



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

File Ref. : EB0500001

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : BOUSTEAD RIMBA NILAI SDN BHD**

**PARENT COMPANY : BOUSTEAD PLANTATIONS BERHAD**

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

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

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
Sungai Jernih Certification Unit	Sg Jernih POM	03° 21' 42"N	103° 06' 27"N	KM 70, Lebuh raya Gambang – Segamat, 26650 Pekan, Pahang Darul Makmur, Malaysia
	Sg Jernih Estate	03° 20' 17"N	103° 05' 59"N	KM 70, Lebuh raya Gambang – Segamat, 26650 Pekan, Pahang Darul Makmur, Malaysia
	Bebar Estate	03° 08' 4"N	103° 20' 17"N	KM 87, Lebuh raya Gambang – Segamat, 26700 Muadzam Shah, Pahang Darul Makmur, Malaysia
	Tabung Tentera -Terengganu Estate	04° 12' 10"N	103° 13' 59"N	KM 61, Jln Jabor-Jerangau, 24050 Kemaman, Terengganu Darul Iman, Malaysia

**MAP : See Attachment 1**

**AUDIT DATE : 13-17 July 2020**

**DURATION : 16 auditor days**

**TYPE OF AUDIT :**



**Annual Surveillance Audit No. 04**



**Recertification Audit**

**STANDARD : MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018**

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

**VALIDITY OF RSPO CERTIFICATE : 12 September 2016 to 11 September 2021**

**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 : HAFIZI BONIRAN

Signature :

Signature :

Date : 12/10/2020

Date : 16/10/2020

## SUMMARY OF AUDITS

Stage 2 audit / Recertification audit				
On-site audit date	:	14 – 17 June 2016	No. of auditor days	13
Audit team	:	Mohd Hafiz Bin Mat Hussain (resigned), Mohd Zulfakar Bin Kamaruzaman, Amir Bahari & Ruzita Abd Gani		
No. of major NCR	:	1	Indicator: RSPO SC requirements 2014	Closing date : 28/07/16
No. of minor NCR	:	2	Indicator : 4.4.3 and 6.5.3 of RSPO P&C MYNI 2014	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
	:	√		√
	:	Contract workers	NGOs	Govt. agency
	:			
	:	Indigenous people	Contractor	Others (Please specify)
	:	√	√	
Supply base sampled	:	Sg Jernih Estate and Bebar Estate		

Annual Surveillance Audit 1				
On-site audit date	:	18 – 21 July 2017	No. of auditor days	13
Audit team	:	Mahzan Bin Munap, Hazani Bin Othman, Mohd Norddin Bin Abdul Jalil, Mohd Zulfakar Bin Kamaruzaman		
No. of major NCR	:	3	Indicator: 4.1.1, 4.8.1, 6.5.3	Closing date : 20 October 2017
No. of minor NCR	:	1	Indicator : 4.1.2	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
	:	√		√
	:	Contract workers	NGOs	Govt. agency
	:			
	:	Indigenous people	Contractor	Others (Please specify)
	:			
Supply base sampled	:	Tabung Tentera Terengganu Estate (TT – Terengganu Estate) and Bebar Estate		
Changes since the last audit	:	None		

Annual Surveillance Audit 2				
On-site audit date	:	2-5 July 2018	No. of auditor days	16 Auditor Days
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Selvasingam T. Kandiah, Rozaimie Ab Rahman, Mohd Razman Salim		
No. of major NCR	:	6	Indicator: 4.7.2,4.7.3, 5.3.2,6.5.2, 5.8.1 (Supply Chain), D 4.2 (Supply Chain)	Closing date : 2 October 2018
No. of minor NCR	:	2	Indicator :5.6.3, 4.7.5	
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	:	Sungai Jernih Estate, Bebar Estate, Tabung Tentera Terengganu Estate		
Changes since the last audit	:	None		
Justification of audit planning	:	Total allocation of auditor days for Sungai Jernih CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 12 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.		
Report approved by	:	Radziah Mohd Daud	Approval date : 15 October 2018	

Annual Surveillance Audit 3				
On-site audit date	:	16 – 19 July 2019	No. of auditor days	16
Audit team	:	Dzulfiqar Azmi (TLA), Mohd Zulfakar Kamaruzaman, Rozaimée Ab Rahman, Mohd Ab Raouf		
No. of major NCR	:	4	Indicator: 2.1.1, 4.4.2, RSPO SC (5.13, 5.5.2)	Closing date : 16/10/2019
No. of minor NCR	:	NIL	Indicator : NA	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers / Local communities
		√		√
		Contract workers	NGOs	Govt. agency
				Independent growers
		Indigenous people	Contractors	Others (Please specify)
		√	√	
Supply base sampled	:	Sungai Jernih Estate, Bebar Estate, Tabung Tentera Terengganu Estate		
Changes since the last audit	:	None		
Justification of audit planning	:	Total allocation of auditor days for Sungai Jernih CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 12 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.		
Report approved by	:	Kamini a/p Sooriamoorthy	Approval date : 25/10/2019	

Annual Surveillance Audit 4				
On-site audit date	:	13-17 July 2020	No. of auditor days	16
Audit team	:	Dzulfiqar Azmi , Mohd Zulfakar Kamaruzaman, Rozaimée Ab Rahman, Mohd Ab Raouf		
No. of major NCR	:	4	Indicator: 2.1.1, 7.12.4, 6.2.2, 5.4 (SCCS)	Closing date : 9/10/2020
No. of minor NCR	:	2	Indicator : 7.12.7, 6.3.2	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees / Workers organizations	Settlers	Villagers / Local communities
		√		√
		Contract workers	Local & National NGOs	Govt. agency / Statutory bodies
		√		√
		Indigenous people	Contractors	Others (Please specify)
		√	√	
Supply base sampled	:	Sungai Jernih Estate, Bebar Estate, Tabung Tentera Terengganu Estate		
Changes since the last audit	:	None		
Justification of audit planning	:	Total allocation of auditor days for Sungai Jernih CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 12 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title		
Report approved by	:	Ms. Kamini Sooriamoorthy	Approval date : 12/10/2020	

## SUMMARY OF INFORMATION

**TABLE 1**

	STAGE 2	ASA 1	ASA 2	ASA 3	ASA 4
<b>Projection Period</b>	June 16-May 17	June 17- May 18	June 18-May 19	*June 19-May 20	**July 20 – June 21
<b>Certified FFB Processed (MT)</b>	118,867.86	122,800.00	157,100.00	135,400.00	141,800.00
<b>Production of Certified CPO (MT)</b>	28,872.00	29,684.00	37,704.00	32,496.00	33,323.00
<b>Production of Certified PK (MT)</b>	4,225.80	4,087.00	5,341.40	4,603.60	4,963.00
<b>Certified Areas (Ha)</b>	6,847.00	6,847.00	6,847.00	6,847.00	6,847.00
<b>Planted Areas (Ha)</b>	6,518.70	6,518.70	6,518.70	6,518.70	6,435.70
<b>Production Areas (Ha)</b>	6,480.30	6,518.70	6,518.70	6,497.30	6,405.60
<b>HCV Areas</b>	51.82	51.82	51.82	51.82	51.82
<b>REMARKS</b>	<p>*This was the projected period based on audit carried out in ASA2. However, during the conduct of ASA3 in July 2020, the actual reporting period has been extended to 13 months as the audit was delayed from the original schedule due to Covid-19 pandemic restrictions. The actual reporting period i.e. June 2019-June 2020 was reflecting the actual stocks and transactions carried out by the CU.</p> <p>**The projection period for the next 12 months for ASA4.</p>				

**TABLE 2**

	PO	PK
<b>Last years certified volume (MT)</b>	32,496.00	*5,803.60
<b>Last years actual certified sold (MT)</b>	22,849.08	4,640.84
<b>Last years actual sold under other schemes (MT)</b>	-	-
<b>Last years sold conventional (MT)</b>	5,035.55	-
<b>New year certified volume (MT)</b>	33,323.00	4,963.00

\*Volume extension of 1,200MT PK approved by RSPO on 27/08/2020.

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## 1.0 AUDIT PROCESS

### 1.1 Certification Body

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

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and re-accredited by ASI on 3 October 2019 (accredited 2014).

### 1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Rozaimiee Ab Rahman	Lead Auditor / GAP, SCCS & Environment	Holds a B.Sc. in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation. He is a qualified lead auditor for RSPO P&C, MSPO and trainee lead for RSPO Supply Chain scheme.
Dzulfiqar Azmi	Auditor / Safety & Environment	Holds a B. Sc. in Agriculture from University Teknologi Malaysia (UiTM). He had more than 5 years of working experience in the oil palm operation. He starts auditing in the sustainable scheme since 2018 and has successfully passed the RSPO Lead Auditor and ISO Integrated Management System lead assessor course in 2018.
Mohd. Zulfakar Kamaruzaman	Auditor / Social & HCV	Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C, MSPO and RSPO Supply Chain Lead Auditor.
Mohd Ab Raouf Asis	Auditor / Social	Holds B.Sc. (Hons) Management Technology Majoring Production and Operation from UTHM. He had 10 years of working experience in the oil palm operation. He is a qualified lead auditor for both RSPO P&C and MSPO.

### 1.3 Audit methodology

The audit covered the Sungai Jernih palm oil mill and its supply base, i.e. Sungai Jernih Estate, Tabung Tentera Terengganu Estate and Bebar Estate. The audit included an on-site audit to the estate, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors, local NGO's and other relevant stakeholders were also conducted during the audit.

#### 1.4 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by during the on-site audit. In general, there was no negative comments made against this Certification Unit. In summary, the stakeholders interviewed during the audit and the evidence from the stakeholder consultation carried out were as tabulated below:

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	<ul style="list-style-type: none"> <li>Workers work 6 days a week with one rest day (Friday). They work 8 hours with a minimum of 30 minutes' break in between.</li> <li>All workers confirmed that they receive a minimum of RM1100 per month. They receive their salaries before 7<sup>th</sup> of every month. As of the date of this audit, many have heard about the new Minimum Wages but there has been no formal briefing on the amount yet.</li> <li>Any overtime work is mutually agreed between workers and management, and that there is no element of forcing.</li> <li>Foreign workers are not subjected to any recruitment fee. Foreign workers who choose to keep their passports at the office have done so with their written consent.</li> <li>Workers are generally satisfied with the way complaints lodged are acted upon. Delays in house repairs, if any, are usually due to the need to order repair parts.</li> <li>Workers state that they have been attended to by the Visiting Medical Officer during any of his visits.</li> <li>Workers, including foreign workers (Bangladeshi &amp; Indonesian) get to appoint their own representatives. There is no interference of influence exerted by the employer.</li> <li>For newly-arrived foreign workers who do not understand Bahasa or English, translations are provided during briefings.</li> <li>There were several issues highlighted as per NCR in indicators 6.2.2 and 6.3.2.</li> </ul>
2) Settlers	NA
3) Villagers / Local communities (including women representatives, displaced communities)	Interviewed relevant stakeholders such as villager representatives. No issue.
4) Suppliers	NA
5) Contract workers	Interviews conducted with CPO/PK Transporters & the selected estates suppliers.
6) Local & national NGOs	NA
7) Government agencies / Statutory bodies	NA
8) Independent growers / Smallholders	NA
9) Indigenous people	Interviewed relevant stakeholders such as villager representatives. No issue.
10) Contractor	<ul style="list-style-type: none"> <li>All Contractors had provided services to Sungai Jernih CU for the past 4-5 years. Each signed a contract and understands contractual obligations and the need to comply with legal requirements.</li> <li>Fair dealings with the units in Sungai Jernih CU.</li> <li>Payments are made within 1 months of invoice.</li> <li>For transporter contractor, the estate mandore and staff will verify the work the contractor has done before his invoice can be approved for payment.</li> <li>All contractors' workers had attended RSPO training, signed COBC commitment statement and safety briefing. The Company provides PPE (vest, goggles, straw hat)</li> <li>Suppliers of hardware and spare parts invoices were based on agreed quoted prices.</li> <li>Payment to contractors were made usually within 45 days of invoice. Renewal of contract is via tender system.</li> <li>Contractor and his workers knew about the minimum wages order requirement the workers make statutory contributions such as EPF, EIS and SOSCO. Workers details including names, pay slips, were presented for verification.</li> <li>Contractor removes domestic waste from workers' quarters, provide recycling services. Signs annual contract. Terms and conditions are clear and fair. Payments are received within one month.</li> </ul>

		<ul style="list-style-type: none"> <li>▪ All contractors also attended stakeholder meetings.</li> <li>▪ Contractors must provide to the estates copies of their worker details and payslips.</li> </ul>	
	11) Previous land owner (if any)	NA	
	12) Others (please specify)	-	



1.5 Audit plan : Refer to Attachment 2

1.6 Date of next audit : The next RA will be conducted at least 4 months prior to expiry date of the certificate.

## 2.0 SCOPE OF CERTIFICATION AUDIT

### 2.1 Description of the certification unit

The Sungai Jernih Production Unit (hereafter referred to as SJPU) is a Certification Unit (CU) under Boustead Rimba Nilai Sdn Bhd which is one of the subsidiaries of Boustead Plantation Berhad. The CU was certified to RSPO P&C MYNI 2014 since 12 September 2011 by other Certification Body. The certification was transferred to SIRIM on 23 May 2016. SJPU consisted of the Sungai Jernih palm oil mill (SJPOM), Sg. Jernih Estate, Bebar Estate and Tabung Tentera –Terengganu Estate.

