



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

File Ref. : EH04760001

RSPO PUBLIC SUMMARY REPORT

CLIENT : JEROCO PLANTATIONS SDN. BHD. – JEROCO PALM OIL MILL 1
PARENT COMPANY : HAP SENG PLANTATIONS HOLDINGS BERHAD
RSPO MEMBERSHIP No.: 1-0098-11-000-00

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

Certification Unit	Mill / Supply Base	GPS Location		Location
		Latitude	Longitude	
Jeroco	Jeroco Palm Oil Mill 1	N 5° 25' 52.0"	E 118° 25' 02.0"	Off 50 KM, Jalan Jeroco, 91109 Lahad Datu, Sabah, Malaysia
	Batangan Estate	N 5° 24' 43.7"	E 118° 26' 59.8"	
	Lutong Estate	N 5° 21' 55.6"	E 118° 26' 26.2"	
	Lokan Estate	N 5° 25' 51.8"	E 118° 22' 57.8"	
	Lungmanis Estate	N 5° 28' 46.3"	E 118° 24' 11.3"	

MAP : See Attachment 1

AUDIT DATE : 01-04 Aug 2017

DURATION : 12 auditor days

TYPE OF AUDIT :

Annual Surveillance Audit No.
4

Recertification Audit

STANDARD : RSPO PRINCIPLE & CRITERIA MYNI 2014, AND RSPO SUPPLY CHAIN CERTIFICATION STANDARD 2014

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

VALIDITY OF RSPO CERTIFICATE : 27/09/2013 – 26/09/2018

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 : Hazani Othman

Name :

KEE KEOW CHONG

Signature : *Hazani Othman*

Signature :

[Signature]

Date : 14 November 2017

Date :

15-11-17

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SUMMARY OF AUDITS

Stage 2 audit / Recertification audit					
On-site audit date	:		No. of auditor days	:	
Audit team	:				
No. of major NCR	:	Indicator:	Closing date :		
No. of minor NCR	:	Indicator :			
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
Supply base sampled	:				
Report approved by	:		Approval date :		

Annual Surveillance Audit 1					
On-site audit date	:		No. of auditor days	:	
Audit team	:				
No. of major NCR	:	Indicator:	Closing date :		
No. of minor NCR	:	Indicator :			
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
Supply base sampled	:				
Changes since the last audit	:				
Report approved by	:		Approval date :		

Annual Surveillance Audit 2					
On-site audit date	:		No. of auditor days	:	
Audit team	:				
No. of major NCR	:	Indicator:	Closing date :		
No. of minor NCR	:	Indicator :			
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers	Suppliers
		Contract workers	NGOs	Govt. agency	Independent growers
		Indigenous people	Contractor	Others (Please specify)	
Supply base sampled	:				
Changes since the last audit	:				
Report approved by	:		Approval date :		

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Annual Surveillance Audit 3			
On-site audit date	: 26-29 July 2016	No. of auditor days	12 days
Audit team	: Khairul Najwan Ahmad Jahari, Selvasingam T. Kandiah, S. Jagathesan and Ismail Ibrahim		
No. of major NCR	: 1	Indicator: 4.7.3	Closing date: 26 August 2016
No. of minor NCR	: 1	Indicator: 5.2.4	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers
	X		X
	Contract workers	NGOs	Govt. agency
		X	X
	Indigenous people	Contractor	Others (Please specify)
		X	
Supply base sampled	: Batangan Estate and Lutong Estate		
Changes since the last audit	: No changes.		

Annual Surveillance Audit 4			
On-site audit date	: 1-4/8/17	No. of auditor days	12
Audit team	: Hazani Othman, Rozaimée Ab Rahman, Mohd Ab Raouf Asis		
No. of major NCR	: 2	Indicator: 2.1.1, 6.1.1	Closing date : 3/10/17
No. of minor NCR	: 0	Indicator : -	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers
	X		X
	Contract workers	NGOs	Govt. agency
	Indigenous people	Contractors	Others (Please specify)
		X	
Supply base sampled	: Lokan Estate and Lungmanis Estate		
Changes since the last audit	: No changes, except new Manager in Lokan Estate.		
Report approved by	: Aminah Ang	Approval date :	14/11/2017

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SUMMARY OF INFORMATION

TABLE 1

TYPE OF AUDIT	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period					July 2016 to June 2017
Certified FFB Processed (MT)					276,340.86
Production of Certified CPO (MT)					41,241.00
Production of Certified PK (MT)					9,176.00
Certified Areas (Ha)					11,437.00
Planted Areas (Ha)					10,380.00
Production Areas (Ha)					9,041.00
HCV Areas / Conservation Areas (Ha)					386.34
REMARKS					-

TABLE 2

	PO	PK
Last years certified volume (MT)	39,131.00	8,777.00
Last years actual certified sold (MT)	*58,643.58	*13,477.68
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	0.00	0.00
New year certified volume (MT)	41,241.00	9,176.00

*Extension of volume in April 2017 – crop diversion from certified plantation, higher demand in IP products

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	3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included , by the mill, are audited within 3 years from when their fruit was first included in the mill certification.	10
	3.5 Any new acquisition which has replaced primary forests or HCV areas	10
	3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	10
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1.0 AUDIT PROCESS

1.1 Certification Body

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

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

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Hazani Othman	Audit Team Leader Social, HCV and Supply Chain	Holds a Bachelor of Forestry Science and Diploma in Forestry, from the Universiti Putra Malaysia. He is a lead auditor for ISO 14001, FSC & MTCC FMC and CoC and RSPO P&C.
Rozaimiee Ab. Rahman	Auditor Environment and occupational health and safety	Holds a B. Sc. Of Agriculture. He had several years of working experience in the oil palm operation. He is a qualified auditor for RSPO P&C.
Mohd Ab Raouf bin Asis	Auditor Good Agricultural Practices (GAP)	Holds B.Sc. (Hons) Management Technology Majoring Production and Operation from UTHM in 2007. He had several years of working experience in the oil palm operation. He is a qualified auditor for RSPO P&C.

1.3 Audit methodology

The audit covered the Jeroco Palm Oil Mill 1 and two of its supply bases. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. The two supply base covered during the audit are Lungmanis and Lokan Estates. The audit included an on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

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

1.5 Audit plan:
Refer to Attachment 2.

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

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

Jeroco Palm Oil Mill 1 certification unit (hereafter refer to JPOM1 CU) is one of the business unit under the Hap Seng Plantation Holdings Berhad (HSPHB). Located at Off 50 KM, Jalan Jeroco, Lahad Datu, Sabah, Malaysia, the CU consists of one mill (JPOM 1) and 4 supply base i.e. Batangan, Lutong, Lokan and Lungmanis Estates.

The Jeroco Palm Oil Mill 1 has a processing capacity of 60 metric tonnes of fresh fruit bunches (FFB) per hour. The mill only receives and processes crops from HSPHB's certified supply bases.

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

The FFB is sourced from company owned estates that were certified. Noted that there were some diversions of FFB from HSPHB's estates certified under different CU.

Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

Table 1: Actual FFB production by the supply base for the last reporting period (July 2016 to June 2017) JPOM1

Estates	FFB Production	
	Tonnes	Percentage (%)
¹ Batangan	38,697.42	14.00
¹ Batangan (Kretam)	13,176.79	4.77
¹ Lutong	29,424.97	10.65
¹ Lokan	42,976.31	15.55
² Kapis	44,854.72	16.23
¹ Lungmanis	44,487.52	16.10
³ Litang	11,372.19	4.12
³ Litang (Wecan)	14,601.81	5.28
³ Tagas	20,874.25	7.55
³ Tagas (Tampilit)	2,531.06	0.92
³ Tomanggong	3,358.15	1.22
⁴ Sungai Segama 1	1,291.56	0.47
⁴ Sungai Segama 2	2,535.94	0.92
⁴ Bukit Mas Estate	4,748.39	1.72
⁵ Ladang Kawa	1,242.10	0.45
⁵ Ladang Kawa (Hapseng Properties)	167.68	0.06
Total	276,340.86	100.00

¹ = Jeroco POM 1 CU; Certified by: SIRIM QAS; Certificate No.: RSPO 0018.

² = Jeroco POM 2 CU; Certified by: SIRIM QAS; Certificate No.: RSPO 0028.

³ = Tomanggong CU; Certified by: SIRIM QAS; Certificate No.: RSPO 0024.

⁴ = Sg. Segama CU; Certified by: TUV Rheinland; Certificate No.: 82450214016.

⁵ = Ladang Kawa CU; Certified by: TUV Rheinland; Certificate No.: 82450215028.

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Table 2: Projected FFB production by supply base for the next reporting period (July 2017 to June 2018) JPOM1

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Batangan	66,270	32.43
Lutong	36,168	18.83
Lokan	46,400	24.85
Lungmanis	38,910	20.84
Grand Total	186,748	100.00

Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period (July 2016 to June 2017) JPOM1

	Total (MT)
FFB Received	276,340.86
FFB Processed	276,340.86
CPO Production	59,232.37
PK Production	13,449.57
CPO delivered as / IP	58,643.58
CPO delivered as non-RSPO certified	-
PK delivered as IP	13,477.68
PK delivered as non-RSPO certified	-

Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period (July 2017 to June 2018) JPOM1

	Total (MT)
FFB Received	186,748
FFB Processed	186,748
CPO Production	41,241
PK Production	9,176
CPO delivered as IP	41,241
CPO delivered as non-RSPO certified	-
PK delivered as IP	9,176
PK delivered as non-RSPO certified	-

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Batangan Estate	3,394.00	3,632.88
Lutong Estate	2,194.00	2,448.40
Lokan Estate	2,837.00	3,155.39
Lungmanis Estate	1,955.00	2,200.00
Total	10,380.00	11,436.67

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Table 6 Planting profile for CU

