



# **RSPO PRINCIPLES AND CRITERIA ASSESSMENT REPORT**

The Natural Palm Group Company Limited  
RSPO Membership No.: 2-0218-11-000-00

Certification Unit:

The Natural Palm Group Mill and its Supply Bases

**Bureau Veritas Certification (Hong Kong) Co. Ltd.**



# RSPO PRINCIPLES AND CRITERIA ASSESSMENT REPORT

## PUBLIC SUMMARY REPORT

BV Contract No	TH.2474397_R3	Date contract	8 March 2017
Name of company	The Natural Palm Group Company Limited		
Address company	250 Moo 12, Kron Sub-district, Sawi District, Chumporn province 86130, Thailand		
Country	Thailand		
Website	<a href="http://www.naturalpalm.com/">http://www.naturalpalm.com/</a>		
RSPO Membership No	2-0218-11-000-00	Date registration	22 April 2011
Contact person	Mr.Kowit Kuansongtham	Contact details	Tel: +66 77-529-800 kowitz@naturalpalm.com
Certification Unit	The Natural Palm Group Mill and its supply base		
BV Lead Auditor	Dr. Benchamaporn Pimpa		
BV Audit team members	Mr. Thanakorn Wainiyom Mr. Pongrat Khamnungkit Mr. Prapas Noras Witness assessor: Dr Chaiyaporn Seekao		
Pre-audit (if relevant)	NA	Date of pre-audit	NA
Main Evaluation	26-28 March 2014 conducted by TUV NORD Integra bvba	Date of Assessment	26-28 March 2014
Surveillance 1 (Date Proposed )	23-25 September 2015 conducted by TUV NORD Integra bvba	Date of Surveillance 1	23-25 September 2015
Surveillance 2 (Date Proposed)	15-17 March 2017	Date of Surveillance 2	15-17 March 2017
Surveillance 3 (Date Proposed)		Date of Surveillance 3	
Surveillance 4 (Date Proposed)		Date of Surveillance 4	
BV Technical Reviewer	M. Shazaley Abdullah	Date of Review	22 Jun 2017 (TBU) 7 Jul 2017
BV Certification Decision		Date Decision	

Remark: Main certification assessment and first surveillance assessment have been performed by TUV NORD Integra bvba. For second surveillance assessment, BV has been informed by the company the confirmation to transfer CB on 9 March 2017 through the signing on the contract.



## Table of contents

## Page

List of Abbreviations.....	3
1.0 Description of the organization	
1.1 Type (mill, estate, etc.).....	4
1.2 Location (map and GPS), mill and/or hectarage statement.....	4
1.3 Description of supply base (fruit sources).....	5
1.4 Date of plantings and cycle.....	8
1.5 Other certification held (ISO, etc.).....	11
1.6 Organisational information/contact person.....	11
1.7 Tonnage certified.....	11
1.8 Time bound plan / Progress against time bound plan	12
1.9 Compliance with partial certification requirements	13
1.10 Progress of associated smallholders or outgrowers towards compliance with relevant standards	14
2.0 Assessment Process	
2.1 Assessment methodology and programme .....	14
2.2 Date of next surveillance visit.....	14
2.3 Lead assessor / assessment team.....	14
2.4 Certification body.....	18
2.5 Stakeholder consultation process .....	18
3.0 Assessment Findings	
3.1 Summary of Findings.....	19
3.2 Identified Non-conformances and noteworthy positive components (and status of non-conformities previously identified ) .....	59
3.3 Issues raised by stakeholders.....	59
4.0 Certified organisation's acknowledgement of internal responsibility	
4.1 Assessment conclusion and recommendation.....	60
4.2 Formal sign-off of assessment findings.....	60

## List of Appendices

		<b>Page</b>
Appendix 1	: Location map(s) of Certification Unit.....	61
Appendix 2	: Assessment Programme.....	68
Appendix 3	: Details of Non-conformities and Corrective Actions Taken.....	71
Appendix 4	: Verification on NCRs raised in the Previous Assessment .....	84



### **List of Abbreviation**

FFB	Fresh fruit bunches
CU	Certification Unit
POM	Palm Oil Mill
mt	Metric tonne
CPO	Crude Palm Oil
PK	Palm Kernel
POME	Palm Oil Mill Effluent
EFB	Empty Fruit Branches

## 1.0 Scope of the Certification Assessment

### 1.1 Type (mill, estate, and etc.)

Palm Oil Mill (POM) and plantation owned by Natural Palm Group Co., Ltd, where HQ is located at 250 Moo 12, Tambon Kron, Amphur Sawee, Chumporn 86130 Thailand were assessed against RSPO Certification System 2007, RSPO P&C for Sustainable Palm Oil production Generic version 2013, and RSPO Supply Chain Certification version November 2014.

The company was formed in 2002 to operate the production of CPO mil, PK crusher, refinery and plantation. To operate the palm oil plantation, the company purchased the land deed with planted area of palm oil from previous owner. Therefore, the development of the palm oil planation was done more than decades. Even though the company has a PK crusher and refiner where are located at the same legal boundary of the POM, only POM and its plantation are the scope of RSPO certification. Moreover, 2 scheme smallholders who were supported by the company are also included in the scope of RSPO certification. A feature of the Natural Palm Group Co., Ltd comprises of company's own plantation where produce less than 10% of the total FFB processed by their own POM, crushing mill and refinery. While for those independent smallholder who supplies the FFB to the POM, there are no contracts between these independent smallholders and the company. The independent growers have the right to supply their FFB to any palm oil mill (POM).

With regards to both crushing mill and refinery where are located at the same boundary of POM, they have now been certified RSPO SCC separately.

