site visit at Kaminsky Estate, Kongsilama, Genset room, oil trap was not maintained properly and sighted oil spillage to monsoon drain.</p>	<p>Manager immediately trained and appoint Genset operator to monitor genset area room included oil trap.</p>	<p>Corrective action plan accepted The effectiveness of implementation will be verified during next audit</p> <p>Status : Open</p>
<p>Indicator 6.1.3  RZ 01 2019</p>	<p>Major</p>	<p>Finding: Impacts of replanting at Saremas 2 Estate, Segarmas Estate and Kaminsky Estate, if any, have not been identified nor developed in consultation with workers who could be potentially affected by replanting activities undertaken at these estates.</p> <p>Objective evidence: No evidence is available in the Social Impact Assessment Action Plans for Saremas 2 Estate, Segarmas Estate and Kaminsky Estate that field workers have been consulted on any potential impacts they may incur arising from the ongoing replanting activities at these estates</p>	<p>Management immediately conduct SIA for effected workers related to replanting by using meeting method and interview (one to one), management also conduct provide to employees "boring cadangan dan aduan" to the employees.</p>	<p>Sighted the full report of Social impact Assessment for Wilmar Sarawak Region (Replanting) which is has been conducted on May 2019 (6-14/05/2019). The assessment has been carried with 150 affected employees from work units (harvester, sprayer, manuring operator, tractor driver, etc). results from the assessments were inditified some issues such as to conduct more training related to payment and safety.</p> <p>Status: closed</p>
<p>Indicator 6.2.3  RZ 03 2019</p>	<p>Minor</p>	<p>Finding: Despite employing Indonesian workforce, Saremas 2 Palm Oil Mill, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate have not identified the Consulate General of the Republic of Indonesia, Kuching, Sarawak as a stakeholder.</p> <p>Objective evidence: The stakeholder lists of Saremas 2 Palm Oil Mill, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate have not identified and listed the Consulate General of the Republic of Indonesia, Kuching, Sarawak as a stakeholder.</p>	<p>Management will immediately identified all the relevant stakeholders and include it to stake holders list included General of Republic of Indonesia.</p>	<p>Corrective action plan accepted The effectiveness of implementation will be verified during next audit</p> <p>Status : Open</p>
<p>Indicator 6.5.3  RZ 02 2019</p>	<p>Minor</p>	<p>Finding: Saremas 2 Palm Oil Mill, Saremas 2 Estate, Segarmas Estate and Kaminsky Estate have not complied with the requirements of the Workers' Minimum Standard of Housing and Amenities Act 1990 ("the WMSHA Act").</p> <p>Objective evidence: 1. At Saremas 2 Palm Oil Mill:</p>	<p>-Saremas 2 Palm Oil Mill hass issuing Saremas 2 Estate to collect domestic more frequently (3x per week). The management also will conduct general cleaning every Friday.</p> <p>-Management has a plan to concrete all the</p>	<p>Corrective action plan accepted The effectiveness of implementation will be verified during next audit</p> <p>Status : Open</p>

**RSPO PUBLIC SUMMARY REPORT**

	<p>a. The area surrounding the workers' housing was not kept clear of undergrowth and maintained in a clean and sanitary condition. This is a non-compliance of Section 23 (1) (a) of the WMSHA Act.</p> <p>b. The perimeter drains in particular behind Block H9, and the one drain separating the workers' housing from the staffs' housing including all outlet drains were covered in undergrowth causing water to stagnate. This is a non-compliance of Section 23 (1) (b) of the WMSHA Act.</p> <p>c. Overflowing of rubbish bins in front of units E7/99, E10/99, E11/99, E14/99. This is a non-compliance of Section 23 (1) (c) of the WMSHA Act.</p> <p>2. At Saremas 2 Estate: The drain in particular behind Block H4, were covered in undergrowth causing water to stagnate. This is a non-compliance of Section 23 (1) (b) of the WMSHA Act.</p> <p>3. At Segarmas Estate: Housing inspections were carried out as follows:</p> <p>a. At Division A: 7 Jan 2019, 28 Jan 2019, 4 Feb 2019, 18 Feb 2019, 8 March 2019, 3 April 2019.</p> <p>b. At Division B: 15 March 2019, 8 April 2019.</p> <p>c. At Division C: 29 March 2019.</p> <p>d. At Division D: Week 1 of Jan 2019, Week 2 of Jan 2019, Week 4 of Jan 2019, Week 1 of Feb 2019, Week 3 of Feb 2019, Week 3 of March 2019.</p> <p>4. At Kaminsky Estate: Housing inspections were carried out as follows:</p> <p>a. At Kongsu Baru H Type: 18 Jan 2019, 22 Feb 2019, 20 March 2019.</p> <p>b. At Kongsu Lama H Type Block 14, 15, 16, 17: 25 Jan 2019, 26 Feb 2019, 29 March 2019.</p> <p>c. At Kongsu 58: 16 Jan 2019, 7 Feb 2019, 13 March 2019.</p> <p>d. At staff housing E Type: 11 Jan 2019, 13 Feb 2019, 30 March 2019, 8 April 2019.</p> <p>e. At housing D Type: 11 Jan 2019, 13 Feb 2019, 30 March 2019, 8 April 2019.</p> <p>This was non-compliance of Section 23 (2) of the WMSHA Act which requires housing inspections to be carried out weekly.</p>	<p>drainage by the estate. Management also has add on another Person in charge beside health assistant to conduct weekly housing inspection. Management also has appoint doctor from the nearby clinic to come and visit to the estates once a fortnight,</p>	
--	---	---	--

