

**CONFIDENTIAL**

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

**File Ref. : EB04990001**

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : BOUSTEAD NAK BUSINESS UNIT**

**PARENT COMPANY : BOUSTEAD PLANTATIONS BERHAD**

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

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

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

Certification Unit	Mill / Estate	Location		
		Longitude	Latitude	Address
Boustead NAK Business Unit	NAK Palm Oil Mill	117.8552' E	5.9000' N	Mile 3 off 19 mile, Labuk Road, 90009 Sandakan Sabah
	NAK Estate	117.8522' E	5.9028' N	Mile 19, 27KM Labuk Road, 90009 Sandakan, Sabah
	Resort Estate	117.7842' E	5.6964' N	Km 100 Sandakan Road, 90009 Sandakan, Sabah.
	Sutera Estate	117.3662' E	5.6545' N	Off Mile 45, 68 km Lahad Datu Road, Sandakan, 90009 Sabah.

**MAP : See Attachment 1**

**AUDIT DATE : 8-12 Nov 2021**

**DURATION : 14 auditor days**

**TYPE OF AUDIT :**



**Annual Surveillance Audit  
No.1**



**Recertification Audit**

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

**SCOPE OF CERTIFICATION: Production of Sustainable Crude Palm Oil and Palm Kernel Using Mass Balance Supply Chain Model**

**VALIDITY OF RSPO CERTIFICATE : 16/05/2020 – 15/05/2025**

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

Non-conformity Report(s)



List of additional site(s)



**Report by Audit Team Leader**

**Acknowledgement by Client's Representative**

Name : **MOHD AB RAOUF BIN ASIS**

Name : **MITAH BINTI LIMPU**

Signature :

Signature :

Date :

**11/02/2022**

Date :

**14/02/2022**

## SUMMARY OF AUDITS

Recertification audit				
On-site audit date	:	24 – 28 February 2020	No. of auditor days:	20 Auditor days
Audit team	:	Dzulfiqar Azmi (TLA), Mohd Zulfakar Kamaruzaman (SC), Mohd Ab Raouf Bin Asis, Ismail Adnan, Amir Bahari.		
No. of major NCR	:	4	Indicator: 4.1.1, 4.2.1, 6.2.1, 6.2.2	Closing date: 8/05/2020
No. of minor NCR	:	4	Indicator: 2.2.3, 4.2.4, 6.5.3, 7.3.1	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers / Local communities
		√		√
		Contract workers	NGOs	Govt. agency
		√	√	√
		Indigenous people	Contractor	Others (Please specify)
		√	√	
Supply base sampled	:	Sutera Estate, Nak Estate, Resort Estate		
Changes since the last audit	:	Changes from previous audit: 1) LTT Sabah Estate has been taken out from Boustead Segamaha BU. 2) Changes of planted ha (details in summary of information Table 1). 3) Boustead Nak BU has applied to change their supply chain model from IP to MB. The application has been submitted in May 2019 and approved by RSPO EB. It has been noted that during this reporting period, Nak BU was receiving the certified crop until 14 May 2019. Starting in 15 May 2019, the POM has started to receive and process certified and non-certified crops.		
Justification of audit planning	:	Total allocation of auditor days for NAK BU were: • Mill = 5 days (5 days for safety and health, environment, mill best practices, GHG verification and for supply chain certification systems) • All estate = 5 days each for verification of safety and health, environment, good agriculture best practices, GHG verification.		
Report approved by	:	Kamini Sooriamoorthy	Approval date : 01/06/2020	

Annual Surveillance Audit 1					
Remote Audit date	:	5-6 Aug 2021 (3 a.d.)		No. of auditor days :	17 auditor days
On-site Audit date	:	8-12 Nov 2021 (14 a.d.)			
Audit team	:	(Remote) Mohd Zulfakar bin Kamaruzaman (LA), Rozaimie bin Ab Rahman, Dzulfiqar Azmi, (Onsite) Mohd Ab Raouf bin Asis (LA), Mohd Zulfakar bin Kamaruzaman, Selvasingam T. Kandiah			
No. of major NCR	:	2	Indicator: 3.6.1, 7.12.4.		Closing date: 8/02/2022
No. of minor NCR	:	1	Indicator :7.8.1		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
		√	N/A	√	√
		Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
		√	√	√	
		Indigenous people	Contractor	Others (Please specify)	
		N/A	√		
Supply base sampled	:	Sutera Estate, Nak Estate, Resort Estate			
Changes since the last audit	:	No changes			
Justification of audit planning	:	Mill = 5 days (5 days for social, safety and health, environment, mill best practices, GHG verification and for supply chain certification systems) All estate = 4 days each for verification of social, safety and health, environment, good agriculture best practices, GHG verification.			
Name of peer reviewer	:	NA			
Report approved by	:	Kamini Sooriamoorthy		Approval date: 14/02/2022	

## SUMMARY OF INFORMATION

**TABLE 1**

	RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	***Feb 2020 – Oct 2021	Nov 2021 – Oct 2022			
Certified FFB Processed (MT)	80,300.33	76,380.00			
Production of Certified CPO (MT)	16,939.60	16,039.80			
Production of Certified PK (MT)	2,742.17	2,673.30			
Certified Areas (Ha)	4,721.90	*4,707.50			
Planted Areas (Ha)	4,431.40	**4,436.00			
Production Areas (Ha)	3,172.60	3,385.60			
HCV Areas / Conservation Areas (Ha)	6.90	6.90			
REMARKS	<b>ASA 1</b> *Certified areas reduced 14.40 ha due to: 1. Sutura- decreased by 3.2ha due to finalization of land acquisition since 2017 (Pan Borneo Highway Project). 2. Resort- TNB's rentice has been deducted from Resort hectarage with 11.2ha due this has been acquired by SESB w.e.f. 2020. **Planted areas increased due to: Resort- Nursery 4.6ha were declared PR2020. ***Actual period covered due extensions during MCO period.				

**TABLE 2**

	PO	PK
Last years certified volume (MT)	*30,733.60	*5,084.17
Last years actual certified sold (MT)	24,037.61	3,811.28
Last years actual sold under other schemes (MT)	0	0
Last years sold conventional (MT)	0	0
Last year actual sold CSPO credits (where applicable)	0	0
New year certified volume (MT)	16,039.80	2,673.30

\*This volume has been updated based on approved volume extension applied by the CU during the reporting period:  
 1<sup>st</sup> extension – CPO (5,555mt), PK (1,012mt), 2<sup>nd</sup> extension - CPO (4,687mt), PK (729mt) & 3<sup>rd</sup> extension CPO (3,552mt), PK (601mt)

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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 & ISO 45001. 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
Mohd Ab Raouf bin Asis	Lead Auditor Social (Internal), Time Bound Plan, Metrics Template	Holds a B.Sc. (Hons) in Management Technology Majoring Production and Operation from UTHM in 2007. He has been in the plantation industry for 7 years assisting Estate Manager managing palm oil estates and 5 years auditing related to oil palm operations. He is a qualified RSPO and MSPO Lead Auditor.
Mohd Zulfakar Kamaruzaman	Auditor / SC, Social & HCV	Holds a B.Sc. Forestry from UPM. He had 5 years of working experience in the oil palm operation. He is a qualified RSPO P&C, RSPO Supply Chain and MSPO Lead Auditor.
Selvasingam T. Kandiah	Auditor Good Agricultural Practices, Safety & Environment (estate)	Holds a B. Sc. (Hons) in Agriculture. He had worked as a planter with Kumpulan Guthrie Berhad before retiring including in Liberia. He is a qualified auditor for RSPO P&C & MSPO.

### 1.3 Audit methodology

All three estate were audited. This audit has covered Nak POM and all of its supply bases i.e. Nak Estate, Sutera Estate and Resort Estate. The audit has included the on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit. The sampling shall be conducted in conformance with the requirement specified in the RSPO Certification Systems Document, Nov 2020.

### 1.4 Stakeholder Consultation

SIRIM QAS International had sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs). In summary, the stakeholders interviewed during the audit and the evidence from the stakeholder consultation carried out as 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 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> </ul>
2) Settlers	Not applicable.
3) Villagers / Local communities (including women representatives, displaced communities)	<ul style="list-style-type: none"> <li>Two(2) villages living near the NAK BU (Kg Segaliud Kwantas and Kg Ulu Tiram)</li> <li>No land claims/disputes and no social issues.</li> <li>Confirmed there is no land dispute between NAK BU and neighbouring estates</li> <li>No social issues arising from estate workers.</li> <li>Occasionally are called to attend meetings by NAK mill and estates. The last one was held few months ago.</li> <li>All stakeholders were invited to attend RSPO/MSPO briefings and stakeholder meetings.</li> </ul>
4) Suppliers	<ul style="list-style-type: none"> <li>Suppliers of hardware and fertilizers, harvesters and FFB transporters since 1997.</li> <li>NAK BU and supplier contracts were signed by both parties. Suppliers would be contacted to supply hardware items and agro products when the need arises. Also, FFB transporter's service was needed when required. This happens approximately once in two months for suppliers but daily for transporters and harvesters.</li> <li>Fair dealings with the units in NAK BU.</li> <li>Payments are made within 1 months of invoice.</li> </ul>
5) Contract workers	<ul style="list-style-type: none"> <li>No issue</li> </ul>
6) Local & national NGOs	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
7) Government agencies / Statutory bodies	Not applicable
8) Independent growers / Smallholders	Not applicable
9) Indigenous people	Not applicable
10) Contractor	<ul style="list-style-type: none"> <li>No issue</li> </ul>
11) Previous land owner (if any)	Boustead owned the land (brought from the Government) as mentioned in 4.4.1 of these checklists. Based on the interviews and this audit finding, it has been confirmed that

		there was no such case concerning the rights of local communities and indigenous people at NAK BU.
	12) Others (please specify)	Not applicable

1.5	Audit plan : Refer to Attachment 2
1.6	Date of next audit : The next surveillance audit will be conducted within 12 months but not sooner than 9 months from this audit. (For RA, the next RA will be conducted at least 4 months prior to expiry date of the certificate)

<b>2.0</b>	<b>SCOPE OF CERTIFICATION AUDIT</b>
<b>2.1</b>	<b>Description of the certification unit</b> <p>The Nak Certification Unit (hereafter referred to as Nak CU) is one of the business units under the Boustead Plantation Bhd (BPB). The CU is also known as Boustead Nak Business Unit. The CU comprises of the Nak Palm Oil Mill (Nak POM) and three supply bases i.e. Nak Estate, Resort Estate and Sutera Estate. All of the estates were fully owned by BPB. The Nak POM has a mill capacity of 40 mt/hr. All the estates have been fully developed before 2005.</p> <p>Boustead Nak BU have ISO 9001 quality management system certification beside of RSPO P&amp;C and Supply Chain.</p> <p>Boustead Nak BU has applied to change their supply chain model from IP to MB. The application has been submitted in May 2019 and approved by RSPO EB. Starting in 15 May 2019, the POM started to receive and process certified and non-certified crops.</p>
<b>2.2</b>	<b>Description of the Supply Base (including the planting profile)</b> <p>The FFB sourced from company owned estates that are certified and not yet certified i.e. Tawai BU. Details of the FFB contribution from each source to the Nak Palm Oil Mill are shown in the following tables:</p> <p>Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.</p>

**Table 1: Actual FFB production by the supply base for the reporting period (Feb 2020 to Oct 2021)**

CU own estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Nak Estate	31,480.44	22.19	SIRIM QAS
Resort Estate	55,887.74	39.39	SIRIM QAS
Sutera Estate	22,552.76	15.90	SIRIM QAS
Ladang Tabung Tentera Sabah	435.61	0.31	SIRIM QAS
Bukit Segamaha Estate	439.51	0.31	SIRIM QAS
Sg Segamaha Estate	537.74	0.38	SIRIM QAS
G&G Estate	352.17	0.25	SIRIM QAS
<b>OCF</b>	<b>30,181.00</b>	<b>21.27</b>	
<b>TOTAL</b>	<b>141,866.97</b>	<b>100%</b>	

Remarks:

LTT Estate, Bukit Segamaha Estate, Sg. Segamaha Estate, G&G Estate are estates owned by Boustead Plantation Berhad. They are under Segamaha BU. Luboh Estate, CAK Estate and Gagah Makmur are outsider FFB supplier which is not yet certified to RSPO.

**Table 2: Projected FFB production by supply base for the reporting period Nov 2021 to Oct 2022**

CU own estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Nak Estate	20,700	27.1	SIRIM QAS
Resort Estate	17,100	22.4	SIRIM QAS
Sutera Estate	38,580	50.5	SIRIM QAS
<b>TOTAL</b>	<b>76,380</b>	<b>100</b>	

**Table 3: Actual FFB received and CPO & PK dispatch by Nak Mill for the last reporting period (Feb 2020 – Oct 2021)**

RSPO Supply Chain Model: Mass Balance		Total (MT)
FFB Received		141,866.97
FFB Processed		141,866.97
Certified FFB Processed		111,685.97
Non – Certified FFB Processed		30,181.00
Crude Palm Oil (CPO)		
Overall CPO Production		30,460.16
Certified CPO Production		24,037.61
Certified CPO Delivered as RSPO		24,037.61
Certified CPO Delivered as Non-RSPO		0
Certified CPO Delivered under other sustainable schemes		0
Credits traded through Book and Claim		0
Palm Kernel (PK)		
Overall PK Production		4,916.95
Certified PK Production		3,870.91
Certified PK Delivered as RSPO		3,811.28
Certified PK Delivered as non RSPO		0
Certified PK Delivered under other sustainable schemes		0
Credits traded thru Book & Claim		0



**Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period**  
**Nov 2021 to Oct 2022**

RSPO Supply Chain Model: Mass Balance	Total (MT)
FFB Received	76,380
FFB Processed	76,380
Certified FFB Processed	76,380
Certified CPO Production	16,039.80
Certified PK Production	2,673.30

**Table 5 Planted and certified area of the CU**

Estate	Planted (ha)	Certified (ha)
Nak	1,289.90	1,386.10
Sutera	2,086.70	2,197.50
Resort	1,059.40	1,123.90
<b>Total</b>	<b>4,436.00</b>	<b>4,707.50</b>