The POM and their supply bases have been certified RSPO P&C since 2015 and have commenced operations almost the last decade with a processing capacity of 60 metric tonnes of FFB per hour. The total combined land area of their own plantation and plantations owned by scheme smallholder is only 393.89Ha.

### 1.2 Location (map and GPS), mill and/or hectarage statement

The details of the locations and coordinates of each certification unit (CU) are as shown in **Table 1**. While location map(s) of the CU is shown in **Appendix 1**.

**Table 1 Location and address of the mill and estates**

Name of Mill and Plantation	Location	Coordinates
<b>Mill:</b> The Natural Palm Group Co., Ltd.	250 Moo 12, T. Kron, A. Sawi, Chumporn 86130 Thailand	10°17'34.9224"N - 99°5'26.0766"E
<b>Corporate plantation:</b>		
The Natural Palm Plantation	3/5 Moo 6, T. Khaothan, A. Thachang, Suratthani 84150 Thailand (Khaothan)	9°17'9.6188"N - 99°10'3.8892"E
	T. Thachang, A. Thachang, Suratthani 84150 Thailand (Tha Chang)	9°17'9.9738"N - 99°9'21.4848"E
- Factory division	250 Moo 12, T. Kron, A. Sawi, Chumporn 86130 Thailand	10°17'40.4910"N - 99°5'4.5558"E
- Nareang division	Moo 2, T. Kron, A. Sawi, Chumporn 86130 Thailand	10°18'28.1334"N - 99°4'28.0842"E
- Noenthong division	79/1 Moo 6, T. Salui, A. Thasae, Chumporn 86140 Thailand	10°52'11.7228"N - 99°14'37.4310"E
- Klongklud division	179 Moo 1, T. Tako, A. Tungtako, Chumporn 86220 Thailand	10°2'40.1310"N - 99°4'31.4004"E
- Nikom Tha Sae	Moo 5, T. Hongcharoen, A. Thasae,	10°46'40.5768"N - 99°8'53.4192"E

division	Chumporn 86140, Thailand	
<b>Scheme smallholder:</b>		
Khun Kowit Kuansongtham		
- Dan-sawi	Moo 10, T. Dansawi, A. Sawi, Chumporn 86130 Thailand	10°14'5.8740"N - 99°10'4.7244"E
- Pakprak	Moo 3, T. Pakprak, A. Sawi, Chumporn 86130 Thailand	10°15'27.4818"N - 99°6'0.5430"E
Khun Thidarat Kuansongtham		
- ThungKha	Moo 7, T. ThungKha, Muang, Chumporn 86000, Thailand	10°23'55.1754"N - 99°10'16.8240"E
- Sangthong	Moo 3, T. Kron, A. Sawi, Chumporn 86130 Thailand	10°18'8.1720"N - 99°5'40.3368"E
- Khai-Luksuea	Moo 2, T. Wisaitai, A. Sawi, Chumporn 86130 Thailand	10°19'11.8020"N - 99°5'21.5802"E

### 1.3 Description of supply base (fruit sources)

Therefore, the Fresh Fruit Bunch (FFB) to be taken into account for calculating the certified CPO and PK, for The Natural Palm Group Co., Ltd is not only supplied by their own estate but also by two (2) scheme smallholders. There is one (1) estate (with five (5) divisions), in where the overall management is carried out by the same estate manager, owned by the company and 2 scheme smallholders (Khun Kowit Kuansongtham & Khun Thidarat Kuansongtham) contributing to RSPO certified FFB to the POM. Meanwhile, the scheme smallholders who supply their FFB to the mill are the shareholder of the company. Every operational activity of the estate is done by the experienced worker who has been given the full responsibility by the shareholder. He is also appointed as the scheme manager.

Because the land legal ownership over Dan-sawi, Pakprak, ThungKha, Sangthong and Khai-Luksuea estate are not held by the Natural Palm Group Co., Ltd, the company has decided to let these estates to be certified as scheme smallholders instead.

Independent growers are also supplying FFB but not they are included within this certification. There is no contract to bind the listed independent growers and the company. The independent growers have the right to supply their FFB to any mill depend on the gate price of each mill. In calendar year 2016, each estate with its respective planted area had supplied FFB to the mill of The Natural Palm Group Co., Ltd. as shown below in **Table 2**. **Table 2** also illustrates the actual production of CPO and PK produced in calendar year 2016.

The estimation of the FFB production in 2017 of each estate was based on an annual business plan of the company. During the first annual surveillance assessment (ASA2), auditors verified these probabilistic forecasts of annual business plan whether projected FFB production in 2017 from each estate indicated in **Table 2** will be possible. Result of verification showed that company has created realistic projection of FFB production estimated based on the actual production in the previous year. Only mature palm oil will be taken into consideration to estimate FFB production. Based on the result of verification, the average FFB production in 2017 is projected around 21.14 tons/ha/year.

**Table 2: Annual FFB contribution by the estates and third parties to POM and production of CPO & PK**

Year	FFB received		Total (mt)	CPO Produced (mt)	PK Produced (mt)
	Own estates	3rd parties			
2015	4,766	NA	NA	NA	NA
Mar 2016 – Feb 2017	3,525.54 (certified FFB in certificate is 5,775)	289,998	293,523.54	51,660.14	16,437.32



After February 2017 (projection)	6,746.25	300,000	306,746	53,987.3 (1,187.34 tons of CPO produced by using FFB supplied by own estates)	17,177.79 (377.79 tons of PK produced by using FFB supplied by own estates)
----------------------------------	----------	---------	---------	--	--

**Remark:**

- 1) FFB production supplied by third party especially independent smallholders and other products in 2015 are not applicable because these data are not provided in the previous public summary report conducted by TUV NORD Integra bvba
- 2) Percentage of CPO and PK were estimated based on the previous actual yield at 17.2% and 5.6%, respectively.