## RSPO PUBLIC SUMMARY REPORT

		<p>5. Records of visits by the visiting medical officer to Segarmas Estate were as follows: 20 September 2018, 12 October 2018, 13 November 2018, 15 January 2019 and 20 February 2019. This is a non-compliance of Section 19 (3) of the WMSHA Act which requires a registered medical practitioner to visit the clinic at least once a fortnight to supervise the operations and management of the clinic and to provide medical treatment to workers and their dependents.</p>		
<p>Indicator 4.5.4</p> <p>(RSPO Certification System P&amp;C June 2017)</p> <p>RAR 02 2019</p>	<p>Minor</p>	<p>Finding : Supporting documentation for self - declaration was in adequate.</p> <p>Objective evidence : Evidences &amp; document reference such as HCV report results, land title, Racp status, LUCA status, planting statement, SOP for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, SOP calculating and distributing fair compensation, etc was not available for all uncertified management units.</p>	<p>Top management has informed the other units such as in Wilmar Africa, Wlimar Laba Utama, Wilmar Indonesia and collect all the documentation required such as HCV report, land title, etc and distribute it to all certified units.</p>	<p>Corrective action plan accepted. The effectiveness of the implementation will be further verified during next audit.</p> <p>Status : Open</p>

**RSPO PUBLIC SUMMARY REPORT**

**Attachment 5**

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

**SECTION A : GENERAL INFORMATION**

1. File Reference No.	: ES11320001
2. Name of facility/ site(s) /entity(ies)	: PPB Oil Palm Berhad – Saremas 2 POM
3. Site Location (single site/multisite/Group)	: KM 115, Bintulu-Miri Road, 97008 Bintulu, Sarawak
4. SC model	: Identity Preserved
5. Type of entity	: <del>Mill / Crusher / Refinery / Biodiesel plant / Primary Oleochemical / Secondary Oleochemical / End product manufacturer</del>  <i>For oleochemicals and its derivatives, please check the conversion factor against the "RSPO Rules for Oleochemicals and its Derivatives" dated 1st December 2016</i>
6. RSPO Member Number	: 2-0017-05-000-00
7. Annual summary records of certified oil palm products purchased and claimed	: Actual for last year for period of March 18 until April 19 CPO Projected: 36,762.94 mt PK Projected: 7,762.87 mt CPO Sell: 32,552.66 mt CPO Claim as Identity Preserved: 18,978.86mt CPO Claim under another scheme: 13,573.80mt CPO Claim as Non-RSPO: 0 mt PK Sell: 6,882.20 mt PK Claim as Identity Preserved: 6,882.20 mt PK Claim as Non-RSPO: 0 mt

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

	<b>Requirements</b>	<b>Remarks</b>
	<b>Audit Process Requirements – FOR STAGE 2 / RECERTIFICATION AUDIT</b>	
5.3.8	The certification audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization seeking or holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.	<b>NA</b>



## RSPO PUBLIC SUMMARY REPORT

<b>Audit Process Requirements – SURVEILLANCE AUDIT</b>		
5.3.26	<p>The surveillance audit shall review whether the organizational systems, the management systems and the operational systems, including any documented policies and procedures of the organization holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.</p> <p>In cases where an organization seeking certification outsources activities to independent third parties, a risk assessment shall be done by the CB to determine whether an audit of the sub-contractor is required. If the outsourced contractor holds RSPO Supply Chain certification, then it does not require an additional audit.</p>	<p>Saremas 2 POM Organizational, management systems and the operational systems, 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>Sighted Saremas 2 palm oil mill has updated and change the name of documented procedure named RSPO Supply Chain Certification Procedure. Among the documented requirements related to Mill Supply Chain definition, delivery of FFB to mill, delivery of CPO and PK to refinery, mass balance calculation, daily production report, checking validity of the certification of the suppliers, Internal Audit, Management Review.</p> <ol style="list-style-type: none"> <li>1. Mill Supply Chain Definition</li> <li>2. Management Representative</li> <li>3. Purchasing and Goods In</li> <li>4. OutSourcing</li> <li>5. Sales and Goods Out</li> <li>6. Registration of Transactions</li> <li>7. Training</li> <li>8. Record Keeping</li> <li>9. Claims</li> <li>10. Complaints Procedure</li> <li>11. Internal Audit</li> <li>12. Management Review</li> <li>13. Supply Chain Model – Identity Preserved</li> <li>14. GHG Tabulation for RSPO Certified POM</li> </ol> <p>There was no evidence that Saremas 2 POM seeking certification outsources activities to independent third parties.</p>

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

	<b>Requirements</b>	<b>Remarks</b>
<b>1</b>	<b>Applicability of the general chain of custody requirements for the supply chain</b>	
1.1	<p>Organization takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- For client with SG or IP in the scope, check the weighbridge system, packaging, receiving, loading and storage facility area.</li> </ul>	Saremas 2 POM has legal ownership and physically handles RSPO certified sustainable crude palm oil and palm kernel.
1.2	<p>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</p>	Not applicable due to Saremas 2 POM is processing facility.