The palm oil mill commenced operations with a processing capacity of 30 metric tonnes of fresh fruit bunches (FFB) per hour. Sungai Jernih POM currently had the ISO 9001:2015 certification, by SIRIM QAS International Sdn. Bhd.

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

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

Table 1: Actual FFB production by the supply base for the last reporting period June 2019 to June 2020

Estates	FFB Production	
	Tonnes	Percentage (%)
Sg Jernih Estate	51,239.05	40.98
Bebar Estate	55,314.47	44.24
LTT Estate	18,465.94	14.78
<b>Total</b>	<b>125,019.46</b>	<b>100</b>

Table 2: Projected FFB production by supply base for the next reporting period July 2020 – June 2021

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Sg. Jernih	60,100	42.38
Bebar Estate	57,000	40.20
LTT Terengganu Estate	24,700	17.42
<b>Total</b>	<b>141,800</b>	<b>100%</b>

Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period June 2019 – June 2020

	Total (MT)
FFB Received	122,834.32
FFB Processed	122,834.32
CPO Production	28,609.00
PK Production	4,640.84
CPO delivered as RSPO certified	22,849.08
CPO delivered under other schemes	-
CPO delivered as non-RSPO certified	5,035.55
PK delivered as RSPO certified	4,640.84
PK delivered under other schemes	-
PK delivered as non-RSPO certified	-
Credits traded thru Book & Claim	-

Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period  
July 2020 – June 2021

	<b>Total (MT)</b>
FFB Received	141,800
FFB Processed	141,800
CPO Production	33,323
PK Production	4,963

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Sg Jernih Estate	2571.6	2695.70
Bebar Estate	2271.2	2340.60
TT – Terengganu Estate	1592.9	1810.70
<b>Total</b>	<b>6435.7</b>	<b>6847.00</b>

Table 6 Planting profile for Sg Jernih CU

Year of planting	Planting cycle (1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2007	2nd	Mature	214.5	8
2008	2nd	Mature	377.8	15
2009	2nd	Mature	387.7	15
2010	2nd	Mature	398.2	15
2011	2nd	Mature	401.7	16
2012	2nd	Mature	400.7	16
2013	2nd	Mature	391.0	15
<b>Total</b>			<b>2,571.6</b>	<b>100</b>

Table 7: Planting profile for LTT Terengganu CU

Year of planting	Planting cycle (1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
PM2001	1 <sup>st</sup> Generation	Mature	404.60	25.4
PM2002	1 <sup>st</sup> Generation	Mature	389.30	24.4
PM2003	1 <sup>st</sup> Generation	Mature	375.70	23.6
PM2004	1 <sup>st</sup> Generation	Mature	146.80	9.2
PM2008	2 <sup>nd</sup> Generation	Mature	148.30	9.3
PM2009	2 <sup>nd</sup> Generation	Mature	128.20	8.1
<b>Total</b>			<b>1592.90</b>	<b>100.0</b>

Table 7: Planting profile for Bebar Estate

Year of planting	Planting cycle (1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2005	2nd	Mature	260.80	11
2006	2nd	Mature	246.00	11
2007	2nd	Mature	252.90	11
2008	2nd	Mature	341.30	15
2009	2nd	Mature	365.50	16
2010	2nd	Mature	293.70	13
2011	2nd	Mature	293.40	13
2012	2nd	Mature	149.10	7
2014	2nd	Mature	38.40	2
2018	2nd	Immature	30.10	1
<b>Total</b>			<b>2,271.20</b>	<b>100</b>

## 2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	Mr. Anuar Semail
Position	:	Sustainability Chairman
Address	:	Boustead Rimba Nilai Sdn Bhd Sungai Jernih Business Unit, KM 70 Lebuhraya Gambang Segamat Paloh Hinai, 26650 Pekan, Pahang
Phone no.	:	03-2145 2121 / 09-546 0792
Fax no.	:	03-2142 9164 / 09-546 0071
Email	:	<a href="mailto:anuar.bea@boustead.com.my">anuar.bea@boustead.com.my</a> / <a href="mailto:ssgiernih@gmail.com">ssgiernih@gmail.com</a>

## 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 6 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 :

In the planning to certify these six (6) CUs i.e. Lepad Kabu, Sugut, Loagan Bunut, Pertama, Tawai and Kanowit. Internal audit has been carried out accordingly by the Sustainability team.

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

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

-

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

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

If no, please state reasons NA

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

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

No changes.

3.4	Status of previous non-conformities *	<input checked="checked" type="checkbox"/> Closed	<input type="checkbox"/> 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.		
<b>4.0</b>	<b>DETAILS OF NON-CONFORMITY REPORT</b>		
4.1	For P&C (Details checklist refer to Attachment 3) :		
	Total no. of minor NCR(s) (details refer to Attachment 4 )	List :	2 – MZK 02 2020, MAR 01 2020
	Total no. of major NCR(s) (details refer to Attachment 4 )	List :	3 – DA 01 2020, MZK 01 2020, MAR 02 2020
4.2	For SC (Details checklist refer to Attachment 5) :		
	Total no. of minor NCR(s) (details refer to Attachment 5)	List :	NA
	Total no. of major NCR(s) (details refer to Attachment 5 )	List :	1 – RAR 01 2020
<b>5.0</b>	<b>AUDIT CONCLUSION</b>		
	The audit team concludes that the organization has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.		

## 6.0 RECOMMENDATION

☐

No NCR recorded. Recommended to continue certification.

☒

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

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

☒

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

☒

Recommended to continue certification.

☐

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

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

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

Audit Team Leader : ROZAIMEE BIN AB RAHMAN

(Name)



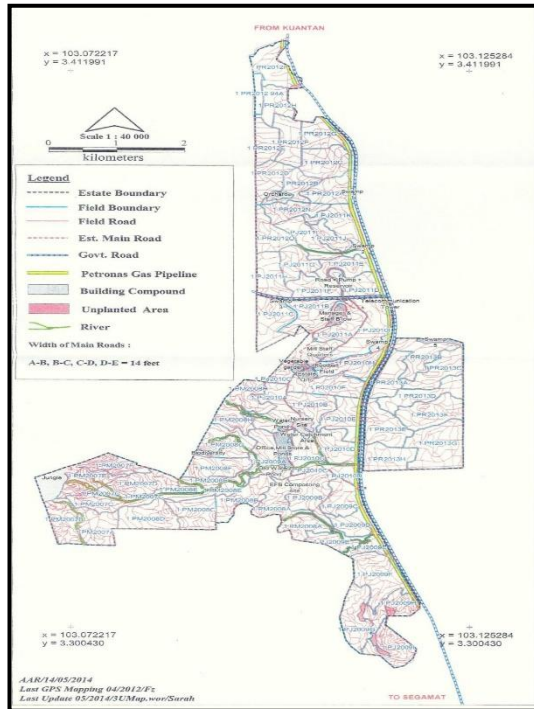
(Signature)

9/10/2020

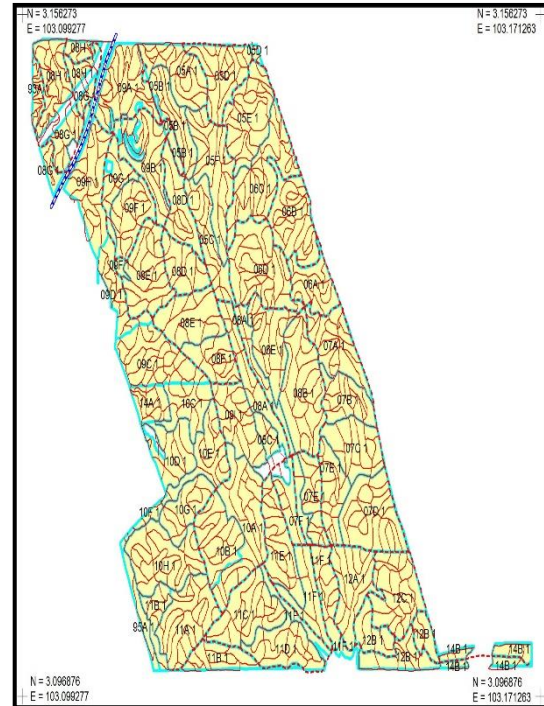
(Date)

**Maps of Sq. Jernih CU**

**Sg. Jernih Estate & Sg. Jernih POM**



**Bebar Estate**



**LTT – Terengganu Estate**



## SURVEILLANCE 4 AUDIT PLAN

## 1. Objectives

The objectives of the audit are as follows:

- (i) To determine Certification Unit conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI)
- (ii) To verify the effective implementation of corrective actions arising from the findings of last audit
- (iii) To make appropriate recommendations based on the audit findings

2. Date of assessment : 13-17 July 2020

3. Site of assessment :

- (i) Sungai Jernih Palm Oil Mill
- (ii) Sungai Jernih Estate
- (iii) Bebar Estate
- (iv) Tabung Tentera -Terengganu Estate

4. Scope of certification : Production of Sustainable Crude Palm Oil and Palm Kernel Using the Identity Preserved Supply Chain Model

## 5. Reference Standards used

- (i) RSPO P&C MYNI:2019
- (ii) RSPO Certification Systems, June 2017
- (iii) Company's audit criteria including Company's Manual/Procedures

## 6. Assessment team members

- (i) Audit Team Leader : Rozaimie Bin Ab Rahman (**RAR**) - SCCS, GHG, Safety, Env
- (ii) Auditor : i) Mohd Zulfakar bin Kamaruzaman (**MZK**) - Social, HCV, TBP  
ii) Mohd Ab Raof Asis (**MAR**) - Social  
iii) Dzulfikar Azmi (**DA**) - GAP, Safety, Partial certification

*(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. For major non conformities raise in the surveillance audit, correction shall be verified in the next audit.

## 9. Confidentiality Requirements

SIRIM QAS International shall not disclose any information concerning the company regarding all matters arising or coming to its attention with the conduct of the programme, which is of confidential in nature other than information, which is in the public domain.

In the event that there be any legal requirements for disclosing any information concerning the organization, SIRIM QAS International shall inform the organization of the information to be disclosed.

#### 10. Working Language

English and Bahasa Malaysia

#### 11. Reporting

- (i) Language : English
- (ii) Format : Verbal and Written
- (iii) Expected date of issue : 2 weeks after the closure of the Major NC / or if only minor NC, 30 days from the last day of this audit.

#### 12. Facilities required

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

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



**Day 1: 13/07/2020 (Monday)**

Time	Activities / areas to be visited				Auditee
9.00am – 9.30am	<b>Opening Meeting at Tabung Tentera – Terengganu Estate</b> <ul style="list-style-type: none"><li>Audit team Leader - Briefing on assessment objectives, scope, methodology, confidentiality clarification, audit criteria and programmes</li><li>Organization Representative - Briefing RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases, Time bound plan, actions taken to address previous audit findings.</li><li>Logistic arrangement</li></ul>				All
9.30am – 1.00pm	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	RAR	MAR	DA	MZK	
	<b>LTT</b> <ul style="list-style-type: none"><li>Laws and regulations</li><li>Environmental management</li><li>Witness activities at site</li><li>Waste &amp; chemical management</li><li>Interview with workers, safety committee and contractors</li><li>Facilities at workplace</li><li>Occupational safety &amp; health practice witness activities at site</li><li>Training and skill development programmes</li><li>Continuous improvement</li><li>GHG assessment</li></ul>	<b>LTT</b> <ul style="list-style-type: none"><li>Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li><li>Stakeholder consultation with affected communities surrounding the CU</li><li>Interview with gender committee, worker representative, contractors, supplier, etc</li><li>Linesite inspection</li><li>Complaints and grievances</li><li>Consultation with relevant government agencies</li><li>Training and skill development programs</li></ul>	<b>LTT</b> <ul style="list-style-type: none"><li>Laws and regulations</li><li>Commitment to long-term economic and financial viability</li><li>Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li><li>EFB mulching, POME application</li><li>Plantation on hilly/swampy area</li><li>IPM implementation, training and safe use of agro-chemicals.</li><li>New planting</li><li>Continuous improvement</li></ul>	<b>LTT</b> <ul style="list-style-type: none"><li>Inspection of protected sites with HCV attributes</li><li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li><li>HCV Assessment management plan &amp; implementation</li><li>Training and skill development programs</li><li>Continuous improvement</li><li>Time bound plan and uncertified management units</li><li>Land titles user rights</li></ul>	
1.00pm – 2.00pm	LUNCH BREAK				All
2.00pm – 5.00pm	Continue assessment				Guide(s) for each auditor
5.00 pm	Audit team discussion / End of Day 1 audit				All