<u>Estate</u>	<u>Year of planting</u>	<u>Planting Cycle</u>	<u>Mature</u>	<u>Immature</u>	<u>Planted area</u>	<u>% of planted area mature</u>	<u>% of planted area immature</u>
			<u>>2014 years (Ha)</u>	<u>< 2015 years(Ha)</u>			
Batangan	2004	2nd	450	-	450	13.26	-
	2006	2nd	388	-	388	11.43	-
	2008	2nd	151	-	151	4.45	-
	2009	2nd	148	-	148	4.36	-
	2010	2nd	280	-	280	8.25	-
	2011	2nd	682	-	682	20.1	-
	2012	2nd	458	-	458	13.5	-
	2013	2nd	406	-	406	11.96	-
	2014	2nd	151	-	151	4.44	-
	2015	2nd	-	280	280	-	8.25
SUB TOTAL			3,114	280	3,394	100	
Lutong	1999	1 st	157	-	157	7.16	-
	2004	1 st	42	-	42	1.91	-
	2006	2 nd	456	-	456	20.78	-
	2007	2 nd	159	-	159	7.25	-
	2011	2 nd	157	-	157	7.16	-
	2012	2 nd	146	-	146	6.65	-
	2013	2 nd	306	-	306	13.94	-
	2014	2 nd	318	-	318	14.5	-
	2015	2 nd	-	303	303	-	13.81
	2017	2 nd	-	150	150	-	6.84
SUB TOTAL			1,741	453	2,194	100	
Lokan	1995	1 st	239	-	239	8.42	-
	1980	1 st	439	-	439	15.47	-
	1990	1 st	1309	-	1309	46.14	-
	2014	2 nd	244	-	244	8.6	-
	2015	2 nd	-	149	149	-	5.25
	2016	2 nd	-	296	296	-	10.43
	2017	2 nd	-	161	161	-	5.69
SUB TOTAL			2,231	606	2,837	100	
Lungmanis	1995	1 st	1,032	-	1,032	52.79	-
	1996	1 st	923	-	923	47.21	-
SUB TOTAL			1,955	-	1,955	100	
TOTAL			9,041	1,339	10,380	87.10	12.90
						100.00	

2.3 Organizational Information/Contact Person

The details of the contact person is as shown below:

Name	: Mr. Kee Keow Chong
Position	: Chief Agronomist
Address	: Hap Seng Plantations Holdings Berhad C/O: Hap Seng Fertilizers Sdn Bhd, Batu 2, Jalan Kastam Baru, 91119 Lahad Datu, Sabah, Malaysia.
Phone no.	: +6089 278183, +6089 278138
Fax no.	: +6089 278168/186
Email	: keekc@hapseng.com.my

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3.0 AUDIT FINDINGS

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

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

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

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

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

Internal Audit (10-14/4/17) had been conducted based on RSPO Partial Certification Requirements. No significant non-compliance was observed by the organization.

Time bound plan had been established. There are all 6 CUs under Hap Seng Plantations Holdings Berhad membership (1-0098-11-000-00). Five (5) CUs under the membership (1-0098-11-000-00) had been certified, and another 1 CU (i.e. Pelipikan) planned for certification this year. In Tomanggong CU, there are supply bases, i.e. Tabin Estate and Northbank Estate which yet to be certified.

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

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

-

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

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

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

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

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

There is no change since last audit, except new Manager in Lokan Estate.

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

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

3.5. Complaint received from stakeholder (if any)

No complaints from stakeholders were observed.

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4.0 DETAILS OF NON-CONFORMITY REPORT

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

Total no. of minor NCR(s)
(details refer to Attachment 4) List : 0

Total no. of major NCR(s)
(details refer to Attachment 4) List : 2 (RAR 01 2017 and HO-01)

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


Total no. of minor NCR(s)
(details refer to Attachment 5) List : Not Applicable.


Total no. of major NCR(s)
(details refer to Attachment 5) List : 0

5.0 AUDIT CONCLUSION


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

6.0 RECOMMENDATION


 No NCR recorded. Recommended to continue certification.

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

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

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

 Recommended to continue certification.

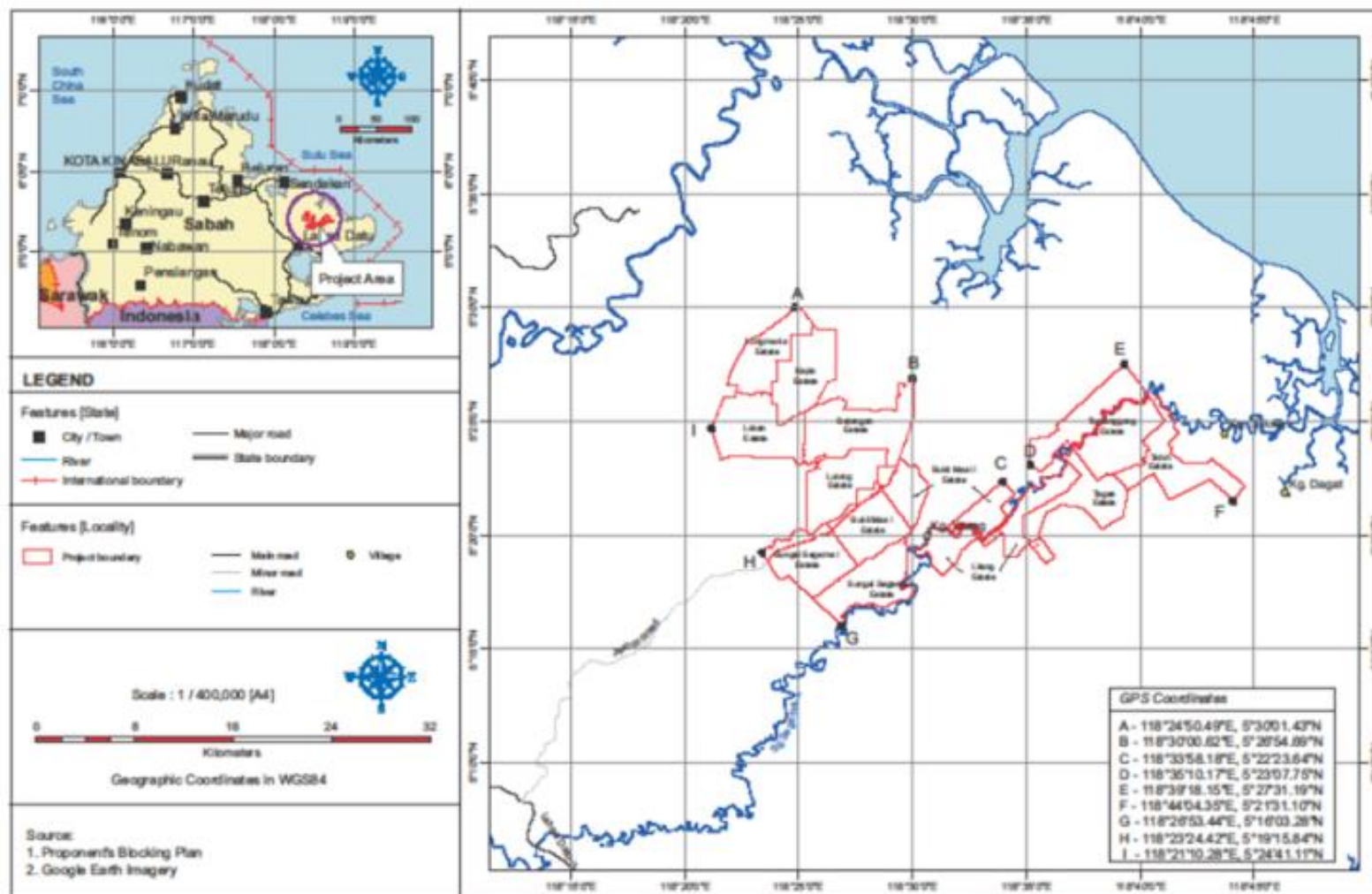
 Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

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

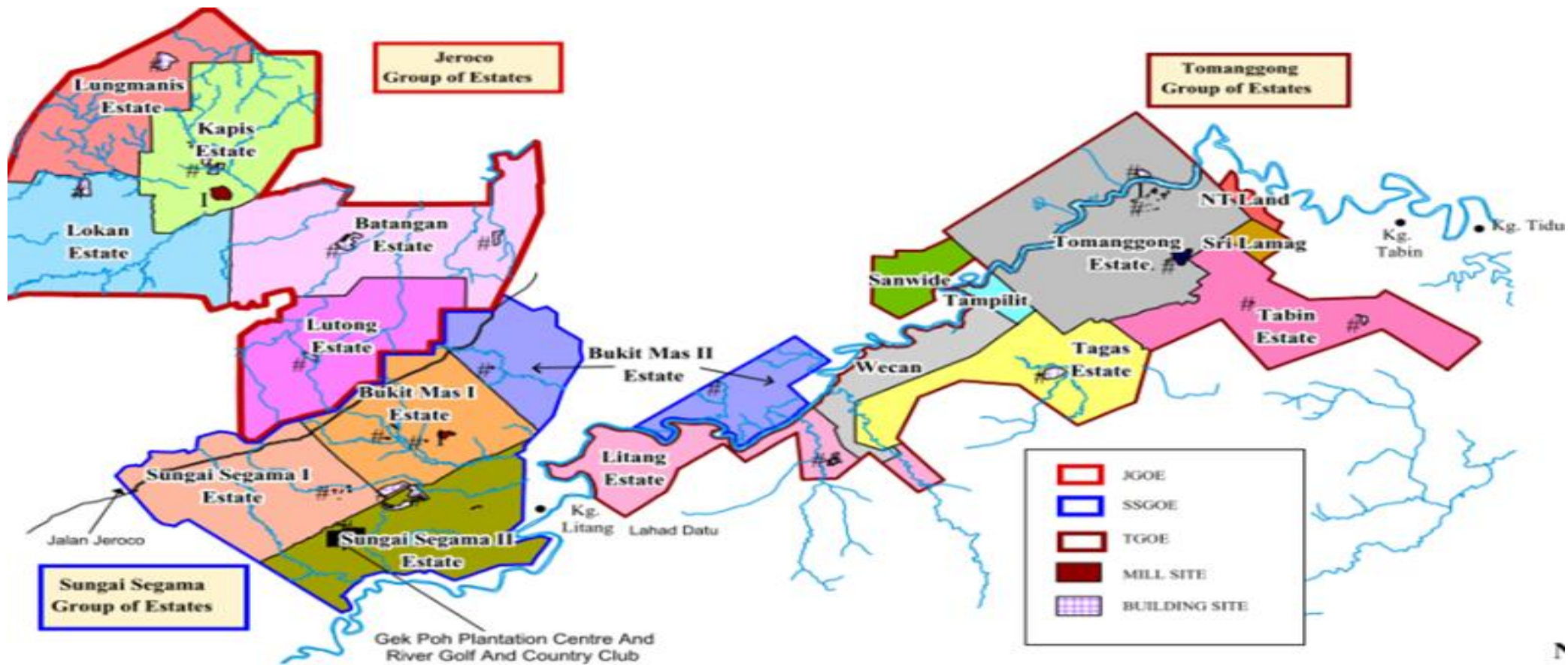
7.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.