## RSPO PUBLIC SUMMARY REPORT

	distributor must pass on the certification number of the product manufacturer and the applicable supply chain model.	
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 : 2-0017-05-000-00 Registered under parent company: WILMAR INTERNATIONAL LIMITED
1.4	Processing aids do not need to be included within an organization's scope of certification.	No processing aid involved in Saremas 2 POM scope of certification
2	<b>Supply chain model</b>	
2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance. <u>Additional Guidance:</u> - For MB check the conversion factor used and the mass balance table.	Saremas 2 POM has aware on the need to downgrading of supply chain model. Incoming FFB and products dispatch record was verified and confirmed no downgrading was implemented.
2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Saremas 2 POM has continued to maintain IP model.
3	<b>Documented procedures</b>	
3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:	Saremas 2 POM Organizational, management systems and the operational systems, 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. Sighted Saremas 2 palm oil mill has updated and change the name of documented procedure named RSPO Supply Chain Certification Procedure. Among the documented requirements related to Mill Supply Chain definition, delivery of FFB to mill, delivery of CPO and PK to refinery, mass balance calculation, daily production report, checking validity of the certification of the suppliers, Internal Audit, Management Review. There was no evidence that Saremas 2 POM seeking certification outsources activities to independent third parties.
a)	Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.	Supply chain procedure was developed to follow RSPO SCCS 2017 namely RSPO Supply Chain Certification Procedure. The Procedure was sighted and found all elements of the RSPO Supply Chain standard were covered.
b)	Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).	Sighted CPO and PK production record, weighbridge report, dispatch record and training record was up to date and well maintained.
c)	Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.	The Chief Clerk have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO Saremas 2 POM. Interview with sustainability committee member, mill manager, assistant mill manager & weighbridge operator was confirmed they are understood the supply chain requirements.
3.2	The site shall have a written procedure to conduct annual internal audit	RSPO internal audit was conducted in Dec 2018 by the internal lead auditor. The internal audit

## RSPO PUBLIC SUMMARY REPORT

	<p>to determine whether the organization;</p> <p>i. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <p>ii. Effectively implements and maintains the standard requirements within its organization.</p> <p>Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct nonconformities shall be subject to management review at least annually. The organization shall be able to maintain the internal audit records and reports.</p>	<p>has follow the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.</p>
<b>4</b>	<b>Purchasing and goods in</b>	
4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number.</li> </ul> <p>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</p>	<p>Saremas 2 POM had continued received FFB supply from own company estate namely Saremas 2 estate, Kaminsky estate, Segarmas estate and Saremas 1 estate. Sighted FFB consignment note for Saremas 2 estate, Kaminsky estate, Segarmas estate and Saremas 1 estate from 20 November 2018 till 25 March 2019. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight.</p>
a)	<p>The site shall have documentation that demonstrate that purchases are made to the material category agreed with their supplier (IP, SG or MB).</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Obtain list of all suppliers and list of purchase orders/invoices issued to the suppliers</li> <li>- Check for agreement/contracts signed with suppliers</li> <li>- Sampling of purchase orders/invoices shall be done on a random basis and the minimum number of samples selected shall be based on the square root formula for each suppliers.</li> </ul>	<p>Saremas 2 POM had continued received source of RSPO certified FFB from own group estate. Saremas 2 POM has continued to implement and comply with the procedure in handling of purchasing and receiving as per RSPO standard requirements. Among the samples of all document dated from 20 November 2018 till 25 March 2019 related to incoming FFB from Saremas 2 estate, Kaminsky estate, Segarmas estate and Saremas 1 estate.</p>

## RSPO PUBLIC SUMMARY REPORT

	- Ensure the purchase orders/invoices have the supplier's Supply Chain number.	
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. <u>Additional Guidance:</u> - Request the PIC to demonstrate the use of the RSPO IT platform.	Saremas 2 POM has registered in IT platform Palm trace name: Saremas 2 POM
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. <u>Additional Guidance:</u> - Request for list of suppliers - Request the PIC to demonstrate where in the RSPO IT platform this can be found.	Saremas 2 POM had continued received source of RSPO certified FFB from own group estate.
4.2	The site shall have a mechanism in place for handling non-conforming material and/or documents.	Saremas 2 POM has established Weighbridge Nett to control incoming material and outgoing products. The FFB supplier & Product buyer & its vehicle registration was registered in the system prior weighing. RSPO Supply Chain Certification procedure dated 1/1/19 appendix A has indicate the mechanism to handle nonconforming material/documents such as validity of certificate supplying estate.
<b>5</b>	<b>Outsourcing activities</b>	
5.1	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. <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> <u>Additional Guidance:</u> - Request for list of appointed subcontractors - Check on the availability of signed agreement or contract on the outsourced activity.	There are 5 outsource company CPO and PK transporter. The agreement was available and the RSPO supply chain requirement were communicated to them. Record of training was sighted Record of training was sighted.
5.2	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:  a) The site has legal ownership of all input material to be included in	a) There are 5 outsource company CPO and PK transporter. b) There was a contract document between Saremas 2 POM and the transporters. c) The RSPO Supply Chain procedure has described on outsource activity. d) Inspection was carried out as additional effort to ensure no contamination sighted book at AP

## RSPO PUBLIC SUMMARY REPORT

	<p>outsourced processes;</p> <p>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.</p> <p>c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Check the signed agreement has included a provision as required in para (d) of this requirement.</li> </ul>	Post.
5.3	The site shall record the names and contact details of all contractors used for the processing or production of RSPO certified materials.	List of contact person for both transporters were made available and up-to-date.
5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or production of RSPO certified materials.	No new contractors used for the processing or production of RSPO certified materials.
<b>6</b>	<b>Sales and goods out</b>	
6.1	<p>The organization shall ensure that the following minimum information for RSPO certified products is made available in document form. Information must be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number;</li> <li>• A unique identification number.</li> </ul>	The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by PPB Oil Palms Berhad and Marketing Department (HQ) on behalf of Saremas 2 POM.