**Day 2: 14/07/2020 (Tuesday)**

Day 2: 14/07/2020 (Tuesday)					
Time	Activities / areas to be visited				Auditee
8.00am – 1.00pm	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	RAR	MAR	DA	MZK	Guide(s) for each auditor
	Bebar Estate Element as above				
1.00pm – 2.00pm	LUNCH BREAK				All
2.00pm – 5.00pm	Continue assessment				Guide(s) for each auditor
5.00pm	Audit team discussion / End of Day 2 audit				All

**Day 3: 15/07/2020 (Wednesday)**

Day 3: 15/07/2020 (Wednesday)					
Time	Activities / areas to be visited				Auditee
8.00am – 1.00pm	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	RAR	MAR	DA	MZK	Guide(s) for each auditor
	<u>Sg. Jernih Estate</u> Element as above	Continue Bebar Estate		<u>Sg. Jernih Estate</u> Element as above	
1.00pm – 2.00pm	LUNCH BREAK				All
2.00pm – 5.00pm	Continue assessment				Guide(s) for each auditor
5.00pm	Audit team discussion / End of Day 3 audit				All

**Day 4: 16/07/2020 (Thursday)**

Time	Activities / areas to be visited				Auditee
8.00am – 12.30pm	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	<b>RAR</b>	<b>MAR</b>	<b>DA</b>	<b>MZK</b>	Guide(s) for each

## RSPO PUBLIC SUMMARY REPORT

	<b><u>Sg. Jernih POM</u></b> Site visit and assessment on Supply Chain Implementation including the: <ul style="list-style-type: none"> <li>Model used</li> <li>General Chain of Custody</li> <li>System Requirements</li> <li>for the supply chain</li> <li>Documented procedures</li> <li>Purchasing and goods in</li> <li>Outsourcing activity</li> <li>Sales and goods out</li> <li>Processing</li> <li>Records keeping</li> <li>Registration</li> <li>Training</li> <li>Claims</li> </ul>	Continue Sg. Jernih Estate	<b><u>Sg. Jernih POM</u></b> <ul style="list-style-type: none"> <li>Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>Land titles user rights</li> <li>Stakeholder consultation with affected communities surrounding the CU</li> <li>Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>Linesite inspection</li> <li>Complaints and grievances</li> <li>Consultation with relevant government agencies</li> <li>Training and skill development programs</li> </ul>	auditor
12.30pm – 2.00pm	<b>LUNCH BREAK</b>			All
2.00pm – 5.00pm	Continue assessment			Guide(s) for each auditor
5.00pm	Audit team discussion / End of Day 4 audit			All

### Day 5: 17/07/2020 (Friday)

Day 5: 17/07/2020 (Friday)

Time	Activities / areas to be visited				Auditee
9.00am – 10.30pm	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	RAR	MAR	DA	MZK	Guide(s) for each auditor
	Continue Sg Jernih POM	Continue Sg Jernih Estate		Continue Sg Jernih POM	
10.30pm – 11.30pm	Audit Team discussion and preparation of assessment findings				auditor
11.30 – 12.00pm	Closing meeting at CU / End of audit.				All

## RSPO PUBLIC SUMMARY REPORT

Attachment 3

### RSPO P&C AUDIT CHECKLIST AND FINDINGS (MYNI 2019 FOR RSPO P&C 2018)

#### **Principle 1: Behave ethically and transparently**

Drive ethical business behaviour, build trust and transparency with stakeholders to ensure strong and healthy relationships.

Clause	Indicators	Comply Yes/No	Findings
1.1 The unit of certification provides 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 (C) Documents that are specified in the RSPO P&C are made available to the public.	YES	Sungai Jernih BU continued to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the authorities and employees. The CU continued to use internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances are available through Boustead Plantation website at <a href="http://www.bousteadplantations.com.my/home.html">http://www.bousteadplantations.com.my/home.html</a>
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	Their website, <a href="http://www.bousteadplantations.com.my/home.html">http://www.bousteadplantations.com.my/home.html</a> is accessible to relevant stakeholders and with appropriate language.
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	Management documents relating to environment, social and legal issues, were available to the public except for those prevented by commercial confidential or where disclosure of information would result in negative environmental or social outcomes. The CU has provided relevant information (environmental, social and/or legal) as requested by the relevant stakeholder during the annual stakeholder meeting.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	The consultation and communication procedures were documented. External and internal communication procedures developed by Boustead Plantation for the estates and mill maintained to be followed and available at the audited sites.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	The list of stakeholders for Sungai Jernih BU are maintained, and made available during the audit. The stakeholders list at Sungai Jernih BU are including the contractors, vendors, neighboring estates/smallholders, villagers and government agencies Records of communications are documented and filed. Records also show actions taken in response to inputs from stakeholders, and that efforts are made to ensure understanding by affected parties.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
1.2 The unit of certification commits to ethical conduct in all business operations and transactions.	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	Code of ethical conduct and integrity titled 'Code of Ethics & Conduct' has been established and distributed to all staffs and workers.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	In addition, Boustead Plantation Berhad (BPB) also has a Vendor CODE of ETHICS & CONDUCT which has been developed to outline the standards of behaviour required by Boustead Plantation Berhad's vendors which includes expectation to uphold human rights. The Vendor COBC applies to all its suppliers, consultants, agents, contractors / service providers who have direct dealings with the Group.

### **Principle 2: Operate legally and respect rights**

Implement legal requirements as the basic principles of operation in any jurisdiction.

Clause	Indicators	Comply Yes/No	Findings
2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 (C) The unit of certification complies with applicable legal requirements.	NO	It was evident that Sg. Jernih POM and the estates continue to comply with most of the applicable laws and regulations with regards to their operation. However, it has been noted that there were no Health Requirements of Person Working in Confined Space at Sg. Jernih POM. Thus, Major NCR DA 01 2020 was raised.
	2.1.2 A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.	YES	Sustainability Department Executive who is based in Kuala Lumpur is responsible to track any changes to the Acts and Regulations. This was done through communicating with the publisher of the documents. This mechanism was outlined in its procedure. The updating of the legal register was carried out on a periodical basis. Any change in the legal register is communicated to the respective CUs.
	2.1.3 Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.	YES	Physical markers such as boundary drain, pegs and boundary stones along the perimeter adjacent to the estate land and other reserves are available at site and visibly maintained. All estates have maps to indicate the locations of the boundary pegs.
2.2 All contractors providing operational services and supplying labour and Fresh Fruit Bunch (FFB) suppliers, comply with legal	2.2.1 A list of contracted parties is maintained.	YES	A list of contracted parties is maintained accordingly.
	2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment	YES	There is evidence that agreements with third parties contain clauses on meeting applicable requirements.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
requirements.	agencies (licensed/accredited) for migrant workers, service providers and labour contractors, is available.		
	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.	YES	All contracts signed with contractors contain a clause on compliance with employment laws, which would include laws related to employment of children and young persons.
2.3 All FFB supplies from outside the unit of certification are from legal sources.	2.3.1 (C) For all directly sourced FFB, the mill requires: <ul style="list-style-type: none"> <li>Information on geo-location of FFB origins.</li> <li>Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder</li> <li>One or more supporting documents for claims</li> <li>Valid MPOB license</li> </ul>	YES	Fresh Fruit Bunches are supplied from Boustead Plantation Berhad owned estates which are certified to RSPO. The required were all available.
	2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.	YES	Fresh Fruit Bunches are supplied from Boustead Plantation Berhad owned estates which are certified to RSPO. Sungai Jernih POM also is an Identity Preserved Mill. Thus there is no indirectly Sourced FFB used.

### **Principle 3: Optimise productivity, efficiency, positive impacts and resilience**

Implement plans, procedures and systems for continuous improvement.

Clause	Indicators	Comply Yes/No	Findings
3.1 There is an implemented management plan for the unit of cert. that aims to achieve long-term economic and financial viability.	3.1.1 (C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.	YES	Sg. Jernih CU continued to achieve long term economic and financial viability through documented management plan projected to year 2023. Since there are no smallholders in this Certification Unit, therefore a business case for scheme smallholders is not considered. At the same time, the Management Plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2020 to 2023 had been prepared for all the estates as well as the POM and made available to the audit team.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	All the estates had replanting programs in place (2020 to 2024). The long-range replanting programs (LRRP) until 2024 were sighted on the estates.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	The management review meeting for Boustead Sg. Jernih CU which were held in July 2020 attended by all the managers. It was chaired by Sustainability Chairman. Management has transparently addressed continuous suitability, adequacy and effectiveness of the requirements for effective implementation of RSPO.
3.2 The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.	3.2.1 (C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.	YES	Plan and progress to control pollution 2020 Environmental Management Programme (EMP) implementation was evident.
	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template.	YES	Not applicable.
3.3 Operating procedures are appropriately documented, consistently implemented and monitored.	3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place.	YES	Sg. Jernih BU has developed several manuals for its use including the Standard Operating Procedure (SOP) that provide guidelines to staff members in respect of certain major aspects of Estate and Mill operations. It contained 15 chapters.
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	Some of the mechanism in place were : i. Internal audits ii. Periodic reporting from operating units iii. On site visits, inspections and discussions with relevant personnel iv. Assessments and audits like Internal Audits, PA visits and by RSPO Audits v. Consultation with RSPO team & management.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	In the Sg. Jernih CU the monitoring of the SOP implementation was closely made by the all levels of the supervisory personnel with records maintained and checked.
3.4 A comprehensive Social and Environmental Impact Assessment	3.4.1 (C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of	YES	Social Impact Assessment report dated in Aug 2010 was made available during the audit titled 'Addressing the Social Dimensions of Oil Palm Developments in Boustead Plantations'. The assessment had covered all the 3 estates and mill in the CU.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
(SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.	any smallholder/outgrower scheme, is documented.		
	3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.	YES	The assessment was available and it was evident that monitoring plans were developed with participation of affected stakeholders
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	YES	The SIA plans for POM was reviewed on yearly basis and updated as necessary. The review was conducted with the participation of affected parties such as local communities, NGO's, government agencies, internal stakeholders (Workers, Staff) and contractors. The plan was reviewed on yearly basis.
3.5 A system for managing human resources is in place.	3.5.1 Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable.	YES	Employment procedures for recruitment, selection, hiring, are documented. Employment procedures for retirement and termination are available in the local workers' employment contracts. Similarly, foreign workers' contracts also contain provision for mutual termination. Retirement procedure is not applicable to foreign workers.
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Evidence of implementation is available from workers' files such as application form, interview, medical test and issuance of letter of offer. Sighted during the audit were recruitment files of the sampled workers.
3.6 An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.	3.6.1 (C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.	YES	The hazard identification, risk assessment and risk control (HIRARC) procedure has been established. Sg. Jernih CU have conducted the risk assessment on all its operation as well as determining their control measures.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.	YES	Occupational health and safety (OHS) management plan for Sg. Jernih CU had been established. The OHS management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, audiometric test, use of PPE, OSH Committee meetings, etc. Generally, the OSH plans 2020 were acceptable.
3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are	3.7.1 (C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and outgrowers, taking into account gender-specific needs, and which covers applicable aspects of the RSPO	YES	Formal training programmed for 2020 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors at Sg Jernih CU. Training Plan was established for year 2020. Training needs identification matrix has been established with target dates for the training to be conducted. The training program includes: spraying training, harvesting training, manuring training, fire drill training, tractor driver training, grievance procedure training, buffer zone training, biodiversity training, policy briefing, IPM training.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
appropriately trained.	P&C, in a form they understand, and which includes assessments of training.		
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	Records of training available.
	3.7.3 Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.	YES	The RSPO SCCS training was evident.

### **SUPPLY CHAIN REQUIREMENTS FOR MILLS**

**Disclaimer text:** The following section is taken verbatim from the RSPO Supply Chain Certification Standard (14 June 2017) (RSPO SCCS), general requirements as well as modules D & E for mills. The RSPO SCCS is the document in vigour for these requirements and should be referred to in any cases of uncertainty. Any references to other modules or sections contained in the table below, refer to the RSPO SCCS document. As per RSPO SCCS, **all requirements are major Indicators** (i.e. **equivalent of critical Indicators in P&C 2018**).

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.1	Identity Preserved Module A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill processes certified and uncertified FFB without physically separating them, then only MB Module is applicable.	YES	Sungai Jernih POM (SJPOM) has continued to maintain IP model and sourced for their FFB only from estates under the same CU which involve, Ladang Tabung Tentera – Terengganu Estate, Sungai Jernih Estate, and Bebar Estate.



## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.2	<p>Mass Balance Module</p> <p>A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates.</p> <p>A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3<sup>rd</sup> party certified supply base.</p>	YES	Not applicable
3.8.3	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the CB in the public summary of the P&amp;C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	YES	<p>The estimated tonnage for CPO &amp; PK products were provided in this report i.e. Table 2.</p> <p>The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace.</p>
3.8.4	<p>The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform).</p>	YES	

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.5	<p>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:</p> <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> <li>• 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 organisation's procedures for the implementation of this standard.</li> <li>• The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</li> </ul>	YES	<p>The Supply Chain Procedure was revised December 2019 (revision : 8), the said procedure was sighted and found all elements of the RSPO Supply Chain standard were covered.</p> <p>The revised procedure has addressed that for palm products despatch i.e. CPO and PK, need to perform quality test on individual consignment.</p> <p>Sighted CPO and PK production record, weighbridge report, dispatch record and training record was up to-date and well maintained.</p> <p>The Manager has the overall responsibility and authority over the implementation of the supply chain requirements in the Sg Jernih POM. It was noted Manager has assigned assistant engineer to ensure the implementation of supply chain procedure met the RSPO requirements. Interviewed with relevant person in-charge at critical control point was revealed they are understood on the RSPO standard requirements which requires no mixing of RSPO certified and non RSPO certified material.</p> <p>In receiving, processing, storage and delivery.</p>

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings						
3.8.6	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"><li>• Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li><li>• Effectively implements and maintains the standard requirements within its organisation.</li><li>• 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 non- conformities shall be subject to management review at least annually. The organisation shall be able to maintain the internal audit records and reports.</li></ul>	YES	<p>As describe under para 14.0 SOP, RSPO: Supply Chain Revision which is follow the RSPO Supply Chain Certification Standard Revision 2017 requirements. Audit report has also been established. The audit was conducted against the RSPO Supply Chain Certification Standard Revision 2017 requirements.</p> <p>RSPO internal audit was conducted in June – July 2020 by the internal auditors. There are 2 Major NC were raised by auditor.</p> <p>Audit Attendance sheet, audit plan, audit notes, and NC was sighted by auditor. Sg Jernih POM has taken necessary action to close out the NCR.</p>						
3.8.7	<p>The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.</p>	NO	<p>i) SJPOM had continued to receive certified FFBs from the CU's own supply bases.</p> <p>ii) The mill did not inform the CB about their overproduction of certified volume.</p> <table><tr><th>Items</th><th>Projection certified volume</th><th>Actual certified volume</th></tr><tr><td>CSPK</td><td>4,603.60mt</td><td>4,640.84</td></tr></table> <p>Thus, #Major NCR RAR 01 2020 has been raised.</p> <p>iii) Mechanism in place for handling non-conforming oil palm products has established in the procedure Quality assurance Manual.</p>	Items	Projection certified volume	Actual certified volume	CSPK	4,603.60mt	4,640.84
Items	Projection certified volume	Actual certified volume							
CSPK	4,603.60mt	4,640.84							

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.8	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single-documents or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documentation and specification documentation):</p> <ul style="list-style-type: none"> <li>a) The name and address of buyer;</li> <li>b) The name and address of the seller</li> <li>c) The leading or shipment/delivery date;</li> <li>d) The date on which the documents were issued;</li> <li>e) RSPO certificate number;</li> <li>f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations);</li> <li>g) The quantity of the products delivered;</li> <li>h) Any related transport documentation</li> <li>i) A unique identification number</li> </ul>	YES	<p>The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Boustead Estate Agency Sdn Bhd., Marketing Department (HQ) on behalf of Sungai Jernih POM.</p>

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.9	<p>Outsourcing Activities</p> <p>(i) The mill shall not outsource its milling activities. In cases where the mill outsourced activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO SC Certification.</p> <p>(ii) The mill shall ensure the following:</p> <p>a) The mill has legal ownership of all input material to be included in outsourced processes</p> <p>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure that ind. 3<sup>rd</sup> parties engaged provide relevant access for duly accredited CBs to the respective ops., systems, info, when this is announced in advance.</p>	YES	<p>No outsource activity except for CPO and PK transporter. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted. There is also addendum stated that the transporter shall comply with 'to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary'.</p>

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.10	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	YES	Sg Jernih mill has outsource the transportation of certified CPO and certified PK. An agreement covering the outsources activity were sighted. During stakeholder meeting 2 representatives from both contractor attended the meeting. It has been noted that the meeting highlighted the information on the implementation of RSPO standard.
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	YES	No new contractors used and will be used in the future for the processing or production of RSPO certified materials.
3.8.12	i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.	YES	Sighted CPO and PK delivery note, weighbridge ticket, production data, internal audit and management review records were found up-to-date.
	ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	YES	All records related to RSPO SC were maintain minimum for 2 years. Sample CPO dispatch note since Jan 2015 until to date was available and well maintained.
	iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	YES	Available.
	iv) For Mass Balance Module, the mill: shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. a. All volumes of certified CPO	YES	NA

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. b. The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)		
3.8.13	Extraction rate The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.	YES	SJ POM process all the received certified crop & their processing output will be based on their actual Oil Extraction Rate (OER) as well as Kernel Extraction Rate (KER).  These figures were monitored on daily & monthly basis by the mill using the prepared template (e.g. Monthly Production Report – Physical Movement) to ensure their accuracy as well as monitoring of their
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	YES	
3.8.15	Processing For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	YES	Through interview with FFB grader, Weighbridge staff, mill supervisor and Mill Manager, it was confirmed that the mill has not received and processed any non-certified FFB. Sighted weighbridge summary Monthly reports which confirmed that all FFB were from its own estate i.e. Sungai Jernih Estate, Bebar Estate and LTTT.

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.16	<p>Registration of Transactions</p> <p>i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</p>	YES	The registration of transaction being carried out by Boustead Marketing.
3.8.17	<p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	YES	Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. Sg Jernih POM has not use RSPO corporate logo as well as trademark logo.

### **Principle 4: Respect community and human rights and deliver benefits**

Respect community rights, provide equal opportunities, maximise benefits from engagement and ensure remediation where needed.

Clause	Indicators	Comply Yes/No	Findings
4.1 The unit of Cert. respects human rights, which includes respecting the rights of Human Rights Defenders.	4.1.1 (C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders, is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and	YES	Human Rights Policy has been established by Boustead Plantations Berhad in Dec 2019. Through interview with workers, operators, FFB suppliers and local communities at Sungai Jernih BU, the Policy was communicated to them through workers meeting with all estates/mill management or during morning 'briefing' and during 'Stakeholders meeting' conducted. All the estates and the mill adopt the Human Rights Policy, which, among others, respects human rights and will not be complicit in human rights infringement, prohibits retaliation against Human Rights Defenders.



## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	harassment by the unit of certification and contracted services, including contracted security forces.		
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	As at time of audit, it was confirmed that the unit of certification does not instigate violence or use any form of harassment, including the use of mercenaries and paramilitaries in their operations.
4.2 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.	4.2.1 (C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.	YES	All estates and mill in Sungai Jernih BU have a mutually agreed system open to all affected parties, to resolve disputes in an effective, timely and appropriate manner. Each estate/mill has its own established procedure for resolving complaint/grievance from workers and/or the public (local communities, external stakeholders). Complaint/grievance form was available be filled up by workers or the public with complaints or grievance.
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	YES	The system was understood by the affected parties. The procedure for complaint/grievance resolution was explained to all workers and external stakeholders through management/workers/stakeholders meeting.
	4.2.3 The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.	YES	SJ BU keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders as evidenced by stakeholders meeting in Feb 2020 (Internal & External Stakeholder) at Sungai Jernih POM.
	4.2.4 The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.	YES	The Mill and Estates within SJBW each has its own Internal Complaint Form/Book and External Communication/Complaint Form/Book available.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
4.3 The unit of cert. contributes to local sustainable development as agreed by local communities.	4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.	YES	Contributions to community development that are based on the results of consultation with local communities.
4.4 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.	4.4.1 (C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	YES	Evidence of legal ownership of the land including history of land tenure was verified during this audit. Each estate was provided with legal use of the land through a Country Lease signed by the Director of Lands and Surveys of Pahang and Terengganu following the payment of premium. This document were made available by all the individual estates.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sungai Jernih BU. The audit team had confirmed that there were no land issues related to previous owners.
	4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.	YES	
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these	YES	

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	decisions were taken.		
	4.4.2c Evidence that the legal, economic, environmental and social implications of 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 unit of certification's title, concession or lease on the land.	YES	
	4.4.3 (C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities).	YES	As reported in 2.2.1 of this checklist, it has been verified that the land is now legitimately owned by Sungai Jernih CU. All the related documentation regarding the land acquisition was kept in Boustead HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Hence, there was no map showing the legal, customary, or user right of other users.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	This requirement in this indicator does not apply to Sungai Jernih CU
	4.4.5 (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.	YES	This requirement in this indicator does not apply to Sungai Jernih CU
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	This requirement in this indicator does not apply to Sungai Jernih CU

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
4.5 No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.	4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.	YES	Based on Social Impact Assessment (SIA) Report for Sungai Jernih CU and land title, there was no new plantings are established on local peoples' land. It has been verified that the land is legitimately owned by Sungai Jernih CU since 1990-1994. The audit team had confirmed that there were no land issues related to previous owners.
	4.5.2 (C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Boustead Sungai Jernih since 1990-1994. All the related documentation regarding the land acquisition was kept in Boustead HQ Office, Kuala Lumpur and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.
	4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new ops.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Boustead Sungai Jernih since 1990-1994. All the related documentation regarding the land acquisition was kept in Boustead HQ Office, Kuala Lumpur and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.
	4.5.4 To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples,	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Boustead Sungai Jernih since 1990-1994. All the related documentation regarding the land acquisition was kept in Boustead HQ Office, Kuala Lumpur and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	the full range of food and water provisioning options are considered. There is transparency of the land allocation process.		neighboring estate. From the interviews, it can be concluded that there was no evidence of any land dispute at Sungai Jernih CU.
	4.5.5 Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Boustead Sungai Jernih since 1990-1994. All the related documentation regarding the land acquisition was kept in Boustead HQ Office, Kuala Lumpur and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.
	4.5.6 Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Boustead Sungai Jernih since 1990-1994. All the related documentation regarding the land acquisition was kept in Boustead HQ Office, Kuala Lumpur and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
	4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.	YES	There was no new lands acquired for plantation and mills after 15/11/2018 as verified during this Assessment at Boustead Sungai Jernih CU. The current operation area including mill and estates as per stated in the land title
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with	4.6.1 (C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.	YES	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the 'Prosedur Penentuan Hak Pemilikan Tanah / Procedure in resolving land conflict'. The CU had also developed a SOP - Fair Compensation in order to handle any issues related with compensation. In accordance with the 'Prosedur Penentuan Hak Pemilikan Tanah' and SOP - Fair Compensation, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Boustead Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
thru a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	YES	In accordance with the "Prosedur Penentuan Hak Pemilikan Tanah" and SOP - Fair Compensation, the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and visited estates.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.	YES	There was no scheme small holdings at Sungai Jernih CU. The Fresh Fruit Bunches are supplied from Boustead owned estates which are certified to RSPO.
	4.6.4 The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them.	YES	There was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties.
4.7 For new planting, where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.	4.7.1 (C) A mutually agreed procedure for identifying people entitled to compensation is in place.	YES	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the 'Prosedur Penentuan Hak Pemilikan Tanah' and SOP - Fair Compensation. In accordance with the 'Prosedur Penentuan Hak Pemilikan Tanah' and SOP - Fair Compensation, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Boustead Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.
	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation is in place and documented and made available to affected parties.	YES	There was no issue regarding compensation (monetary or otherwise) with villagers, local community and neighboring estate.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	It has been verified that the land is legitimately owned by Boustead Sungai Jernih since 1990-1994. All the related documentation regarding the land acquisition was kept in Boustead HQ Office, Kuala Lumpur and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
4.8 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.	4.8.1 Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	YES	It has been verified that the land is legitimately owned by Boustead Sungai Jernih since 1990-1994. All the related documentation regarding the land acquisition was kept in Boustead HQ Office, Kuala Lumpur and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.
	4.8.2 (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.	YES	Land conflict is not present in the area of the unit of certification.
	4.8.3 Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant reqs.	YES	There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. The audit team has also interviewed villager representatives from Kg. Jenang Baru (Ladang Tabung Tentera), Orang Asli Jakun from Kg. Sawah Batu (Ladang Bebar), and Orang Asli Jakun from Kg. Batu Gong, Kg. Dungun, Kg. Runchang (Sg. Jernih Estate & Sg. Jernih POM). From the interviews, it can be concluded that there was no evidence of any land dispute at Sungai Jernih CU.
	4.8.4 For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties.	YES	There was no conflict or dispute over the land.

## RSPO PUBLIC SUMMARY REPORT

### **Principle 5: Support smallholder inclusion**

Include smallholders in RSPO supply chains and improve their livelihoods through fair and transparent partnerships.