Audit Team Leader :	Hazani Othman	<i>Hazani Othman</i>	3/10/2017
	_____	_____	_____
	(Name)	(Signature)	(Date)

Map of Jeroco POM 1 CU



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Attachment 2

RSPO Surveillance Audit Plan

Day 1: 1/8/17 (Tuesday)

Time	Activities & Areas			Auditee
8.30am - 9.00am.	Opening Meeting at CU – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria, programmes, and confirmation of itinerary and logistic by SIRIM QAS Audit Team Leader.			All
9.00am – 9.15am	Update by organization on: <ul style="list-style-type: none"> • actions taken to address previous audit findings. • update on progress of time bound plan and uncertified units (if any). • significant changes that could affect conformities to requirements, new acquisition / disposition, structure, infrastructure, facilities, capacity, new planting / replanting hectarage, sales, etc. • issues, such as legal non-compliance / action, disputes, complaint, claims etc. 			Management Representative
9.15am - 12.00pm	Hazani Lungmanis Estate	Rozaimiee Jeroco Mill 1	Raouf Lokan Estate	Guide(s) for each auditor
	Audit of relevant Indicators of P1, P2, P5, P6, P7, and P8 of social and HCV management, which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, land use rights, Social Impact Assessment (SIA), social and HCV management plans & implementation, complaints and grievances, training, continuous improvement plan, etc. • review of plantation boundary and any relevant amenities and facilities for employees (such as house, water and electricity supplies, shops, worship / prayer places, clinic, recreational facilities etc.). • review of land statement, conservation areas (e.g. riparian buffer zone, steep areas, wildlife habitat, etc.) and boundary. • consultation with any relevant personnel (e.g. management, local and foreign employees, unions, suppliers, communities, government agencies etc.). • follow up of previous issue, if any. 	Audit of relevant Indicators of P1, P2, P4, P5, P7, and P8 of environmental , safety and health management, which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, environmental impact assessment, management plans related to wastes, pollution, safety and health & implementation, training, continuous improvement plan, etc. • review of safety, health and environmental mitigation practices at any relevant operation and facilities (e.g. wastes collection / disposal sites, wastewater control facilities, genset, chemicals, oils storage, workshop, etc.). • consultation with any relevant personnel (e.g. management, employees, communities, government agencies etc.). • follow up of previous issue, if any: 	Audit of relevant Indicators of P2, P3, P4, P5, P7 and P8 of GAP , which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining compliance to laws and regulations, commitment to long-term economic and financial viability, good agricultural practices (GAP), management plan & implementation training, continuous improvement plan, etc. • review of field operation (e.g. harvesting, upkeep, replanting etc.) and related activities (e.g. nursery, stores of fertiliser and herbicides, etc.). • follow up of previous issue, if any. 	
12.00nn – 13.00pm	LUNCH BREAK			
13.00pm – 17.00pm	Lungmanis Estate Continue assessment	Jeroco Mill 1 Continue assessment	Lokan Estate Continue assessment	Guide(s) for each auditor

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Day 2: 2/8/17 (Wednesday)

Time	Activities & Areas			Auditee
8.00am – 12.00nn	Hazani	Rozaimiee	Raouf	Guide(s) for each auditor
	Lokan Estate	Lungmanis Estate	Lokan Estate	
	Audit of relevant Indicators of P1, P2, P5, P6, P7, and P8 of social and HCV management, which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, land use rights, Social Impact Assessment (SIA), social and HCV management plans & implementation, complaints and grievances, training, continuous improvement plan, etc. • review of plantation boundary and any relevant amenities and facilities for employees (such as house, water and electricity supplies, shops, worship / prayer places, clinic, recreational facilities etc.). • review of land statement, conservation areas (e.g. riparian buffer zone, steep areas, wildlife habitat, etc.) and boundary. • consultation with any relevant personnel (e.g. management, local and foreign employees, unions, suppliers, communities, government agencies etc.). • follow up of previous issue, if any. 	Audit of relevant Indicators of P1, P2, P4, P5, P7, and P8 of environmental , safety and health management, which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, environmental impact assessment, management plans related to wastes, pollution, safety and health & implementation, training, continuous improvement plan, etc. • review of safety, health and environmental mitigation practices at any relevant operation and facilities (e.g. wastes collection / disposal sites, wastewater control facilities, genset, chemicals, oils storage, workshop, etc.). • consultation with any relevant personnel (e.g. management, employees, communities, government agencies etc.). • follow up of previous issue, if any: 	Continue assessment	
12.00nn – 13.00pm	LUNCH BREAK			
13.00pm – 17.00pm	Hazani	Rozaimiee	Raouf	Guide(s) for each auditor
	Lokan Estate	Lungmanis Estate	Lungmanis Estate	
	Continue assessment	Continue assessment	Audit of relevant Indicators of P2, P3, P4, P5, P7 and P8 of GAP , which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining compliance to laws and regulations, commitment to long-term economic and financial viability, good agricultural practices (GAP), management plan & implementation training, continuous improvement plan, etc. • review of field operation (e.g. harvesting, upkeep, replanting etc.) and related activities (e.g. nursery, stores of fertiliser and herbicides, etc.). • follow up of previous issue, if any. 	

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Day 3: 3/8/17 (Thursday)

Time	Activities & Areas			Auditee
8.00am – 12.00nn	Hazani	Rozaimiee	Raouf	Guide(s) for each auditor
	Jeroco Mill 1	Lokan Estate	Lungmanis Estate	
	Audit of relevant Indicators of P1, P2, P6, P7, and P8 of social management, which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, land use rights, Social Impact Assessment (SIA), management plan & implementation, complaints and grievances, training, continuous improvement plan, etc. • review of plantation boundary and any relevant amenities and facilities for employees (such as house, water and electricity supplies, shops, worship / prayer places, clinic, recreational facilities etc.). • consultation with any relevant personnel (e.g. management, local and foreign employees, unions, suppliers, communities, government agencies etc.). • follow up of previous issue, if any. 	Audit of relevant Indicators of P1, P2, P4, P5, P7, and P8 of environmental, safety and health management, which may include: <ul style="list-style-type: none"> • review of relevant evident of conformities, pertaining commitment to transparency, compliance to laws and regulations, environmental impact assessment, management plans related to wastes, pollution, safety and health & implementation, training, continuous improvement plan, etc. • review of safety, health and environmental mitigation practices at any relevant operation and facilities (e.g. wastes collection / disposal sites, wastewater control facilities, genset, chemicals, oils storage, workshop, etc.). • consultation with any relevant personnel (e.g. management, employees, communities, government agencies etc.). • follow up of previous issue, if any: 	Continue assessment	
12.00nn – 13.00pm	LUNCH BREAK			
13.00pm – 17.00pm	Hazani	Rozaimiee	Raouf	Guide(s) for each auditor
	Jeroco Mill 1	Lokan Estate	Lungmanis Estate	
	Continue assessment	Continue assessment	Continue assessment	

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Day 4: 4/8/17 (Friday)

Time	Activities & Areas			Auditee
8.00am - 12.00nn	Hazani	Rozaimée	Raouf	Guide(s) for each auditor
	Jeroco Mill 1			
	Audit of relevant supply chain model used, which may include: <ul style="list-style-type: none"> • General Chain of Custody System Requirements for the supply chain • Documented procedures • Purchasing and goods in • Outsourcing activity • Sales and goods out • Processing • Records keeping • Registration • Training • Claims 	Continue unfinished assessment at relevant unit	Continue unfinished assessment at relevant unit	
12.00nn – 13.00pm	LUNCH BREAK & FRIDAY PRAYER			
13.00pm – 16.00pm	<ul style="list-style-type: none"> • Continue assessment • Verification on outstanding issues • Audit Team discussion, preparation on audit findings and issuance of NCR (if any) 			All Auditors
16.00pm – 17.00pm	Closing meeting at CU / End of audit			All

Note: Time and duration shown are approximate. Subject to weather, field visits may change accordingly, if necessary.

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Attachment 3

RSPO P&C Audit Checklist and Findings

Principle 1: COMMITMENT TO TRANSPARENCY

Clause	Indicators		Comply Yes/No	Findings
C 1.1 Growers and millers provide adequate information to relevant stakeholders on env., social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation decision making.	1.1.1	There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. Major	Yes	Review of records, including minute of meetings with stakeholders and related stakeholders files, as well interview with stakeholders observed no request for information on environmental, social and legal related matters.
	1.1.2	Records of requests for information and responses shall be maintained. Major	Yes	There were no requests for information on environmental, social and legal related matters observed, except prescribed periodical reporting to DOE on monitoring results of smoke and particulate emission, effluent and scheduled wastes inventory.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1	Land titles/user rights (Criterion 2.2);	Yes	The right to use the land at JPOM 1 CU clearly demonstrated and not disputed by any party. Documents related to land ownership i.e. land titles and payment of quit rent were made available at the respective visited offices.
		Occupational health and safety plans (Criterion 4.7);	Yes	Occupational Health & Safety Plan titled 'Occupational Safety & Health Plan 2017' has been established. Indicators set in the plan are being monitored. The audit on the progress monitoring of the programs identified is as in C 4.7 below.
		Plans and impact assessments relating to environmental and social impacts	Yes	Environmental and social impact assessment, management action plans, and continuous improvement plan for Jeroco Group of Estate maintained available by the CU.
		HCV documentation summary	Yes	The CU maintained made available documented HCV summary, which displayed at notice board.
		Pollution prevention and reduction plans (Criterion 5.6);	Yes	The list of waste generated from estate and mill activities maintained available. All sources of pollution have been identified by management. Mitigation measure and action taken also made available. Among of activities covered include nursery, growing, drainage, planting, fertilizing, scheduled waste and mill operation.
		Details of complaints and grievances (Criterion 6.3);	Yes	No complaint or grievances were observed.
		Negotiation procedures (Criterion 6.4);	Yes	Negotiation procedure maintained available.
Continual improvement plans (Criterion 8.1);	Yes	Continual improvement plans maintained available. Continual improvement is reported in the indicator 8.1. The continuous improvement plans was established and updated accordingly by the Executives from the Sustainability Department.		