## RSPO PUBLIC SUMMARY REPORT

	<p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Sampling of shipping documents shall be done on a random basis and the minimum number of samples selected shall be based on the square root formula for each customer</li> <li>- Conduct traceability verification during the audit.</li> </ul>	
<b>7</b>	<b>Registration of transactions</b>	
7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are supply chain actors between the mill and final refinery;</li> <li>• take legal ownership and physically handle RSPO Certified Sustainable oil palm products; and</li> <li>• are part of the supply chain of RSPO Certified Sustainable oil palm products</li> </ul> <p>must register their transaction in the RSPO IT platform at the time of physical shipment as required by the rules set by RSPO.</p>	Saremas 2 POM has legal ownership and physical handle RSPO certified sustainable CPO and PK.
<b>8</b>	<b>Training</b>	
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><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Availability of an approved annual training plan; and</li> <li>- Training record (training attendance list)</li> </ul>	Training plan has included the RSPO Supply chain training scheduled in May 2018 and Oct 2018 for staff & workers.
8.2	<p>Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification system.</p> <p>Training shall be specific and relevant to the task(s) performed.</p> <p><u>Additional Guidance:</u></p> <ul style="list-style-type: none"> <li>- Request the list of personnel involved in managing the RSPO SC system in the company</li> <li>- Check the training identified for the personnel and interview to verify the effectiveness of the training</li> <li>- Request for the training materials and check on the training effectiveness.</li> </ul>	<p>Training was conducted for staff in Dec 2018 by the PIC attended by relevant personnel such as the Chief Clerk, Rosita Bidi, Asst. Manager and Clerk. Attendance list &amp; photograph was seen.</p> <p>The PIC was experienced in SCCS for almost 3 years and already trained by internal personnel.</p>
<b>9</b>	<b>Record keeping</b>	
9.1	The site shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirements.	Sighted CPO and PK delivery note, weighbridge ticket, production data and internal audit records were found up-to-date.
9.2	Retention times for all records and reports shall be a minimum of two (2) years and must comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held	Relevant record was maintained for more than 2 years

**RSPO PUBLIC SUMMARY REPORT**

	in stock.	
9.3	The organization shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	Available.
<b>10</b>	<b>Conversion factors</b>	
5.10.1	Where applicable a conversion rate must be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which must be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ). This is in particular relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries. The guidance document for oleochemicals is available on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ). <u>Additional Guidance:</u> - For secondary oleoderivatives – the quantity based on molecular weight relative (refer to table 4 of the RSPO Rules for Oleochemicals and its Derivatives) to the primary oleochemical feedstock	OER & KER used as the conversion rate.
10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate. <u>Additional Guidance:</u> - Request client to demonstrate the conversion factor used and check the mass balance table.	Actual performance used.
<b>11</b>	<b>Claims</b>	
11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Communications and Claims.	No claim been made.
	<b>RSPO RULES ON COMMUNICATIONS AND CLAIMS – NA</b>	
	<b>General corporate communications</b>	
<b>12</b>	<b>Complaints</b>	
12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints. <u>Additional guidance</u> - Procedure shall cover complaints from customers and stakeholders.	Documented procedure has established to address collecting and resolving the complaint. Sighted in the RSPO Supply Chain Certification Procedure clause 10. Complaint Procedure.
<b>13</b>	<b>Management review</b>	

## RSPO PUBLIC SUMMARY REPORT

13.1	The organization is required to hold management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	Documented procedure has defined management review will be conducted once a year
13.2	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO SCCS</li> <li>• Customer feedback</li> <li>• Status of preventive and corrective actions</li> <li>• Follow-up actions from management reviews</li> <li>• Changes that could affect the management system</li> <li>• Recommendations for improvement</li> </ul>	Management review meeting dated in Jan 2019 (combine RSPO SC, MSPO SCCS and ISCC) <ul style="list-style-type: none"> <li>• Internal audit – 0 NCR</li> <li>• Customer feedback – data analysis show result from customer survey (i.e. RSPO-CSPO related to meeting the contract volume, timely delivery, dispatch documentation) result achieved.</li> <li>• Previous meeting – was highlighted</li> <li>• Changes</li> <li>• Recommendation for improvement – improve the established system</li> </ul>
13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes</li> <li>• Resource needs</li> </ul>	Recommendation for improvement Recourse sufficient.