Clause	Indicators	Comply Yes/No	Findings
5.1 The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.	5.1.1 Current and previous period prices paid for FFB are publicly available and accessible by smallholders.	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.
	5.1.4 (C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable.	YES	There is no Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms due to Fresh Fruit Bunches were supplied from Boustead Plantation Berhad owned estates, which is Sungai Jernih Estate. Bebar Estate and LTT Terengganu Estate. So far, there was no third-party FFBs sent to the mill.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	Fresh Fruit Bunches were supplied from Boustead Plantation Berhad owned estates, which is Sungai Jernih Estate. Bebar Estate and LTT Terengganu Estate. So far, there was no third-party FFBs sent to the mill. Thus, no contract involved with smallholder.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	YES	Interviews conducted with contractors and suppliers, confirmed their understanding of their rights and obligations under the contract.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	YES	These contractors interviewed confirmed that payments are made in a timely manner, namely within 7 to 10 days of invoice.
	5.1.8 The unit of certification supports Independent Smallholders with	YES	Boustead Plantation supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the



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Clause	Indicators	Comply Yes/No	Findings
	certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.		smallholders on who runs the internal control system (ICS), who holds the certificates, Noted that Sungai Jernih CU has invited nearby smallholder to promote on RSPO certification. But some smallholder are willing to go for MSPO only.
	5.1.9 (C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner.	YES	A grievance mechanism which respects anonymity and protects complainants is in place. As at to date there is no complaint by stakeholders.
5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.	5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.
	5.2.2 The unit of certification develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder).	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.
	5.2.3 Where applicable, the unit of cert. provides support to smallholders to promote legality of FFB production.	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	YES	For Sungai Jernih POM, Being an Identity Preserved Mill, Sungai Jernih Palm Oil Mill does not purchase FFB from smallholders, and no smallholders are in Sungai Jernih supply base. Therefore, this indicator is not applicable.

## RSPO PUBLIC SUMMARY REPORT

### **Principle 6: Respect workers' rights and conditions**

Protect workers' rights and ensure safe and decent working conditions.

Clause	Indicators	Comply Yes/No	Findings
6.1 Any form of discrimination is prohibited.	6.1.1 (C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.	YES	The Boustead Equal Opportunity Policy updated in Dec 2019 is publicly available at the offices of the Sungai Jernih Palm Oil Mill. This Policy states Boustead Policy on equal opportunity in all aspects of its employment including recruitment, training and promotion. The Policy identifies under-represented groups where they are encouraged to apply for training and employment opportunities with the Company, and that where possible, special training will be provided for such groups to prepare them to compete on equal terms for jobs and promotion.
	6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for migrant workers.	YES	Based on documentation reviewed such as employment contracts and letters of offer, pay slips, allocation of housing at the linesite and audit interviews, there is no evidence that local and foreign workers, women and local communities have been discriminated against. Interviews conducted with workers (male, female, local and migrant) as well as local communities also confirmed that this is so. There is also no evidence of payment of recruitment fees by migrant workers.
	6.1.3 The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.	YES	As stipulated in the contracts, Job Description and Yearly Salary Scale for workers and Staff the recruitment selection, hiring and promotion where relevant are based on availability, skills, capabilities, qualities, and medical fitness necessary for the jobs. For monthly paid employees, interviews are done by Estate Manager/Mill before a panel of interviewers who would objectively assess the candidate for suitability. Promotions are based on recommendations, Years of service and performance.
	6.1.4 Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.	YES	As of the date of the audit, there is no pregnant worker at Sungai Jernih BU. As confirmed by the worker during interview, there is no evidence that pregnancy testing was carried out in a discriminatory manner. Pregnancy test was done on her own free will. During interview it was confirmed that if they require contact with chemicals, they will allocate to other light works.
	6.1.5 (C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.	YES	Chairman of Gender Committee at each sites responsible in handling and channeling issue to management, if any. Management has directed chairman of gender committee to respects and protects anonymity and complainants where requested. Complainants can submit in their complaint either in writing or verbally. Workers interviewed know that they can either complaint to their immediate supervisor, or if they wish, to the estate management. A functioning grievance mechanism is in place. The Workers Representative and Gender Committee also looks into allegation of discrimination if reported. Interviews with local workers, foreign workers and female employees confirm that there was no evidence of any form of discriminatory practices by the Sungai Jernih.

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Clause	Indicators	Comply Yes/No	Findings
	6.1.6 There is evidence of equal pay for the same work scope.	YES	The Boustead Equal Opportunity Policy updated Dec 2019 is publicly available at the offices of the Sungai Jernih Palm Oil Mill. This Policy states Boustead Policy on equal opportunity in all aspects of its employment including recruitment, training and promotion. The Policy identifies under-represented groups where they are encouraged to apply for training and employment opportunities with the Company, and that where possible, special training will be provided for such groups to prepare them to compete on equal terms for jobs and promotion.
6.2 Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).	6.2.1 (C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.	YES	The employment contract is in Bahasa Melayu and English for local and foreign workers. The CU has explained the pay slip to the workers. Employment contract of foreign worker clearly stated the working hours, employee provident fund (for local only), annual leave, medical benefits and sick leave, insurance scheme, retirement, and etc. During interviewing the local workers and foreign, they were understood the content of their contract of employment and pay slip statement.
	6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.	NO	Employment contracts and pay slip between unit of certification and employees does not detailing the conditions of employment e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements. Based on sample (employment contracts and payslip) at following estates, there were sighted that both documentation does not detail the conditions of employment: <ol style="list-style-type: none"> <li>1. LTT Estate – employment contracts</li> <li>2. Bebar Estate – payslip</li> <li>3. Sungai Jernih Estate – employment contracts and payslip</li> </ol> Therefore, NCR was raised as MAR 02 2020.
	6.2.3 (C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.	YES	There is evidence that workers observe regular working hours including overtime hours within the legal confines of the Labour Law. This was verified from the Mill workers' employment contracts, punch cards and interviews with the workers themselves. They are also entitled to at least 1 Hour rest after 5 hours of work.
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in	YES	Sg Jernih POM, Ladang Tabung Tentera, Sg Jernih Estate and Bebar Estate have provided adequate housing, water supplies, medical, educational and welfare amenities in accordance with the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). For local workers, children 4 years old and below are staying at 'Tabika Kemas' Kindergarten until their parent finish their job. Transportation is provided for local children from their house to the nearby Government schools. The CU still maintains its policies on housing, water and electricity supply as reported in

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Clause	Indicators	Comply Yes/No	Findings
	their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.		the previous audit. Electricity and water bills were subsidized. Religious, medical, educational, child care facilities are offered as before. Any maintenance and service for housing and facilities can be requested from the respective management with free of charge. During interview with local and foreign field workers at all visited mill and estates, they were satisfied with the accommodation and other facilities that were provided to them.
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	Sg Jernih POM has demonstrated effort to monitor once a year the adequacy, sufficient and affordable of food supply and price at the sundry shop within the estate.
	<p>6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE:</p> <p>A written policy with specific implementation plan, committing to payment of a "decent living wage" is in place.</p> <p>The implementation plan with specific targets, and a phased implementation process will be in place, including the following:</p> <ul style="list-style-type: none"> <li>• An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers.</li> <li>• There is annual progress on the implementation of living wages</li> <li>• Where a minimum wage, based on equivalent basket of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment.</li> <li>• The unit of certification may choose to implement the "living wage" payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before an eventual scale-up of the living wage implementation</li> </ul> <p>Until such time where the Malaysian version of</p>	YES	All sampled workers receive at least minimum wages based on Minimum Wages Order 2018. The new Minimum Wages Order 2020 gazetted on 10 Jan 2020 and came into effect on 1 February 2020. LTT Estate, Bebar Estate and Sungai Jernih Estate had calculated the prevailing wages and in-kind benefits for their workers. The calculation included housing, electricity, water, transport to work, sports and recreation facilities, education, childcare and healthcare. The auditor had verified the calculation and though the calculation was in line with RSPO Guidance on Calculation of Prevailing Wages.

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Clause	Indicators	Comply Yes/No	Findings
	“decent living wage” has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.		
	6.2.7 Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.	YES	All the estates and mill employ full-time employees. Foreign workers are full-time employees but have a contractual duration which is stipulated in their employment contracts which is 2 years for Indonesian. This contract duration can be mutually extended subject to the annual work permit from the Malaysian Immigration Department.
6.3 The unit of certification 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 ind. and free association and bargaining for all such personnel.	6.3.1 (C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa M'sia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.	YES	A policy titled as “Polisi Kebebasan Berpersatuan” is available in the CU. The policy is written in Bahasa and languages understood by the workers is displayed at the public places at all estates/mill. The policy included statements, among others, that the workers are allowed to join any registered organizations or associations. Foreign workers are not allowed to hold any positions in the organizations or associations. The workers whom were consulted had confirmed that they were aware of their rights to join a union.
	6.3.2 Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request.	NO	Although there were no official trade unions in Sungai Jernih operating, workers had appointed their own representatives to sit on the Workers Representative Committee. The Workers Representative Committee comprise worker and management representatives. Minutes of the Workers Representative Committee meetings (JCC) were documented, sighted and verified. However, Bebar Estate and Sungai Jernih Estate, in their latest meeting not included their workers representative of Bangladeshi. Minor NCR, MAR 01 2020 was raised against this indicator.
	6.3.3 Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers.	YES	Evidence is available that all worker representatives were freely appointed by the workers as confirmed by the workers' representatives themselves as confirmed by a NUPW Representative from Sungai Jernih Mill.
6.4 Children are not employed or exploited.	6.4.1 A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.	YES	The formal Policy on protection of children and non-employment of children is contained in the “Polisi Penggajian Pekerja Kanak-Kanak Dan Had Umur Minima” signed by CEO dated in Dec 2019. There is addendum in the agreement with contractor This undertaking to not hire child labour is included in all service contracts and supplier agreements.
	6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the	YES	Based on interviews, documentation review and observations in the field, evidence is available that minimum age requirements are met throughout Sungai Jernih BU. There also have a documented age screening verification procedure.

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Clause	Indicators	Comply Yes/No	Findings
	national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.		
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	YES	There was no evidence that any young persons were employed in any of the units at Sungai Jernih BU as evidenced from documentation review, field observations and interviews.
	6.4.4 The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.	YES	Based on the documents sighted, communication about its no child labour policy was communicated to all levels of employees as evidenced from training records at the Sungai Jernih Palm Oil Mill in Feb 2020 and external stakeholders in Jan 2020.
6.5 There is no harassment or abuse in the workplace, and reproductive rights are protected.	6.5.1 (C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.	YES	A policy on sexual harassment titled ' <i>Polisi Gangguan Seksual</i> ' has been established since December 2019. The policy was signed by the CEO and is available in Malay and English language. The policy is displayed on the notice boards at the mill and the estates offices. No evidence or acts that contradict this policy were observed as interviewed the women workers/staffs and gender committee during the audit in the BU.
	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.	YES	Sungai Jernih BU has established a policy titled ' <i>Hak Reproduksi</i> ' dated in Dec 2019. Sungai Jernih POM have briefed their workers from time to time during muster briefings. Based on interview with workers, they basically understood the intent of the policy.
	6.5.3 Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified.	YES	Gender Committee have been established at the Mill and Estate levels to help disseminate awareness on issues relating to reproductive rights and need of new mothers. Awareness on reproductive rights need of new mothers are also briefed during muster and Gender Committee meetings held at each Mill and Estates.
	6.5.4 A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.	YES	A grievance mechanism has been maintained by the BU. Chairman of Gender Committee at each operating units responsible in handling and channeling issue to management. The management has directed the chairman of the Gender Committee to respects and protects anonymity and complainants where requested. The mechanism has been communicated to all levels of the workforce as verified by auditor during interview with female workers at all estates and Mill.
6.6 No forms of forced or	6.6.1 (C) All workers have entered into employment voluntarily , and the following	YES	Collective evidence is available that all sampled workers have entered into employment voluntarily. This is based on the following:

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Clause	Indicators	Comply Yes/No	Findings
trafficked labour are used.	are prohibited: <ul style="list-style-type: none"> <li>Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes)</li> <li>Charging the workers for recruitment fees</li> <li>Contract substitution</li> <li>Involuntary overtime</li> <li>Lack of freedom of workers to resign</li> <li>Penalty to the workers for termination of employment</li> <li>Debt bondage</li> <li>Withholding of wages</li> </ul>		<ul style="list-style-type: none"> <li>a. review of sampled employment contracts which contain mutually agreed termination clause;</li> <li>b. review of documents where workers signed consenting for their passports to be kept at the office;</li> <li>c. interview with foreign workers who confirmed they could have access to the passports at any time;</li> <li>d. review of recruitment agency contract between Sg. Jernih BU and Syarikat Usaha Bakti Bersama and MBS Sdn Bhd where no recruitment fee is payable by the workers and confirmed by the workers (except for passport, medical in and biometrics in home country)</li> <li>e. records of punch cards and workers confirmation that overtime work is mutually agreeable and not forced on them;</li> <li>f. confirmation from the foreign workers that they received accurate briefing in their home country on the job they would be doing in Malaysia;</li> </ul> <p>and confirmation from the workers that there is no debt bondage or withholding of wages.</p>
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	A special labour policy for employment of foreign workers has been addressed in the ' <i>Polisi Pekerja Buruh Asing</i> '. The policy mentioned that all employees should be treated fairly in terms of recruitment, terms and conditions of work, provide decent living, no contract substitution and post arrival programme will be conducted once arrived for three months. The CU maintained its specific procedure / flowchart for employment of foreign workers titled 'Sourcing Process for Foreign Workers'. The procedure has been implemented for any employment related with foreign workers.
6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health.	6.7.1 (C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.	YES	The mill manager and the estate manager had overall responsibilities of safety and health issues, with the assistance of the Safety Management of Boustead Plantation. Records of regular meetings between the responsible person and workers to discuss about health and safety had been verified to the satisfactory maintained. The content of OSH meeting were To review pass minute meeting, Mill inspection programme, Accident statistic, Safety and health programme, Safety issues.
	6.7.2 Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned	YES	Emergency Response Plan (ERP) was established. Random interview with the estate workers showed that they were aware of accident and emergency procedures. Copies of procedures and telephone numbers were sighted on notice boards and muster grounds.