**Table 6 Planting profile of NAK CU**

Estate	Year of plantin g	Planting Cycle	Mature ≥3 years (Ha)	Immature ≤ 3 years(Ha)	Planted area	% of planted area mature	% of planted area immature
Nak Estate	1995	1 <sup>st</sup> Generation	110.6		110.6	8.6	
	1996	1 <sup>st</sup> Generation	142.9		142.9	11.1	
	2001	1 <sup>st</sup> Generation	111.7		111.7	8.7	
	2002	1 <sup>st</sup> Generation	154.2		154.2	12.0	
	2006	2 <sup>nd</sup> Generation	82.5		82.5	6.4	
	2007	2 <sup>nd</sup> Generation	50.2		50.2	3.9	
	2008	2 <sup>nd</sup> Generation	42.4		42.4	3.3	
	2009	2 <sup>nd</sup> Generation	79.9		79.9	6.2	
	2010	2 <sup>nd</sup> Generation	60.2		60.2	4.7	
	2016	2 <sup>nd</sup> Generation	68.9		68.9	5.3	
	2017	2 <sup>nd</sup> Generation	83.6		83.6	6.5	
	2018	2 <sup>nd</sup> Generation	78.0		78.0	6.0	
	2019	2 <sup>nd</sup> Generation		63.2	63.2		4.9
	2020	2 <sup>nd</sup> Generation		85.9	85.9		6.7
	2021	2 <sup>nd</sup> Generation		75.7	75.7		5.7
<b>Total</b>					<b>1289.9</b>	<b>82.7</b>	<b>17.3</b>
Resort Estate	2015	2 <sup>nd</sup> Generation	158.9		158.9	15.0	
	2016	2 <sup>nd</sup> Generation	169.1		169.1	16.0	
	2017	2 <sup>nd</sup> Generation	169.5		169.5	16.0	
	2018	2 <sup>nd</sup> Generation	210.7		210.7	20.0	
	2019	2 <sup>nd</sup> Generation		221.9	221.9		21.0
	2020	2 <sup>nd</sup> Generation		4.6	4.6		1.0
	2020	2 <sup>nd</sup> Generation		124.7	124.7		11.0
<b>Total</b>					<b>1059.40</b>	<b>67.0</b>	<b>33.0</b>
Sutera Estate	2005	2 <sup>nd</sup> Generation	173.10		173.10	8.0	
	2006	2 <sup>nd</sup> Generation	139.00		139.00	7.0	
	2007	2 <sup>nd</sup> Generation	101.70		101.70	5.0	
	2009	2 <sup>nd</sup> Generation	145.20		145.20	7.0	
	2010	2 <sup>nd</sup> Generation	134.20		134.20	6.0	
	2011	2 <sup>nd</sup> Generation	145.40		145.40	7.0	
	2012	2 <sup>nd</sup> Generation	137.30		137.30	7.0	
	2013	2 <sup>nd</sup> Generation	92.90		92.90	4.0	
	2014	2 <sup>nd</sup> Generation	105.80		105.80	5.0	

	2015	2 <sup>nd</sup> Generation	89.30		89.30	4.0	
	2016	2 <sup>nd</sup> Generation	100.90		100.90	5.0	
	2017	2 <sup>nd</sup> Generation	247.50		247.50	12.0	
	2019	2 <sup>nd</sup> Generation		217.90	217.90		10.0
	2020	2 <sup>nd</sup> Generation		256.50	256.50		12.0
	<b>Total</b>				<b>2086.70</b>	<b>78.0</b>	<b>22.0</b>
	<b>Sub Total</b>				<b>4436.00</b>	<b>227.70</b>	<b>72.30</b>

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

The details of the contact person are as shown below:

Name	:	FARIDAN BIN OTHMAN
Position	:	HEAD OF NAK BUSINESS UNIT
Address	:	NAK PALM OIL MILL, KM5, OFF 19 <sup>TH</sup> MILE, LABUK ROAD, 90009 SANDAKAN, SABAH.
Phone no.	:	089-200375
Fax no.	:	-
Email	:	faridan@bplant.com.my

### 3.0 AUDIT FINDINGS

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

No changes

#### 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 :

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- 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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
	If no, please state reasons _____ _____			
iv.	Any new acquisition which has replaced primary forests or HCV areas	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.) <u>No changes</u>				
3.4	Status of previous non-conformities *	<input 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) <u>No complaint received from stakeholder</u>			
<b>4.0 DETAILS OF NON-CONFORMITY REPORT</b>				
4.1	For P&C (Details checklist refer to Attachment 3) :  <div style="display: flex; justify-content: space-between;"> <div>Total no. of minor NCR(s) (details refer to Attachment 4)</div> <div>List : 7.8.1</div> </div>  <div style="display: flex; justify-content: space-between;"> <div>Total no. of major NCR(s) (details refer to Attachment 4)</div> <div>List : 3.6.1, 7.12.4</div> </div>			
4.2	For SC (Details checklist refer to Attachment 5) :  <div style="display: flex; justify-content: space-between;"> <div>Total no. of minor NCR(s) (details refer to Attachment 4)</div> <div>List : N/A</div> </div>  <div style="display: flex; justify-content: space-between;"> <div>Total no. of major NCR(s) (details refer to Attachment 4)</div> <div>List : N/A</div> </div>			

## 5.0 AUDIT CONCLUSION

The audit team concludes that the organization has / ~~has not~~\* established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

## 6.0 RECOMMENDATION

☐

No NCR recorded. Recommended to continue certification.

☒

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

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

☒

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

☒

Recommended to continue certification.

☐

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

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

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

Audit Team Leader : MOHD AB RAOUF BIN ASIS



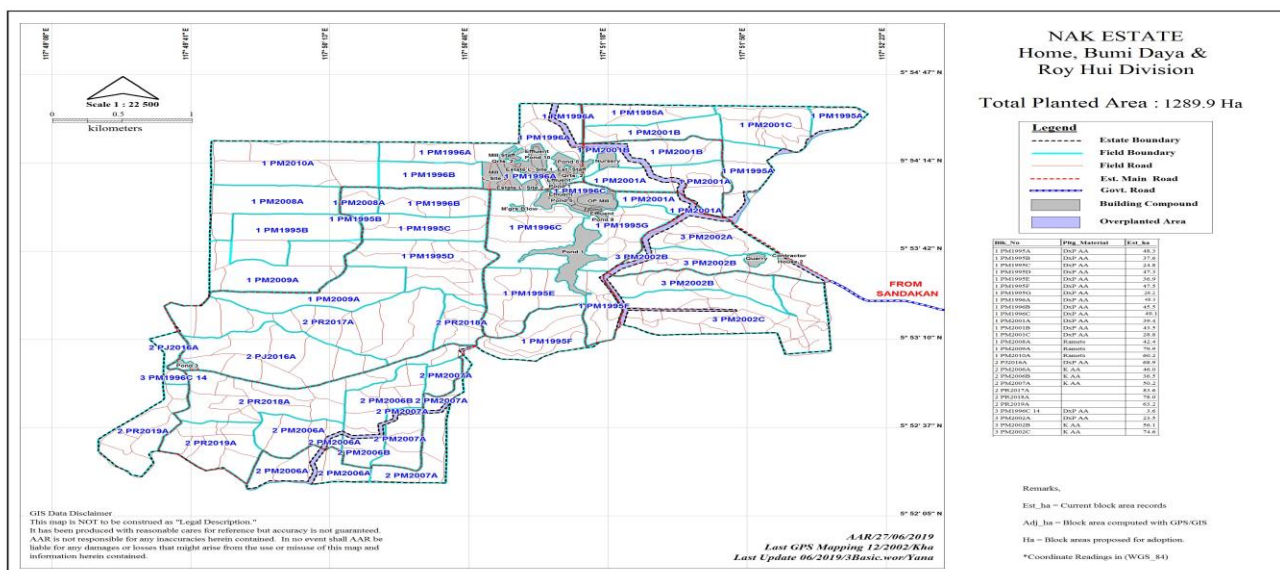
8/02/2022

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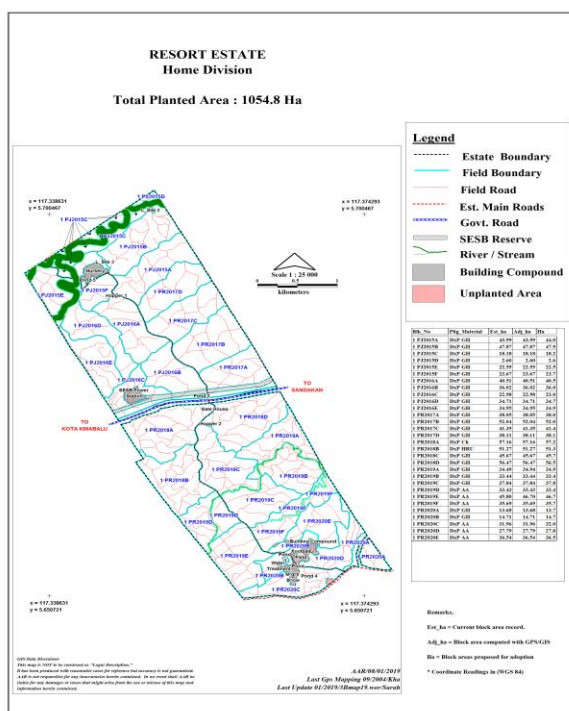
(Signature)

(Date)

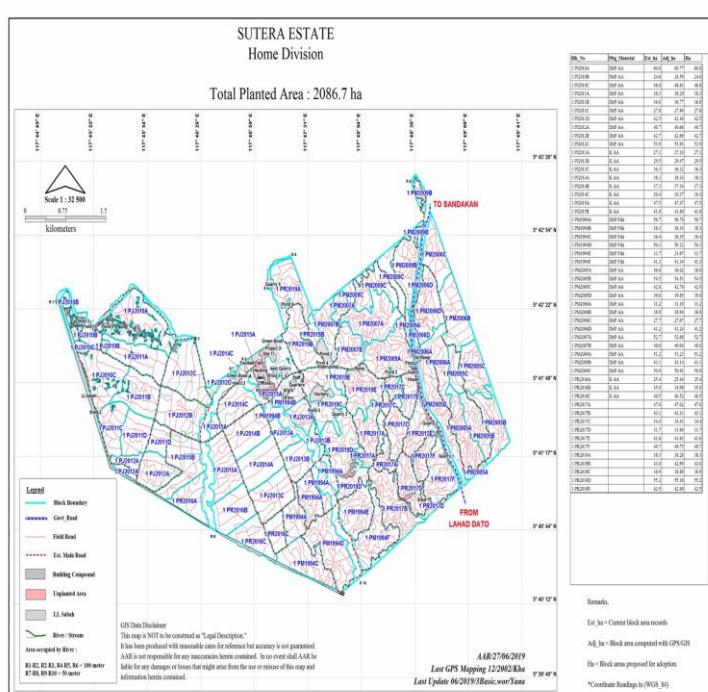
### **Nak Estate and Nak POM (within Nak Estate)**



## Resort Estate



## Sutera Estate



## ASA 1 AUDIT PLAN

### 1. Objectives

The objectives of the audit are as follows:

- (i) To determine Certification Unit conformance against 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** : 8 Nov – 12 Nov 2021

3. **Site of assessment** : Nak CU  
 i) Nak POM  
 ii) Nak Estate  
 iii) Sutera Estate  
 iii) Resort Estate

### 4. Reference Standard :

- a. MYNI 2019 of RSPO P&C 2018
- b. RSPO Certification System Documents, Nov 2020
- c. Company's audit criteria including Company's Manual/Procedures

### 5. Assessment Team

- (i) Audit Team Leader : Mohd Ab Raouf bin Asis (**MAR**) - TBP, Social (Employee), Safety (Mill)
- (ii) Auditor :  
 i) Mohd Zulfakar bin Kamaruzaman (**MZK**) - SCCS, HCV, Social (External Stakeholder), Environment (Mill)  
 ii) Selvasingam T Kandiah (**STK**) – Safety (Estate), Environment (Estate), GAP
- (iii) Witnessed : N/A
- (iv) Technical expert : N/A

*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 or field checks including observation of practices, interviews with internal and external stakeholders and interested parties (employees, nearby population, etc.), documentation review and evaluation of records.

### 8. RSPO 2018 Principles and Criteria (P&C) Metrics Template

The RSPO 2018 Principles and Criteria (P&C) Metrics Template outlines a set of strategic outcome-based metrics relating directly to the RSPO P&C and is aligned with the RSPO Theory of Change. This Metrics Template comes into effect on 1 June 2021 and all audits against the 2018 P&C or the relevant National Interpretation conducted from 1 June 2021 onwards shall prepare and submit this Metrics Template for the audit team to review during audit.

Please submit the Metrics Template to Lead Auditor according to this period:

- a) Reporting time frames for economic data are:
  - i. Calendar year (January to December): **January 2020 to December 2020**, and
  - ii. 12 month period counting up to two months before audit month: **Nov 2020 to Oct 2021**
- b) Reporting time frames for demographic data:
  - i. For mill and estate workers: **as of 31 December 2020**
  - ii. For smallholders and outgrowers: **January 2020 to December 2020**
- c) Reporting time frame for all other social and environmental data:
  - i. **January 2020 to December 2020**

The updated Metrics Template (as attached, the version 2.0) will be enforced from 1 August 2021. For audits conducted during the transition period from 1 June to 31 July 2021, members are encouraged to use the updated

version but are also allowed to use the previous version (version 1.0). All audits conducted from 1 August 2021 onwards must use the updated Metrics Template (version 2.0).

**9. 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.

**10. 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.

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

**12. Reporting**

- |    |                        |   |   |
|----|------------------------|---|---|
| a) | Language               | : | English   |
| b) | Format                 | : | Verbal and written  |
| c) | Expected date of issue | : | 2 weeks after the closure of the Major NC / or if only minor NC, 30 days from the last day of this audit. |

**13. Facilities Required**

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

**14. Assessment Programme Details : As belo**

## RSPO PUBLIC SUMMARY REPORT

### Day 1: 8/11/2021 (Monday)

Time	Activities / areas to be visited		Auditee
8.30am	Opening Meeting (Nak POM) – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.		
9.00am	Briefing on the organization background and implementation of RSPO at CU (including actions taken to address previous audit findings) by company Management Representative. Logistics discussion to the sites to be visited.		Management Representative
9.15 am	To assign each audit team members – site and the P&C requirements		
	<b>Raouf ( Nak POM)</b>	<b>Zulfakar (Nak POM)</b>	
	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>• Interview with employees, gender committee, worker representative, union representative, etc</li> <li>• Linesite inspection</li> <li>• Complaints and grievances</li> </ul>	Site visit and assessment on Supply Chain Implementation incl. the <ul style="list-style-type: none"> <li>• Model used</li> <li>• General Chain of Custody</li> <li>• System Requirements for the supply chain</li> <li>• Documented procedures</li> <li>• Purchasing and goods in</li> <li>• Outsourcing activity</li> <li>• Sales and goods out</li> <li>• Processing</li> <li>• Records keeping</li> <li>• Registration</li> <li>• Training</li> <li>• Claims</li> <li>• Interview with PIC SCCS, contractors, etc.</li> </ul>	
13.00pm	<b>LUNCH BREAK</b>		All
14.00pm	Continue assessment	•	Guide(s) for each auditor
16.00 - 18.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / Discussion on potential NCRs / End of Day 1 audit		All

### Day 2: 9/11/2021 (Tuesday)

Time	Activities / areas to be visited	Auditee
8.30am	Overview of current activities at Supply base sites	Respective Scheme Manager
9.00am	To assign each audit team members – site and the P&C requirements	Guide(s) for each