From **Table 2**, it is illustrated that the certified production of CPO and PK are estimated based on average annual production in 2016. Based on the actual production records in the previous year, the oil extraction and palm kernel extraction are of 17.6% and 5.6%, respectively. Therefore, the certified volume of CPO and PK for year 2017 calculated from total FFB productions supplied by all estates of 6,746.25 tons (FFB) are 1,187.34 tons (CPO) and 377.79 tons (PK), respectively.



#### 1.4 Date of plantings and cycle

The details of the CU certified area and its planting profiles are described in **Table 3** and **Table 4**

**Table 3: Details of Certified Area and Planting Profile**

Estates/Mill	Year of establishment	Area (ha)					Area (%)	
		Titled	Certified	Planted	Mature	Immature	Mature	Immature
<b>Mill : The Natural Palm Group Co., Ltd.</b>	2003	34.4	34.4	NA	NA	NA	NA	NA
<b>Corporate plantation:</b>								
The Natural Palm Plantation		229.84	229.84	227.16	213.31	13.85	93.90	6.10
- Factory division	2003	11.2	11.2	11.2	7.68	3.52	68.57	31.43
- Nareang division	2011	8.73	8.73	8.73	8.73	0	100	0
- Noenthong division	2010	23.88	23.88	12.34	11.21	1.13	90.84	9.16
- Klongklud division	2012	4.45	4.45	2.9	1.36	1.54	46.90	53.10
- Nikom Tha Sae division	2011	4.92	4.92	3.94	0.34	3.6	8.63	91.37
<b>Scheme smallholder:</b>								
Khun Kowit Kuansongtham								
- Dan-sawi	NA	17.89	17.89	17.89	17.89	0	100	0
- Pakprak	NA	16.71	16.71	16.71	16.71	0	100	0
Khun Thidarat Kuansongtham								
- ThungKha	NA	22.96	22.96	22.96	22.96	0	100	0
- Sangthong	NA	15.23	15.23	15.23	15.23	0	100	0
- Khai-Luksuea	NA	3.68	3.68	3.68	3.68	0	100	0
<b>Total</b>		<b>393.89</b>	<b>393.89</b>	<b>342.74</b>	<b>319.1</b>	<b>23.64</b>		

Remark:





1. Year of establishment especially divisions of the Natural Palm Plantation is not relevant to the new planting area. It is meant that these divisions has started their business/operation since 2007 after the company has purchased plantation from the previous owner
2. Planted areas of some estate from table above are different from the information given by the company through the application form. It is important to note that it is one of the processes for the auditor to verify the information given by the company and fact seen during the assessment
3. Immature palm areas are consequence from the replanting conducted during 2015 – present

**Table 4: Land Profile for the Unplanted Area (ha)**

Estates/Mill	Roads	Housing & amenities	Conservation area	HCV area	Others agricultural area	Total
<b>Mill : The Natural Palm Group Co., Ltd.</b>						
<b>Corporate plantation:</b>						
The Natural Palm Plantation	0.12	2.56	0	0	0	<b>2.68</b>
- Factory division	0	0	0	0	0	<b>0</b>
- Nareang division	0	0	0	0	0	<b>0</b>
- Noenthong division		0.16	0	0	11.38	<b>11.54</b>
- Klongklud division	0	0.16	0	0	1.39	<b>1.55</b>
- Nikom Tha Sae division	0	0	0	0	0.98	<b>0</b>
<b>Scheme smallholder:</b>						
Khun Kowit Kuansongtham						
- Dan-sawi	0	0	0	0	0	<b>0</b>
- Pakprak	0	0	0	0	0	<b>0</b>
Khun Thidarat Kuansongtham						
- ThungKha	0	0	0	0	0	<b>0</b>
- Sangthong	0	0	0	0	0	<b>0</b>
- Khai-Luksuea	0	0	0	0	0	<b>0</b>
<b>Total</b>	<b>0.12</b>	<b>2.88</b>	<b>0</b>	<b>0</b>	<b>13.75</b>	<b>15.77</b>



**Table 5** below show the details of the year of establishment of the CU's supplying estates and their planting profiles

**Tables 5: Planting Profile for all estates**

Year of planting	Planted area (ha) in each estate											Total planted area (ha)
	The Natural Palm Plantation	Factory	Nareang	Noenthong	Klongklud	Nikom ThaSae	Dan-sawi	Pakprak	Thung Kha	Sang thong	Khai-Luksuea	
1983	213.31	-	-	-	1.36	-	-	-	-	-	-	214.67
1984-1993	-	-	-	-	-	-	-	-	-	-	-	
1994	-	-	-	-	-	0.34	-	-	-	-	-	0.34
1995-2002	-	-	-	-	-	-	-	-	-	-	-	
2003	-	4.15	-	-	-	-	-	-	-	-	-	4.15
2004	-	-	8.73	-	-	-	-	-	-	-	-	8.73
2005	-	2.43	-	-	-	-	-	-	-	10.48	-	12.91
2006	-	-	-	3.95	-	-	-	2.22	18.97	-	-	25.14
2007	-	1.1	-	-	-	-	-	-	-	-	-	1.1
2008	-	-	-	-	-	-	17.89	7.07	3.99	-	-	28.95
2009	-	-	-	-	-	-	-	5.93	-	-	-	5.93
2010	-	-	-	-	-	-	-	1.32	-	-	-	1.32
2011	-	-	-	-	-	-	-	-	-	-	3.68	3.68
2012	-	-	-	-	-	-	-	-	-	-	-	
2013	-	-	-	7.26	-	-	-	0.17	-	4.75	-	12.18
2014	-	-	-	-	-	-	-	-	-	-	-	
2015	13.85	3.52	-	1.13	1.54	3.6	-	-	-	-	-	23.64
<b>Planted area</b>	<b>227.16</b>	<b>11.2</b>	<b>8.73</b>	<b>12.34</b>	<b>2.9</b>	<b>3.94</b>	<b>17.89</b>	<b>16.71</b>	<b>22.96</b>	<b>15.23</b>	<b>3.68</b>	<b>342.74</b>

**Remark:** As the company purchased land deed with palm oil plantation from previous owners since 2002, all palm oil areas planted after 2002 were replanted. On the other hand, the requirements for NPP and principle 7 are not applicable

#### 1.5 Other certification held (ISO etc.)

Only company's own mills has been awarded ISO9001:2008, GMP and HACCP certification.