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		Public summary of certification assessment report;	Yes	The public summary made publicly available at website by SIRIM QAS. http://www.sirim-qas.com.my/sirim/core-files/uploads/2017/02/21-Hap-Seng-Plantations-Holdings-Berhad-%E2%80%93-Jeroco-Palm-Oil-Mill-1-3rd-Surveillance-2016.pdf
		Human Rights Policy (Criterion 6.13).	Yes	The human rights policy maintained available. The policy is posted at office notice boards.
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	Yes	The documented policy committing to a code of ethical conduct and integrity of the company maintained available. The CU continued communicated the policy to their staffs including foreign workers during the induction course.

Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators	Comply Yes/No	Findings
C 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 Evidence of compliance with relevant legal requirements shall be available. Major Compliance	No	<p>The CU, generally observed to be complied with relevant legal requirements. Among of legal compliance were sighted during site visit at JPOM and both estates were:</p> <p><u>Jeroco Palm Oil Mill</u></p> <ol style="list-style-type: none"> 1) Factory and Machinery Act 1967 <ul style="list-style-type: none"> • <i>Person In Charge Regulation 1970</i> • <i>Steam Boiler and Unfired Pressure Vessel 1970</i> • <i>The Factories and Machinery (Notification, Certificate of Fitness and Inspection), Regulations, 1970 Regulation 10(2)</i> • <i>Noise Exposure Regulations 1989</i> 2) EQ (Prescribed Premise) Crude Palm Oil Regulations 1977 <ul style="list-style-type: none"> • Requirement in “<i>Jadual Pematuhan</i>” • License number and validity period • Discharge method – land irrigation. 3) Air monitoring 4) Scheduled Waste Regulations 2005 5) OSHA 1994, Use and Standards Of Exposure of Chemicals Hazardous to Health Regulations 2000 6) Regulation 27 (health surveillance programme) <p>Noted that JPOM 1 employer has failed to ensure that his authorized entrance intending to work in confined space are certified physically and mentally fit determined by an occupational health doctor (OHD) as per Industry Code of Practice for safe Working in a Confined Space 2010. Thus, Major NCR RAR 01 2017 has been raised.</p> <ol style="list-style-type: none"> 7) Electricity Supply Act 2015

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				<u>Lungmanis & Lokan estate</u> <ul style="list-style-type: none"> Genset license, Permit to store diesel and petrol, Air compressor.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained. Minor Compliance	Yes	The Legal and Other Requirements Register was prepared by the Sustainability Department. Each operating unit has its own copy of the Legal and Other Requirements Register and were evaluated individually annually for its compliance.
	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	Yes	Internal audit has been conducted by Agronomy Department in July 2017 to check implementation and maintenance of compliance prior SIRIM RSPO Surveillance audit 2017.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	Yes	The CU maintained to implement its documented system for identifying and tracking the updates of the applicable legal requirements through various media such as LawNet, internet, newsletter, etc.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised NCR land) and the actual legal use of the land shall be available. Major Compliance	Yes	The right to use the land at Jeroco 1 CU can be demonstrated and not disputed by any party. Auditor sighted that there were clear land ownership documents stated in land titles. The original copies of the documents were kept in Plantation Central Office, Sg. Segama. All the estates were under the jurisdiction of Kinabatangan District. Review of documents confirmed that the terms of the land title for all the estates are for the cultivation of agricultural crop of economic value which had been complied with.
	2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	Yes	The perimeter boundaries of the estates were visibly maintained by erecting white painted pegs along the boundary. The management monitors the pegging condition by categorizing the field/block located. Boundary pegging inventory checklist was available for both Lokan and Lungmanis Estates.
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with FPIC. Minor	Yes	Review of documented stakeholders meeting and interview with stakeholders observed there was no dispute on ownership or right to use of land.
	2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes are implemented and accepted by the parties involved. Major	Yes	Review of documented stakeholders meeting and interview with stakeholders observed there was no dispute on ownership or right to use of land.

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	2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties. Minor Compliance	Yes	Review of documented stakeholders meeting and interview with stakeholders observed there was no dispute on ownership or right to use of land.
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major	Yes	Review of documented stakeholders meeting and interview with stakeholders observed there was no dispute on ownership or right to use of land.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights shall be developed through participatory mapping involving affected parties. Major	NA	Not applicable as there was no land encumbered by customary rights or disputed by stakeholders.
	2.3.2	Copies of negotiated agreements detailing the process of FPIC shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities,	NA	Not applicable as there was no land encumbered by customary rights or disputed by stakeholders.

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		including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. Minor Compliance		
	2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. Minor	NA	Not applicable as there was no land encumbered by customary rights or disputed by stakeholders.
	2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. Major Compliance	NA	Not applicable as there was no land encumbered by customary rights or disputed by stakeholders.

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

Clause	Indicators	Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	Yes	Both estates continued to make commitment to a long term economic and financial viability. The annual budgets for 2017 to 2021 were reviewed. The budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure and etc. The budget included projections on yield/ha, and total cost of production per metric ton & per ha.
	3.1.2	Yes	The replanting programmes until 2028 were sighted for both estates. This programme is reviewed once a year and is incorporated in their annual financial budget.

Principle 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS

Clause	Indicators	Comply Yes/No	Findings
C 4.1 Operating procedures are appropriately doc, consistently	4.1.1	Yes	The CU maintained its documented Standard Operating Procedures (SOPs). The Oil Palm Agriculture Policy (OPAP) covering the following estate operations were continued to be implemented: Nursery practice, Land clearing, preparation and planting, Soil conservation and terracing, Road construction and maintenance, Establishment and maintenance of legume covers, Planting density and planting technique, Palm replacement during immaturity and supplying,

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implemented and monitored				Upkeep immature oil palms, Upkeep mature oil palms, Pest and diseases, Manuring, EFB application, Harvesting, Bunch census, Palm thinning. Mill operation continued to adhere to the SOP that covered aspects related to oil palm processing, e.g. boiler operation, effluent treatment plant, laboratory, workshop activity and chemical and waste handling procedures.
	4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	Yes	The mechanism of ensuring consistent implementation was by periodic reporting from operating units to HQ, routine on site visits, inspections and discussions by HQ with operating personnel, PA visits, RSPO Audits.
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Yes	The CU maintained its relevant records of monitoring. In the mill, among monitoring records maintained were related to monitoring of effluent, black smoke, scheduled wastes, processing and production records etc. As for the estate, among monitoring records maintained were related to Work Program Sheets, Field cost books, Bin cards, Harvesting Intervals, Monthly Estate Report and Account, Monthly Operations, monthly rainfall, pest and diseases monthly return, agrochemical monthly consumption and monthly FFB production, etc.
	4.1.4	The mill shall record the origins of all third-party sourced FFB. Major Compliance	Yes	The CU continued to record the origin of FFB source. However, there was no third-party source since the mill maintained its Identity Preserved production model.
C 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	Yes	Both estates continued to practice the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application. Fertiliser application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made by the Agronomist. Annual fertiliser recommendations were made based on annual foliar sampling. Soil sampling was carried out yearly in fields on a 5-year cycle basis. The main fertiliser recommended for 2017 and 2016 for Lokan Estate and Lungmanis Estate were NK, AS, MOP, Bunch Ash, RP, Kieserite and HGFB. In both estates Mix 44, CPD45 and CPD55 had been recommended for immature areas.
	4.2.2	Records of fertiliser inputs shall be maintained. Minor	Yes	Fertiliser inputs were based on recommendation by the Hap Seng's Agronomy Department. The application programs were monitored using program sheets, bin cards, field cost book and manuring program sheets. Records of programs and applications of fertilisers were available. Records showed that actual applied in 2017 was in line with recommendations in both estates.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	Yes	Both Lokan and Lungmanis Estate in 2016 and 2015, respectively. have conducted periodic tissue and soil sampling to monitor changes in nutrient status. Nevertheless recommendation should be made in the near future.
	4.2.4	A nutrient recycling strategy shall be in place, and may include use of EFB, POME, and palm residues. Minor	Yes	Both estates had a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and EFB were also applied.
C 4.3 Practices minimize and control erosion	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	Yes	Based on the soil map provided, there was no fragile/marginal soils in both audited estates. The soils series in Lokan Estate were Rumidi (0.57%), Kretam (85.85%) and Lokan (13.58%). In Lungmanis Estate, the soil series were Lungmanis (6.66%), Kretam (78.78%) and Lokan (14.56%).