## RSPO PUBLIC SUMMARY REPORT

				auditor
	<b>Raouf (Resort)</b>	<b>Zulfakar (Resort)</b>	<b>Selva (Resort)</b>	Guide(s) for each auditor
	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>• Interview with employees, gender committee, worker representative, union representative, etc</li> <li>• Linesite inspection</li> <li>• Complaints and grievances</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> <li>• Time bound plan and uncertified management units</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Land title</li> <li>• Social aspects - SIA, management plan &amp; implementation, stakeholders.</li> <li>• Interview with local communities, contractors, suppliers.</li> <li>• Complaints and grievances on stakeholders</li> <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 programmes</li> <li>• Continuous improvement</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers, safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	
13.00pm	<b>LUNCH BREAK</b>			All
14.00pm	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	Continue assessment	Continue assessment	Continue assessment	Guide(s) for each auditor
16.00 - 18.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / Discussion on potential NCRs / End of Day 2 audit			All

### Day 3: 10/11/2021 (Wednesday)

Time	Activities / areas to be visited			Auditee
8.30am	Overview of current activities at Supply base sites			Respective Scheme Manager
9.00am	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	<b>Raouf (Sutera)</b>	<b>Zulfakar (Sutera)</b>	<b>Selva (Sutera)</b>	Guide(s) for each auditor
	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> </ul>	

## RSPO PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> <li>Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>Interview with employees, gender committee, worker representative, union representative, etc</li> <li>Linesite inspection</li> <li>Complaints and grievances</li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> <li>Time bound plan and uncertified management units</li> </ul>	<ul style="list-style-type: none"> <li>Land Title</li> <li>Social aspects - SIA, management plan &amp; implementation, stakeholders.</li> <li>Interview with local communities, contractors, suppliers.</li> <li>Complaints and grievances on stakeholders</li> <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 programmes</li> <li>Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Environmental management – witness activities at site</li> <li>Waste &amp; chemical management</li> <li>Interview with workers, safety committee and contractors</li> <li>Facilities at workplace</li> <li>Occupational safety &amp; health practice – witness activities at site</li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> </ul>	
13.00pm	<b>LUNCH BREAK</b>			All
14.00pm	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	Continue assessment	Continue assessment	Continue assessment	Guide(s) for each auditor
16.00 - 18.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / Discussion on potential NCRs / End of Day 3 audit			All

### Day 4: 11/11/2021 (Thursday)

Time	Activities / areas to be visited			Auditee
8.30am	Overview of current activities at Supply base sites			Respective Scheme Manager
9.00am	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	<b>Raouf (Nak Estate)</b>	<b>Zulfakar (Nak Estate)</b>	<b>Selva (Nak Estate)</b>	Guide(s) for each auditor
	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Land Title</li> <li>Social aspects - SIA, management plan &amp; implementation, stakeholders.</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Environmental management – witness activities at site</li> </ul>	

## RSPO PUBLIC SUMMARY REPORT

	<ul style="list-style-type: none"> <li>Interview with employees, gender committee, worker representative, union representative, etc</li> <li>Linesite inspection</li> <li>Complaints and grievances</li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> <li>Time bound plan and uncertified management units</li> </ul>	<ul style="list-style-type: none"> <li>Interview with local communities, contractors, suppliers.</li> <li>Complaints and grievances on stakeholders</li> <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 programmes</li> <li>Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <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                             <ul style="list-style-type: none"> <li>– witness activities at site</li> </ul> </li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> </ul>	
13.00pm	<b>LUNCH BREAK</b>			All
14.00pm	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	Continue assessment	Continue assessment	Continue assessment	Guide(s) for each auditor
16.00 - 18.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / Discussion on potential NCRs / End of Day 4 audit			All

### Day 5: 1/10/2021 (Friday)

Time	Activities / areas to be visited			Auditee
8.30am	Overview of current activities at Supply base sites			Respective Scheme Manager
9.00am	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	<b>Raouf (Nak POM)</b>	<b>Zulfakar (Nak POM)</b>	<b>Selva (Nak Estate)</b>	Guide(s) for each auditor
	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>Occupational safety &amp; health practice – witness activities at site</li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> <li>Time bound plan and uncertified management units</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>Environmental management – witness activities at site</li> <li>Waste &amp; chemical management</li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> </ul>	Continue assessment on unfinished area: <ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Environmental management – witness activities at site</li> <li>Waste &amp; chemical management</li> <li>Interview with workers, safety committee and contractors</li> </ul>	

## RSPO PUBLIC SUMMARY REPORT

			<ul style="list-style-type: none"> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice                             <ul style="list-style-type: none"> <li>– witness activities at site</li> </ul> </li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	
12.00 pm	<b>LUNCH BREAK / FRIDAY PRAYER</b>			
2.00 pm	<b>Unfinished assessment area</b> Verification on outstanding issues for CU Auditor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.			
4.00pm – 5.00 pm	Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager Closing meeting at CU (CU to advised the venue for closing meeting) / 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	The Nak BU continued to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the authorities and employees. The CU continued to use internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances are available through Boustead Plantation website at <a href="http://www.bousteadplantations.com.my/home.html">http://www.bousteadplantations.com.my/home.html</a>
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	The Nak BU continued to maintain stakeholders for contractors, vendors/suppliers, government agencies, schools, local communities, etc. It was noted that Boustead has revised their website, <a href="http://www.bousteadplantations.com.my/home.html">http://www.bousteadplantations.com.my/home.html</a> to include all management documents relating to the unit's environmental, social and legal issues demonstrating commitment towards compliance to RSPO criteria.
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	The Nak BU have identified personnel responsible for complaints. Records of communication (classified as internal and external) were identified and maintained in different files, depending on the stakeholders. Among the records reviewed were correspondences with the authorities, local communities and employees. The latest communications sighted in these records were the "Borang Aduan" requesting repairs of the employee's houses.
	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. Consultation and communications procedures for Nak BU is documented in the <i>Carta Aliran Membuat Aduan Kepada Pihak Pengurusan (Dalaman)</i> , External Communications Procedure, Fair Compensation Procedure. This document was sighted during the audit. An examination of the records kept in the internal and external communication files found that the estates

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
			and mill followed the procedures and manuals developed by the company.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	The list of stakeholders for Nak BU are maintained and made available during the audit. The stakeholders list at Nak BU's are including the contractors, vendors, 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.
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	Documented code of ethical conduct and integrity titled 'Code of Ethics and Conduct' maintained and had been communicated to all level of the workforce of the BU.
	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.	YES	It was evident that Nak BU continue to comply with most of the applicable laws and regulations.
	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	Document titled "Legal & Other Requirement Register (LORR)" maintained available at NAK BU. Changes to the law and regulation are monitored by the OSH Department of Boustead Sandakan Office. Various sources were referred in obtaining information about the updates of legal requirements. This includes checking with the industrial association (e.g. MPOA, EMPA, SECA, etc.), attending seminar/conference, buying of the law books, government agencies websites, etc.
	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	The Estates have maps showing the locations of boundary stones that have been physically located and marked. Inspection of boundary stones/markers/trenching at the 3 estates, during the field inspection confirmed that they were clearly marked and maintained. All the physical markers/Boundary stones along the legal boundaries between was visibly available.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
2.2 All contractors providing operational services and supplying labour and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.	2.2.1 A list of contracted parties is maintained.	YES	A list of contracted parties is maintained.
	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 agencies (licensed/accredited) for migrant workers, service providers and labour contractors, is available.	YES	Evidence of legal due diligence carried out include getting the vendors to sign the undertaking to comply with rules relating to labour and human rights, company ethics and management practices, and would comply with all laws and regulations relating to anti-bribery, fraud and corruption.
	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. Sampled Contract agreement at Nak Estate does contain clauses disallowing child, forced and trafficked labour.
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	Nak POM has evidence for the following for the directly source of FFB: <ul style="list-style-type: none"> <li>a) Information on geo-location of FFB origins.</li> <li>b) Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder (MPOB License, MAP)</li> </ul> The evidence of currently document is available in the 'OCP Suppliers'. At present the mill only possessed the valid MPOB licenses and OCP Land Title for all the directly source FFB as verified by the auditor.
	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	Currently in Nak POM all FFB are received direct from the suppliers.

## RSPO PUBLIC SUMMARY REPORT

### **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 certification 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	NAK Business Unit continued to achieve long term economic and financial viability through documented management plan projected for 25years. Since there are no smallholders in this Business Unit, therefore a business case for scheme smallholders is not considered. A Management Plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2020 to 2027 had been prepared for all the estates as well as the POM and made available to the audit team.
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	Nak CU had established and documented a management plan (budget) inclusive of the long-range replanting programs (LRRP) for 25 years. This management plan inclusive of the replanting program was reviewed annually. The decision for replanting was based on factors like FFB crop availability for the mill, FFB Yield, Height & Age of palms, market price of CPO, etc. The oldest palm on Resort estate being planted only on 2015 and on Sutera only in 2005 there is no replanting on both for the next five years.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	Generally, the RSPO system has been maintained in good order as per requirements of RSPO MYNI 2019 Standard. The management review meeting for Nak CU was held on 24th July 2021 and attended by all the Sustainability Chairman, Head Business Unit, Estates and Mill Managers and sustainability team. Management of NAK Business Unit was transparent to address 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	The management documents in relation to environmental and social plans and impact assessments implemented by the BU were made available and maintained at all audited operating units. The documents among others as listed below; a) Social Impact Assessment b) Management Plan on Social Impact Assessment – Year 2021 c) Environmental Impact and Aspect Assessment & Pollution Prevention Plans 2021 d) Identification of All Pollution Source – Year 2020/2021 e) Identification and Management of Waste – Year 2020/2021 f) Identification & Management of Wastewaters 2021 to 2022 g) Contingency plan during water shortage – Year 2021/2022 h) Water management plan – Year 2020/2021
	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	Auditor has verified all the data in metric template was accurate as per reported.



## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
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	Nak CU has developed and documented several manuals for its use. Among them were: <ul style="list-style-type: none"> <li>Standard Operating Procedure (SOP) that provide guidelines to staff members in respect of certain major aspects of Estate and Mill operations. It contained 15 chapters.</li> <li>Oil Palm Circulars – that provides guidelines Oil Palm from land clearing &amp; planting to despatch of FFB.</li> <li>Safe Work Procedure for 52 operations (Doc; Segamaha/SOP/001 to 54).</li> <li>OSHA Manual, Occupational Safety and Health Guidelines.</li> <li>Procedure for the training entitled Sustainability Guidelines: Training (BEA SUS/TRN).</li> </ul>
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	At NAK Business unit, the mechanisms to check the implementation of procedures were carried out through RSPO/MSPO internal audits by PSQM team, safety and health meeting and routine inspection (workplace inspection) by assistant manager, staff and hospital assistant. RSPO/MSPO Internal audit at Nak CU was conducted on 21th to 24th July 2021 via Remote Audit and the report was made available to the management for their review. In addition, sustainability team from HQ had conducted quarterly monitoring on procedures such as loose fruit collection, harvested bunch left uncollected and unharvested bunches, safe work and mechanization.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	In the Nak BU 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 (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.	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 any smallholder/outgrower scheme, is documented.	YES	Not applicable
	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	At Nak BU, Environment Management Plan 2021 provided the compliance to legal requirements, aspects/impacts, action plans, waste identification & disposal method, control of scheduled waste, list of pollutants and monitoring system, improvement plan. Positive and negative impacts are identified. So far no timetable for changes identified. Mitigation measures of significant aspects that could negatively affect the environment maintained implemented as per established plans. Stakeholder meeting was conducted in October 2021 for Resort Estate. Among matters discussed was on CSR of Resort Estate and cattle encroachment into the Resort Estate from neighboring estate.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
			As for POM and other estates, the stakeholder meeting was conducted via distribution feedback letter to the stakeholders. It has been sighted that none of the stakeholders give the feedback but just only acknowledgement of the recipient of the letter. Physical meeting could not be conducted due to COVID 19 pandemic. Management plan on Social Impact Assessment was developed with issues reported during meetings, stakeholder's meetings and gender committee's meetings. The management plan has included the key findings of housing condition/ living improvement and feedbacks from stakeholders. The plan has incorporated the action plan, status, person in charge and the completion date. So far, no negative impacts were observed during the stakeholder's feedback or meeting.
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	YES	It was evident that the social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.
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. For locals, the procedures are in SOP on Hiring of Local workers. The procedure details out the process of hiring (application form, screening, interview, requisition approval from HR Manager/Estate Manager, medical check-up and issuance of letter of offer). This procedure was confirmed by a Estate Manager at the Nak CU verified through the worker's personal file. For foreign worker, the employment procedures are contained in Standard Operating Process & Procedures (SOPP). 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	Based on the documentation review, employment procedures are implemented, and records are maintained. It mentioned the process undertaking new employees, report for duty, probationary period and confirmation.
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.	NO	The hazard identification, risk assessment and risk control (HIRARC) procedure has been established. Nak CU have conducted the risk assessment on all its operation as well as determining their control measures. It has been found that the HIRARC of all 3 Estates had not identify injury caused to eyes of sprayers by spray mist, accidental spillage, etc. the NC Major STK 01 2021 was issued.
	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 Nak BU 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 2020/2021 were acceptable.

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.	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 P&C, in a form they understand, and which includes assessments of training.	YES	The training program for 2021 covering all aspects of the RSPO Principles and Criteria and other essential operations activities has been established. Training identification matrix has been established with target months for of implementation.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	The training was conducted in June 2021, attended by 7 person including PIC, Clerk, Assistant Engineer, Staff and Weighbridge Operator, and July 2021 for transporter contractor and Refinery PIC. Attendance list & photograph was seen.
	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 training program for 2021 covering all aspects of the RSPO Principles and Criteria and other essential operations activities has been established. Training identification matrix has been established with target months for of implementation.

### SUPPLY CHAIN REQUIREMENTS FOR MILLS

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	YES	Not applicable due to Nak POM using Mass Balance model.

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	FFB without physically separating them, the inly MB Module is applicable.		
3.8.2	Mass balance Module A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. 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.	YES	Nak POM has continued to maintain Mass Balance model. SPOM obtained certified FFB from owned estate such as: <ul style="list-style-type: none"> <li>▪ Nak Estate</li> <li>▪ Resort Estate</li> <li>▪ Sutera Estate</li> </ul> Diversion from Certified Boustead estate such as: <ul style="list-style-type: none"> <li>• Tabung Tentera Sabah Estate</li> <li>• Sungai Segamaha Estate</li> <li>• Bukit Segamaha Estate</li> <li>• G&amp;G Estate</li> </ul> For Uncertified FFB from non certified Boustead estate such as: <ul style="list-style-type: none"> <li>▪ Pertama Estate</li> <li>▪ Sungai Ruku-Ruku Estate</li> <li>▪ Sapa Payau Estate</li> </ul>
3.8.3	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&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.	YES	Projection Nov 2021 – Oct 2022 Detail can be refer at Table 4 on this report
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO	YES	The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information was: Name: Boustead Bhd - Boustead Nak Business Unit Gradient Sdn Bhd Country: Malaysia.

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	supply chain managing organisation (RSPO IT platform).		Member Category: Oil Mil Core product: Palm Oil Sub License ID: - Start date: 14/05/2019 End date: 15/11/2021 (Downgraded to Mass Balance on May 2019 RSPO approved on 23/7/19) Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard.