#### 1.6 Organisational information / contact person

Name of organisation : The Natural Palm Group Company Limited  
 Head office address : 250 Moo 12, Kron Sub-district, Sawi District,  
 Chumphon province 86130, Thailand  
 Website : <http://www.naturalpalm.com/>  
 Telephone No. : +66 77 529 800  
 Fax No. : +66 77-529 848  
 RSPO Membership No. : 2-0218-11-000-00

#### Contact person:

Name : Mr. Kowit Kuansongtham



Position : Manager  
 Telephone No. : +66 77 529 800  
 Fax No. : +66 77-529 848  
 E-mail : [kowit@naturalpalm.com](mailto:kowit@naturalpalm.com)

### 1.7 Tonnage certified

**Table 6** illustrated the tonnage of certified products in different time periods (actual production in the last year or last reporting period, and in the next year or next reporting period). Based on the previous RSPO P&C certificate issued by TUV NORD Integra, the certified volumes of FFB, CPO and PK were 5,775 tons, 1,039.5 tons and 288tons, respectively. However, actual certified FFB received since March 2016 – February 2017 was used to estimate the certified volume of products in next calendar year. Therefore, the estimated certified FFB is 6,746.25 tons based on average FFB production at 21.14 tons/ha/year. While the certified CPO and PK to be processed by using certified FFB of 6,746.25 tons are projected from oil extraction and palm kernel extraction are at 17.6% and 5.6%, respectively. Therefore, the certified volumes of CPO and PK for year 2017 are 1,187.34 tons and 377.79 tons, respectively.

**Table 6: Details of material and products for the last and next reporting period**  
**[UOM=MT]**

Description	Actual (+projection) for last reporting period (3/2016 to 3/2017)	Projected for next reporting period (3/2017 to 3/2018)
Certified FFB received	3,525.54	6,746.25 <sup>2/</sup>
Non-certified FFB received	289,998	300,000
Certified FFB processed	3,525.54	6,746.25 <sup>2/</sup>
Non-certified FFB processed	289,998	300,000
Total CPO production	51,660.14	53,987.3
Certified CPO production	620.49 <sup>1/</sup>	1,160.35 <sup>2/</sup>
Total PK production	16,437.32	17,177.,78
Certified PK production	197.43 <sup>1/</sup>	377.79 <sup>2/</sup>

**Remark:**

<sup>1/</sup> certified volume of CPO and PK indicated in Table 6 was calculated based on the oil extraction rate of 17.6% and 5.6%, respectively.

<sup>2/</sup> Estimated volume of FFB, CPO and PK to be certified in 2017

### 1.8 Time bound plan / Progress against time bound plan

The Natural Palm Group Co.Ltd. does not have any mills and estates other than those being certified in this audit process, so there is no time bound plan for other units of mill and supply bases.

### 1.9 Compliance with partial certification requirements

Requirements		Assessment findings
a.	The parent organization or one of its majority <sup>1</sup> owned and / or managed subsidiaries is member of RSPO. The requirements (b) to (j) will be applicable, whether the registered RSPO member is the holding company or one of its subsidiaries;	Not applicable
b.	A challenging time-bound plan for certifying all its relevant entities <sup>2</sup> is submitted to the Certification Body (CB) during the first certification audit. The time-bound plan should contain a list of subsidiaries, estates and mills. The Certification Body will be responsible for reviewing the appropriateness of this plan, taking into account comments received from stakeholders following the public consultation process. Progress towards this plan will be verified and reported on in subsequent annual surveillance assessments (see Annex 4). Where the Certification Body conducting the surveillance audit is different from that which first accepted the time-bound plan, the later Certification Body shall accept the appropriateness of the time-bound plan at the moment of first acceptance and shall only check continued appropriateness.	Not applicable because all units of The Natural Palm Co., Ltd. are certified. It is also not applicable for the independent smallholders who supplied the FFB to both mill because there is no any contractual obligation between the independent smallholder and the company
c.	Any revision to the time-bound plan or to the circumstances of the company shall cause the plan to be reviewed (as provided for in the guidance on surveillance assessments, Annex 4) for whether it is still appropriate, such that changes to the time-bound plan are permitted only where the organisation can demonstrate that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent).	Not applicable because all units of The Natural Palm Co., Ltd. are certified. It is also not applicable for the independent smallholders who supplied the FFB to bot mill because there is no any contractual obligation between the independent smallholder and the company
d.	Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance is raised. Where there is evidence of systematic failure to proceed with implementation of the plan, a major non-compliance is raised.	Not applicable because all units of The Natural Palm Co., Ltd. are certified. It is also not applicable for the independent smallholders who supplied the FFB to bot mill because there is no any contractual obligation between the independent smallholder and the company
e.	No replacement of primary forest or any area identified as containing High Conservation	Not applicable because all units of The Natural Palm Co., Ltd. are certified. It is