### Saremas 2 palm oil mill – Identity Preserved Model –Module D

Item No	Requirement NOV 2014	Findings Standard Nov 2014																																																				
D.1 D.1.1	<p><b>Defination</b> 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><b>Actual (March 2018 – February 2019)</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 20%; text-align: center;"><u>MT</u></td> <td style="width: 30%;"></td> </tr> <tr> <td>a) FFB Received</td> <td></td> <td style="text-align: right;"><b>146,071.88</b></td> </tr> <tr> <td style="padding-left: 20px;">RSPO</td> <td style="text-align: right;">146,071.88</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Non-RSPO</td> <td style="text-align: right;">0</td> <td></td> </tr> <tr> <td>FFB Processed</td> <td></td> <td style="text-align: right;"><b>146,072.52</b></td> </tr> <tr> <td style="padding-left: 20px;">RSPO</td> <td style="text-align: right;">146,072.52</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Non-RSPO</td> <td style="text-align: right;">0</td> <td></td> </tr> <tr> <td>Certified</td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">CPO Production</td> <td></td> <td style="text-align: right;"><b>32,459.11</b></td> </tr> <tr> <td style="padding-left: 20px;">PK Production</td> <td></td> <td style="text-align: right;"><b>6,846.62</b></td> </tr> <tr> <td>b) Delivery of CPO</td> <td></td> <td style="text-align: right;"><b>32,552.66</b></td> </tr> <tr> <td style="padding-left: 20px;">RSPO(IP)</td> <td style="text-align: right;">18,978.86</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Other Schemes</td> <td style="text-align: right;">13,573.80</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Non-RSPO</td> <td style="text-align: right;">0</td> <td></td> </tr> <tr> <td>Delivery of PK</td> <td></td> <td style="text-align: right;"><b>6,882.20</b></td> </tr> <tr> <td style="padding-left: 20px;">RSPO(IP)</td> <td style="text-align: right;">6,882.20</td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Non-RSPO</td> <td style="text-align: right;">0</td> <td></td> </tr> </table>			<u>MT</u>		a) FFB Received		<b>146,071.88</b>	RSPO	146,071.88		Non-RSPO	0		FFB Processed		<b>146,072.52</b>	RSPO	146,072.52		Non-RSPO	0		Certified			CPO Production		<b>32,459.11</b>	PK Production		<b>6,846.62</b>	b) Delivery of CPO		<b>32,552.66</b>	RSPO(IP)	18,978.86		Other Schemes	13,573.80		Non-RSPO	0		Delivery of PK		<b>6,882.20</b>	RSPO(IP)	6,882.20		Non-RSPO	0	
	<u>MT</u>																																																					
a) FFB Received		<b>146,071.88</b>																																																				
RSPO	146,071.88																																																					
Non-RSPO	0																																																					
FFB Processed		<b>146,072.52</b>																																																				
RSPO	146,072.52																																																					
Non-RSPO	0																																																					
Certified																																																						
CPO Production		<b>32,459.11</b>																																																				
PK Production		<b>6,846.62</b>																																																				
b) Delivery of CPO		<b>32,552.66</b>																																																				
RSPO(IP)	18,978.86																																																					
Other Schemes	13,573.80																																																					
Non-RSPO	0																																																					
Delivery of PK		<b>6,882.20</b>																																																				
RSPO(IP)	6,882.20																																																					
Non-RSPO	0																																																					



**RSPO PUBLIC SUMMARY REPORT**

<p><b>D 2</b> D.2.1</p>	<p><b>Explanation</b> Estimate total tonnage of CPO and PK potentially produce in a year</p>	<p><b>Projection (March 2019 – Feb 2020)</b></p> <table border="0" style="width: 100%;"> <tr> <td colspan="2"></td> <td align="right"><u>MT</u></td> </tr> <tr> <td>(1) FFB Received</td> <td></td> <td align="right"><b>136,435.06</b></td> </tr> <tr> <td>    RSPO</td> <td align="right">136,435.06</td> <td></td> </tr> <tr> <td>    Non-RSPO</td> <td align="right">0</td> <td></td> </tr> <tr> <td>(2) FFB Processed</td> <td></td> <td align="right"><b>136,435.06</b></td> </tr> <tr> <td>    RSPO</td> <td align="right">136,435.06</td> <td></td> </tr> <tr> <td>    Non-RSPO</td> <td align="right">0</td> <td></td> </tr> <tr> <td>(3) CPO Production</td> <td></td> <td align="right"><b>29,912.84</b></td> </tr> <tr> <td>(4) PK Production</td> <td></td> <td align="right"><b>6,386.28</b></td> </tr> </table>			<u>MT</u>	(1) FFB Received		<b>136,435.06</b>	RSPO	136,435.06		Non-RSPO	0		(2) FFB Processed		<b>136,435.06</b>	RSPO	136,435.06		Non-RSPO	0		(3) CPO Production		<b>29,912.84</b>	(4) PK Production		<b>6,386.28</b>
		<u>MT</u>																											
(1) FFB Received		<b>136,435.06</b>																											
RSPO	136,435.06																												
Non-RSPO	0																												
(2) FFB Processed		<b>136,435.06</b>																											
RSPO	136,435.06																												
Non-RSPO	0																												
(3) CPO Production		<b>29,912.84</b>																											
(4) PK Production		<b>6,386.28</b>																											
<p><b>D. 2</b> D 2.2</p>	<p><b>Explanation</b> 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>SAREMAS 2 POM has registered RSPO e-Trace. The member ID is RSPO_PO100000093 All RSPO certified CPO and PK under IP model delivered to 1 buyer namely Bintulu Edible Oils Sdn Bhd</p>																											
<p><b>D 3</b> <b>D 3.1</b></p>	<p><b>Documented procedures</b> The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.</p>	<p>Saremas 2 POM Organizational, management systems and the operational systems, 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. Sighted Saremas 2 palm oil mill has updated and change the name of documented procedure named RSPO Supply Chain Certification Procedure. Among the documented requirements related to Mill Supply Chain definition, delivery of FFB to mill, delivery of CPO and PK to refinery, mass balance calculation, daily production report, checking validity of the certification of the suppliers, Internal Audit, Management Review. There was no evidence that Saremas 2 POM seeking certification outsources activities to independent third parties. b) The Chief Clerk was still the person with overall responsibility on the implementation and maintenance of the RSPO supply chain traceability systems sighted appointment letter dated in Sept 2013.</p>																											
<p><b>D 3.2</b></p>	<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>Saremas 2 palm oil mill has continued to implement documented procedure 'SOP RSPO Supply Chain Certification Procedure. Purchasing and Goods In related receiving and processing respectively. The processing of RSPO certified FFB is carried out based on the fruits availability. Since the mill only processing RSPO certified FFB, it is not necessary for SAREMAS 2 POM to physically segregate the certified FFBs during the receiving and processing. The production of certified CPO and PK are traceable through the daily production record which keep an account on the quantity of certified FFBs being processed and the CPO and PK being produced.</p>																											
<p><b>D.4</b> D.4.1</p>	<p><b>Purchasing and goods in</b> The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p>	<p>Upon receiving of the FFBs, the Mill Gate Security will check on the incoming FFB and its accompanying dispatch note issued by the supplying estate before allowing entry. This will be followed by checking and verification by the Weighbridge Clerk to determine details on the dispatch note tallied with the incoming FFB such as supplying estate and weight (volume).</p>																											
<p><b>D 4.2</b></p>	<p>The site shall inform the CB immediately if there is a projected</p>	<p>The SOP RSPO Supply Chain Procedure on Clause 3. Purchasing and Goods In, requires the Mill</p>																											