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and degradation of soils.	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor	Yes	Jeroco 1 CU had a strategy for planting on slopes to minimise and control erosion and degradation of soils. The planting on slope was guided by its Oil Palm Agriculture Policy dated October 2014. To minimise and control erosion and degradation of soils, proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines were implemented. These were evident during the site visit. Cover crop was observed planted in the replants and in some mature areas. The cover crop <i>Pueraria Javanica</i> and <i>Calopogonium Mucunoides</i> had been planted along some slopes by management. Large areas with <i>Neprolepis biserrata</i> in the inter rows were sighted during the visit. No bare ground was sighted during the visit.
	4.3.3	A road maintenance programme shall be in place. Minor	Yes	Regular road maintenance programmes was in placed to ensure accessibility to the estates. Budgets were allocated for this purpose.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.	NA	Not applicable. No peat soils observed in Lokan and Lungmanis Estates.
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor	NA	Not applicable. No peat soils observed in Lokan and Lungmanis Estates.
	4.3.6	A management strategy shall be in place for other fragile and problem soils. Minor Compliance	NA	Not applicable. No other fragile and problem soils observed in Lokan and Lungmanis Estate
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	Yes	Both Lokan and Lungmanis Estates continued to be guided by the CU Water Management Plan which was developed in order to maintain availability of natural water resources. The plan included practicing efficient water consumption through various methods such as minimising wastage of treated water and pollution prevention to the natural water sources. In the Water Management Plan, the CU had identified actions to be taken in the event of water supply shortage (e.g. drought seasons). Workers quarters were provided with separate tanks for rain water harvesting. This water is used for washing. Treated water for drinking is supplied to a separate tank and the amount used was monitored. Water from rinsing of pesticide containers was reused for spraying. Records of rainfall data to assist in the water management plans were sighted from 2007.
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones shall be demonstrated. Major	Yes	Both Lokan and Lungmanis Estates had continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along all natural waterways within the estates. During the site audit at the estates, it was noted that buffer zones were allocated along the natural waterways. Signage and red paint on oil palm trunk were used as demarcations of the buffer zones. The boundary marker for buffer was sufficiently maintained. It was clear that HSPHB had a policy to maintain the buffer by restricting agrochemicals application. There was no sign of agrochemicals applied. The signboard for riparian buffer zone were erected and it contain several order and

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				instruction such as prohibited for intrusion, spraying of agrochemical, fishing, open burning and planting.
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. Minor	Yes	An ETP is available at JPOM 1 to treat the POME. According to DOE's license, the disposal method of the final discharge is through land irrigation. The ETP was regularly maintained by desludging of the ponds to ensure its efficiency. Final discharge samples were taken on monthly basis and sent to an accredited laboratory for analysis. The results of analysis were submitted to the DOE on quarterly basis. All parameters were within the regulatory limit such as BOD discharged to land irrigation was not more than 20 mg/l.
	4.4.4	Mill water use per tonne of FFB shall be monitored. Minor	Yes	Processing water obtained from Sungai Simpang Kiri Lokan Estate. Monitoring of Water usage in mills being monitored to be between 0.65 to 0.87 m ³ /tonne FFB processed.
C 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	Yes	Both estates continued to manage pests, disease, weeds and introduced invasive species using appropriate IPM techniques guided by the Procedure Pests and Diseases. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, Rhinoceros Beetles and ganoderma. For bagworm control the program includes the planting of nectariferous beneficial plants such as <i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Turnera subulata</i> and for rhinoceros beetles is by using pheromone traps. In order to minimize the use of insecticides for leaf-eating pest, the estates had planted beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> along some of the roadsides. Pheromone traps to trap Rhinoceros Beetles were sighted in the 2015, 2016 and 2017 replants in Lokan Estate. Rat damage and leaf-eating pest census was regularly carried out to obtain information about threshold level and action to be taken thereafter. The records of census were available for verification. Rat baiting campaigns were carried out as when required when the damage of crop was found to be above threshold level of 2%. Ganoderma census was conducted as per program and infected palms were bowled out and shredded.
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor	Yes	Training related to IPM implementation "Pest and Disease" was last conducted in July 2017 Lokan and Lungmanis Estates by the Chief Agronomist. The training was attended by executive and non-executive staffs. Records of training were available for verification.
C 4.6 Pesticides are used in ways that do not endanger health or the environment	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	Yes	The use of all agrochemicals by the estates was guided by its Procedure Upkeep of Mature oil palm (for herbicide & for insecticide/rodenticide)] and SSOP where written justifications had been provided. The manual had included a chemical register list which indicates the purpose of usage (intended target), hazards signage, trade and generic names.
	4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major	Yes	Both visited estates maintained records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used. The total quantity used, number of applications and active ingredients (ai) per Ha were also recorded. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field cost books and in progress reports. Records of pesticides used were available for verification. Both estates had documented programs for spraying pesticides.

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	4.6.3	Any use of pesticides shall be min. as part of a plan, and in accordance with IPM plans. There shall be no prophylactic use of pesticides, except in specific situations identified in industry's Best Practice. Major	Yes	As part of the IPM plans, management of both estates had established nectariferous beneficial plants nurseries for continuous planting in order to attract natural predators and thus to reduce use of insecticides. During visits to the site, noted that a number of beneficial plants were planted. Both estates had plants ready for planting at the Nurseries.
	4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be min. and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Sect. 53A); and in acc. with USECHH Reg. (2000). Minor Compliance	Yes	Both estates only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). There was no evidence of pesticides that are categorised by World Health Organisation as Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, had been used in 2015 and 2016.
	4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers. Major	Yes	Records showed that pesticides were handled, used and applied by trained personnel and as per the MSDS of the pesticide. The staff and workers such as the storekeepers, sprayers, workers applying fertilizer and rat baits were trained. Random interviews conducted showed that they understood the hazards involved and the usage and handling of chemicals in a safe manner. The trade and generic names of the chemicals were made known to the workers through the CSDS training. It was also noted that CSDS are available at all sites.
	4.6.6	Storage of all pesticides shall be according to recognized best practices. All pesticide containers shall be properly disposed of and not used for other purposes. Pesticides shall be stored in acc. to the	Yes	Based on site observations, the chemicals at the estates were stored in accordance with the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Only authorized personnel has the access to the chemical store.

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		Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major		
	4.6.7	Application of pesticides shall be by proven methods that min. risk and impacts. Minor	Yes	Pesticide applications were guided by HSPHB's OPAP manual, SSOP, CHRA and by MSDS supplied by the manufacturer. CHRAs for both estates were reviewed in Dec 2015 by registered assessor.
	4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	Yes	Aerial spraying was not practiced by HSPHB. There was no evidence that this activity had been carried out at both estates.
	4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. Minor	Yes	The staff and workers such as the storekeepers, sprayers, workers applying fertilizer and rat bait were continuously trained. The training was regularly conducted by the estate management to enhance knowledge and skills of employees. The training included the safety aspects and usage of PPE. Records of training were maintained for verification. Random interviews with the workers showed that they had understood the hazards involved and the usage and handling of chemicals in a safe manner.
	4.6.10	Proper disposal of waste material, acc. to procedures that are fully understood by workers and managers shall be demonstrated. Minor	Yes	Scheduled wastes were stored at centralized scheduled waste store in Jeroco Central workshop. Disposal of empty pesticide containers were carried out as per established procedures. Triple rinsing procedures was continually implemented for empty pesticide containers. The rinsed containers were then pierced and stored prior disposal. 5 th schedule inventory was evident. Noted last disposal was to registered supplier and tThe 6 th schedule consignment notes were verified.
	4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demo. Major	Yes	All sprayers, manuring operators, store keepers, foremen, water treatment operator and lab attendant were sent for annual medical surveillance and the records were reviewed by the audit team. The results for blood test, cholinesterase test, baseline test, and urine fame test were satisfactory and all workers were fit to handling chemical.
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. Major Compliance	Yes	There was no evidence of pregnant and breast-feeding women sprayers performed spraying activity in both estates and mill. Workers interviewed were aware that pregnant and breast-feeding women should not handle chemicals. Monitoring of pregnancy and lactating was conducted on every month by estate HA. For detected cases, HA had issue a letter to the management of both estates to notify them of the pregnancy status. Estate's management has taken action by transferring the workers from spraying operator to other work such as general work and planting beneficial plant work until the baby has delivered and stop from breast feeding.
C 4.7 An occupational health and safety plan	4.7.1	An occupational health and safety policy shall be in place. An occupational health and	Yes	Occupational Safety and Health Policy signed by the Chief Executive-Group Plantation was sighted, dated in Dec, 2014. The policy had been communicated to all levels of the organization through briefings and also displayed prominently in Bahasa Malaysia and English on notice boards at mill

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is documented, effectively communicated and implemented.		safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance		and estate office and Muster Ground. Random interviewed with employees showed that they generally understood the basic requirements of the policy. An Occupational safety and health plan for 2017 for each sites had been established and implemented. The plan covered the health and safety plan activities for year 2017 which included the work place inspection, health and safety training programme, and health monitoring programme.
The occupational health and safety plan shall cover the following:	4.7.2	All operations where health and safety is an issue shall be risk assessed, and proc. and actions shall be doc. and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major	Yes	Jeroco POM 1 CU had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. The HIRARC was updated in July 2017. At the estates, among the HIRARC identified included activities such as chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance. Last review was carried out in June 2017.
	4.7.3	All workers involved in the operation shall be adequately trained in safe working practices. Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning. Major	Yes	Training and briefing on the operations were provided to workers to educate them on safe working practices and to ensure applicable precautions are adhered. Training for employees were conducted from time to time through various method such as on the job training, briefings, meetings, etc. The staffs and workers such as storekeepers, harvesters, pruners, field workers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involve and used of chemicals in a safe manner. All workers were provided with appropriate PPE and replaced when damaged. PPE issuance and replacement records were verified by the audit team. It was observed that PPE was used by workers working in the fields. Based on the HIRARC identified for both estates, the types of PPE for the various activity were identified.
	4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major	Yes	Regular safety meetings between the responsible persons and workers about safety and health were conducted. Safety Committee Meeting was conducted once in three months by all audited operating units. The meeting minutes were made available at the estate and mill offices. Minutes between Sept 2016 and June 2017 were sighted.
	4.7.5	Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in	Yes	The ERT consisting of trained First Aiders, mill/field staffs, Mandores, Admin clerk, workshop operator and Security personnel. Interviews with mill/estate staffs and mandores revealed they understood and were aware of the emergency procedures requirements. It was observed that all operating units were provided with first aid boxes which were checked on a monthly basis by the Hospital Assistants. At the mill, first aid box was located at supervisor room, laboratory, engine room, workshop and office. At the estates, first aid box was given to mandores and available at estate office and workplace. Records of replenishment were verified by the auditor. Telephone numbers and names of the members of the Emergency Response Team were communicated to all employees and displayed at notice boards. Telephone numbers of the PIC, Police Station, Fire

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		both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. Minor		Brigade, and Hospital were also included. Jeroco CU had emergency response plan and has been prepared by ESHS officer.
	4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor	Yes	At this CU, it can be confirmed that all foreign workers were covered with insurance policy and for the local workers, they were covered under SOCSO. Evidence of contribution was sighted.
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor	Yes	Both estates and the mill had monitored the occupational injuries using LTA metrics. The records, JKPP 8, were available during the assessment and were verified by the auditor. At JPOM no accident with lost time accident was reported for year 2016. At Lokan estate there were 2 cases with lost time accident not more than 2 days of MC. At Lungmanis estate only 1 cases accident was reported with lost time accident not more than 4days.
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	Yes	Formal training programmes for 2017 covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs were presented to auditors by both estates. The training programmes were also extended to contractors and suppliers. Some of the training program includes: Company policy, Schedule waste handling, First aid training, Safety and health committee training, Accident investigation training, PPE Handling and replacement procedure, IPM, Pre-mix training, Manuring.
	4.8.2	Records of training for each employee shall be maintained. Minor Compliance	Yes	All training records for each employee involved in the estate operations such as weeding, fertiliser application, pest & disease, harvesting and replanting were available for verification.