	Values (HCVs) or required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. Any new plantings since January 1st 2010 must comply with the RSPO New Plantings Procedure (Annex 5).	also not applicable for the independent smallholders who supplied the FFB to bot mill because there is no any contractual obligation between the independent smallholder and the company
f.	Land conflicts, if any, are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	Not applicable because all units of The Natural Palm Co., Ltd. are certified. It is also not applicable for the independent smallholders who supplied the FFB to bot mill because there is no any contractual obligation between the independent smallholder and the company
g.	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	Not applicable because all units of The Natural Palm Co., Ltd. are certified. It is also not applicable for the independent smallholders who supplied the FFB to bot mill because there is no any contractual obligation between the independent smallholder and the company
h.	Legal non-compliance, if any, are being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	Not applicable because all units of The Natural Palm Co., Ltd. are certified. It is also not applicable for the independent smallholders who supplied the FFB to bot mill because there is no any contractual obligation between the independent smallholder and the company

### 1.10 Progress of associated smallholders or outgrowers towards compliance with relevant standards

There are only 2 scheme smallholder signed the contract with the Natural Palm Group Co., Ltd. Besides that Natural Palm Group Co., Ltd. has no associated smallholders or outgrowers even though more than 90% of FFB received for both mills is supplied by independent smallholders.

## 2.0 Assessment Process

### 2.1 Assessment methodology and programme

The assessment for certification was performed in conformity with the procedures as laid down in Bureau Veritas BMS procedures developed for the RSPO certification scheme. The normative references used for the assessment are RSPO P&C generic version 2013 and RSPO SCCS.

The planning for this assessment was guided according to the RSPO Certification System Document. The sampling formula used is  $0.8 \sqrt{y}$ , where  $y$  is the number of estates, whereas, the mill is visited in every assessment. As the company has only one estate, therefore, this estate is visited in every assessment. Meanwhile the divisions where are managed by same estate manager, divisions are also visited during the second surveillance assessment.

The assessment was conducted by visiting among others the oil palm fields, palm oil mill, HCV habitats, local communities, clinics, workers quarters, chemical and waste storage areas,



landfill and other workplaces. Interviews were held with the CU's and the management of its FFB produce, employees, contractors and other relevant stakeholders. In addition, related records and other documentation were also inspected.

Details of the actual assessment programme are given in **Appendix 2**.

## 2.2 Date of next surveillance visit

The next surveillance assessment shall be carried out within 12 months from the date of this assessment completed, but not sooner than 9 months.

## 2.3 Lead Assessor and Assessment Team

The assessment team consisted of 4 assessors. The details of the assessors and their qualification are as follows:

- 1) **Name of team leader** : Dr. Benchamaporn Pimpa  
**Roles**: Assessment Team Leader (under witness)  
**Field**: Environmental, Good Agricultural Practice, Supply Chain, HCV, energy saving, greenhouse gas management, regulatory, Integrated Pest Management, and pesticide and fertilizer use  
**Qualification**: Qualification of the lead auditor / audit team leader is provided in the Table below

Requirement	Qualifications	Compliance
A minimum of post high school (post-secondary school) training in either agriculture/forestry, environmental science or social sciences;	Ph.D (Food Chemistry and Biochemistry) Universiti Putra Malaysia 2007 M.Sc. (Food Chemistry and Biochemistry) Universiti Putra Malaysia 1999 B.Sc (Food Science and Technology) Prince of Songkla University 1996	Yes
At least 5 years professional experience in area of work relevant to the assessment (e.g., palm oil management; agriculture/forestry; ecology; social science);	13 years teaching and doing research in palm oil management and quality analysis of palm oil and oil palm.	Yes
Training in the practical application of the RSPO criteria, and RSPO certification systems;	RSPO Lead Auditor Training Course Certificate Number: 2014-RSPOLA-SEA-01-46 24-28 November 2014, Kuala Lumpur, Malaysia Organized by Wildasia  RSPO-endorsed Supply Chain Certification and System Lead Auditor Course Certification Number: SCCS-20150929-P176-P 28-29 September 2015, Kuala Lumpur, Malaysia Organized by Wildasia	Yes
Successfully completion of an ISO 9000:19011 lead assessors course;	Quality Management System (QMS) Auditor/Lead Auditor Training Course Certificate Number 110041 6-10 July 2015 Organized by Intertek	Yes
A supervised period of training in practical assessment against the RSPO criteria or similar sustainability standards, with a minimum of 15 days assessment experience and at least 3 assessments at different organisations.	Since 2013 participated RSPO P&C auditing more than 30 cases in Thailand	Yes

- 2) **Name of team members** : Mr. Thanakorn Wainiyom, Mr. Prapas Noras and Mr. Pongrat Khamnungkit,  
**Roles**: Assessor

**Field:** Here below are areas of expertise of each team member:

1. Mr. Thanakorn Wainiyom : environmental management, regulatory, social aspect, health and safety and workers welfare issues in mill and plantation
2. Mr. Prapas Noras : agriculture, environmental management, regulatory, health and safety and workers welfare issues in mill and plantation.
3. Mr. Pongrat Khamnungkit : environmental management, regulatory, social aspect, health and safety and workers welfare issues