**RSPO PUBLIC SUMMARY REPORT**

	overproduction.	Manager to inform the Sustainability Department if there would be a projected overproduction of RSPO-certified CPO or PK. Such information shall also be conveyed to the relevant certification body. There was no overproduction observed since last audit.
<b>D.5</b> D.5.1	<b>Record keeping</b> The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	Saremas 2 POM has maintained the three-monthly accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK. The Record titled are “CPO Trade Volume”
<b>D 6</b> <b>D.6.1</b>	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	As SAREMAS 2 POM only processing RSPO certified FFB. It was not necessary for the POM to physically segregate the certified FFB during the receiving and processing. Agreements with the transport companies were reviewed and comply with the intent and requirements of the RSPO supply chain certification standard.
<b>D.6.2</b>	The objective is for 100 % segregated material to be reached.	Saremas 2 POM does not accept any non-certified FFB. It was confirmed through summary of weighbridge ticket and interview with weighbridge operator. Therefore, CPO and PK can be considered 100% segregated.
<b>Annex 1 – Supply Chain Yield Schemes</b>		
<b>A.1.1</b>	<b>Palm Oil Yield Scheme</b>	
	The values shown in the palm oil yield scheme (Figure 2 of the standard) are fixed and cannot be modified. Organizations may use their own actual yields provided these can be justified during the audit.	Noted.
<b>A.1.2</b>	<b>Palm Kernel Oil Yield Scheme</b>	
	The values shown in the palm kernel oil yield scheme (Figure 3 of the standard) are fixed and cannot be modified. Organizations may use their own actual yields provided these can be justified during the audit.	Noted.
<b>Annex 2 – Book and Claim (BC) - NA</b>		
<b>A.2.4</b>	<b>Market claim - NA</b>	
<b>Annex 3 – RSPO Rules on Communications and Claims - NA</b>		

**RSPO PUBLIC SUMMARY REPORT**

**Attachment 6**

**Status of Non-Conformities Previously Identified  
Surveillance Audit 2018 Detail of Findings and Corrective Actions Taken**

<b>P &amp; C Indicator</b>	<b>Specificati on Major/Minor</b>	<b>Detail Non-conformances</b>	<b>Corrective Action Taken by the CU and Verification by Auditors</b>
Indicator 4.1.2	Major (recurrence issues)	#NCR No : STK-01.2018 Finding: Item 2..1.3 of chapter 6 (2) Wilmar International Limited Agriculture Manual & Standard Operating Procedure for Oil Palm not complied with. Objective Evidence: 1. - Segarmas Estate : Fertiliser NPK Super was observed to be applied in block 133 even-though palm circles were full of noxious weeds and woody growths.	At time of visit on fertilizer application was observed on Saremas 2 at Block 089, Segarmas Estate at Block 045 and on Kaminsky Estate at Block 031. The palm circles were clean with no noxious weeds and woody growths. As, item 2.1. 3 of chapter 6 (2) Wilmar International Limited Agriculture Manual & Standard Operating Procedure for Oil Palm was complied with on all 3 Estates, the Minor NCR STK 01 2018 is now CLOSED.
Indicator 4.6.4	Minor	#NCR No : STK-02.2018 Finding: The Chemical register was not complete. Objective Evidence: Segarmas Estate: Diesel, Petrol, Lubricants and fertisers were not included in the Chemical Register dated 21.02.2018	During the audit, it was noted that Segarmas 2 Estate and Segarmas Estate had not use chemicals categorized as World Health Organization (WHO) type 1A or 1B or listed by the Stockholm or Rotterdam Conventions.  Paraquat has not be used since 2008 and was replaced by a systemic herbicide and glufosinate ammonium.  All 3 estates had maintained chemical registers for chemicals used and were updated in January 2019. The Chemical Registers had listed all Chemicals, Diesel, Petrol, Lubricants and Fertisers, thus the Minor NCR STK 02 2018 is now CLOSED.
4.7.2	Major	#NCR NO: AB 01 Finding : There was no HIRARC prepared for activities relating to Nursery and Replanting activities for Segarmas Estate and Saremas 2 Estate respectively. Objective evidence : It is stated that all operations where health and safety is an issue shall be assessed and procedures and actions to be documented. The document as compiled in the HIRARC list did not include activities for nursery and replanting. Common activities e.g. spraying, working under open space was incorporated in other general work.	On all 3 Estate the HIRARC was reviewed on 26/04/2018 to include risk assessment nursery and replanting activities. The HIRARC was again reviewed on all 3 Estates by the Group Sustainability Manager on 04.12.2018. This was after the comment from NIOSH on harvesting at the slippery areas at the Landfill. Hence the closure of the #Major NCR AB 01 was verified and closed