## 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</li> </ul>	YES	<p>Remote</p> <p>The Supply Chain Procedure was revised (revision: 8), the said procedure was sighted and found all elements of the RSPO Supply Chain standard were covered which included:</p> <ul style="list-style-type: none"> <li>• 4.0 Responsibilities</li> <li>• 5.0 Control of Documents</li> <li>• 6.0 Delivery of FFB the Estates (FFB)</li> <li>• 7.0 Purchasing and Goods in</li> <li>• 8.0 Process monitoring</li> <li>• 9.0 CPO and PK Despatch</li> <li>• 10.0 Record Keeping</li> <li>• 11.0 Product Claims</li> <li>• 12.0 Outsourced Contractor</li> <li>• 13.0 Training</li> <li>• 14.0 Management Review &amp; Audit</li> <li>• 15.0 Reclassification of Mill's Supply Chain Model</li> <li>• 16.0 Processing/Continuous Accounting System</li> <li>• 17.0 Complaints</li> <li>• 18.0 Definitions</li> <li>• 19.0 List of Appendix</li> </ul> <p>Sighted CPO and PK production record, weighbridge report, dispatch record and training record was up to date and well maintained. Sighted last training on SCCS dated in June &amp; July 2021. The Mill Manager has the overall responsibility and authority over the implementation of the supply chain requirements in the Nak POM.</p> <p>Nak POM has implemented Clause 7.0 – Purchasing and Goods In <i>RSPO: Supply Chain Standard</i> for receiving and processing certified and non-certified FFBs. Nak POM has received non certified FFB from outside plantations and smallholders.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>awareness of the organisation's procedures for the implementation of this standard.</p> <ul style="list-style-type: none"> <li>• The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</li> </ul>		

## 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 no 8 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 and cover module requirements specific to the site – Module E: CPO Mills: Mass Balance. RSPO internal audit was conducted in July 2021. There are 1 NCR were raised by auditor. Audit Attendance sheet, audit plan, audit notes, and NC was sighted by auditor.</p> <p>Management review meeting was also carried out in July 2021 (combine RSPO SC and MSPO traceability and MSPO SCCS)</p> <ul style="list-style-type: none"> <li>Internal audit – (1 NCR)</li> <li>Customer feedback – data analysis show result from customer survey (i.e. RSPO-CSPO related to meeting the contract volume, timely delivery, dispatch documentation) result meet 83% above the set target of 81%. Survey was send six monthly.</li> <li>Previous meeting – was highlighted</li> <li>Changes</li> <li>Recommendation for improvement – improve the established system</li> </ul>



## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
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>	YES	<p>Nak POM had continued to receive certified FFB from own Estate Which is Nak Estate, Sutera Estate, and Resort Estate. They also receive diverted certified crop from Tabung Tentera Estate, Bukit Segamaha Estate, Sungai Segamaha Estate and G&amp;G estate. And Outsider Crop from Luboh Plantation, Gagah Makmur and C.A.K. Plantation. The validity of the certificate of the supplier has been checked accordingly. Sighted sample FFB consignment note for Nak Estate, Sutera Estate, and Resort Estate. They also receive diverted certified crop from Tabung Tentera Estate, Bukit Segamaha Estate, Sungai Segamaha Estate and G&amp;G estate. And Outsider Crop from Luboh Plantation, Gagah Makmur and C.A.K. Plantation for the month of Jan 2021 – Oct 2021. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight, quantity, unique identification number. Verified through NPOM weighing system called 'Boustead Management System (BMS)' <i>and random sample of weighbridge ticket from.</i></p> <p>Monitoring records titled as <i>"RSPO &amp; MSPO Mass Balancing Records for Oil Mills"</i> has recorded the tonnage of certified FFB and its supplying estate. <i>No over production as the mill apply for extensions volume.</i></p>

## 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>Documented procedures related to sales and goods out were sighted and found adequate. Based on verification during the audit, SPOM has deliver certified materials to end buyer such as KLK Premier Oils Sdn Bhd, Sandakan Edible oils Sdn Bhd, Lahad Datu Edible Oil Sdn Bhd</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 (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.</p>	YES	<p>Nak POM outsource transportation of certified product (CPO &amp; CPK) to end buyer.</p> <p>There is addendum contract document between NPOM and the transporters) stated that the contractor agrees that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>The RSPO Supply Chain procedure has described on Outsource Contractor and briefed to the contractor in July 2021.</p> <p>Inspection was carried out as additional effort to ensure no contamination sighted book at AP Post.</p>

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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	List of contact person for both transporters were made available and up-to-date in the List of Stakeholder.
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	NA since this mill is MB Mill

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	iv) For Mass Balance Module, the mill: a. 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. b. All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c. 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.)	YES	NPOM had continued to keep record and balances of all receipts of RSPO-certified FFBs and deliveries of RSPO-certified CPO and PK on a three-monthly basis in the table 'Mass Balance Record for Oil Mills'. The Mass Balance Record for Oil Mills –Nak POM indicated both positive balances for the certified CPO and palm kernel. A total of 87 randomly selected weighbridge tickets issued during March 2020 – Oct 2021 by Nak POM for delivery of RSPO-certified CPO were verified and found to have indicated all the required information including the status of the products (RSPO MB).
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	Nak 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).

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	YES	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 ongoing performance.
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	Marketing Department personnel updated the RSPO IT platform system upon confirmed contract, normally completed via the system within 3-month period after shipment or within the duration agreed by Mill's respective customer/ buyer.  They have updated the system based on input provided by NPOM (e.g. of input Projected & Actual FFB Processed template, Mass Balancing Records for Oil Mills (3 monthly), daily production summary report, monthly production summary report etc.)  Based on NPOM Palm Trace inventory system, they have sales certified materials to (CSPO & CSPK) to Lahad Datu Edible Oil Sdn Bhd (KCP), Sandakan Edible Oils Sdn Bhd (SEO), KLK Premier Oils Sdn Bhd, and Mewah Datu Sdn Bhd.
3.8.16	Registration of Transactions 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. 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	YES	Marketing Department personnel updated the RSPO IT platform system upon confirmed contract, normally completed via the system within 3-month period after shipment or within the duration agreed by Mill's respective customer/ buyer. They shall update the system based on input provided by SPOM (e.g. of input Projected & Actual FFB Processed template, Mass Balancing Records for Oil Mills (3 monthly), daily production summary report, monthly production summary report etc.)
3.8.17	Claims The mill shall only make claims	YES	Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. NPOM has not use RSPO corporate logo as

## RSPO PUBLIC SUMMARY REPORT

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.		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 certification 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 harassment by the unit of certification and contracted services, including contracted security forces.	YES	Human Rights Policy was updated and reviewed by Boustead Plantations Berhad on 02/12/2019 and signed by CEO Mr. Ibrahim Abdul Majid. The 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 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	NAK CU have a mutually agreed system open to all affected parties, to resolve disputes in an effective, timely and appropriate manner. System available as Complaint/ Suggestion Flowchart and implemented accordingly. All complaints and grievance raised were recorded as sighted in ' <i>Rekod Aduan dan Maklumbalas 2021</i> ' at Sutera Estate and Resort Estate. Most recorded complaints were from workers regarding requests for house repairs as recorded in ' <i>Buku Aduan Kerosakkan Rumah</i> ' maintained at all Estates and POM. Most complaints were resolved within 2 to 7 days, depending on the complication of the case. In some cases, some delays were noted. All the complaints forms sighted contain sections for complainants to fill up their names, and in some forms, their job and address.

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Clause	Indicators	Comply Yes/No	Findings
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	YES	Found 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	Nak CU keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders through stakeholders meeting as evidenced by Internal and External Stakeholders' meetings dates (Refer 1.1.4).
	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 system used by the Nak CU in resolving disputes and grievances exists in the procedure called "Grievance Procedure (Workers (Estates and Mill), Public, Aborigines and others)", "Flowchart for Grievance/Complaint (workers, Public and others)" and "Flowchart for Grievance/Complaint to higher authority". The Mill and Estates within Nak CU each have its own Internal Complaint Book and External Communication Book. Forms were provided for grievance and complaints from stakeholders. In accordance with the procedure, the anonymity of complainants and whistle-blowers will not be revealed to third parties.
4.3 The unit of certification 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	There is evidence that contributions to community development was provided based on consultations. Beside That NAK BU also hire staff and workers from the nearby villagers as their CSR.
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	It has been verified that for Sutera Estate, Boustead has bought the land in 1995, as Country Lease. It was previously owned by The North Borneo Trading Company Limited of 60, The Strand, London. The Land Title was stated the company has leased since 10/7/1888 for 999 years and registered at Jesselton (Kota Kinabalu) on 28/2/1953 after that, the land has been sold to Syarikat Hing Lee Sdn Bhd on date 6/12/1972 (as per land Title). Boustead has acquired the land from Syarikat Hing Lee Sdn Bhd on year 1995 and change the name to Boustead Sutera on 7/6/2005. For Resort Estate, as Country Lease, the land Title was previously owned by Thai Hong Hang (Sabah) Sdn Bhd and was subleased to Resort Corporation (Sabah) Sdn Bhd. Resort Corporation has changed their name to Boustead Segaria Sdn Bhd on 4/9/2014 and at the same time has changed their sublease to Boustead Rimba Nilai Sdn Bhd. As for Nak Estate there are mixed land title which is from several company Boustead has bought



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Clause	Indicators	Comply Yes/No	Findings
			all the land in 1985, as Country Lease. It was previously owned by Syarikat Kemajuan Bumi Daya (Sabah) Sdn Bhd, Gradient Holdings Sdn Bhd, Yaw Lim Plantations Sdn Bhd.
	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 legitimately owned by Boustead Nak CU since 1990. Hence, there is no land conflict anticipated and no need for acceptable conflict resolution processes.
	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 decisions were taken.	YES	
	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	

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Clause	Indicators	Comply Yes/No	Findings
	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 4.4.1 of this checklist, it has been verified that the land is legitimately owned by Boustead Nak CU since 1990. Hence, there is no land conflict anticipated and no need for acceptable conflict resolution processes.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	The requirement in this indicator does not apply to Nak 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	The requirement in this indicator does not apply to Nak CU.
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	The requirement in this indicator does not apply to Nak CU.
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	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 Nak CU and land titles, there was no new plantings on local peoples' land. It has been verified that the land is legitimately owned by Nak CU and 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	YES	Based on Social Impact Assessment (SIA) Report for Nak CU and land titles, there was no new plantings on local peoples' land. It has been verified that the land is legitimately owned by Nak CU and the audit team had confirmed that there were no land issues related to previous owners.

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Clause	Indicators	Comply Yes/No	Findings
that enables these and other stakeholders to express their views through their own representative institutions.	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.		
	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 operations.	YES	Based on Social Impact Assessment (SIA) Report for Nak CU and land titles, there was no new plantings on local peoples' land. It has been verified that the land is legitimately owned by Nak and the audit team had confirmed that there were no land issues related to previous owners.
	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, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.	YES	Based on Social Impact Assessment (SIA) Report for Nak CU and land titles, there was no new plantings on local peoples' land. It has been verified that the land is legitimately owned by Nak and the audit team had confirmed that there were no land issues related to previous owners.
	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	YES	Based on Social Impact Assessment (SIA) Report for Nak CU and land titles, there was no new plantings on local peoples' land. It has been verified that the land is legitimately owned by Nak and the audit team had confirmed that there were no land issues related to previous owners.

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Clause	Indicators	Comply Yes/No	Findings
	of the proposed operations on their lands.		
	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	Based on Social Impact Assessment (SIA) Report for Nak CU and land titles, there was no new plantings on local peoples' land. It has been verified that the land is legitimately owned by Nak and the audit team had confirmed that there were no land issues related to previous owners.
	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 were no new lands acquired for plantation and mills after 15/11/2018. The current operation area including mill and estates as per stated in the land title The requirement in this indicator does not apply to Nak CU.
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with thru a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	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	It has been verified that the land is legitimately owned by Nak CU. All the related documentation regarding the land acquisition was kept in BPB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. Communities that have lost access and rights to land for plantation expansion did not exist at Nak CU, hence, this Indicator is not applicable
	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 ' <i>Prosedur Aduan/Masalah</i> ' and 'Stakeholder Engagement/ Negotiation' at Nak CU include Handling of Boundaries Disputes, calculating and distributing fair and gender-equal compensation (monetary or otherwise). However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and consulted 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 were no scheme small holdings at Nak CU. The Fresh Fruit Bunches are supplied from Nak CU owned estates and Contracted FFB suppliers.

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Clause	Indicators	Comply Yes/No	Findings
	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	A procedure for identifying legal, customary or user rights, and compensation process is incorporated in the BPB's Sustainability Policy established by the BPB's HQ. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures. However, the requirement in this indicator does not apply to Nak CU at present.
	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.	YES	The 'Prosedur Aduan/Masalah' and 'Stakeholder Engagement/ Negotiation' at Nak CU include Handling of Boundaries Disputes, calculating and distributing fair and gender-equal compensation (monetary or otherwise) are documented and available to affected parties. Since there was no land dispute at Nak CU at present, the requirement in this indicator does not apply to Nak CU.
	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 Nak CU. All the related documentation regarding the land acquisition was kept in BPB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. Communities that have lost access and rights to land for plantation expansion did not exist, hence, this Indicator is not applicable.
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 Nak CU. All the related documentation regarding the land acquisition was kept in BPB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. The Auditors had confirmed that there was no land claim and user right conflict at Nak hence, this Indicator is not applicable.

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Clause	Indicators	Comply Yes/No	Findings
	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	It has been verified that the land is legitimately owned by Nak CU. All the related documentation regarding the land acquisition was kept in BPB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate. Land conflict resolution mechanism at Nak CU exists in the procedure called "Grievance Procedure (Workers (Estates and Mill), Public, Aborigines and others)", "Flowchart for Grievance/Complaint (workers, Public and others)" and "Flowchart for Grievance/Complaint to higher authority". From the interviews, it can be concluded that there was no evidence of any land dispute at Nak CU.
	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 requirements (Indicators 4.4.2, 4.4.3 and 4.4.4).	YES	It has been verified that the land is legitimately owned by Nak CU. All the related documentation regarding the land acquisition was kept in BPB HQ Office and the copy in the estate was verified by the auditor. There is no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. At the time of audit, there were no issues regarding land with villagers, local community and neighbouring estate. Since, the Auditors had confirmed that there was no land claim and user right conflict at Nak CU hence, this Indicator is not applicable
	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 (including neighbouring communities where applicable).	YES	It has been verified that the land is legitimately owned by Nak CU. All the related documentation regarding the land acquisition was kept in BPB HQ Office and the copy in the estate was verified by the auditor. There is no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. At the time of audit, there were no issues regarding land with villagers, local community and neighbouring estate. Since, the Auditors had confirmed that there was no land claim and user right conflict at Nak CU hence, this Indicator is not applicable.