**Qualification:** Qualification of the lead auditor and audit team member are provided in the Table below

Requirement	Assessor	Qualification	Compliance
Field working experience in the palm oil sector, or demonstrable equivalent.	Dr. Benchamaporn Pimpa (BP)	More than 10 years experience on the research related to palm oil industry and teaching to both under graduate and post graduate in the university. 10 years experience in giving the training to local palm oil growers in southern province of Thailand. Palm oil grower is another career of Professor's family	Yes
	Mr. Prapas Noras (PN)	Owned around 2 ha palm oil plantation since 2012 and more than 20 ha rubber plantation since the generation of parents. More than 10 years' experience in forestry sector for managing pines plantation for furniture and paper production	
Good Agricultural Practices (GAP), and Integrated Pest Management (IPM), pesticide and fertilizer use.	Dr. Benchamaporn Pimpa (BP)	More than 10 years experience on the research related to palm oil industry and teaching to both under graduate and post graduate in the university. 10 years experience in giving the training to local palm oil growers in southern province of Thailand. Palm oil grower is another career of Professor's family	Yes
	Mr. Prapas Noras (PN)	Involved in palm oil and rubber plantation management activities more than five years, such as planting, herbicide, pesticide, fertilizing and harvesting. More than 10 years' experience in forestry sector for managing pines plantation for furniture and paper production	
Health and safety auditing on the farm and in processing facilities, for example OHSAS 18001 or Occupational, Health & Safety Assurance System.	Mr. Thanakorn Wainiyom (TW)	Participated in SMS & EMS audit for more than 30 mandays. Participated the GHG/CDM verification in Palm oil sector as verifier in Occupational, Health & Safety area. Developed the safety checklist for hospitality industry. Participated the FSC FM audit in Occupational , Health & Safety area	Yes

	Mr. Pongrat Khamnungkit (PK)	- OHSAS 18001 Auditor - Graduated from Faculty of Public Health - Working experience as Safety Officer, Supervisory level	
	Mr. Prapas Noras (PN)	Successfully completed the OHSAS 18001:2007 lead auditor course on 29 Sep- 01 Oct 2016 by BV (Thailand).	
Worker welfare issues and social auditing experience, for example with SA8000 or related social or ethical accountability codes.	Mr. Thanakorn Wainiyom (TW)	Participated the social audit in second party (supplier) audit. Participated the GHG/CDM verification in Palm oil sector as verifier in social accountability area.	Yes
	Mr. Pongrat Khamnungkit (PK)	- SA8000 Auditor - Code of Conduct Auditor - BSCI Auditor - Working experience as Community Relation Manager	
Environmental and ecological auditing, for example experience with organic agriculture, ISO 14001 or Environmental Management Systems (EMS).	Mr. Thanakorn Wainiyom (TW)	Participate the EMS audit more than 200 Mandays including agro industry sector. Participated the GHG/CDM verification in Palm oil sector as verifier in Environmental area.	Yes
	Mr. Pongrat Khamnungkit (PK)	Work for TUV NORD (Thailand) for almost two decades and had responsible to audit against ISO9001, ISO14001, TIS18001 and Thai Labor Standard (TLS) 8001 which includes OHSAS.	
	Mr. Prapas Noras (PN)	Successfully completed the ISO 14001:2015 lead auditor course on 01-05 Aug 2016 by BV (Thailand).	
Fluency in the main languages relevant to the location where the specific assessment is taking place, including the languages of any potentially affected parties such as local communities.	Dr. Benchamaporn Pimpa (BP)	Thai language is our mother language. This language will be used for the audit	Yes
	Mr. Thanakorn Wainiyom (TW)	Thai language is our mother language. This language will be used for the audit	
	Mr. Prapas Noras (PN)	Thai language is our mother language. This language will be used for the audit	
	Mr. Pongrat Khamnungkit (PK)	Thai language is our mother language. This language will be used for the audit	

#### 2.4 Certification body

Created in 1828, Bureau Veritas is a global leader in Testing, Inspection and Certification (TIC), delivering high quality services to help clients meet the growing challenges of quality, safety, environmental protection and social responsibility.

As a trusted partner, Bureau Veritas offers innovative solutions that go beyond simple compliance with regulations and standards, reducing risk, improving performance and promoting sustainable development.

Bureau Veritas core values include integrity and ethics, impartial counsel and validation, customer focus and safety at work.

Bureau Veritas is recognized and accredited by major national and international organizations.





## 2.5 Stakeholder consultation process

Stakeholder consultation began since the certification assessment conducted by TUV NORD Integra bvba and still conducted annually during the annual surveillance assessment. The latest stakeholder consultation meeting conducted by TUV NORD Integra bvba during the first surveillance assessment was on 24 September 2015.

According to RSPO and BV's procedure, an announcement of the public consultation that shall at least be posted on BV's website and RSPO's website is required for RSPO P&C main or recertification assessment. However, this assessment is the second annual surveillance assessment (ASA2). Therefore, the announcement for the public consultation is not required. However, meetings and interview with the relevant stakeholders were also arranged during the on-site assessment. The audit team interviewed stakeholders who had participated in the public consultation meeting to obtain both negative and positive information without interference from the members of the group and group management. This discussion is done to allow the stakeholders give their feedback freely. During the discussion, the stakeholders were asked openly several questions to seek feedback on the performance of the independent smallholders with respect to RSPO requirements. Several issues were raised by audit team to stakeholders during the public consultation meetings e.g. land ownership, legal issues, agriculture management practices, environment and social performances, social impacts caused by the member's plantation operation, and environmental impacts caused by the member's plantation operation. Outcome from the stakeholders being consulted is as in section 3.3 (issues raised by stakeholder).

## 3.0 Assessment Findings

### 3.1 Summary of Findings

The assessment was conducted as planned using the methodology described in Section 2.1. Findings against each of the RSPO indicators are reported below. The summary of the assessment can be seen below, where "Evidence/Observation/Findings" column reflects the findings in accordance with each criteria and indicator

A total of 1 minor non-conformities reported against RSPO P&C, 2013 requirements were raised as shown in **Appendix 3**. There is no major non-conformity raised during the second surveillance assessment. However, verification of the minor non-conformity in the next assessment is still necessary as non-conformity is not completely closed. Nonetheless, The Natural Palm Group Co., Ltd. has submitted their corrective action plan for the minor non-conformity and has been accepted by the assessment team. The verification comments for the non-conformities raised in the previous assessment can be seen in **Appendix 4**.