**RSPO PUBLIC SUMMARY REPORT**

Indicator 4.7.3	Major	#NCR No : RR 01 2018 Finding: Recommendation made by CHRA 2017 was not implemented Objective Evidence: At Segarmas Estate emergency shower was not available at water treatment plant and medical surveillance for spraying operator was not carried out.	The Mill CHRA was conducted on 10/5/17 for a period of May 2017-May 2022. The assessment was made by M/s Alpine Consultant Sdn Bhd JKKP Reg No.JKKP RH 127/171-2(71) Bintulu Sarawak. Among others recommended to a) Continue conducting health surveillance for chromate and include health surveillance for mercury. b) Emergency shower and eye installed at the laboratory. This has been verified and tested functioning by the auditor on 08/4/2019 during the site visit. Status: closed
Indicator 4.8.2	Major (recurrence issues)	#NCR No : STK-03.2018 Finding: Records of training for GAP activities for workers were not available Objective Evidence: Segarmas Estate– At time of visit records of training for GAP activities like Harvesting, Pruning, Selective Weeding, Manuring, etc. were not available.	As at time of visit records of training for GAP activities like Harvesting, Pruning, Selective Weeding, Manuring, Rat Baiting, Loose Fruit Collection had been conducted the closure of the Major NCR STK 03 2018 is verified. Status: closed

## RSPO PUBLIC SUMMARY REPORT

### Attachment 7

#### Time Bound Plan for Wilmar International Limited (Malaysia)

No.	Company	Estate	Mill	Location	Certification year	Status
1	PPB Oil Palms Berhad	Sapi 1, Sapi 2, Kiabau	Sapi Palm Oil Mill	Sandakan	2008	Certified
2	PPB Oil Palms Berhad	Reka Halus	Reka Halus Palm Oil Mill	Sandakan	2008	Certified
3	PPB Oil Palms Berhad	Sabahmas	Sabahmas Palm Oil Mill	Lahad Datu	2008	Certified
4	PPB Oil Palms Berhad	Saremas 1, Suai	Saremas 1 Palm Oil Mill	Bintulu	2010	Certified
5	PPB Oil Palms Berhad	Saremas 2, Kaminsky, Segarmas	Saremas 2 Palm Oil Mill	Bintulu	2010	Certified
6	PPB Oil Palms Berhad	Ribubonus	Ribubonus Palm Oil Mill	Sandakan	2010	Certified
7	PPB Oil Palms Berhad	Terusan 1, Terusan 2, Rumidi	Terusan Palm Oil Mill	Sandakan	2010	Certified
8	PPB Oil Palms Berhad	Hibumas 1, Hibumas 2, Jebawang, Sekar Imej, Sapi Sugut, Sri Kamusan	Sri Kamusan Palm Oil Mill	Sandakan	2011	Certified
9	PPB Oil Palms Berhad	Suburmas	Suburmas Palm Oil Mill	Bintulu	2021	To be certified
10	PPB Oil Palms Berhad	Labau Utama Sdn Bhd -Jebawang Sdn Bhd	Sri Kamusan Palm Oil Mill	Sandakan	2022	To be certified

#### Time Bound Plan for Wilmar International Limited (Indonesia-Kalimantan)

No.	Company	Mill	Estate	Location	Certification year	Status
1	PT Mustika Sembuluh	PT Mustika Sembuluh mill 1	Mustika Sembuluh 1, Mustika Sembuluh 2, Kerry Sawit Indonesia 1, Sarana Titian Permata 1, Sarana Titian Permata 2, , KUD Bitu Maju Bersama	Central Kalimantan	2010 (KUD bersertifikat di tahun 2014)	Certified

## RSPO PUBLIC SUMMARY REPORT

2	PT Kerry Sawit Indonesia	PT Kerry Sawit Indonesia I mill	Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3, KUD Sejahtera Bersama, KUD Kosudra,	Central Kalimantan	2011	Certified
3	PT Bumi Sawit Kencana	PT Bumi Sawit Kencana mill	Bumi Sawit Kencana 1, Bumi Sawit Kencana 2, Karunia Kencana Permaisejati 1	Central Kalimantan	2013	Certified
4	PT Sarana Titian Permata	PT Sarana Titian Permata 2 mill	Sarana Titian Permata 2, Sarana Titian Permata 3	Central Kalimantan	2020	Main Assessment
6	PT Agro Nusa Investama 1 (Sambas)	PT Agro Nusa Investama 1 (Sambas) mill	ANI Sambas	West Kalimantan	2012	Certified
5	PT Mustika Sembuluh	PT Mustika Sembuluh 2 mill	Mustika Sembuluh 1, Mustika Sembuluh 3, Bumi Sawit Kencana 1	Central Kalimantan	2015	Certified
6	PT Mentaya Sawit Mas	PT Mentaya Sawit Mas mill	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2, Bumi Sawit Kencana 2	Central Kalimantan	2015	Certified
7	PT Kerry Sawit Indonesia	PT Kerry Sawit Indonesia 2 mill	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Mustika Sembuluh 2, KUD Tabiku Makmur, KUD Karya Bersama	Central Kalimantan	2015	Certified
8	PT Rimba Harapan Sakti	PT Rimba Harapan Sakti mill	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2, PT. Kerry Sawit Indonesia 3	Central Kalimantan	2015	Certified
9	PT Karunia Kencana Permaisejati	PT Karunia Kencana Permaisejati mill	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3	Central Kalimantan	2017	Certified