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Clause	Indicators	Comply Yes/No	Findings
	operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		
	6.7.3 (C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.	YES	All staff and workers such as the storekeepers, harvesters and sprayers were continuously trained and random interviews conducted showed that they had understood the hazards involved and the usage and handling of chemicals in a safe manner. Appropriate PPE were given to employees of estates (Sg. Jernih Estate, LTT Estate and Bebar Estate) visited. They were seen to wearing PPE such as face masks respirators, goggles, nitrile gloves, apron and hard hat, to cover all potentially hazardous operations such as mixing of pesticides and pesticide application.
	6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work-related incidents leading to injury or sickness are covered in accordance with Malaysian law.	YES	Local & Foreign workers are covered by SOCSO (Pertubuhan Keselamatan Sosial).
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	Record available and verified. Form JKPP 8 for 2019 was submitted to DOSH timely in Jan 2020. Accident statistics were being maintained in a satisfactory manner and periodically reviewed.

### **Principle 7: Protect, conserve and enhance ecosystems and the environment**

Protect the environment, conserve biodiversity and ensure sustainable management of natural resources.

Clause	Indicators	Comply Yes/No	Findings
7.1 Pests, diseases, weeds and invasive introduced species are effectively	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	YES	Sg. Jernih CU continued to monitor the Implementation of Integrated Pest Management (IPM) plans.
	7.1.2 Species referenced in the Global Invasive Species Database and	YES	This is not practiced in the 3 estates visited. None of species were referenced in the Global Invasive Species Database and CABI.org are used in the management of IPM.



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Clause	Indicators	Comply Yes/No	Findings
managed using appropriate Integrated Pest Management (IPM) techniques.	CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.		
	7.1.3 There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.	YES	There was no land preparation in Sg. Jernih CU by burning ever since Boustead Plantations Berhad practice zero burning as per the policy in SOP Clearing methods.
7.2 Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.	7.2.1 (C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritized.	YES	Justification of the use of pesticides had been documented. The use of selective products that are specific to the targeted pest, weed or disease had been defined in a) SOP - O.P.C.No.01b / 01c b) SOP – O.P.C No 02a / 04b / 04c c) SOP – O.P.C No 04f / 04g / 05b
	7.2.2 (C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.	YES	Sg. Jernih CU continued to record areas where pesticides were used. a) Pesticides were used only when justified and as programmed. Records of pesticides used by area, quantity used, hectares applied, LD 50 and Ai/Ha were made available to auditors. b) Records were maintained in store issue chits, bin cards, program sheets, field cost books and progress reports
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	YES	All the estates on Sg. Jernih CU continued to apply pesticides by proven methods that minimise risk and impacts. Application of pesticides was based on and guided by the following documents: a) CHRA b) MSDS/SDS supplied by the manufacturer c) OPC Manual d) Safe work procedure Manual
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	YES	Sg. Jernih CU is committed to minimize the usage of agrochemicals by implementing IPM with the increased in the planting of beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> .
	7.2.5 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, unless in exceptional circumstances, as	YES	There was no evidence to show that Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, were used in all 3 estates visited. a) The Estates had used only Class II, Class III and Class IV chemicals. b) All the pesticides used were those registered under the Pesticides Act 1974 (Act 149).

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Clause	Indicators	Comply Yes/No	Findings
	validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:		
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	
	7.2.5b Why there is no other alternative which can be used.	YES	
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	
	7.2.5d What is the process to limit the negative impacts of the application.	YES	
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	YES	
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers. Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	The estates and mill had a SOP for use of PPE during working. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issue and replacements records were verified by the auditors. It was also observed that PPE was used by workers working in the fields. The estates and mill had a SOP for handling of chemical/pesticide management. The employees involved in the chemical handling such as the storekeepers, sprayers, fertilizer and rat bait workers were trained in chemical handling and they understood the hazards of the chemicals and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to them through the SDS training. It was also noted that SDS are available at chemical and fertilizers during the audit. Training on pesticides/chemical handling was carried out regularly by the CU.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	The storage of pesticides at Sg. Jernih CU was found 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. The chemical and fertiliser stores (with cemented floors and roofing) are locked & handled only by authorized personnel i.e. storekeeper. The stores in estate and mill were ventilated (equipped with exhaust fans). All the chemicals were arranged/segregated according to the type.
	7.2.8 All pesticide containers are properly disposed of and/or handled	YES	Empty pesticide containers was punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human

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Clause	Indicators	Comply Yes/No	Findings
	responsibly if used for other purposes.		health. Inventory and consignment documents verified for confirmation of proper management and disposal. The SW generated at Sg. Jernih CU not more than 180 days @ 20mt.
	7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.	YES	Aerial spraying was not practiced by all the visited estates. There was no evidence to show that any had been carried out.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	YES	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.
	7.2.11 (C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.	YES	The Sg. Jernih CU had a policy "handling high toxic pesticide" dated 02/12/2019 which stated that no work with pesticides shall be undertaken by pregnant or breast-feeding women. On all 3 estates sampled, identification of pregnancy was done by the HA based on interview with their women workers on the last menstrual period dates. This interview was done during the monthly medical check-up. Pregnancy test was carried on doubtful cases. Monthly medical check-up for women sprayer was also being carried out by VMO. There was no evidence that the work with pesticides was undertaken by pregnant or breast-feeding women. This has also been confirmed through interviewed with workers.
7.3 Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.	YES	Sg. Jernih CU has compiled Environmental Aspects and Impacts Identification and Risk Assessment for each activity and updated every year. The last up date was made on January 2020. The company has also compiled an Environmental Management Plan in an effort to minimize the environmental impacts identified in environmental aspects and impacts identification and risk assessment.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	YES	SW has been disposed through DOE contractor.
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	During site visit at all units of certification, there was no evidence of open fire has been used for waste disposal. All domestic wastes (household and food waste only) at Sg. Jernih CU has been disposed via landfill.
7.4	7.4.1 Good agriculture practices, as	YES	Sg. Jernih CU continued to implement the good agriculture practices as per Oil Palm Circular Manual (O.P.C.) to ensure optimal and sustained yield, and complied with recommendations for

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Clause	Indicators	Comply Yes/No	Findings																																																																																																														
Practices maintain soil fertility at, or where improve soil fertility to, a level that ensures optimal and sustained yield.	contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.		the application of the fertilizer, Mulching and Oil Palm Manuring Recommendations 2018 by Applied Agricultural Resources Sdn. Bhd. (AAR).																																																																																																														
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	YES	Periodic foliar and soil sampling were carried out by the Applied Agricultural Resources Sdn.Bhd. (AAR) and its result formed part of the basis for the fertilizers input recommendation.																																																																																																														
	7.4.3 A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.	YES	Only Main Estate (Sg. Jernih Estate) continued to have a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and EFB applied. EFB was applied at 40 tons /Ha/year in single layers in plots between palms. Records of application and maps were reviewed by the audit team.																																																																																																														
	7.4.4 Records of fertiliser inputs are maintained.	YES	All 3 Estates continued to maintain records of fertiliser inputs. Records of programs and applications of fertilisers were made available to auditors. For 2019, there was no fertiliser application due to cost saving at LTTT Estate.																																																																																																														
7.5 Practices minimise and control erosion and degradation of soils.	7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available.	YES	<div>Description of the soil characteristics such as texture, depth, drainage, parent material and key aspect for management was also available. The soil series in the estates were classified as follows as updated by AAR on 2017 subject to the requirement of the estates:</div> <table><tr><th>No</th><th>Soil Series</th><th>LTT Terengganu Estate</th><th>Bebar Estate</th><th>Sg. Jernih Estate</th></tr><tr><td>1</td><td>Batu Anam</td><td>X</td><td></td><td></td></tr><tr><td>2</td><td>Batu Lapan</td><td>X</td><td></td><td></td></tr><tr><td>3</td><td>Changkat Lobak</td><td>X</td><td></td><td></td></tr><tr><td>4</td><td>Durian</td><td>X</td><td></td><td>X</td></tr><tr><td>5</td><td>Kemahang</td><td>X</td><td></td><td></td></tr><tr><td>6</td><td>LA (Clayey)</td><td>X</td><td></td><td></td></tr><tr><td>7</td><td>Padang Besar</td><td>X</td><td></td><td></td></tr><tr><td>8</td><td>Pagi</td><td>X</td><td></td><td></td></tr><tr><td>9</td><td>Pohoi</td><td>X</td><td></td><td></td></tr><tr><td>10</td><td>Serdang – Bungor</td><td>X</td><td>X</td><td>X</td></tr><tr><td>11</td><td>Beserah</td><td></td><td>X</td><td></td></tr><tr><td>12</td><td>Beserah Lateritic</td><td></td><td>X</td><td></td></tr><tr><td>13</td><td>Local Alluvium</td><td></td><td>X</td><td></td></tr><tr><td>14</td><td>Malacca</td><td></td><td>X</td><td>X</td></tr><tr><td>15</td><td>Masai</td><td></td><td>X</td><td></td></tr><tr><td>16</td><td>Pelepah</td><td></td><td>X</td><td></td></tr><tr><td>17</td><td>Rengam</td><td></td><td>X</td><td></td></tr><tr><td>18</td><td>Sogomana</td><td></td><td>X</td><td></td></tr><tr><td>19</td><td>Tavy</td><td></td><td>X</td><td>X</td></tr><tr><td>20</td><td>Jempol</td><td></td><td></td><td>X</td></tr><tr><td>21</td><td>Kedah</td><td></td><td></td><td>X</td></tr></table>	No	Soil Series	LTT Terengganu Estate	Bebar Estate	Sg. Jernih Estate	1	Batu Anam	X			2	Batu Lapan	X			3	Changkat Lobak	X			4	Durian	X		X	5	Kemahang	X			6	LA (Clayey)	X			7	Padang Besar	X			8	Pagi	X			9	Pohoi	X			10	Serdang – Bungor	X	X	X	11	Beserah		X		12	Beserah Lateritic		X		13	Local Alluvium		X		14	Malacca		X	X	15	Masai		X		16	Pelepah		X		17	Rengam		X		18	Sogomana		X		19	Tavy		X	X	20	Jempol			X	21	Kedah			X
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## RSPO PUBLIC SUMMARY REPORT

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	7.5.2 No replanting of any individual, contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	The estates visited in Sg. Jernih CU continued to have a management strategy for planting on slopes in order to minimize and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by: a) Slope & River Protection Policy b) Buffer Zone & 25-degree slope c) Land Preparation for terracing in OPC Manual.																									
	7.5.3 There is no new planting of oil palm on steep terrain.	YES	This compliance being specified in the following guidelines. <i>“This compliance being addressed in the “Slope and River Protection” signed by the CEO dated Dec 2019 stating the following among others - Slope of &gt;25 degree to be excluded from any new plantation development and replanting program. For slope &lt;25 degree the existing crop all vegetative shall be maintained accordingly”.</i>																									
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.	7.6.1 (C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.	YES	Periodic foliar and soil sampling were carried out by the Applied Agricultural Resources Sdn.Bhd. (AAR) and its result formed part of the basis for the fertilizers input recommendation. Foliar samplings and Soil sampling, were conducted together.																									
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.	YES	Based on the soil maps provided and field visits there were no fragile and problem soils in all the estates.																									
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	Sg. Jernih CU had a management strategy in place for plantings on slopes between 9 and 25 degrees. This policy was in the OPC and all the estates had complied with it. In addition, the estate’s SOPs included to minimize soil erosion based on local soil and climate conditions, such as: ground cover management, Soil Conservation & Water Management, mulching, land preparation, terracing and natural regeneration of <i>Nephrolepis biserrata</i> .																									
7.7 No new planting on peat, regardless of	7.7.1 (C) There is no new planting on peat regardless of depth after 15 Nov 2018 in existing and new dev areas.	YES	This is <i>not applicable</i> as there is no peat soil in the entire 3 estates in the CU as supported by the soil maps of respective estates.																									