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

Clause	Indicators		Comply Yes/No	Findings
C 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	Yes	Latest environment aspect impact assessment was reviewed in May 2017 to cover all activities in Jeroco Groups. The main purposed of for this assessment was to evaluate and analyse impact on soil, water, and lair associated with the organization activities. Among environment aspects assessed were agrochemical applications, land and water contamination from hazardous material and farm vehicles, human settlement disturbance and abandonment. The EAI also covers the upstream activities such as FFB reception until the downstream processes. At the mill, the identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the significant environmental aspects are air emission from boiler stack, generation of the POME and land contamination which related to the management of scheduled wastes and domestic waste.
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be	Yes	No changes were made to the environmental aspects and impacts or current practices which require changes in the environmental action plans. Nevertheless, the existing environmental action plans had identified timeframes and responsible person at each operating units assessed.

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		developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. Minor		
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. Minor	Yes	The CU has developed an “Environmental Impact Assessment, Management Action Plans and Continuous Improvement Plan for Jeroco Group” to monitor the effectiveness of the mitigation measures taken.
C 5.2 The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.	5.2.1	Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations.	Yes	The CU had assessed its planted area and relevant landscape level for identifying HCV. The assessment was reported in the “Potential High Conservation Value Area Assessment Report – Lutong Estates, Batangan Estates, Lokan Estate, Lungmanis Estate and Jeroco Palm Oil Mill 1”. The report was prepared by the Sustainability Executives and updated on May 2017. The assessment had identified HCVs as below associated with both estates: (1) HCV4: – river (Sg. Simpang Kanan) and (2) HCV5 - water catchment pond; adjacent (landscape-level); Sg. Simpang Forest Reserve (Virgin Jungle Reserve – Class VI).
	5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance	Yes	The CU continued implemented its HCV action plan. The routine action plan contain monitoring of the areas. Monthly monitoring checklist was observed implemented.
	5.2.3	There shall be a program to regularly educate the workforce about the status of these RTE species & appropriate disciplinary measures shall be instituted in acc. with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance	Yes	The CU continued communicate to its employees pertaining conservation of RTE species and disciplinary measures. Typically, the CU communicated on the matter during morning muster. In addition, the CU also has conducted formal briefing programs.

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	5.2.4	Where an action plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring shall be fed back into the action plan. Minor 	Yes	Action plans pertaining to monitoring of HCV and RTE were implemented. Among others, the plan includes training and periodical monitoring. Record of training attendance, training material and monthly checklist pertaining monitoring of HCV and RTE was available. No present of RTE, significant activities or information that could affect the status of HCV or RTE or require update of action plan were observed.
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	NA	Not applicable as there were no local communities living nearby or have right within the Jeroco 1 CU.
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	Yes	Jeroco Group has documented the identification of all waste product and sources of pollution. The "list of waste generated for estate and mill" were established to mitigate applicable identified waste product and source of pollution the plans were reviewed in May 2017. The most significant environmental receptors for the estates and mill operations were: <ul style="list-style-type: none"> Air – Source from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping), GHG. Water – Cleaning water/run-off/process station waters (hydro cyclone /sterilizer condensate/clarification waste) & boiler quenching water and blowdown. Land – Scheduled waste, domestic waste and industrial/process waste, Nursery Operation, Estate operation, workshop, line site, office. Clinical waste – generated from Clinics.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	Yes	Among the identified wastes including empty chemical containers such as pesticides containers. Empty pesticides containers were washed at washing station prior to disposal. Disposals were carried out in compliance with EQ(scheduled waste)Regulations. Inventory and consignment documents were verified for confirmation of proper management and disposal.
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. Minor	Yes	Disposal of empty pesticide containers were carried out as per established procedures. Triple rinsing was continually implemented for empty pesticide containers. The rinsed containers were pierced and stored prior disposal. 5 th schedule inventory was evident. Noted that all scheduled wastes were stored at centralized Scheduled Waste Store in Jeroco Central workshop. Sighted last disposal was to the approved supplier and the 6 th schedule consignment notes were verified.
C 5.4 Efficiency of FF use and the use of RE is optimised.	5.4.1	A plan for improving eff. of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.	Yes	Fossil fuel such as diesel and petrol were use in both operation of estates and POM, especially on FFB transportation and generating power by gen set. Both estates had developed plan to ensure that used of fossil oil are efficient and monitored properly. Both estates had developed plan "fossil fuels management plans" dated in July 2017.

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<p>C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice</p>	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Major Compliance	Yes	HSPHB maintained a policy of no open burning. Both estates visited had not practiced any open burning and there was no evidence to show that fire had been used for preparing land for replanting. Observed trunk were chipped and stacked at inter row.																																						
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003. Minor Compliance	Yes	The CU had not practiced any open burning and there was no evidence to show that fire had been used for preparing land for replanting in Lokan Estate. All palms were chipped and left decomposed at field.																																						
<p>C 5.6 Preamble Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these emissions. Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting</p>	5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent.	Yes	No changes on environmental aspects and impact or new polluting activities observed. The existing EIA documents had identified generation of gaseous emissions from its operation such as lorries and farm tractor. Noted the documents had been reviewed annually at each operating units.																																						
	5.6.2	Significant pollutants and GHG emissions shall be identified, and plans to reduce or minimise them implemented. Major	Yes	Jeroco Group had identified emission of GHG from their operations such as emission from their farm tractor and gen set operation. The management from both estates and mill had planned to reduce emission by daily inspection and monitoring for their farm tractor and gen set to prevent any leakage and problem that could adverse impact the environment.																																						
	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance	Yes	<p>The CU had used RSPO PalmGHG version 3.0.1 Calculator as a tools to calculate the GHG emissions. Sighted report send to RSPO in May 2017. The input data was verified and the following were determined:</p> <p>Mill emissions:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Emission sources</th> <th style="text-align: right;">tCO2e</th> <th style="text-align: right;">tCO2e/tFFB</th> </tr> </thead> <tbody> <tr> <td>POME</td> <td style="text-align: right;">45607.24</td> <td style="text-align: right;">0.2</td> </tr> <tr> <td>Fuel consumption</td> <td style="text-align: right;">1288.07</td> <td style="text-align: right;">0.01</td> </tr> <tr> <td>Grid electricity utilisation</td> <td style="text-align: right;">588.87</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Export of excess electricity to housing</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Sale of PKS</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Sale of EFB</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">47484.18</td> <td style="text-align: right;">0.2</td> </tr> </tbody> </table> <p>Estate emissions:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Emission sources</th> <th style="text-align: right;">tCO2e</th> <th style="text-align: right;">tCO2e/tFFB</th> </tr> </thead> <tbody> <tr> <td>Land Conversion</td> <td style="text-align: right;">95075.08</td> <td style="text-align: right;">0.46</td> </tr> <tr> <td>CO2 Emissions from Fertiliser</td> <td style="text-align: right;">2977.12</td> <td style="text-align: right;">0.01</td> </tr> <tr> <td>N2O Emissions</td> <td style="text-align: right;">2956.77</td> <td style="text-align: right;">0.01</td> </tr> <tr> <td>Fuel Consumption</td> <td style="text-align: right;">4117.74</td> <td style="text-align: right;">0.02</td> </tr> </tbody> </table>	Emission sources	tCO2e	tCO2e/tFFB	POME	45607.24	0.2	Fuel consumption	1288.07	0.01	Grid electricity utilisation	588.87	0	Export of excess electricity to housing	0	0	Sale of PKS	0	0	Sale of EFB	0	0	Total	47484.18	0.2	Emission sources	tCO2e	tCO2e/tFFB	Land Conversion	95075.08	0.46	CO2 Emissions from Fertiliser	2977.12	0.01	N2O Emissions	2956.77	0.01	Fuel Consumption	4117.74
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<p>to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO. Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>				Peat Oxidation	0	0
				Sinks		
				Crop Sequestration	-96412.7	-0.48
				Conservation Sequestration	0	0
				Total	8714.01	0.03
<p>The final emissions value per product was determined as 0.99 tCO₂e/tCPO and PK</p>						

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

Clause	Indicators		Comply Yes/No	Findings
<p>C 6.1 Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>	6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	No	The CU maintained its documented social impact assessment (SIA), i.e. "Social Impact Assessment, Management Action Plans and Continuous Improvement Plans, Jeroco Group of Estates and Jeroco Palm Oil Mill 1 & 2, 20-23/6/17", and records of meetings with stakeholders. The SIA and meetings had covered all issues raised by stakeholders including social matters related to estate and mill operation. In Lokan Estate, noted there is replanting activities. However, the documented assessment has not included / identified aspects of replanting that have social impact, and establish relevant plan to implement and monitor. Thus, Major NCR HO-01 is raised.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	Yes	The CU maintained evidence of assessment conducted with participation of affected parties. Attendance and record of meeting were available, such as: Mill and Estate level Joint Consultative Committee (JCC) meeting, Group level stakeholder meeting, Joint Consultative Committee (JCC) meeting. Generally, the meetings were attended by employees, estate communities, contractors, suppliers, villagers, government agencies etc.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, doc. and timetabled, incl. responsibilities for impl. Major	Yes	The CU maintained established and implemented action plan to address social issues identified through SIA / meetings with stakeholders. The plan contain timetable and responsibilities of implementation
	6.1.4	The plans shall be reviewed as a minimum once every two years and updated as	Yes	The established plan noted reviewed annually during mill and estate level JCC meetings, as well as reviewed bi-annually at Group level JCC meeting.