## RSPO PUBLIC SUMMARY REPORT

10	KUD Karya Bersama, KUD Sejahtera Bersama, KUD Tabiku Makmur, KUD Kosudra	PT Kerry Sawit Indonesia 1,2 mill	KUD Karya Bersama, KUD Sejahtera Bersama, KUD Tabiku Makmur, KUD Kosudra	Central Kalimantan	2020	Re-Audit
11	PT Bumipratama Khatulistiwa	PT Bumipratama Khatulistiwa mill	Bumi Pratama Khatulistiwa, Buluh Cawang Plantation	West Kalimantan	2016	Certified
12	PT Agro Nusa Investama (Landak)	PT Agro Nusa Investama (Landak) Mill	Agronusa Invenstama 2 (Landak), Pratama Procentindo	West Kalimantan	2020	To be certified
13	PT Agro Palindo Sakti 2	PT Agro Palindo Sakti 2 mill	Agro Palindo Sakti, Putra Indotropical, Daya Landak Plantation, Indoresin Putra Mandiri	West Kalimantan	2020	To be certified
14	KUD Cempaka Biru, KUD Sentama Lestari (Plasma binaan ANI 1 Sambas)	PT Agro Nusa Investama 1 (Sambas)	KUD Cempaka Biru, KUD Sentama Lestari (Plasma binaan ANI 1 Sambas)	West Kalimantan	2017	<b>Re-Audit</b>

### Time Bound Plan for Wilmar International Limited (Indonesia-Sumatera)

No.	Palm Oil Mill/Estate	Mill	Estate	Location	Certification year	Status
1	PT Perkebunan Milano	PT Perkebunan Milano Mill	Sei Daun, Batang Saponggol, Merbau	North Sumatra	2009	Certified
2	PT Tania Selatan	PT Tania Selatan Mill	Burnai Timur, Burnai Barat	South Sumatra	2010	Certified
3	PT Kencana Sawit Indonesia	PT Kencana Sawit Indonesia Mill	Kencana Sawit Indonesia,	West Sumatra.	2010	Certified
4	PT AMP Plantation	PT AMP Plantation Mill	AMP I, AMP II, AMP III, AMP IV, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri Pasaman, Koperasi Tompek Tapian Kandis, Koperasi AWM, Koperasi BST, Koperasi MSJ	West Sumatra	2011 (KUD bersertifikat di tahun 2014)	Certified

## RSPO PUBLIC SUMMARY REPORT

5	PT Buluh Cawang Plantations	PT Buluh Cawang Plantations Mill	Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning	South Sumatra	2012	Certified
6	PT Gersindo Minang Plantations	PT Gersindo Minang Plantations Mill	Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2	West Sumatra	2012	Certified
7	PT Daya Labuhan Indah	PT Daya Labuhan Indah Mill	Wonosari, Sei Deras, Cabang Dua	North Sumatra	2013	Certified
8	PT Agro Palindo Sakti	PT Agro Palindo Sakti Mill	Agro Palindo Sakti	South Sumatra	2014	Certified
9	PT Murini Sam Sam	PT Murini Sam Sam Mill	Murini Sam Sam	Riau	2015	Certified
10	PT Musi Banyuasin Indah	PT Musi Banyuasin Indah Mill	Sei Selabu, Sei Jarum, KUD Karya Gatra, KUD Karya Makmur Sriwijaya, KUD Panca Karya Jaya, KUD Sumber Makmur, KUD Tri Tunggal Karya	South Sumatra	2020	To be certified
11	PT Sinarsiak Dianpermai	PT Sinarsiak Dianpermai Mill	Sinarsiak DianPermai	Riau	2020	Pre assessment audit
12	Agrindo Indah Persada 2	Agrindo Indah Persada 2 Mill		Jambi	2023	Sudah menjalani NPP audit di tahun 2010
13	KUD Dastra II (Plasma binaan AMP)	PT AMP Plantation Mill		West Sumatera	2019	To be certified
14	KUD Dastra I (Plasma binaan PMJ)	PT AMP Plantation Mill		West Sumatera	2019	To be certified
15	KUD Sasak, KUD Kapar, Mutiara Bosa Sikilang, Permata Sawit Maligi (Plasma binaan PHP)	PT Gersindo Minang Plantation Mill		West Sumatera	2019	To be certified
16	PHP (blok 22)	PT Gersindo Minang Plantation Mill		West Sumatera	2020	To be certified



## RSPO PUBLIC SUMMARY REPORT

### Time Bound Plan for Wilmar International Limited (Africa)

No.	Company	Estate	Mill	Location	Certification year	Status
1	Benso Oil Palm Plantation (BOPP)	BOPP Adum Bansa Estate and associated Scheme Smallholders	BOPP Mill 1	Western Region, Ghana	2014	Certified
2	Biase Plantations Limited	Calaro Estate	Under Construction	Cross River State, Nigeria	2020	to be certified (mill construction in progress)
3	Biase Plantations Limited	Calaro Extension Estate	None planned	Cross River State, Nigeria	2022	to be certified (NPP completed recently in 2016. Land preparation no starting)
4	Biase Plantations Limited	Ibiae Estate	Construction not started	Cross River State, Nigeria	2020	to be certified (NPP completed. Mill construction yet to start)
5	Eyop Industries	Ibad Estate	Construction not started	Cross River State, Nigeria	2021	to be certified (mill construction yet to start), pending clarification for NPP assessment
6	Eyop Industries	Kwa Falls	None planned	Cross River State, Nigeria	2020	to be certified (replanting of existing plantations in progress)
7	Eyop Industries	Oban	None planned	Cross River State, Nigeria	2021	to be certified (NPP not started), Pending clearance from government for NPP assessment