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### **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	Fresh Fruit Bunches were supplied from Boustead Plantation Berhad owned estates, which is Nak Estate, Sutera Estate and Resort Estate. and Uncertified FFB from Boustead Estate which is currently not certified under RSPO Tawai BU (Sungai Ruku-Ruku Estate, Sapa Payau Estate, Tawai Estate, Pertama Estate). During the audit, it was verified that the current and past prices for FFB (year 2021 Jan – Nov 2021) are being displayed at the notice board near the Nak POM weighbridge.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	YES	Nak POM is currently on Mass Balance as not all of its suppliers are RSPO certified. Nak regularly explains the FFB pricing to the smallholders (FFB suppliers) as attachment to the monthly invoice. The calculation of FFB pricing as in the SECOND SCHEDULE was also included as attachment to the FFB Supplier Agreements. Monthly FFB price is also presented in detail and displayed at the notice board near the Nak POM weighbridge.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	YES	At Nak POM, fair FFB pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base. This was confirmed by the feedback from representatives of FFB suppliers.
	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	At Nak CU, there are records kept of parties, including women and independent representative organizations assisting smallholders 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. The requirement of this Indicator is not applicable.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	Interviews conducted with contractors and suppliers confirmed their understanding of their rights and obligations under the contract. Both contractors confirmed the fairness of the terms of their contract, and payments are usually received within 7 to 10 days of invoice issuance.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	YES	These contractors interviewed confirmed that payments are made in a timely manner, namely within 7 to 10 days of invoice.

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Clause	Indicators	Comply Yes/No	Findings
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	YES	Weighing Equipment in Nak POM has been calibrated by yearly basis using accredited weighing company Metrology Corporation Malaysia Sdn Bhd.
	5.1.8 The unit of certification supports Independent Smallholders with 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.	YES	Nak CU supports Independent Smallholders with 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. However, at Nak CU, at the time of Audit, there were no Independent Smallholders with certification yet.
	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 at the Boustead Nak BU as per the Grievances Process, Grievances Procedure ", and " Consultation and Grievances Communication Procedure Internal/External" and Land Dispute compensation and calculation procedure. 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	Nak CU are interested to provide consultation to interested smallholders (irrespective of type and outside the supply base) including women or other partners to assess their needs for support to improve their livelihoods and their interest in RSPO certification. However, based on available record at the CU, no smallholders outside the supply base had shown interest to contact Nak CU for consultation.
	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	Nak CU are interested to provide consultation to interested smallholders (irrespective of type and outside the supply base) including women or other partners to assess their needs for support to improve their livelihoods and their interest in RSPO certification. However, based on available record at the CU, no smallholders outside the supply base had shown interest to contact Nak CU for consultation.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	YES	Nak CU are interested to provide consultation to interested smallholders (irrespective of type and outside the supply base) including women or other partners to assess their needs for support to improve their livelihoods and their interest in RSPO certification. However, based on available record at the CU, no smallholders outside the supply base had shown interest to contact Nak CU for consultation.
	5.2.4 (C) Evidence exists that the unit of	YES	Nak CU are interested to provide consultation to interested smallholders (irrespective of



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Clause	Indicators	Comply Yes/No	Findings
	certification trains Scheme Smallholders on pesticide handling.		type and outside the supply base) including women or other partners to assess their needs for support to improve their livelihoods and their interest in RSPO certification. However, based on available record at the CU, no smallholders outside the supply base had shown interest to contact Nak CU for consultation.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	YES	Nak CU are interested to provide consultation to interested smallholders (irrespective of type and outside the supply base) including women or other partners to assess their needs for support to improve their livelihoods and their interest in RSPO certification. However, based on available record at the CU, no smallholders outside the supply base had shown interest to contact Nak CU for consultation.

### **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 02/12/2019 by new appointed CEO was publicly available and displayed on the notice board. 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	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

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Clause	Indicators	Comply Yes/No	Findings
	necessary for the jobs available.		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 NAK 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	Women committee was in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women. The committee was established with the members been appointed by all women employees through meetings.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	The Boustead Equal Opportunity Policy is publicly available at the offices of the Nak Palm Oil Mill, NAK Estate, Sutera Estate and Resort Estate. This Policy states Boustead Policy on equal opportunity in all aspects of its employment including recruitment, training and promotion. The Policy identifies under-represented groups where they are encouraged to apply for training and employment opportunities with the Company, and that where possible, special training will be provided for such groups to prepare them to compete on equal terms for jobs and promotion. Comparisons were made of sampled employment contracts and payslips of harvesters from local and harvesters from Indonesia. Evidence is available that sampled workers receive equal pay for equal work.
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	For the Nak CU documentation of pay is in the form of monthly pay slips. Conditions of pay are contained in the workers' respective employment contracts. Samples of the monthly pay slips and employment contracts were made available and reviewed during the remote audit. Labour laws, union and/or other collective agreements detailing payments and other conditions, was made available in the languages understood by the workers and explained to them by a management during induction. Each pay slip documents the name of employee, month of pay, income (basic, overtime, reimbursement, allowances), deductions (statutory such as EPF, SOCSO and non-statutory), net salary, annual leave and medical leave taken, etc. Samples of payslips were sighted and verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages Order (Amendment) 2020, Sabah Labour Ordinance and Employment Act 1955. The collective agreements and documentation of pay and conditions were verified and checked.
	6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular	YES	Contracts and conditions of employment are contained in employment contracts signed between the Mill and respective estates on one hand, and their workers on the other. The employment contracts sampled were prepared in either Bahasa Indonesia or in dual-

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Clause	Indicators	Comply Yes/No	Findings
	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.		language, namely English and the language commonly used in the worker's country of origin. Among others, employment contracts and related documents detailing payments and conditions i.e. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. For the local workers, there is evidence that the payment of statutory contributions such as EPF, SOCSO and Employment Insurance Scheme are being made in accordance with the relevant legal provisions.
	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 Sabah Labor Ordinance. This was verified from the mill and estates workers' employment contracts, punch cards and checkroll book. They are also entitled to at least 30 minutes' 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 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.	YES	Evidence is available that the NAK BU provide adequate housing and facilities to its employees in accordance with the requirements of the Workers' Minimum Standard of Housing and Amenities Act 1990. Houses are provided rent free. Each house has between 2 to 3 rooms and accommodate between 2 to 5 workers. Foreign workers are provided with accommodation as stated in their employment contracts. Local workers too are offered accommodation, but those who are within the local communities prefer to live outside the estate/mill premises. Among the available amenities include football fields, badminton/takraw/volleyball court, children's playground, places of worship, sundry shops and an activity hall. Water and electricity are also provided and the bills are shared among occupants and deducted from their wages. Free medical treatment above is provided also to all workers and their dependants. The upkeep (sanitation) for all estates linesite visited were observed in good maintained. No water clogging at all. The estates in NAK BU provided with treated water by water treatment plant and water sampling test was carried out 2 times annually for drinking water for human consumption.
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	All units have its own canteen and grocery store which sells basic items such as eggs, flour, rice, vegetables, frozen food such as fish, meat, onions, etc. Items seen in the stores are adequate, clearly labelled and within its expiry period. Workers interviewed informed that they purchase items from these stores, but also since the estates and mill are easily accessible to the nearest town, they also go out to the towns. Workers could either pay in cash, or on credit.
	6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on	YES	Based on the suggested method(s) by RSPO guideline, an assessment of the Prevailing Wage was conducted in an RSPO Certified Unit in Nak CU and the Prevailing Wage was found to be as follows:

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Clause	Indicators	Comply Yes/No	Findings																																																
	<p>achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE: A written policy with specific implementation plan, committing to payment of a “decent living wage” is in place. 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 “decent living wage” has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.</p>		<p>Nak POM:</p> <table><tr><td>In-kind Benefits</td><td>Local Worker (RM)</td><td>Foreign worker (RM)</td></tr><tr><td>Total Costs of In - kind benefits</td><td>1,652.00</td><td>1,421.00</td></tr><tr><td>Average monthly take home salary per workers</td><td>1,800.00</td><td>1,800.00</td></tr><tr><td><b>Total Value of Prevailing Wage</b></td><td><b>3,452.00</b></td><td><b>3,221.00</b></td></tr></table> <p>Nak Estate:</p> <table><tr><td>In-kind Benefits</td><td>Local Worker (RM)</td><td>Foreign worker (RM)</td></tr><tr><td>Total Costs of In - kind benefits</td><td>824.00</td><td>776.30</td></tr><tr><td>Average monthly take home salary per workers</td><td>1,100.00</td><td>1,100.00</td></tr><tr><td><b>Total Value of Prevailing Wage</b></td><td><b>1,924.00</b></td><td><b>1,876.30</b></td></tr></table> <p>Resort Estate:</p> <table><tr><td>In-kind Benefits</td><td>Local Worker (RM)</td><td>Foreign worker (RM)</td></tr><tr><td>Total Costs of In - kind benefits</td><td>950.00</td><td>776.30</td></tr><tr><td>Average monthly take home salary per workers</td><td>1,350.00</td><td>1,100.00</td></tr><tr><td><b>Total Value of Prevailing Wage</b></td><td><b>2,300.00</b></td><td><b>1,876.30</b></td></tr></table> <p>Sutera Estate:</p> <table><tr><td>In-kind Benefits</td><td>Local Worker (RM)</td><td>Foreign worker (RM)</td></tr><tr><td>Total Costs of In - kind benefits</td><td>1,315.00</td><td>1,319.00</td></tr><tr><td>Average monthly take home salary per workers</td><td>2,100.00</td><td>1,100.00</td></tr><tr><td><b>Total Value of Prevailing Wage</b></td><td><b>3,415.00</b></td><td><b>2,419.00</b></td></tr></table>	In-kind Benefits	Local Worker (RM)	Foreign worker (RM)	Total Costs of In - kind benefits	1,652.00	1,421.00	Average monthly take home salary per workers	1,800.00	1,800.00	<b>Total Value of Prevailing Wage</b>	<b>3,452.00</b>	<b>3,221.00</b>	In-kind Benefits	Local Worker (RM)	Foreign worker (RM)	Total Costs of In - kind benefits	824.00	776.30	Average monthly take home salary per workers	1,100.00	1,100.00	<b>Total Value of Prevailing Wage</b>	<b>1,924.00</b>	<b>1,876.30</b>	In-kind Benefits	Local Worker (RM)	Foreign worker (RM)	Total Costs of In - kind benefits	950.00	776.30	Average monthly take home salary per workers	1,350.00	1,100.00	<b>Total Value of Prevailing Wage</b>	<b>2,300.00</b>	<b>1,876.30</b>	In-kind Benefits	Local Worker (RM)	Foreign worker (RM)	Total Costs of In - kind benefits	1,315.00	1,319.00	Average monthly take home salary per workers	2,100.00	1,100.00	<b>Total Value of Prevailing Wage</b>	<b>3,415.00</b>	<b>2,419.00</b>
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	6.2.7 Permanent, full-time employment is used for all core work performed by the unit	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																																																

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	of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.		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 independent 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 Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.	YES	Boustead Plantations Berhad has developed Freedom of Association Policy signed by CEO and was publicly available on the notice board. The company is committed and allowed their stakeholders such as employees, clients, business partner and etc to form or join any association. The company has established a Workers' Community for the employees to speak freely and the meeting will be conducted once every 3 months. The understanding and is demonstrably implemented will be verified during onsite audit.
	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.	YES	Although there were no official trade unions in Sabah operating within the NAK BU, 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.
	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 spraying mandore from Sutera Estate, Resort Estate and Nak Estate and a weighbridge operator from NAK Palm Oil 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. 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 national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.	YES	Based on interviews, documentation review and observations in the field, evidence is available that minimum age requirements are met throughout NAK BU. There also have a documented age screening verification procedure.

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	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 NAK 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 NAK BU.
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 11 January 2011. The policy was signed by the Plantation Director and is available in Malay language. The policy is displayed on the notice boards at the mill and the estates offices. No evidence or acts that contradict this policy were observed as interviewed the women workers/staffs and gender committee during the audit in the 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	Nak BU has established a policy titled ' <i>Hak Reproduksi</i> ' dated 11 August 2015. Nak POM, NAK Estate, Sutera Estate and Resort Estate have briefed their workers from time to time during muster briefings. Based on interview with workers, they basically understood the intent of the policy.
	6.5.3 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 CU. Chairman of Gender Committee at each operating units responsible in handling and channeling issue to management. The management has directed the chairman of the Gender Committee to respects and protects anonymity and complainants where requested. The mechanism has been communicated to all levels of the workforce as verified by auditor during interview with female workers at all estates and Mill.
6.6 No forms of forced or trafficked labour are used.	6.6.1 (C) All workers have entered into employment voluntarily, and the following are prohibited: <ul style="list-style-type: none"> <li>Retention of identity documents or passports (except for administration purposes including legalisation and</li> </ul>	YES	Collective evidence is available that all sampled workers have entered into employment voluntarily. This is based on the following: <ol style="list-style-type: none"> <li>review of sampled employment contracts which contain mutually agreed termination clause;</li> <li>review of documents where workers signed consenting for their passports to be kept at the office;</li> <li>interview with foreign workers who confirmed they could have access to the</li> </ol>

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Clause	Indicators	Comply Yes/No	Findings
	<ul style="list-style-type: none"> <li>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>passports at any time;</li> <li>d. review of recruitment agency contract between NAK 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> <li>g. and confirmation from the workers that there is no debt bondage or withholding of wages.</li> </ul>
	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	<p>Estate / Mill Managers were appointed as responsible person(s) for safety and health issues and also chairman for OSH Committee. The Manager subsequently assigned duties of ESH coordinator to the Assistants or healthcare assistant for the down line implementation of ESH practices in the estate and mill. All identified Executives were officially given a letter for such an appointment. Records of regular meetings between the responsible person and workers to discuss about health and safety had been verified to the satisfactory maintained.</p> <p>Occupational Safety Health (OSH) Committees had been established. The OSH committees organization charts for 2021 were available. The Estate/Mill Manager is the chairman and the Mill Engineer/Assistant Manager is the secretary.</p> <p>OSH committee:</p>
	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 operatives trained in first aid are present in	YES	<p>NAK Business Unit Accident and emergency procedures were in place and it was confirmed during interviews that instructions were clearly understood by workers .Emergency situations identified were fire, explosions, and medical emergencies, uncontrolled release of hazardous substances, security threats and floods. The estate shall test their emergency response plans at least annually. During site visit, it was sighted Emergency Response Plan was available at Boiler Station, Sterilizer Station, Chemical Store, Workshop, Lubricant Store, Covid 19, etc</p> <p>First aider training was conducted at Nak BU. Master list of first aid box of all estates which is available at the office was checked and verified. Observed that, first aid box is</p>

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Clause	Indicators	Comply Yes/No	Findings
	both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		well provided for all the field mandores whose involved in harvesting, manuring and spraying works. The content of first box which is held by harvesting, manuring and spraying mandore was verified. The content such as bandage, gauze, triangular bandage, cotton wool, plaster, handy plaster, flavin lotion, antiseptic cream, surgical gloves and scissor were well equipped. Site inspection evidence that first aid kit is available at all works place with complete contents. The stock of first aid box is regularly check and refill when necessary by estate Hospital Assistant. Telephone numbers and names of the members of the Emergency Response Team (ERT) were communicated to all employees and displayed at notice boards. Telephone numbers of the PIC, Police Station, Fire Brigade, and Government Clinic were also included. Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Accident/injury record were recorded using Lost Time Accident (LTA) metrics. Quarterly review on accident cases had been carried out during quarterly OSH committee meeting.
	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 estate and mill visited. During site at spraying activities, harvesting activities and LF collection, they were seen to wearing PPE such as face masks respirators, goggles, rubber boots, nitrile gloves, apron and hard hat, to cover all potentially hazardous operations. Sanitation facilities for those applying pesticides was available near to chemical store area, after completed spraying activities, the workers will change out of PPE, wash and put on their personal clothing at the area. Meanwhile, during site inspection estate and mill workshop, most of the moving part and rotating machinery were installed with machine guarding and properly covered. Noted also all sets of oxygen and acetylene cylinders in the workshops had been fitted with "flash back arrestors".
	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	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. Local & Foreign workers were covered by SOCSO (Pertubuhan Keselamatan Sosial).
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	Occupational injuries are recorded using Lost Time Accident (LTA) metrics. Sighted the Nak BU has maintained and updated the LTA Summary by monthly basis.