## RSPO PUBLIC SUMMARY REPORT

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depth after 15 November 2018 and all peatlands are managed responsibly.	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peat land Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).	YES	This is <i>not applicable</i> as there is no peat soil in the entire 3 estates in the CU as supported by the soil maps of respective estates.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	This is <i>not applicable</i> as there is no peat soil in the entire 3 estates in the CU as supported by the soil maps of respective estates.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	This is <i>not applicable</i> as there is no peat soil in the entire 3 estates in the CU as supported by the soil maps of respective estates.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. This is subject to transitional (5 years: 2019 to 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial	YES	This is <i>not applicable</i> as there is no peat soil in the entire 3 estates in the CU as supported by the soil maps of respective estates.

## RSPO PUBLIC SUMMARY REPORT

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	implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.		
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.	YES	This is <i>not applicable</i> as there is no peat soil in the entire 3 estates in the CU as supported by the soil maps of respective estates.
	7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2018) and associated audit guidance.	YES	This is not applicable as there is no peat soil in the entire 3 estates in the CU as supported by the soil maps of respective estates.it. Palms had been felled, chipped, windrowed and left to decompose.
7.8 Practices maintain the quality and availability of surface and groundwater.	7.8.1 A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:	YES	Water Management Plan for Sg.Jernih CU was made available to the audit team. The Management Plan was developed in order to maintain the quality and availability of natural water resources by practicing efficient water consumption through various methods such as: implementation of Rain Water Harvesting, construction of water gate for effective management of collection/main drain, establishment of <i>Mucuna bracteata</i> to prevent erosion, proper cambering of roads, construct side drains in field roads, L-shaped frond stacking, enhancement of ground vegetation at bare ground area. In the Water Management Plan, the BU has also identified actions to be taken in the event of water supply shortage, though all estates received supply of piped treated water from the local state authorities for the domestic consumption.
	7.8.1a The unit of cert does not restrict access to clean water or contribute to pollution of water use by communities.	YES	Water management plan 2020 has established to prevent run off and soil loss during heavy rain to. Planting of <i>Nephrolepis Biserrata</i> have taken to control this issued Water management plan also established as a guidelines to monitored water quality channel outside from the estate. Water sampling has been carried out by yearly basis.

## RSPO PUBLIC SUMMARY REPORT

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	7.8.1b Workers have adequate access to clean water.	YES	LTT Used treated water from GOV Syarikat Air Terengganu (SATU) to provide adequate clean water to all employees. At Bebar and Sungai Jernih Estates and Sg Jernih POM treated domestic water has been supplied through Perbadanan Air Negeri Pahang (PAIP).
	7.8.2 (C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).	YES	During site visit at LTT Terengganu Estate (water catchment area), sighted no evidence of spraying has been applied at riverbanks and secondary container and oil trap for diesel storage at engine water pump was installed. However, the diesel storage water pump not functioning during the visit due to there is no nursery operation yet.
	7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.	YES	<ul style="list-style-type: none"> <li>Treated effluent is allowed to be discharge as land irrigation.</li> <li>Analysis of the final discharge was carried out on monthly basis. Review of the results indicated that all parameters were within the regulatory limit.</li> <li>Quarterly report was sent to DOE accordingly. Final discharge report has been analyzed by external accredited laboratory on monthly basis.</li> </ul>
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	YES	Process water is obtained from water catchment near to the mill. The water usage per tonne of fresh fruit bunches (FFB) continued to be monitored on monthly basis. The following were sampled: A slight inconsistent trend was noted. This was due to process cleaning of the mill.
7.9 Efficiency of fossil fuel use and the use of renewable energy is optimised.	7.9.1 A plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented.	YES	Available and monitored accordingly.
7.10 Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.	7.10.1 (C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.	YES	<p>Sg Jernih BU had identified significant pollutants and greenhouse gas (GHG) emissions and continued to maintain its documented plans to mitigate environmental pollution associates to its activities. The environmental aspects for air pollution were identified. The action plan and continuous improvement plan named Action Plan to reduce GHG was established. Example of the action plan that had been plan is to monitor diesel usage.</p> <p>The GHG emission was included in the CU's Environmental Aspect Impact. All estates had identified emission of greenhouse gas (GHG) from their operations such as emission from their farm tractor and gen set operation. The management from all estates had plan to reduce emission by daily inspection and monitoring for their farm tractor and gen set.</p>



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7.10.2 (C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared and implemented (guided by the RSPO GHG Assessment Procedure for New Development).	YES	<i>There was no new development or new planting at Sg Jernih Cu. It was confirmed through site visits and hectarage statements. Auditors also has verified through checking through www.globalforestwatch.com, Google Maps, and Estate Maps to all estates. Based on the audit findings, it was confirmed that no land clearing at Sg. Jernih CU since Nov 2005.</i>															
7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	All waste products and sources of pollution identified and documented through “Waste Management Action Plan for the Year 2020” that applicable for both mill and estate. The waste management plan has also identified source of pollution, possible waste/pollution, effected environment, prevention, mitigation and enhancement. Other sources of pollutions are also listed in the Waste Management Plan such as workshop, line-site, office, store, canteen, effluent pond, boiler. Sources of pollution and waste have been adequately identified by the mill and estate. Generally, the wastes identified were of general, recyclable and scheduled wastes. It had listed the waste product, sources of pollution, mitigation measures, target, and person responsible. Among the wastes that were identified include domestic wastes from household, scrap iron, empty chemical containers, scheduled wastes and mill wastes															
7.11 Fire is not used for preparing land and is prevented in the managed area.	7.11.1 (C) Land for new planting or replanting is not prepared by burning.	YES	There was no land preparation in Sg. Jernih CU by burning ever since Boustead Plantations Berhad practice zero burning as per the policy in SOP clearing methods.														
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	There was no land preparation in Sg. Jernih CU by burning ever since Boustead Plantations Berhad practice zero burning as per the policy in SOP Clearing methods														
	7.11.3 The unit of certification engages with adjacent stakeholders on fire	YES	This is no relevant as Boustead Plantations Berhad practices zero burning throughout the plantation properties within the management.														

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	prevention and control measures.		
7.12 Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.	7.12.1 (C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.	YES	Auditors has verified through checking through <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing at Sg. Jernih CU since Nov 2005.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	The report "A Rapid High Conservation Value Assessment of Sg Jernih Business Unit (Peninsular Malaysia) Identification of High Conservation Values" is available. The study was conducted by Wild Asia (Malaysia) and the report was completed in August 2010. The study had covered all the High Conservation Value (HCV) within and adjacent to the Sg Jernih CU. The HCV assessment had identified the rare, threatened and endangered species (RTEs) for estate named Sg Jernih, Bebar, and LTT Terengganu including the management and action plan. The overall HCV area is 51.82 Ha.
	7.12.2a For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid.	YES	
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.	YES	Auditors has verified through checking through <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing at Sg. Jernih CU since Nov 2005
	7.12.4 (C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed,	NO	The identification and assessment of HCV habitats or protected areas was done prior to the main assessment. A Rapid High Conservation Value Assessment of Sg Jernih Business Unit (Peninsular Malaysia) Identification of High Conservation Values" prepared by Wild Asia, dated August 2010 was available during the audit. Observed that the assessment identifies the HCV landscapes and biodiversity of Sg Jernih Business Unit for the 3 estates namely Sg Jernih, Bebar and LTT. However it was found that the HCV integrated management plan is not developed in consultation with relevant stakeholder, even though in the stakeholder meeting dated 22/1/20 the stakeholder affected was invited. Thus, Major NCR MZK 01 2020 has been raised.

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Clause	Indicators	Comply Yes/No	Findings
	implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations.		
	7.12.5 Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.	YES	There was no local communities living nearby with Sg Jernih CU. So, this indicator was not applicable with this CU. Noted also that the forested area in the LTT Terengganu estate was set-aside by the Land Department, Terengganu. It was not included into the CU land titles. Auditor has called and confirmed this with the Land Dept. and PERHILITAN.
	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.	YES	A training programme for year 2020 was available at All estates. Trainings were carried out accordingly.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	7.12.7 The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.	NO	Sg Jernih CU is committed to discourage any illegal or inappropriate hunting or collecting activities. Evidence was seen during the site review that signage to prohibit hunting was erected at Riparian Zone and border. The estates have also hired guards to patrol and check for illegal hunting and to prevent elephant going into estate and also controlling the illegal activities. The estates also monitoring the illegal hunting by recording the incident in the 'Hunting incident Record'/High Conservation Value (HCV) Record for the year 2018. However, it was found that the HCV management plan at Sungai Jernih BU is not developed based on outcomes of HCV Monitoring. Thus, Minor NCR MZK 02 2020 has been raised
	7.12.8 (C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the RACP applies.	YES	Auditors has verified through checking through <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing at Sg. Jernih CU since Nov 2005

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

Clause	Indicators		Comply Yes/No	Findings
4.5.3 Time-bound plan  Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	Yes	For the time-bound plan, Boustead Plantations Berhad has committed to ensure all their certification unit (CU) to be certified within 5 years i.e. year 2018 to 2022.
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	Yes	There are twelve (12) CU highlighted in the time-bound plan and the certification progress consistent with that in the time-bound plan. The progress details as provided in the TBP in Attachment 6. For another 4 CUs i.e. Lapan Kabu / Sugut / Loagan Bunut / Pertama / Kanowit and Tawai, the Sustainability Section team has conducted the periodic internal audit accordingly.

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	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	Yes	There was revision of the time-bound plan being updated on 09/10/19. Details as per attachment 6. This is due newly acquired properties i.e. Tawai CU in Telupid Sabah in 2019 from Sit Seng & Sons Realty Sdn Bhd. As per RSPO Certification System for P&C June 2017; new acquisitions shall be certified within a three-year timeframe.
4.5.4 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since 1 <sup>st</sup> January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	Yes	Verification through <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , GOOGLE maps data, estates maps and through HCV assessment report, and planting profile evidenced that there was no new planting and no new development of area observed.
	(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6;	Yes	There was Series of External Audit through MSPO Certification on their uncertified unit being made: a) Teluk Sengat Estate (19-22/11/2018) b) Lapan Kabu Estate (21-22/10/2019) c) Rimba Nilai (Sugut) CU (10-15/03/2019) d) Tawai CU (14-18/06/2020) e) Loagan Bunut & Kanowit CU (11-15/11/2019) The audit was conducted against MSPO P&C and MSPO Partial Certification Requirements.
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;	Yes	Series of Internal Audit and External Audit (MSPO Certification) on their uncertified unit was conducted as reported above. a) The audit was conducted against RSPO P&C and RSPO Partial Certification Requirements. b) There was no case of labour dispute reported in the internal audit report.