**RSPO P&C generic version 2013**

<b>RSPO GENERIC REQUIREMENTS Version 2013</b>	<b>Conformity</b>	<b>Minor NC</b>	<b>Major NC</b>	<b><i>Evidence / Observation / Findings</i></b>
<b>1. COMMITMENT TO TRANSPARENCY</b>	N/A	N/A	N/A	N/A
1.1 Growers and millers provide	N/A	N/A	N/A	N/A
1.1.1 There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.	Yes		N/A	<p>For both POM and estate, SOP for preparing the information and maintaining availability for public disclosure was established. For instance, estate has a list of stakeholders who live surrounded the estate which was established and latest updated on 13/1/2017 (Stakeholder list : QF-RSPO-029). Verification of the list of stakeholder was done through interview with the stakeholder and update latest meeting of community meeting.</p> <p>To handle when information on environment, social and legal were asked by stakeholder, POM and estate have list of information provided for publicly available as follows :</p> <ol style="list-style-type: none"> <li>1. Copied of land use right</li> <li>2. Health and safety plan</li> <li>3. EIA and SIA reports</li> <li>4. HCV assessment report</li> <li>5. Plan for prevention and reduction of the pollutions</li> <li>6. Details of the complaints and grievances and negotiation procedures</li> <li>7. Continuous improvement plan</li> <li>8. Public summary report</li> <li>9. Human right policy</li> </ol> <p>During the audit, these procedures above mentioned are available upon request even though there is no record showing that stakeholder requested information from the POM and estate</p>



<p>1.1.2 Records of requests for information and responses shall be maintained</p>	<p>Yes</p>	<p>N/A</p>		<p>During the ASA2, relevant documents are prepared and ready for public disclosure at all site visited such as land title or land-use rights, health and safety plan, social and environmental impact assessment report, pollution prevention plan, details about complaints and grievances, procedures and process of negotiation. Even though all of documents are not kept in the same file, staff especially estate manager who is in charge of document control is assigned as responsible for providing those documents when requested. Up to now, there is no request for information raised by stakeholders. However, if information was requested by stakeholder for disclosure, timeframe for response to requests for information is set within a day. As required by indicator 1.1.2, the record of request/response is designated to be kept for 5 years according to the validity of RSPO P&amp;C certificate when request for information is recorded.</p>
<p>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</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>



<p>1.2.1 Publicly available documents shall include, but are not limited to:</p> <ul style="list-style-type: none"> <li>- land titles/user rights (criterion 2.2)</li> <li>- Occupational H&amp;S plans (Criterion 4.7);</li> <li>- Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 &amp; 7.8)</li> <li>- HCV documentation (Criteria 5.2 and 7.3)</li> <li>- Pollution prevention and reduction plans (Criterion 5.6)</li> <li>- Details of complaints and grievances (Criterion 6.3)</li> <li>- Negotiation procedures (criterion 6.4)</li> <li>- Continual improvement plans (Criterion 8.1)</li> <li>- Public summary of certification assessment report</li> <li>- Human rights policy (Criterion 6.13)</li> </ul>	Yes	N/A		<p>9 management documents which are in accordance with the list of document required by the standard are ready for public disclosure. To support the public available, some documents are posted on the company's board e.g. copies of land use right and HCV assessment report. Here below are 9 management documents found and verified by auditor team during the onsite inspection.</p> <ul style="list-style-type: none"> <li>-Copies of land titles. Legal boundaries were indicated in the land deeds and the company also made a map showing legal boundaries of each plantation.</li> <li>-Occupational health and safety plans.</li> <li>-Plans and impact assessments relating to environmental and social impacts are available. In particular, emergency response plan was also established. Moreover, mitigation measures established and agreed by stakeholders are also prepared for public disclosure</li> <li>-HCV conducted by Forest Industry Organization.</li> <li>-Pollution prevention and reduction plans.</li> <li>-Human right policy was established and released on 1 September 2015</li> <li>-Details of the complaints and grievances and negotiation procedures are indicated in QP-RSPO -010 Rev.02, 1 may 2015.</li> <li>-Continual improvement plan is available especially reduction of chemical use.</li> </ul> <p>They are maintained and kept in the file that ready for publicly available.</p>
1.3 Growers and millers commit to ethical conduct in all business operations and transactions	N/A	N/A	N/A	N/A



<p>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</p>	<p>Yes</p>		<p>N/A</p>	<p>Policy committing to a code of ethical conduct and integrity was signed by top management (Mr Kowit). The policy is included a respect for fair conduct of business, a prohibition of all forms of corruption, bribery and fraudulent use of funds and resources and a proper disclosure of information in accordance with applicable regulations and accepted industry practices. The policy was communicated to workers through posting on the communication board and also included in work regulation book used to distribute to all workers. The results from workers interview that confirmed they aware and understood the content described as a policy.</p>
<p><b>2.Compliance with laws and regulations</b></p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>2.1 There is compliance with all applicable local, national and ratified international laws and regulations</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available</p>	<p>Yes</p>	<p>N/A</p>		<p>List of relevant laws and regulations QF-RSPO-014 was established and updated on 15.9.2015. Approximately 200 laws and regulations were listed. Copies of the relevant laws and regulations from both national and international are available when they are required to refer. Since the company has also been certified ISO14001, the evidence of the result showing the compliance with relevant legal requirements, company adopted are in place. During onsite inspection, some legal licenses were asked by auditor to ensure they were in compliance with the laws and regulations. Here below are examples of licenses and practices that are in compliance with the laws and regulations.</p> <ul style="list-style-type: none"> <li>- POM holds 28 land deeds given by Land Department. Total land area of the mill is 285.78 rai or equal to 45.76 ha. Meanwhile, all estates hold land deeds showing that the company has legal ownership of the land. Scheme smallholders also hold land deed. These land deeds were checked during the assessment. Moreover, land deeds hold by the company and scheme smallholders showed the actual legal use of the land</li> <li>- Chemicals used in estates owned by estate and scheme smallholder have been registered with Department of Agriculture e.g. glyphosate with registration number of</li> </ul>