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		necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. Minor		
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes. Minor Compliance	NA	Not applicable as there were no smallholders scheme in the CU.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	Yes	The CU maintained its documented Consultation and Communication Procedures (<i>Prosedur Memohon Maklumat</i>) and grievance procedures for internal and external parties.
	6.2.2	A management official responsible for these issues shall be nominated. Minor Compliance	Yes	The CU maintained to have management official responsible for social issues at each operating unit. The respective unit manager acknowledged themselves generally responsible for such issues.
	6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance	Yes	The CU maintained its documented list of stakeholders. The list contained government agencies, suppliers, contractors, schools, traders, neighboring estates, etc. Records of communication and action taken, such as related to meetings and relevant records of implemented action plan retained by the CU.
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. Major Compliance	Yes	The CU maintained the following procedures to handle complaint and grievances: <ul style="list-style-type: none"> • Procedures for reporting complaints and grievances (<i>aduan dan permasalahan</i>) for staffs and workers. • Procedures for reporting complaints and grievances (<i>aduan dan permasalahan</i>) for stakeholders.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	Yes	There were no disputes observed within the covered audit period.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	Yes	HSPHB maintained procedures to deal with land disputes, squatter disputes, and loss of legal and customary rights. In the case of boundary disputes, the procedure requires the estate management and the disputing party to negotiate, first, failing which the case will have to be referred to the Headquarters for further negotiation. If negotiation fails, the case will be brought to court for arbitration. Squatter disputes will be handled either by the Employee Relations Department or the Compliance Department depending on whether it involves on-land disputes or former workers

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with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.				staying in estate quarters. Actions will normally be in the form of negotiation or legal proceedings or both. However, noted that there was no dispute on customary rights, boundaries and squatters observed within the covered audit period.
	6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor	Yes	The CU maintained its compensation procedures, which prescribe the determination of lawful owners, distribution of the compensation, time frame for compensation and calculation for various compensations. However, there was no any compensation observed. In addition to the above procedures, the Sabah Land Ordinance (SLO) 1930 provides for ways which natives can have titles and rights to lands and who should be compensated if losses are incurred. Land titles can be awarded to natives under sections 9, 15, 76 and 78 of the SLO. Compensation can be paid under section 16 of the Ordinance. Therefore, there already exists a legal framework against which the estates have to operate when it involves customary lands rights and determination of compensations.
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance	Yes	There were no negotiated agreements and compensation claims observed within the covered audit period.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	The CU maintained documentation of pay and condition for employees. The documentation of pay contained in monthly payslip, and documentation of condition contained in employment contract.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. Major	Yes	The CU maintained to provide documented employment contract, which contain information of employment conditions. Among others, the contracts spelled out the period of employment, wage rate, work benefits, overtime, annual leave and public holidays, etc.

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	6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible. Minor	Yes	The CU continues provided free housing, water supply, free medical services, subsidized electricity and access to education for children of foreign workers. The CU also provided other amenities and facilities such as clinic, ambulance, <i>crèche</i> , <i>surau</i> , football field, groceries shops. The CU also continued conduct weekly inspection at the linesite. Record of inspection "Weekly inspection: Residential & Utility Inspection Reports was available.
	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. Minor Compliance	Yes	There were grocery shops in the CU that sell sundries including food items for the need of CU communities. Price of groceries is monitored by the respective Estate Manager. Grocery shops were required to submit their price list to the management for monitoring. The price lists were available at respective estate office.
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	Yes	The CU maintained its published statements on freedom of association and respect the right of workers to form or join trade unions. Further, the CU also maintained its "Policy on Freedom of Association and Right to Collective Bargaining" in <i>Bahasa Melayu</i> . However, there was no union form in the CU. Thus, the CU management had established Joint Consultative Meeting (JCC) to facilitate their employees to address their issues, if any.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	Yes	The employees in the estates and mill were not unionized. There was no union formed among the workers to discuss related work or social matters. However, a Joint Consultative Committee (JCC) was formed to serve as a platform to discuss such issues. This JCC among others, comprises of the estate management, field supervisors, <i>mandores</i> , drivers and clerk. The CU continued to conduct JCC meeting to address social issues related to workers. Review of the minutes of the meeting revealed that the scope of issues discussed in the meeting was fairly wide, e.g. work safety and health, social, etc. The meetings were attended by representative of the employer, local workers and foreign workers. Among issues discussed were crime, security, amenities, sexual harassment, etc. In addition, the CU also continued to have other meetings, which attended by employees representative, and they may raise their issues, such as Safety and Health meeting, and <i>Mesyuarat Unit Tindakan Sosial</i> .
C 6.7 Children are not employed or exploited.	6.7.1	There shall be documentary evidence that minimum age requirements are met. Major Compliance	Yes	HSPHB maintained Labour Policy, which does not allow children below 18 years old to work in the estates / mill. Verification of workers listing and their personal particular, which among others provide their date of birth, date of joined, etc. observed that no underage persons were employed.
C 6.8 Any form of discrimination based	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected	Yes	The CU maintained its "Equal Opportunities Policy" to provide equal opportunities to relevant and affected group.

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on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		groups in the local environment shall be documented. Major		
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	Yes	Interviewed with various employees of different gender, nationality, race, religion acknowledged that they were treated equal and not discriminated in any form including related to recruitment, works, promotion, amenities, benefits, etc. Interviewed with other external stakeholders, such suppliers, contractor, also acknowledged they had no issues pertaining equal opportunities.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance	Yes	Recruitment and promotion noted were conducted based on job requirements accordingly. Interviewed with various employees acknowledged no issues pertaining recruitment and promotion.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The CU maintained its policy on sexual harassment entitled " <i>Polisi Untuk Pencegahan dan Pembasmian Terhadap Gangguan Seksual Yang Tidak Diundang Di Tempat Kerja</i> ". The CU maintained Gender Committee and continued communicated concerning to prevent sexual and all other forms of harassment and violence. Periodical gender meeting observed was conducted. Minute of meetings were available. There were no case observed.
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The CU maintained and implemented its policy to protect the reproductive rights of all, especially women. The policy was communicated to its workers during morning musters. Interviewed with female workers noted they were understand the policy and their rights, e.g. no work of handling chemicals during pregnancy or breastfeeding.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	Yes	The CU maintained its documented procedure " <i>Melapor Aduan dan Permasalahan</i> " concerning respect of anonymity of complainants and whistleblowers. However, there were no cases of complaint or grievance observed.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	NA	Not applicable as the CU only received its own certified FFB.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and mechanisms for FFB and inputs/services shall be documented. Major	Yes	The CU only received its own certified FFB. For other services, the CU maintained its procurement process either through quotation and order or tendering process. However, for common used items (e.g. chemicals, stationery, etc), the procurement is managed by central procurement office of the group.

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	6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. Minor Compliance	Yes	Interviewed with suppliers and contractors noted that the estates / mill treated them fairly and they have no issues with the estates or mill management. They acknowledged their contract were fair, legal and transparent.
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	Yes	Suppliers and contractors invoices and related payment documentation were under the control of the central office of the group. However, interviewed with suppliers and contractors acknowledged that payments were made in timely manner, and no complaint was observed.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor	Yes	The CU continued contributed to local communities. This included: <ul style="list-style-type: none"> • annual pay for HUMANA fee. • Reading material for HUMANA. • Repair of HUMANA school
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor	NA	Not applicable as there are no scheme smallholders in the CU.
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major	Yes	Employees, including foreign and women interviewed noted that they acknowledged no cases of forced or trafficked labour. They were treated accordingly as per employment conditions. Foreign workers also informed that their passport was kept by the CU based on their consent. Such documented consent was made available by the CU. Review of employee's wage, records of work, and conditions of employment also observed no cases of forced or trafficked labour. Review of salary and deduction observed were paid in compliance to permit issued from the Sabah Labour Department. Further, letter of authorization for deduction from employees also made available.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	Yes	Interviewed with foreign workers observed there was no contract substitution had occurred. They got their job as promised.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major	Yes	Labour policy for foreign workers maintained available at the CU. The policy include the statement as described by specific guidance in this indicator, i.e.: <ul style="list-style-type: none"> • Statement of the non-discriminatory practices; • No contract substitution; • Post-arrival orientation programme to focus especially on language, safety, labour laws, cultural practices etc.; • Decent living conditions to be provided. Procedure for employment of foreign workers maintained available at the CU.
C 6.13	6.13.1	A policy to respect human rights shall be documented and	Yes	Human Rights policy maintained available and communicated by each operating unit of the CU.

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Growers and millers respect human rights		communicated to all levels of the workforce and operations. Major Compliance		
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	Yes	The CU continued to provide HUMANA School and Creche Ayah for foreign workers' children to access to education and care of their children while during working hours without any fee.

Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Jeroco POM 1 has no plan for any new planting and no new development of area was observed during the visit. Auditors has verified through checking the www.globalforestwatch.com , GOOGLE Maps Data, Estate Maps and also through site visit there were no new planting or new development of areas at the CU. Hence, this indicator was not applicable.

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

Clause	Indicators		Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a)	Reduction in use of pesticides(Criterion 4.6);	Yes	The CU adopted several continuous improvement in reducing of pesticides i.e. increasing planting of beneficial plants mainly <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> and continue to monitor pest through Early Warning System. The CU also adopted planting of <i>Legominious</i> Cover Crop mainly <i>Pueraria Javanica</i> and <i>Calopogonium Mucunoides</i> at replanting area in order to minimizing circle and selective weeding. <i>Neproliphis biserata</i> was maintained and encouraged to be planted in Jeroco POM 1 CU. This can be seen in their continuous improvement plan. This was to suppress growth of noxious weeds and thus reduce the use of pesticides for selective weeding. Woody sprayings were carried out whenever necessary and only twice a year.