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	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	Series of Internal Audit and External Audit (MSPO Certification) on their uncertified unit was conducted as reported above. a) The audit was conducted against RSPO P&C and RSPO Partial Certification Requirements. b) Several issues of legal non-compliance reported in the internal audit report such as lapses in scheduled waste management and it's being solved progressively.
	(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:	Yes	Based on statement in (a) to (d) above, the CU has assessed the condition of their uncertified unit and has stated full commitment to comply with all relevant requirements as specified above. a) Sighted the series of Internal Audit and External Audit (MSPO Certification) on their uncertified unit as conducted and reported accordingly. The audit was conducted against RSPO P&C and RSPO Partial Certification Requirements. b) Evidence of audit attendance list, audit checklist & report were made available to auditor as the supporting evidence. c) Verification through <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , GOOGLE maps data, estates maps and through HCV assessment report, and planting profile there was no new planting and no new development of area was observed. d) With this, it can be concluded that the positive assurance made was justified.
		<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>Desktop study e.g. web check on relevant complaints</li> </ul>		
		<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>		

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<p>4.6.4</p> <p>The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p>		<p>No additional indicators</p>	<p>Yes</p>	<p>It has been verified that Boustead Sungai Jernih has bought the land of Sungai Jernih and Bebar estate from LKPP in April 1994, as Country Lease. It was previously owned by Pahang state Government and it was given to LKPP as one of Government Link Companies. For LTT Terengganu, the Land was owned by Terengganu Government and bought by Persatuan Bekas Perajurit Malaysia in 1990. After that PERWIRA has changed their name to Tabung Angkatan Tentera Terengganu and then merged with Boustead on 1991 and the Estate has been managed by Boustead until now. It has been confirmed that Boustead has the right to use the land which is legitimately owned by their company.</p>
<p>Note:</p> <p>1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&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;</p> <p>2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.</p>				



## RSPO PUBLIC SUMMARY REPORT

### Attachment 4

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

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
DA 01 2020  (2.1.1)	Major	<p><b>Finding:</b> The unit of certification was not complied with applicable legal requirements:</p> <ol style="list-style-type: none"> <li>Occupational Safety and Health (Use and Standard of Exposure Chemical Hazardous to Health) Regulations 2000 – Regulation 27.</li> <li>Industry Code Of Practice For Safe Working In A Confined Space 2010</li> </ol> <p><b>Objective evidence:</b></p> <ol style="list-style-type: none"> <li>There were no evidences for the year 2020 medical surveillance has not been conducted at LTT Terengganu.</li> <li>There were no Health Requirements of Person Working in Confined Space at Sg. Jernih POM.</li> </ol>	<p>LTT Terengganu Estate Sent their workers for medical surveillance at Klinik Syed Badaruddin Sdn Bhd.</p> <p>Sg. Jernih POM 1) Sg. Jernih POM will send their workers for medical surveillance in stages starting October 2020. 2) Sg. Jernih POM has amended Permit To Work (PTW) form which includes the Health Declaration section; 4(i).</p>	<p>LTT Terengganu Estate It was evident that the selected workers were sent for medical surveillance in July 2020 to Klinik Syed Badaruddin Sdn Bhd.</p> <p>Sg Jernih POM Sg Jernih POM has conducted medical surveillance for their workers at IFZ Medical Supplies. The Mill management has also established and updated checklist for health declaration in the permit to work.</p> <p>Status: Closed</p>
MAR 01 2020  (6.3.2)	Minor	<p><b>Finding :</b> Meeting between units of certification with workers representative does not include certain workers representatives.</p> <p><b>Objective evidence :</b> Latest minute of meeting between the units of certification with workers representative does not include representative from Bangladeshi (Bebar Estate) and Indonesian (Sungai Jernih Estate).</p>	<p>Bebar Estate The estate has changed immediately list of representatives as highlighted. The latest Workers Representative meeting held in July 2020 included representatives from both Bangladeshi and Indonesian as well as Orang Asli workers.</p> <p>Sungai Jernih Estate Sg. Jernih Estate has rearranged meeting between estate management with trade union and workers representative the Indonesian workers. The meeting was conducted in September 2020.</p>	<p>Corrective action plan accepted; the effectiveness of implementation will be verified during the next audit.</p> <p>Status: Open</p>
MAR 02 2020  (6.2.2)	Major	<p><b>Finding :</b> Employment contracts and pay slip between unit of certification and employees does not detailing the</p>	<p>LTT Terengganu Estate Established the contract agreement and ensure that the contract agreement</p>	<p>LTT Terengganu Estate Sighted new amendment of contract agreement for contractor workers which</p>

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		<p>conditions of employment e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements.</p> <p><b>Objective evidence :</b> Based on sample (employment contracts and payslip) at following estates, there were sighted that both documentation does not detail the conditions of employment:</p> <p>1.LTT Estate – employment contracts</p> <p>2.Bebar Estate – payslip</p> <p>3.Sungai Jernih Estate – employment contracts and payslip</p>	<p>between contractor and their workers are fair contract.</p> <p>Bebar Estate The estate has made an amendment immediately on the pay slip with effect from July pay slip salary to comply with the requirement.</p> <p>Sg. Jernih Estate The management has updated the payslip and employment contract for each worker based on national legal requirements including detailing the condition of employment with the regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, the period of notice, etc.</p>	<p>include the details of employment such as Work details, Salary, Overtime rate, Working time, Sick leave, Annual leave, Insurance etc.</p> <p>Bebar Estate &amp; Sg Jernih Estate Sighted new amendment of pay slip effective in June 2020 to include the details such as Hectarage, Total working days, Socso, absent etc.</p> <p>Status: Closed</p>
MZK 01 2020 (7.12.4)	Major	<p><b>Finding :</b> HCV management plan have been not developed with participation of affected stakeholders</p> <p><b>Objective evidence :</b> it was found that the HCV integrated management plan at Sungai Jernih CU is not developed in consultation with relevant stakeholder, even though in the stakeholder meeting dated 22/1/20 the stakeholder affected was invited.</p>	<p>Internal &amp; External Stakeholder Consultation Meeting was held in September and discussed the HCV Plan. All attended stakeholders agreed with the plan presented by all estate management.</p>	<p>Sighted an evidence of stakeholder consultation which has been carried out at Sg Jernih CU in July &amp; Aug 2020. Among issues discussed with relevant affected stakeholder i.e. PERHILITAN, were related to elephant attack and illegal hunting, the effected stakeholder has no issues related to HCV action plan has been carried out by CU.</p> <p>Status: Closed</p>
MZK 02 2020 (7.12.7)	Minor	<p><b>Finding :</b> Outcomes of HCV monitoring at Sungai Jernih CU are not fed back into the management plan.</p> <p><b>Objective evidence :</b> It was found that the HCV management plan at Sungai Jernih CU is not developed based on</p>	<p>Outcomes of HCV monitoring from discussion with 'Perhilitan' during stakeholder meetings in July &amp; Aug 2020 were included in HCV management plan.</p>	<p>Corrective action plan accepted; the effectiveness of implementation will be verified during the next audit.</p> <p>Status: Open</p>

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		outcomes of HCV Monitoring.								
RAR 01 2020  (3.8.7)	Major	<p><b>Finding :</b> The mill was not informed the CB about overproduction of certified volume.</p> <p><b>Objective evidence :</b></p> <table><tr><th>Items</th><th>Projection certified volume</th><th>Actual certified volume</th></tr><tr><td>CSPK</td><td>4,603.60mt</td><td>4,640.84</td></tr></table>	Items	Projection certified volume	Actual certified volume	CSPK	4,603.60mt	4,640.84	Sg. Jernih POM has established “Mass Balance Record for CPO and CSPK” for the period July 2020 to June 2021. This volume balance record was monitor by the weighbridge clerk. In the future, Mill will immediately request for more CPO and CSPK volume if deemed necessary.	Sighted the approval letter from RSPO for extension of CSPK volume. The new balance sheet format for mass balance including current allowable quota for certification period (July 2020 to June 2021) was also viewed.  Status: Closed.
Items	Projection certified volume	Actual certified volume								
CSPK	4,603.60mt	4,640.84								

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### ATTACHMENT 5

#### STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Verification by Assessor
2.1.1 MAR 01 2019  DA 01 2019	Major	<p><b>Finding:</b> The requirement for certain operation were not in compliance with legal requirements.</p> <p><b>Objective evidence:</b></p> <p>1) LTT Terengganu- Based on interview conducted with contractor's workers and contractor, it was found that wages received was later than the seventh day after the last of any wage period the wages, contravene with Section 19 (1) of Act 265, Employment Act 1955.</p> <p>2) LTT Terengganu- based on payslip sampled (April, May and June 2019) to the 7 workers, it was found that the employer has deducted unripe penalty, contravene with Section 24 (1) of Act 265, Employment Act 1955.</p> <p><b>Finding:</b> Not complied against requirement Factories and Machinery (Noise Exposure) Regulations 1989.</p> <p><b>Objective evidence:</b></p> <p>Sg. Jernih POM yet to conduct annually audiometric test as recommended.</p>	<p>The employment contract is in Bahasa Melayu and English for local and foreign workers. The BU has explained the pay slip to the workers. Employment contract of foreign worker clearly stated the working hours, employee provident fund (for local only), annual leave, medical benefits and sick leave, insurance scheme, retirement, and etc. During interviewing the local workers and foreign, they were understood the content of their contract of employment and pay slip statement.</p> <p>Audiometric test was carried annually. The last audiogram was conducted on 06/08/2019 for 82 workers/staffs. The audiometric test carried out by Specialist Mobile Safety Supplies Sdn Bhd, under supervision OHD Dr Siow Shin Yee, DOSH registration no: HQ/13/DOC/00/330. From the report, noted that a total of 27 persons were identified with standard threshold shift and required retest on 05/08/2020. OHD was recommended i.e. PPE to use ear plug or earmuff during work to prevent further impairment.</p>
4.4.2 RAR 01 2019	Major	<p><b>Finding:</b> Protection of water courses was not complied with.</p> <p><b>Objective evidence:</b></p> <p>At LTT Terengganu Estate (water catchment area), sighted evidence of spraying has been applied at river banks and there was no secondary container and oil trap for diesel storage at engine pump.</p>	<p>During site visit at LTT Terengganu Estate (water catchment area), sighted no evidence of spraying has been applied at riverbanks and secondary container and oil trap for diesel storage at engine water pump was installed. However, the diesel storage water pump not functioning during the visit due to there is no nursery operation yet.</p>
Supply Chain 5.13 MZK 01 2019	Major	<p><b>Finding:</b> Management Review has been conducted but not enough to cover the input and output as stated in the indicator.</p> <p><b>Objective evidence:</b></p> <p>The management review was not sufficient due to not include:</p> <p>Input:</p> <ul style="list-style-type: none"> <li>▪ Customer feedback</li> </ul> <p>Output:</p> <ul style="list-style-type: none"> <li>▪ Improvement of the effectiveness of the management system and its processes</li> <li>▪ Resource needs</li> </ul>	<p>Documented procedure has defined management review will be conducted once a year. Management review meeting dated 02/07/2020 (combine RSPO SC and MSPO traceability and MSPO SCCS)</p> <ul style="list-style-type: none"> <li>• Internal audit – (2 major)</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).</li> <li>• Previous meeting – was highlighted</li> <li>• Changes</li> <li>• Recommendation for improvement – improve the established</li> </ul>

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			system Improvement of the effectiveness of the management system and its processes.
Supply Chain 5.5.2 MZK 01 2019	Major	<p><b>Finding:</b> The Sungai Jernih POM failed to include outsourcing within the scope of their RSPO Supply Chain certificate.</p> <p><b>Objective evidence:</b> The agreement between Sungai Jernih POM and outsourced transporter failed to include clause stated that '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>Sg Jernih mill has outsource the transportation of certified CPO and certified PK to MNAN Resources Sdn Bhd. and Aik Heng Hung Sdn Bhd. An agreement covering the outsources activity were sighted. During stakeholder meeting 2 representatives from both contractor attended the meeting. It has been noted that the meeting highlighted the information on the implementation of RSPO standard. There is also addendum dated 23/08/2019 stated that the transporter shall comply with 'to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary'.</p>

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### ATTACHMENT 6 – Timebound Plan

#### Boustead Plantations Berhad Time Bound Plan on RSPO Certification.

No	PMU	Loc	Main Assessment	Certification Status	Status	Updated Information for Partial Certification, Clause 4.5.3 RSPO Time-bound Plan & 4.5.4 Requirements for uncertified management units
1.	Sg. Jernih CU	Pahang	11 Sep 2011	Stage 2	Certification completed	nil
			11 Sep 2016	Re-certification	Recertification completed	nil
2.	Nak CU	Sabah	16 May 2015	Stage 2	Certification completed	nil
			May 2017	Include LTTS	Certification completed	nil
3.	Trong CU	Perak	20 July 2017	Stage 2	Certification completed	nil
4.	Segaria CU	Sabah	Dec 2017	Stage 2	Certification completed	nil
5.	Segamaha CU	Sabah	Oct 2018	Stage 2	Certification completed	nil
6.	Telok Sengat CU	Johor	August 2019	Stage 2	Audit completed, Submission of CAP	Corrective Action Plan (CAP) for findings
7.	Lepan Kabu Bekoh Eldred	Kelantan Johor Johor	2020	-	Deferred to 2020 (initially 2019)	Lepan Kabu Mill ceased operation in May 2018. In July 2019, LKE undergo MSPO Audit. Lepan Kabu, Bekoh, and Eldred (All estates without own mill- loose estates)
8.	Rimba Nilai (Sugut) CU	Sabah	2020	-		Rimba Nilai (Sugut) CU is going for the internal audit tentatively on 21 <sup>st</sup> – 24 <sup>th</sup> July 2020 and the external audit that will be conducted by BSI tentatively on 7 <sup>th</sup> - 11 <sup>th</sup> November 2020.
9.	Loagan Bunut CU	Sarawak	2021	-		The Loagan Bunut CU has been proposed for disposal and still in negotiation process. All decision is pending for the Board of Directors discretion and direction.
10.	Pertama CU	Sabah	2021	-		New Acquisition in 2018 from Duta Plantations Berhad. As per RSPO Certification System for P&C June 2017; new acquisitions shall be certified within a three-year timeframe.
11.	Kanowit CU	Sarawak	2022	-		The Kanowit CU has been proposed for land acquisition and still in negotiation process. All decision is pending for the Board of Directors discretion and direction.
12.	Tawai CU	Sabah	2022	-		New Acquisition in 2019 from Sit Seng & Sons Realty Sdn Bhd As per RSPO Certification System for P&C June 2017; new acquisitions shall be certified within a three-year timeframe.