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

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



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7.1 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	YES	NAK BU continued to monitor the Implementation of Integrated Pest Management (IPM) plans. a) The estates had in place documented the IPM plan which covered monitoring of pest, control of pest population levels at below threshold levels by using cultural, biological, physical/mechanical and use of pesticides. b) In order to minimize use of insecticides on leaf-eating pest, the estates planted beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> along the roadsides and designated points in the fields and also within the nursery perimeter. c) The plan also advocated single layer EFB mulching in order to prevent the breeding of rhinoceros beetles. Monthly detection and observation of leaf eating pests, mammalian pests and diseases had been continued. These monthly detection and observations were carried by staff. d) Census records for Ganoderma affected palms were sighted e) All the estates carried census on rat damage and diseases like Ganoderma. Rat baiting was when census showed damage of above 5%. Baiting was continued until bait acceptance threshold level. On Sutera Estate rat damage was observed and the management were carrying out baiting.
	7.1.2 Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.	YES	This is not practiced in the 3 estates audited. None of species were referenced in the Global Invasive Species Database and CABI.org are used in the management of IPM.
	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 NAK BU by burning ever since Boustead Plantations Berhad practice zero burning as per the policy and as per OPC No. 51. Thus, there was no use of fire for pest control. In the 2020 replants visited during the audit. It was observed that no fire had been used for land clearing in the 2020 replants on Sutera & Nak Estate visited during time of audit. Palms had been felled, chipped, windrowed and left to decompose. There was no replanting in Resort Estate; the last being in 2015
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. The Manual had included a chemical register list which indicated the purpose of usage (intended target), hazards signage, trade and generic names. All the Estates had maintained chemical registers and were up dated periodically. The chemical used in the estates as captured from the chemical register among others as

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			<div>listed below;</div> <table><tr><td></td><td>Chemical name</td><td>Class</td><td></td><td>Chemical name</td><td>Class</td></tr><tr><td>1</td><td>Glyphosate isopropylamine</td><td>III</td><td>6</td><td>Cypermethrin</td><td>III</td></tr><tr><td>2</td><td>Sodium chlorate</td><td>III</td><td>7</td><td>Triclopyr butoxy e/ester</td><td>III</td></tr><tr><td>3</td><td>Glufosinate ammonium</td><td>III</td><td>8</td><td>Canyon 20G</td><td>IV</td></tr><tr><td>4</td><td>Triclopyr butoxy</td><td>III</td><td>9</td><td>Amine 2.4 D</td><td>II</td></tr><tr><td>5</td><td>Metsulfuron methy 20% w/w</td><td>III</td><td>10</td><td>Bayfolan</td><td>III</td></tr></table> <div>The justification of agrochemicals use is available in the Oil Palm circulars OPC.</div> <table><tr><td></td><td>Reference</td><td>Title</td></tr><tr><td>1</td><td>OPC 01. b</td><td>Weed management in oil palm</td></tr><tr><td>2</td><td>OPC 04. b</td><td>Rat control in oil palm</td></tr><tr><td>3</td><td>OPC 04. f</td><td>Management of Rhinoceros Beetles</td></tr><tr><td>4</td><td>OPC 04. g</td><td>Control of leaf eating caterpillars</td></tr></table>		Chemical name	Class		Chemical name	Class	1	Glyphosate isopropylamine	III	6	Cypermethrin	III	2	Sodium chlorate	III	7	Triclopyr butoxy e/ester	III	3	Glufosinate ammonium	III	8	Canyon 20G	IV	4	Triclopyr butoxy	III	9	Amine 2.4 D	II	5	Metsulfuron methy 20% w/w	III	10	Bayfolan	III		Reference	Title	1	OPC 01. b	Weed management in oil palm	2	OPC 04. b	Rat control in oil palm	3	OPC 04. f	Management of Rhinoceros Beetles	4	OPC 04. g	Control of leaf eating caterpillars
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	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	All tree Estates in Nak Business Unit, Resort, Sutera & Nak, continued to maintain records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and active ingredients applied per ha. Pesticides are used only when justified and areas used were recorded in bin cards, program sheets, chemical register, field cost books and in progress reports. All estates had documented programs for spraying pesticides and for rat baiting. Records of pesticides used were available for verification.																																																			
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	YES	NAK BU was committed to minimise the usage of agrochemicals by implementing IPM with the increased in the planting of beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> . Blanket spraying is also not practiced by the BU and soft grasses were maintained in the field. It had also been the practice that insecticides and rat baits are used only after a threshold level has been exceeded as per the S.O.P. Prophylactic use of such pesticides was carried out in the Oil Palm nurseries as per SOP.																																																			
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	YES	There was no evidence of any prophylactic use of pesticides except in oil palm nursery, immature and young fields, where prophylactic spraying using diluted cypermethrin was still practiced for the control of Rhinoceros Beetle as per SOP.																																																			
	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	YES	All 3 Estates only used pesticides that are officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision Pesticides Act 1974 (Act 149) (Section 53A); and in accordance with USECHH Regulations (2000). There was no evidence of pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the																																																			

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	not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:		Stockholm or Rotterdam Conventions, and paraquat, had been used. The chemical store and chemical list indicated the 3 estates had none of the chemicals. The use of paraquat was banned in all Boustead estates. Most pesticides used were class III & class IV. 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.																																				
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	a) The Estates had used only Class II, Class III and Class IV chemicals.																																				
	7.2.5b Why there is no other alternative which can be used.	YES	b) The chemical used in the estate captured from the chemical register among others as listed below;																																				
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	<table><tr><td></td><td>Chemical name</td><td>Class</td><td></td><td>Chemical name</td><td>Class</td></tr><tr><td>1</td><td>Glyphosate isopropylamine</td><td>III</td><td>6</td><td>Cypermethrin</td><td>III</td></tr><tr><td>2</td><td>Sodium chlorate</td><td>III</td><td>7</td><td>Triclopyr butoxy e/ester</td><td>III</td></tr><tr><td>3</td><td>Glufosinate ammonium</td><td>III</td><td>8</td><td>Canyon 20G</td><td>IV</td></tr><tr><td>4</td><td>Triclopyr butoxy</td><td>III</td><td>9</td><td>Amine 2.4 D</td><td>II</td></tr><tr><td>5</td><td>Metsulfuron methy 20% w/w</td><td>III</td><td>10</td><td>Bayfolan</td><td>III</td></tr></table>		Chemical name	Class		Chemical name	Class	1	Glyphosate isopropylamine	III	6	Cypermethrin	III	2	Sodium chlorate	III	7	Triclopyr butoxy e/ester	III	3	Glufosinate ammonium	III	8	Canyon 20G	IV	4	Triclopyr butoxy	III	9	Amine 2.4 D	II	5	Metsulfuron methy 20% w/w	III	10	Bayfolan	III
	Chemical name	Class		Chemical name	Class																																		
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	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	<p>7.2.5a. As mentioned above in 7.2.5. of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used. The Estates had sed only Class III and Class IV chemicals. Hence, the need for a judgment of the threat assessment does not apply.</p> <p>7.2.5b. As mentioned above in 7.2.5. of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used. Hence, the need for other alternatives does not arise.</p> <p>7.2.5c. As mentioned above in 7.2.5. of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used. Hence, the need as to which process was applied to verify why there is no other less hazardous alternative are not required.</p>																																				

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Clause	Indicators	Comply Yes/No	Findings
			<p>7.2.5d. As mentioned above in 7.2.5. of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used.</p> <p>Hence, the need to limit the negative impacts of the application does not arise</p> <p>As mentioned above in 7.2.5 of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used.</p> <p>Hence, the need to estimation of the timescale of the application and steps taken to limit application to the specific outbreak does not arise.</p>
	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 (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	<p>Records showed that pesticides were handled by trained persons and used as per the MSDS/CSDS of the pesticide., the estate had the SOPs for safe handling of pesticides. Appropriate safety and application equipment had been provided and used as per the CHRA.</p> <p>The staff and workers such as the storekeepers, sprayers and those workers apply the fertilizer were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner.</p> <p>The trade and generic names of the chemicals were made known to the workers through the MSDS/CSDS training. It was also noted that MSDS/CSDS are available at all sites during the audit.</p> <p>All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issuance and replacement records were verified by the auditors.</p>
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	<p>The storage of pesticides at Nak BU 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 concreted floors and proper roofing) were well secured &amp; handled only by authorized personnel i.e. storekeeper. The stores were ventilated (equipped with exhaust fans). All the chemicals were arranged/segreated according to the type. During site visit to both chemical and fertilizer stores, it was observed that relevant SDS were displayed. Adequate safety signage had been placed both inside and outside the buildings. Proper premixing areas with eye wash facilities and bathing areas were available near to the chemical stores. The wastewater from the washing of empty chemical containers and PPE, and from chemical mixing was pumped to a storage tank for reuse in chemical mixing. This is to avoid any contamination of chemicals to the ground.</p>
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if	YES	<p>Empty pesticide containers were triple rinsed punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. Inventory and consignment documents verified for</p>

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Clause	Indicators	Comply Yes/No	Findings
	used for other purposes.		confirmation of proper management and disposal. The containers were treated as schedule waste.
	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 3 visited estates. There was no evidence to show that any had been carried out. This was also confirmed by workers during interviews.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	YES	CHRA has been conducted by competent person and from this assessment, it has been recommended by the assessor for the estate management to conduct medical surveillance for manuring, spraying operators, store clerk, foremen, and water treatment plant operator. All sprayers, storekeepers, manurers and foreman were sent for annual medical surveillance at third party clinic the results was satisfactory and fit to handle chemical.
	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 NAK BU had a policy "handling high toxic pesticide" signed by the CEO 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 or persons under the age of 18. NAB Business did not employ people under the age of 18. 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	Sighted also pictorial and video at land fill areas located in the estates. no evidence of leachate from landfill to watercourse and disposal of chemical container in the land fill. Location of land fill far from watercourse. The scheduled wastes generated at the estate were stored not more than 180 days and it was disposed to license contractors. Waste management and disposal plan to avoid or reduce pollution had been documented and in the "Waste management Plan for the Year 2021". In the sampled estate and mill, the waste management program and plan seen incorporated with environmental impact aspect assessments and pollution prevention plan. The assessment seen effectively covers on matured maintenance, FFB collection, workshop, schedule waste / chemical / fertilizer store and etc. Sampled the EFB collection from mill and the area/filed mulched. The PIC and time frame was also shown in the management plan.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is	YES	Domestic waste generated from workers quarters was disposed in respective land fill for Nak CU estates and mill. The landfills were located away i.e. about 2-3 km from water sources. Site visit to landfill area observed its well maintained and no sign of pollution to

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Clause	Indicators	Comply Yes/No	Findings																
	demonstrated.		water source. Proper disposal of waste material, is demonstrated.																
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	During site visit at Nak CU units, there were no evidence on waste material has been disposed using fire. All the waste material (domestic & scheduled waste) has been disposed accordingly. Site visits respectively at replanting areas PR2019 and PR2020 all the palms have been chipped and left for decomposed.																
7.4 Practices maintain soil fertility at, or where improve soil fertility to, a level that ensures optimal and sustained yield.	7.4.1 Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.	YES	NAK BU continued to implement the good agriculture practices as contained in SOPs, to manage soil fertility, to optimize yield and minimize environmental impacts. The SPOs were in the Oil Palm Circular Manual (O.P.C.). Fertilizers application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made by the Applied Agricultural Resources Sdn Bhd. Annual fertilizer recommendations were made based on annual foliar sampling. Fertilizer application program was monitored using program sheets, bin cards, Field Cost book and Fertilizer Quality Assessment by Applied Agricultural Resources Sdn Bhd.																
	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. Periodic tissue and soil sampling were carried to monitor changes in nutrient status. Annual foliar sampling for the nutrients N, P, K, Mg, Ca & B. Foliar samplings and Soil sampling, which is conducted together, were carried out to date as follows: <table><tr><td>No</td><td>Estate</td><td>Foliar Analysis</td><td>Soil sampling</td></tr><tr><td>1</td><td>NAK Estate</td><td>Mar 2021</td><td>Mar 2021</td></tr><tr><td>2</td><td>Sutera Estate</td><td>Feb 2021</td><td>Feb 2021</td></tr><tr><td>3</td><td>Resort Estate</td><td>Mac 2021</td><td>Mac 2021</td></tr></table>	No	Estate	Foliar Analysis	Soil sampling	1	NAK Estate	Mar 2021	Mar 2021	2	Sutera Estate	Feb 2021	Feb 2021	3	Resort Estate	Mac 2021	Mac 2021
	No	Estate	Foliar Analysis	Soil sampling															
	1	NAK Estate	Mar 2021	Mar 2021															
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3	Resort Estate	Mac 2021	Mac 2021																
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	All the Estates continued to have a nutrient recycling strategy in place. Palm fronds were stacked and left to decompose in the fields and EFB applied. EFB was applied at 40 tons /Ha/year in single layers in plots between palms. Records of application and maps were made available to auditors.																	
7.4.4 Records of fertiliser inputs are maintained.	YES	NAK BU continued to monitor their fertilizer inputs as recommended by their agronomist from Applied Agricultural Resources Sdn. Bhd (AAR). The records of the fertiliser inputs were maintained in the Fertilizer Application Record Books and the Bin Card. Records showed that in 2020 fertilisers applied was not as per recommendation. This was due to MCO.																	
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	On the 3 Estates, Resort, Sutera & Nak, maps identifying marginal and fragile soils, including steep terrain, had been prepared by AAR.  The soil series in the estates were classified as follows.																