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				<p>Blanket spraying was not practiced in order to encourage soft grasses in inter row and frond stacking area.</p> <p>Both Lokan Estate and Lungmanis Estate continued to manage pests, disease and weeds using appropriate IPM techniques. Pheromone traps to trap Rhinoceros Beetles were used in estates' replants and treatment with the insecticide Furadan 3G was only carried when more than 10 Rhinoceros Beetles / week / trap were caught.</p>
b)	Environmental impacts (Criteria 4.3, 5.1 and 5.2);	Yes	<p>Environmental impact assessment, management action plans and continuous improvement plan for Jeroco Group has been updated and monitored by management.</p> <p>Among the improvement actions:</p> <p>(a) construction of sump at chemical and workshop to prevent ground or water contamination.</p> <p>(b) collect back chemicals bags and allocate store for control of misused.</p> <p>(c) use of tray for tractor parking and workshop stations to prevent ground contamination.</p>	
c)	Waste reduction (Criterion 5.3);	Yes	<p>The management of Jeroco Group had plan to reduce emission by daily inspection and monitoring for their farm tractor / lorry and gen set / water treatment plant to prevent any leakage and problem which can impact on smoke emission.</p>	
d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	Yes	<p>The management of both estates and mill had plan to reduce emission by daily inspection and monitoring for their farm tractor / lorry and gen set / water treatment plant to prevent any leakage and problem which can impact on smoke emission.</p>	
e)	Social impacts (Criterion 6.1);	Yes	<p>The CU continued positively contributed to social impacts, such as:</p> <ul style="list-style-type: none"> • supply of water and electricity to employees houses. • maintenance of amenities and infrastructure (e.g. replaced of mosquito net, repair of septic tank and piping). • supply of additional school furniture. • installation of fans in classroom. • transportation for schooling children. 	
f)	Encourage optimising the yield of the supply base	Yes	<p>Jeroco POM 1 CU is part of a well-established organization. Yield performance has always been the top priority in ensuring long-term economic and financial viability. Various efforts have been carried out to optimise the yield of the plantation. This included minimising crop losses, ensuring the soil fertility by timely and well monitored fertilizer application and biomass recycling. Roads and transportation vehicles well maintained to ensure timely and proper crop.</p> <p>Merit Point System which is to ensuring better loose fruit collection, no left bunches and no un-harvested bunches at field by Agronomist Department and being monitored by Plantation Management Committee. Furthermore, the company has always keep itself updated with possible technological options especially in better planting material.</p>	

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Attachment 4

Details of Non-conformities and Corrective Actions Taken

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
2.1.1 NCR RAR 01 2017	Major	Requirements: Evidence of compliance with relevant legal requirements shall be available. Findings: At JPOM 1 Medical surveillance has not been carried out for Entrance Confined Space as per requirement.	JPOM1 has sent all the Authorized Competent Entrance Standby person for working in confine space to undergo health surveillance in order to get health declaration from Occupational Health Doctor (OHD) on 25th August 2017.	Sighted the following supporting documents as evidence of the corrective action had been taken. Nine workers were sent for medical surveillance for confined space to Chong Clinic. Status Closed.
6.1.1: NCR HO-01 2017	Major	Requirements: A social impact assessment (SIA) including records of meetings shall be documented Findings: Noted there is documented social impact assessment conducted by the CU. Also noted there is replanting in Lokan Estate. However, the documented assessment has not included / identified aspects of replanting that have social impact, and establish relevant plan to implement and monitor.	Lokan Estate has conducted JCC meeting on 10/8/17 with all the workers who involved in replanting activity and the minute meeting has been incorporated in the SIA report. Lokan Estate will include workers who involve in replanting activity into their JCC meeting at yearly basis.	Social aspects related to replanting has been assessed through JCC meeting with workers on 10/8/17. Minute of meeting and updated SIA report verified. Status Closed.

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Attachment 5

RSPO Supply Chain at the palm oil mill - Identity Preserved model – Module D

Item No	Requirement NOV 2014	Findings Standard Nov 2014
D.1 D.1.1	Definition A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C), Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.	Jeroco Palm Oil Mill 1 (JPOM 1) received RSPO certified FFBs from its own supply base within the CU i.e. from Batangan, Lutong, Lokan and Longmanis Estates, as well as other certified estates which were under different certified unit.
D 2 D.2.1	Explanation The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil products (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.	The mill continued to record tonnage for previous twelve months period of actual FFB received and processed, CPO and PK produced, and CPO and PK delivered as RSPO-certified or non-RSPO-certified. The actual tonnage is reported in Table 3 of this report. The mill continued documented tonnage for next twelve months period of projected FFB received and processed, CPO and PK produced, and CPO and PK delivered as RSPO-certified or non-RSPO-certified. The projected tonnage is reported in Table 4, Section 2.2 of this report. The mill maintained to project only to receive FFB from its certified supply bases.
D. 2 D 2.2	Explanation The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	The mill maintained its registration through its parent company Hap Seng Plantations Holdings Berhad with membership no. 1-0098-11-000-00. The CU also maintained valid PalmTrace registration and continued announced its sales volume.
D 3 D 3.1	Documented procedures The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements in these requirements; b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.	The mill generally maintained its personnel responsibilities pertaining RSPO Supply Chain and "Standard Operating Procedure for Traceability". However, there was changed observed: (a) Chapter 4 pertaining "Dispatch of CSPO and CSPK from Mill to the refinery / Bulk Transit Installation / Buyer's Vessel", i.e. added responsibility of "Mill Executive / Sustainability Personnel / Mill Lab Asst. And driver to inspect the tanker" in Para 5.5: "CSPO Delivery by Road to Bulk Transit Installation (External). (b) one replacement and one new member of supply chain committees. Member of the committees noted aware of its RSPO Supply Chain relevant procedures.

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D 3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	The mill continued implement existing procedures for receiving and processing of RSPO-certified and non-certified FFB, which contained in chapter 2 of the SOP. However, the mill only received certified FFB.
D.4 D.4.1	Purchasing and goods in The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.	FFB dispatch note issued by certified supplying estates maintained implemented accompanied every lorry load of certified FFB delivered JPOM1. A weighbridge ticket maintained issued by the Weighbridge Clerk after each lorry load of RSPO certified FFBs has been confirmed and weighed at the mill's weighbridge station. The weighbridge ticket and dispatch note maintained stated the name of the supplying estates, including from diversion estates. The weighbridge ticket also maintained have references to the FFB dispatch note numbers issued by the supplying estates and stated the RSPO model 'IP'.
D 4.2	The site shall inform the CB immediately if there is a projected overproduction.	There was projected overproduction of FFBs observed by the CU due to diversion of FFB. The CU had informed the certification body pertaining projected overproduction of RSPO-certified FFBs. The volume noted had been extended.
D.5 D.5.1	Record keeping The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	The mill continued recorded and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on monthly basis in excel sheet.
D 6 D.6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	JPOM 1 continued processed only RSPO-certified FFBs from its own / group certified supply bases. As such, there was no risk of the CPO and PK produced being mixed with non-certified palm oil products during receiving, processing, and storage. Every tanker for delivery of product was inspected to ensure no mixing. Records of inspection were maintained available.
D.6.2	The objective is for 100% segregated material to be reached.	The mill continued implemented its procedure as mentioned in D.6.1 above to ensure 100% segregated material reached.

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Attachment 6

Status of Non-conformities Previously Identified

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Auditor
4.7.3 NCR: STK1/2016	Major	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>The recommendation for use of boots for harvesters, made in the SSOP, was not complied with. During site visit to Lutong Estate, three (3) harvesters carrying out harvesting in block 46 & 52 were found not wearing boots. Furthermore, there were no records available to show that they had been provided with the boots</p>	<p><u>Correction</u> Lutong Estate has immediately provided the rubber boots to the harvester with proper PPE issuance record. Training on safety and health was also immediately conducted for awareness on importance of rubber boots as per Lutong Estate yearly training program.</p> <p><u>Corrective action</u> Lutong Estate to continue the safety awareness training to the harvester and to ensure it to be implemented accordingly with spot check by the estate and sustainability team.</p>	<p>Training records including attendance list and training material conducted on 18th October 2016 at Lutong Estate was verified by the auditor. This was including issuance of PPE (rubber boots) to the harvesters. Pictorial report with acknowledgment of the workers had been verified. Status: Closed.</p>
5.2.4 NCR: KN1/2016	Minor	<p>Where an action plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the action plan. 	<p><u>Correction</u> Estate / mill management has incorporated feedback from the workers into action plan in the amended HCV Report. In additions management will continue to educate the workers whenever they seen any RTE within JGOE and to immediately report to management for record purposes.</p> <p><u>Corrective action</u> To continue provide the RTE training to the workers.</p>	<p>Action plan pertaining monitoring of HCV and RTE continued implemented. Record of monthly checklist pertaining monitoring of HCV and RTE was available. Also, record of briefing pertaining HCV and RTE was available. Status: Closed.</p>

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Attachment 7

Time-bound Plan

No.	CU	Location	Date of Certification	Valid until	CAB & Certificate No.
1	Hap Seng Plantations (River Estates) Sdn Bhd - Sg Segama Group Of Estate & Bukit Mas Palm Oil Mill	Lahad Datu	24/05/2012	23/5/2017	PT TUV Rheinland 824 502 14016
2	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 1	Lahad Datu	27/09/2013	26/09/2018	SIRIM QAS RSPO 0018
3	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 2	Lahad Datu	27/09/2013	26/09/2018	SIRIM QAS RSPO 0028
4	Hap Seng Plantations (River Estates) Sdn Bhd - Tomanggong Group Of Estates	Lahad Datu	9/01/2015	8/1/2020	SIRIM QAS RSPO 0024
5	Kawa Estate and Hap Seng Estate, Hap Seng Plantations (Ladang Kawa) Sdn Bhd	Tawau	16/10/ 2015	15/10/2020	PT TUV Rheinland 824 502 15028
6	Pelipikan Estate	Kota Marudu	2019 (target)	-	-