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Clause	Indicators	Comply Yes/No	Findings																																																				
			<table><tr><td></td><td>NAK</td><td>Sutera</td><td>Resort</td></tr><tr><td>1</td><td>Batang</td><td>Bangawat</td><td>Kumansi</td></tr><tr><td>2</td><td>Kumansi</td><td>Inanam</td><td>Laab</td></tr><tr><td>3</td><td>Masaum/Lumpari</td><td>Kelawat</td><td>Tanjung Lipat</td></tr><tr><td>4</td><td>Sipit</td><td>Kumansi</td><td>Luasong</td></tr><tr><td>5</td><td>Siput/Tanjung Lipat</td><td>Kumansi Reddish</td><td>Pallu</td></tr><tr><td>6</td><td></td><td>Kumansi Shallow</td><td></td></tr><tr><td>7</td><td></td><td>Laab</td><td></td></tr><tr><td>8</td><td></td><td>Luasong</td><td></td></tr><tr><td>9</td><td></td><td>Luba</td><td></td></tr><tr><td>10</td><td></td><td>Mangkawagu</td><td></td></tr><tr><td>11</td><td></td><td>Masaum</td><td></td></tr><tr><td>12</td><td></td><td>Tanjung Lipat</td><td></td></tr></table>		NAK	Sutera	Resort	1	Batang	Bangawat	Kumansi	2	Kumansi	Inanam	Laab	3	Masaum/Lumpari	Kelawat	Tanjung Lipat	4	Sipit	Kumansi	Luasong	5	Siput/Tanjung Lipat	Kumansi Reddish	Pallu	6		Kumansi Shallow		7		Laab		8		Luasong		9		Luba		10		Mangkawagu		11		Masaum		12		Tanjung Lipat	
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		There were no problematic soils (e.g. podzols and acid sulphate soils) on NAK BU. The estates maintained the following maps and documents for proof of recognized legal rights. Documents were sighted and verified.																																																					
7.5.2 No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	Auditors had verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to the sampled estates, it is confirmed that there were no new planting or new development of areas at Boustead Nak BU																																																					
7.5.3 There is no new planting of oil palm on steep terrain.	YES	Auditors had verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to the sampled estates, it is confirmed that there were no new planting or new development of areas at Boustead Nak BU.																																																					
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are	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	All estates in NAK Business Unit, to demonstrate the long-term suitability of land for palm oil cultivation, had conducted soil surveys identifying marginal and fragile soils, and terrain surveys including steep terrain, As mentioned under indicator 7.5.1 soil maps and slope classification maps prepared by the AAR and updated in 2018 were made available. This was to take into account in plans and operations.																																																				
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary,	YES	This is not applicable as there is no marginal and fragile soils in the 3 estates visited, Resort, Sutera and Nak Estates, as supported by the soil maps of respective estates. No																																																				

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Clause	Indicators	Comply Yes/No	Findings
incorporated into plans and operations.	done in accordance with the soil management plan for best practices.		marginal and fragile soil areas were observed during the visit.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	All 3 Estates in in NAK Business Unit, Resort, Sutera and Nak, had used soil and topographic maps prepared by AAR to plan their drainage roads and other infrastructures.
7.7 No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.	7.7.1 (C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas.	YES	There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas.
	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 not applicable as there is no peat soil in the 3 estates visited, Resort, Sutera and Nak Estates, as supported by the soil maps of respective estates. No peat areas were observed during the visit.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	This is not applicable as there is no peat soil in the 3 estates visited, Resort, Sutera and Nak Estates, as supported by the soil maps of respective estates. No peat areas were observed during the visit.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	This is not applicable as there is no peat soil in the 3 estates visited, Resort, Sutera and Nak Estates, as supported by the soil maps of respective estates. No peat areas were observed during the visit.
	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	YES	This is not applicable as there is no peat soil in the 3 estates visited, Resort, Sutera and Nak Estates, as supported by the soil maps of respective estates. No peat areas were observed during the visit.



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Clause	Indicators	Comply Yes/No	Findings
	reaching the natural gravity drainability limit for peat. When oil palm is phased out, it ii 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 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 not applicable as there is no peat soil in the 3 estates visited, Resort, Sutera and Nak Estates, as supported by the soil maps of respective estates. No peat areas were observed during the visit.
	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 3 estates visited, Resort, Sutera and Nak Estates, as supported by the soil maps of respective estates. No peat areas were observed during the visit.
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:	NO	In the Water Management Plan, the BU has also identified actions to be taken in the event of water supply shortage, as the estates rely on the rain water and owned water catchment. for the domestic consumption. However, water management plan was not in place in order to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. Based on water management plan in NAK POM, there was no action plan to eliminate in Escherichia Coli, cfu / 100mL

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	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.		and total coliforms, cfu / 100mL as per drinking water quality standard. Therefore, minor NCR, MAR 01 2021 was raised.																																				
	7.8.1b Workers have adequate access to clean water.																																						
	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	<p>The Estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. During the field visit, there were evidence that these areas were free from chemical spraying and manuring application. The estates adopted the existing Boustead policy to maintain the buffer by restricting agrochemical application and left undeveloped during replanting. Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The practices are guided by a policy “<i>Polisi Perlindungan Cerun &amp; Zon Penampian Sungai</i>” signed by the CEO of Boustead Plantation Berhad dated 02/12/2019. The buffer zones established are as follows:</p> <table><tr><th>No</th><th>River width</th><th>Buffer zone</th><th>No</th><th>River width</th><th>Buffer zone</th></tr><tr><td>1</td><td>&gt; 40 meters</td><td>50 meters</td><td>4</td><td>5 - 10 meters</td><td>10 meters</td></tr><tr><td>2</td><td>20 - 40 meters</td><td>40 meters</td><td>5</td><td>&lt; 5 meters</td><td>5 meters</td></tr><tr><td>3</td><td>10 - 20 meters</td><td>20 meters</td><td>-</td><td>-</td><td>-</td></tr></table> <p>The signboards were displayed accordingly at the site where applicable. During the field visit there was no spraying activities or signs left in the visited areas. The buffer zones identified at the estates are as follows:</p> <table><tr><th></th><th>Estate</th><th>Buffer zone area</th></tr><tr><td>1</td><td>Resort</td><td>Sgi Sapa Payau PM15C &amp; PM15D</td></tr><tr><td>2</td><td>Nak</td><td>PM 96, PM95</td></tr><tr><td>3</td><td>Sutera</td><td>Sungai Segaliud PM15 and PM 12</td></tr></table>	No	River width	Buffer zone	No	River width	Buffer zone	1	> 40 meters	50 meters	4	5 - 10 meters	10 meters	2	20 - 40 meters	40 meters	5	< 5 meters	5 meters	3	10 - 20 meters	20 meters	-	-	-		Estate	Buffer zone area	1	Resort	Sgi Sapa Payau PM15C & PM15D	2	Nak	PM 96, PM95	3	Sutera	Sungai Segaliud PM15 and PM 12
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	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	<p><u>EQ (Prescribed Premise) Crude Palm Oil Regulations 1977</u></p> <p>a) License valid until 30/06/2022. The license indicated that the mill has a capacity of 40mt/hr</p> <p>b) Treated effluent is allowed to be discharge as land irrigation</p> <p>c) Analysis of the final discharge was carried out by accredited laboratory on monthly basis. Review of the results indicated that all parameters were within the regulatory limit.</p> <p>d) Latest Quarterly report was sent to DOE.</p>																																				

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Clause	Indicators	Comply Yes/No	Findings																
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	YES	The mill processing water are obtained from the water catchment adjacent to the mill complex. The water usage monitoring is made monthly. Variation of water usage noted, due to the proportionate reduction in volume of FFB being processed. There were variations of performance. Probable factors are linked to rainy days, significant boiler water rinsing/discharging for maintenance.																
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	<p>The plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented. Record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Among the plan for improving fossil fuel are:</p> <ul style="list-style-type: none"><li>▪ Closely monitored operation of tractors</li><li>▪ Minimise the electricity usage at workers housing</li><li>▪ Replace light bulb with energy saving bulb</li><li>▪ To switch off and unplug all the electrical equipment after used</li><li>▪ Minimise the lubricant oil usage through using small tractor for FFB evacuation</li></ul> <p>Site visit to Nak BU, showed evident that they are compiling the data and document it for further action to improve on their efficiency of using the renewable and non-renewable energy. Apart from use of grid electricity, palm fibre and shells were also used to generate electricity through steam turbine and boiler.</p>																
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>The CU had used RSPO Palm GHG version 4.0 Calculator as a tool to calculate the GHG emissions. Sighted report sends to RSPO on 28/02/2021. The input data was verified and the following were determined:</p> <table><tr><td>Description</td><td>tCO<sub>2</sub>e/tProduct</td></tr><tr><td>CPO</td><td>1.54</td></tr><tr><td>PK</td><td>1.54</td></tr></table> <table><tr><td>Land Use</td><td>Ha</td></tr><tr><td>OP Planted Area</td><td>56666.70</td></tr><tr><td>OP Planted on Peat</td><td>0.00</td></tr><tr><td>Conservation (forested)</td><td>0.00</td></tr><tr><td>Conservation (non-forested)</td><td>0.00</td></tr></table> <p>Milling extraction rate:</p>	Description	tCO <sub>2</sub> e/tProduct	CPO	1.54	PK	1.54	Land Use	Ha	OP Planted Area	56666.70	OP Planted on Peat	0.00	Conservation (forested)	0.00	Conservation (non-forested)	0.00
Description	tCO <sub>2</sub> e/tProduct																		
CPO	1.54																		
PK	1.54																		
Land Use	Ha																		
OP Planted Area	56666.70																		
OP Planted on Peat	0.00																		
Conservation (forested)	0.00																		
Conservation (non-forested)	0.00																		

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings		
			OER	21.39	
			KER	3.73	
			Mill Emission		
			Own Crop		
			Emission source	tCO2e	tCO2e/tFFB
			POME	17390.95	0.21
			Fuel consumption	1091.65	0.01
			Grid electricity utilisation	0.00	0.00
			Credits		
			Export of excess electricity to housing & grid	0	0
			Sale of PKS	0.00	0.00
			Sale of EFB	0.00	0.00
			Total	18482.60	0.22
			Plantation / field emission		
			Own Crop		
			Emission sources	tCO2e	tCO2e/ha
			Land Conversion	37246.58	9.61
			*CO2 Emissions from Fertiliser	3681.50	0.95
			**N2O Emissions from Fertiliser	2074.95	0.54
			Fuel Consumption	1060.04	0.27
			Peat Oxidation	0.00	0.00
			Sinks		
			Crop Sequestration	-33647.59	-8.69
			Conservation Sequestration	0.00	0.00
			Total	10415.46	2.69
			Palm Oil Mill Effluent (POME) Treatment		
			Diverted to compost	0%	

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings					
			<table><tr><td>Diverted to anaerobic digestion</td><td>100%</td></tr></table>		Diverted to anaerobic digestion	100%		
			Diverted to anaerobic digestion	100%				
			Diverted to Anaerobic Digestion					
			<table><tr><td>Diverted to anaerobic pond</td><td>100%</td></tr><tr><td>Diverted to methane capture (flaring)</td><td>0%</td></tr><tr><td>Diverted to methane capture (electricity generation)</td><td>0%</td></tr></table>		Diverted to anaerobic pond	100%	Diverted to methane capture (flaring)	0%
	Diverted to anaerobic pond	100%						
Diverted to methane capture (flaring)	0%							
Diverted to methane capture (electricity generation)	0%							
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	Auditor has verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at Boustead Nak BU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.						
7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	Auditor has verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at Boustead Nak BU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.						
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 NAK BU by burning ever since Boustead Plantations Berhad practice zero burning as per the policy dated July 2009 (revised in Aug 2018) in SOP clearing methods <ul style="list-style-type: none"><li>a) During the field visit the signages “<i>Dilarang Membakar</i>” were clearly displayed, and no evidence of open burning observed.</li><li>b) It was observed that no fire had been used for land clearing in the 2021 replants visited during time of audit. Palms had been felled, chipped, windrowed and left to decompose.</li></ul>					
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	Boustead Plantations Berhad practices zero burning throughout the plantation properties within the management.					
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	Boustead Plantations Berhad practices zero burning throughout the plantation properties within the management.					
7.12 Land clearing does not cause	7.12.1 (C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance	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 NAK BU since Nov 2005.					

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
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.	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.		
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	<p>The report "High Conservation Value &amp; Social Impact Assessment Boustead Plantations, Sabah, Malaysia" was showed to the audit team. It was noted that the report was prepared by Wild Asia (Malaysia) in May 2012 and had identified all the High Conservation Value (HCV) within and adjacent to the Nak CU. The HCV assessment had also identified the rare, threatened and endangered species (RTEs) at the Nak, Sutera, and Resort estate. The report has also included the management and action plan. The total HCV area for this CU is 6.90Ha.</p> <p>In general, HCV assessor had concluded no potential HCV in the 3 estates, but they have identified 52 species of bird at Sutera Estate, 23 species at Resort Estate and 41 species of bird at Nak Estate.</p>
	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	
	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, 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	No	<p>NAK CU has established and reviewed the action plan and monitoring programme for HCVs area. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action. There were no major changes to the integrated management plan, except awareness training, continuous monitoring for HCVs area.</p> <p>However, the integrated management plan was not developed in consultation with relevant stakeholders. HCV management Plan has been developed at all Estates under Nak Business Unit, but the integrated management plan is not developed in consultation with relevant stakeholders. Therefore, major NCR was raised as MZK 01 2021.</p>

## RSPO PUBLIC SUMMARY REPORT

Clause	Indicators	Comply Yes/No	Findings
	developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).		
	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 were no local communities living nearby with Nak CU only surrounding with Small grower and Plantation Estate. So, this indicator was not applicable with this CU.
	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 2021 was available. An awareness training like morning briefing has been conducted by Assistant Manager from Nak, Sutera and Resort to all workers. An appropriate disciplinary measure was instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species, and Policy and Statement has been developed for disciplinary measures.
	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.	YES	Nak CU continues to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signage to prohibit hunting, fishing and pesticide spraying not allowed within buffer area at the HCV Area. It was noted that AP has been monitoring surrounding the estate to control everything including any illegal activities.
	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	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 Nak CU since Nov 2005. Remediation and Compensation Procedure (RaCP) did not apply.

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Clause	Indicators	Comply Yes/No	Findings
	November 2018, the Remediation and Compensation Procedure (RaCP) applies.		

### RSPO Certifications Systems for P&C and RISS, Nov 2020

Clause	Indicators		Comply Yes/No	Findings
<p>5.5.2 Time-bound plan</p> <p>A time-bound plan for certifying all its management units and/or entities, including the units where the organization has mgmt. control and/or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan shall contain a current list of all estates and mills.</p>	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	YES	For the time-bound plan, Boustead Plantations Berhad has committed to ensure all their certification unit (CU) to be certified within 5 years i.e. year 2019 to 2023.
	(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 7. 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.
	(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	YES	There was revision of the time-bound plan being updated on 25 May 2021. Details as per attachment 7. 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.



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		newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);		
	(d)	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.	YES	The details of the Time Bound Plan described as per attachment 6. Boustead Plantation Berhad is progressively undergoing the RSPO (Onsite) Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP. As of this audit and Verification of documents and Timebound Plan there are no isolated lapses and fundamental failure to proceed with implementation of the plan in implementation of a time-bound plan.
5.5.3 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 4.4, 4.5, 4.6, 4.7 and 4.8;	YES	It is confirmed that land conflict was resolved through FPIC processes which facilitates compliance with requirement of RSPO, accordance to: <ul style="list-style-type: none"> <li>• Criteria 4.4 – on adequate participation and negotiated agreements (Sighted PMC minutes of meeting)</li> <li>• Criteria 4.6 – on land acquisition whereby the right to use the land is demonstrated. (Refer Memorandum of Consent (MOC) between NCR Landowners &amp; LCDA (as Managing Agent), (Refer Joint Venture Agreement (JVA) between Boustead Plantation Berhad, BPB and Pelita Holding Sdn Bhd (PHSB) to develop land into oil palm plantation)</li> <li>• Criteria 4.7 – on mutual agreement for identifying people entitled to compensation is in place.</li> <li>• Criteria 4.8 – on the condition of land use as per land title to show evidence that necessary action has been taken to resolve the conflict with relevant parties.</li> </ul> (sighted MRRS: Q-021053- 05/2012; Q-02-105405/2012; Q-01-282-

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			<p>06/2012. (Refer <a href="http://www.kehakiman.gov.my/judgment/file/Q-02-1053-052012">www.kehakiman.gov.my/judgment/file/Q-02-1053-052012</a>) and application no. 08(f)-449-09/2014(Q) Appellate Jurisdiction)</p> <p>The management of BPKSB have conforms &amp; respect all parties by adopting FPIC to protects community rights and investors from risks. In addition, those mechanism is part of best practice standards and requirement of RSPO. There was also Series of External Audit through MSPO Certification on their uncertified unit being made:</p> <ul style="list-style-type: none"> <li>a) Teluk Sengat Estate (19-22/11/2018)</li> <li>b) Lapan Kabu Estate (21-22/10/2019)</li> <li>c) Rimba Nilai (Sugut) CU (10-15/03/2019)</li> <li>d) Tawai CU (14-18/06/2020)</li> <li>e) Loagan Bunut &amp; Kanowit CU (11-15/11/2019)</li> </ul> <p>The audit was conducted against MSPO P&amp;C and MSPO Partial Certification Requirements.</p>
(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2;	YES	<p>(Onsite) Series of Internal Audit and External Audit (MSPO Certification) on their uncertified unit was conducted as reported above.</p> <ul style="list-style-type: none"> <li>a) The audit was conducted against RSPO P&amp;C and RSPO Partial Certification Requirements.</li> <li>b) There was no case of labour dispute reported in the internal audit report.</li> </ul> <p>The management also has established grievances, compliant, and disputes mechanism which is open to all affected parties and ensures anonymity of complainant. There is "Carta Organisasi Panel Aduan" (Panel of Complaint Committee) to handle complaint or grievance, including related to gender issues.</p> <p>The management had taken prudent action by conduct engagement and recommended action plans to:</p> <ul style="list-style-type: none"> <li>a) Improved communication and engagement (PMC Meeting-With present of LCDA, Land Survey, BPKSB)</li> <li>b) Personnel, BEA), MCCM Meeting, Estate Management Meeting)</li> <li>c) Review communication and consultation as well as complaint and grievance procedures.</li> </ul> <p>Trained staff and create awareness among stakeholder on the Procedures (RSPO UBU Internal Assessment).</p>
(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	<p>Series of Internal Audit and External Audit (MSPO Certification) on their uncertified unit was conducted as reported above.</p> <ul style="list-style-type: none"> <li>a) The audit was conducted against RSPO P&amp;C and RSPO Partial Certification Requirements.</li> </ul>

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			<p>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.</p> <p>The management also has established a list on "Legal and Other Requirement Register" There are 15 sections of requirements subscribed to the Plantations &amp; Mills operation. Among the requirements stated such as: Occupational Safety and Health Act, 1994; Factory and Machinery Act, 1967; Minimum Wages Order 2020; Employees' Minimum Standards of Housing, Accommodations and Amenities Act, 1990 (Amendment 2019); etc.</p> <p>The management has in place a license &amp; permits register which captures all applicable local &amp; national legal requirements such as: MPOB Licenses (menjual dan mengalih FFB). KPDNKK Permit Barang Kawalan Berjadual for Diesel.</p>
(e)	<p>The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 5.5.3 (a) – (d) above by the audit team based on self-declarations only by the company,</p> <p>with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:</p>	YES	<p>Based on statement in (a) to (d) above, the CU has assessed the condition of their uncertified unit and has stated full commitment to comply with all relevant requirements as specified above.</p> <p>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&amp;C and RSPO Partial Certification Requirements.</p> <p>b) Evidence of audit attendance list, audit checklist &amp; report were made available to auditor as the supporting evidence.</p> <p>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.</p> <p>d) With this, it can be concluded that the positive assurance made was justified.</p>
	<ul style="list-style-type: none"> <li>A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement;</li> </ul>	YES	
	<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>	YES	
	<ul style="list-style-type: none"> <li>Desktop study e.g. web check on</li> </ul>	YES	

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		relevant complaints		
		<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>	YES	
	(f)	For requirements 5.5.3 (a)-(d) above, the classification of critical and non-critical is as stated in the RSPO P&C. If a non-compliance against a critical indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless it is actively addressed. Evidence of active engagement with RSPO in resolving the non-compliance shall be available.	YES	As of this audit, Boustead Plantation Berhad still on track and follow the requirement of uncertified requirement units, Further information can be obtained from Boustead ACOP. The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.
	(g)	Failure to address any outstanding non-compliances within uncertified unit(s) as defined in 5.5.3 (f) above may lead to suspension of certificate of the certified unit(s), in accordance with the provisions of these Certification Systems.	YES	As of this audit, Boustead Plantation Berhad still on track and follow the requirement of uncertified requirement units, Further information can be obtained from Boustead ACOP. The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.

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<p>5.6.6</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>The CB shall have a mechanism in place to identify the interested parties and ensure a represented samples size of the interested parties are consulted in each audit.</p> <p>The CB shall keep track which party that has been interviewed in the previous audits to ensure proper coverage of the parties throughout the certification cycle.</p>		No additional indicators	YES	<p>Boustead owned the land (brought from the Government) as mentioned in 4.4.1 of these checklists. Based on the interviews and this audit finding, it has been confirmed that there was no such case concerning the rights of local communities and indigenous people at NAK BU.</p>
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## RSPO PUBLIC SUMMARY REPORT

### ATTACHMENT 4

#### DETAILS OF NON-CONFORMITIES AND CORRECTIVE ACTIONS TAKEN

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Root Cause & Corrective Action Taken by the CU	Verification Statement by Auditors
7.8.1	Minor	<p><b>Finding :</b> Water management plan was not in place in order to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment.</p> <p><b>Objective evidence :</b> Based on water management plan in NAK POM, there was no action plan to eliminate in Escherichia Coli, cfu / 100mL and total coliforms, cfu / 100mL as per drinking water quality standard.</p>	<p>Root cause: 1. Increased on the flowrate water consumption but chlorine dosage injection remains unchanged. 2. Water management plan not updated to include on the action plan to eliminate e coli and total coliforms.</p> <p>Corrective Action: 1. Change the period vertical clarifier tank cleaning for two times for every month. 2. Increase the chlorine injection. 3. Automation mode for chlorine dosing pump to ensure sufficient dosage injection to water flow.</p>	<p>Root caused and corrective action plan accepted.</p> <p>Status: Open The effectiveness of the corrective action plan will verify during next audit.</p>
7.12.4	Major	<p><b>Finding:</b> The integrated management plan was not developed in consultation with <b>relevant stakeholders</b></p> <p><b>Objective evidence:</b> HCV management Plan has been developed at all Estates under Nak Business Unit. But the integrated management plan is not developed in consultation with <b>relevant stakeholders</b>.</p>	<p>Root cause: Management plan already exist, but not consult yet to the relevant stakeholders due to MCO situation.</p> <p>Corrective Action: Management for each estate has been conducted the consultation with relevant stakeholders in term of the HCV management plan tentatively on 21/12/2021.</p>	<p>Root caused and corrective action plan accepted.</p> <p>Status: Closed</p>
3.6.1	Major	<p><b>Finding :</b> All operations were risk assessed but identification of H&amp;S issues were not identified.</p> <p><b>Objective evidence :</b> The HIRARC of all 3 Estates had not identified injury caused to eyes of sprayers by spray mist, accidental spillage and suitability of PPE usage at harvesting</p>	<p>Root cause: Management not identified on the injury caused to eyes of sprayers by spray mist, accidental spillage and suitability of PPE usage at harvesting and loose fruit collection activities.</p>	<p>Root caused and corrective action plan accepted.</p> <p>Status: Closed</p>

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		and loose fruit collection activities.	Corrective Action: Management has revised the the existing HIRARC to include on the injury caused to eyes of sprayers by spray mist, accidental spillage and suitability of PPE usage at harvesting and loose fruit collection activities. New HIRARC revised dated 30/12/2021.	
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### ATTACHMENT 5

#### STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
2.2.3 MAR 03 2020	Minor	Finding: Contract agreement does not contain clauses disallowing child, forced and trafficked labour. Objective evidence: Based on contractor agreement – Fah Hing sampled at NAK Estate, the contract does not contain clauses disallowing child, forced and trafficked labour.	The Nak Estate has sent a letter to Fah Hing to comply with the regulation.	Corrective action plan accepted.  Status: Closed
4.1.1 MAR 01 2020	Major	Finding: Boustead Plantations Berhad does not have a documented policy that prohibits retaliation against Human Rights Defenders. Objective evidence: Boustead Plantations Berhad's Human Rights provides for respect of Human Rights however does not have prohibits retaliation against Human Rights Defenders.	Boustead Plantation Berhad has made an amendment to the Human Right Policy and to include clause for Human Right Defenders (HRD).	Auditor has verified evidence attached of amended Human Right Policy signed by new Plantation CEO. Sighted the policy have prohibited retaliation against Human Rights Defenders.  Status: Closed
4.2.1 MAR 02 2020	Major	Finding: The dispute and grievance procedure does not prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested. Objective evidence: There existing dispute and grievance procedure called "Prosedur Aduan/Pendapat Pekerja Kilang, Ladang, Orang Awam, Masyarakat Sekitar dan Lain-Lain" dated October 2015 revised 2/1/2019 does not prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested.	Boustead NAK BU already included clause for protect and prohibit retaliation against Human Right Defender (HRD) in our conflict resolution mechanism.	Auditor has reviewed the evidence attached of updated dispute and grievance procedure already mention on prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested.  Status: Closed
4.2.4 ISMA 01 2020	Minor	Finding: Boustead NAK BU conflict resolution mechanism did not include option for observers as well as the option of a third-party representation. Objective evidence: Review of Boustead NAK BU conflict resolution mechanism did not include option 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. The procedure did not include text for 3 <sup>rd</sup>	Boustead NAK BU already included clause "complainants to choose individuals or group to support and /or act observer" as well as the option of a third-party mediator in our conflict resolution mechanism.	Corrective action plan accepted.  Status: Closed



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		party representation option.		
6.2.1 MAR 04 2020	Major	<p>Finding: Employment contracts and payslip not available for the contractor workers.</p> <p>Objective evidence: Based on sampled at estate and mill, the employment contracts and payslip for the contractor workers was not made available for the following contractors:</p> <ul style="list-style-type: none"> <li>i) NAK Estate – Albaniah Enterprise</li> <li>ii) NAK POM – UE Truckway Sdn Bhd</li> </ul>	<p>Nak Estate The employment contracts and payslip for the contractor workers of Albaniah Enterprise was made available and explained to them.</p> <p>Nak POM The employment contracts and payslip for the contractor workers of UE Truckway Sdn. Bhd. was made available and explained to them.</p>	<p>Auditor has verified the evidences attached of details employment contracts for the contractor workers of Albaniah Enterprise and UE Truckway Sdn. Bhd. with signed for both parties. Sighted also payslip month of April 2020 for their workers.</p> <p>Status: Closed</p>
6.2.2 MAR 05 2020	Major	<p>Finding: Employment contracts was not detailing on conditions of employment e.g. maternity leave.</p> <p>Objective evidence: Based on employment contracts sample at NAK Estate and NAK POM, there was no detailing on conditions of employment e.g. maternity leave in compliance with national legal requirements.</p>	<p>NAK Estate and NAK POM has updated and reviewed the employment contract for detailing on conditions of employment e.g. maternity leave in compliance with national legal requirements.</p>	<p>Auditor has verified evidences attached of employment contracts at Nak Estate and Nak POM. Sighted maternity leave @ 60 days has been added in the employment contracts.</p> <p>Status: Closed</p>
6.5.3 MAR 06 2020	Minor	<p>Finding: Management has not assessed the needs of new mothers</p> <p>Objective evidence: No evidence of assessed the needs of new mothers at Resort Estate</p>	<p>The management has assessed the need of new mothers during “Mesyuarat Persatuan Wanita Ladang Resort” once a month.</p>	<p>Corrective action plan accepted.</p> <p>Status: Closed</p>
7.3.1 DA 01 2020	Minor	<p>Finding: Waste management plan was not monitored and implemented.</p> <p>Objective evidence: Waste Management Plan (Pollution Prevention Plan) was not monitored and implemented:</p> <ul style="list-style-type: none"> <li>1) During site visit at landfill (Resort Estate), sighted scheduled wastes (SW 409) and recycle wastes was disposed in the landfill. Furthermore, sighted also leachate from landfill was channel nearest to watercourse.</li> <li>2) During site visit at landfill (Nak Estate), sighted the domestic wastes was disposed outside from the landfill.</li> </ul>	<p>Resort Estate Estate Management has taken action to collect all scheduled waste (SW409) and send it to the scheduled waste disposal for disposal by selected contractors. In addition, the channel at the nearest watercourse point was closed on 02 March 2020.</p> <p>Nak Estate -Filling soil onto the top in order to cover the domestic waste and the process will be repeated twice a month. The schedule of filling soil was provided. March 2020 -To ensure waste segregation mainly the re-cycle waste type been segregated at soonest after the waste was dumped. Recycle campaign at linesite was continuously being held. March 2020.</p>	<p>Corrective action plan accepted.</p> <p>Status: Closed</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	Certification completed	Nil
7.	Lepan Kabu Bekoh Eldred	Kelantan Johor Johor	2021	-	CB appointment process Deferred to 2021 (initially 2020) (Delayed due to Pandemic Covid-19)	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	2021	-	CB appointed Deferred to 2021 (initially 2020) (Delayed due to Pandemic Covid-19)	External audit that scheduled by BSI tentatively on 7th-11th November 2020 has been postponed until further notice due to restrictions entering Sabah state.
9.	Loagan Bunut CU	Sarawak	2023	-	Deferred to 2023 (initially 2022) To allow Pertama & Tawai BU first	The Loagan Bunut CU has been proposed for land acquisition and still in negotiation process. All decision is pending for the Board of Directors discretion and direction.
10.	Pertama CU	Sabah	2022	-	Deferred to 2022 (initially 2021) (Delayed due to Pandemic Covid-19)	New Acquisition in 2018 from Duta Plantations Berhad. As per RSPO Certification System Nov. 2020; new acquisitions shall be certified within a three-year timeframe.
11.	Kanowit CU	Sarawak	2023	-	Deferred to 2023 (initially 2022) To allow Pertama & Tawai BU first	The Kanowit CU has been proposed for disposal and still in negotiation process. All decision is pending for the Board of Directors discretion and direction.
12.	Tawai CU	Sabah	2022	-	To combine audit with Pertama BU in 2022 due to same area of location	New Acquisition in 2019 from Sit Seng & Sons Realty Sdn Bhd as per RSPO Certification System Nov. 2020; new acquisitions shall be certified within a three-year timeframe.