				<p>1528/2550 (2007)</p> <ul style="list-style-type: none"> <li>- All wastes, including empty containers, are disposed after use at the estates by authorized company who hold the license issued by Department of Industry Work. Online reporting of waste disposal through website of Department of Industry Work was carried out to record each time disposing of wastes.</li> <li>- Boiler inspector license issued by Department of Industry Work was inspected.</li> <li>- License obtained from Department of Industry Work allowing POM to use boiler machine for their purpose.</li> </ul> <p>Meanwhile the relevant laws and regulations that are related to the operation of the plantation were also listed in order to ensure all legal requirements are met and complied. Sample of implementation, documents and records of sampling plantations (Tha Chang plantation, Noenthong plantation, Klongklud plantation, Mr.Kowit Kuansongtham's plantation, Ms.Thidarat Kuansongtham's plantation) were examined for assessment of legal compliance. Result of the examination showed that almost all documents and records and practices were in compliance with the laws and regulations such as land-use-right, records of chemical use, employment and payment condition, EIA, SIA, HCV assessment.</p>
2.1.2 A documented system, which includes written information on legal requirements, shall be maintained	Yes		N/A	<p>List of persons in charge to identify and update relevant laws and regulations are defined in QP-RSPO-009 Rev.03, 6 August 2015. Laws and regulations related to agriculture are responsible by the manager of each plantation. Laws and regulations related to occupational health and safety are responsible by the safety officer. Laws and regulations related to environment are responsible by environmental officer. Laws and regulations related to labour are responsible by human officer. List of legal documents is indicated in QP-RSPO-014.</p>
2.1.3 A mechanism for ensuring compliance shall be implemented	Yes		N/A	<p>The mechanism for ensuring compliance is indicated in the procedure QP-RSPO-009. Monitoring time interval for updating laws and regulations and persons in charge to monitor the compliance of laws and regulations are indicated to ensure that all implementations are met with the updated laws and regulations.</p>



2.1.4 A system for tracking and changes in the law shall be implemented	Yes		N/A	The system used for tracking any change in laws and regulations is responsible by the management team. Methodology for tracking change and communication of change to relevant sections of the legislation is documented. It is responsible of the each department to identify the change of regulations. Then, the head of each department will summarize the change in the quarterly meeting
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.	N/A	N/A	N/A	N/A
2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available	Yes	N/A		<p>POM holds 28 land deeds given by Land Department. Total land area of the mill is 285-3-17 rai or equal to 45.76 ha. Meanwhile, all estates hold land deeds showing that the company has legal ownership of the land. Scheme smallholders also hold land deed. These land deeds were checked during the assessment</p> <p>With regard the land legal ownership of estates and scheme smallholder, all sampling plantations hold land deeds showing that the company has legal ownership of the land. Scheme smallholders also hold land deed. The following land deeds were checked during the assessment.</p> <ul style="list-style-type: none"> <li>-Noenthong plantation holds 4 land deeds. Total area 149-1-44 Rai or equal to 23.90 ha.</li> <li>-Klongklud plantation holds 1 land deed. Total area 27-3-26 Rai or equal to 4.45 ha.</li> <li>-Mr.Kowit Kuansongtham's plantation holds 3 land deeds. Total area 104-1-76 Rai or equal to 16.71 ha.</li> <li>-Ms.Thidarat Kuansongtham's plantation holds 34 land deeds. Total area 143-2-0 Rai or equal to 22.96 ha.</li> </ul>
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained	Yes		N/A	Land deeds held by the company and scheme smallholders showed the boundary of the land ownership. Fence and canal built by owner around the plantation are physical presence as boundary markers. Boundary demarcation of each plantation is maintained and easily visible and no boundary breach for scheme smallholder. For POM, fence was also built to show as boundary makers.



2.2.3 Where there are or have been disputes, additional proof of legal acquisition or title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent	Yes		N/A	Due to all square meters of land for plantations are owned by The Natural Palm Group Company Limited and smallholder, there is no dispute on land for every visited plantation.
2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved	Yes	N/A		Due to all square meters of land for plantations are owned by The Natural Palm Group Company Limited and smallholder, there is no dispute on land for every visited plantation.
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 (including neighbouring communities where applicable)	Yes		N/A	Due to all square meters of land for plantations are owned by The Natural Palm Group Company Limited and smallholder, there is no dispute on land for every visited plantation.
2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations	Yes	N/A		To avoid escalation of any conflict with stakeholder and community surrounding to the POM and estates, the company has participated meeting with the local community continuously. This is the way to hear and receive any concerns raised by the local community. Based on the minutes of the latest meeting such as at Moo 5, Khaothan Sub-district on 10 March 2016 , Moo 6, Khaothan Sub-district on 10 April 2016, Moo 7 Tungkha Sub-district on 19 November 2016 and Moo 3 Pakpreak Sub-district, it was confirmed that there is no case of land dispute so far.
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.	N/A	N/A	N/A	N/A





<p>2.3.1 Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities)</p>	Yes	N/A		<p>Maps showing the extent of recognized legal that are indicated in the land deeds are used as a guideline to develop their own map. Another source of the map from each plantation is from the HCV report carried out by Forest Industry Organization. Maps were also integrated and indicated in the procedure of the company. Maps showing the legal boundary of each plantation have been kept on file available for communication with stakeholders and also for management of palm oil activities.</p>
<p>2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <ul style="list-style-type: none"> <li>- 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</li> <li>- 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</li> <li>- Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land</li> </ul>	Yes		N/A	<p>Due to absence of conflict on land user rights, copies of negotiated agreement between company and affected parties is not necessary</p>
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements</p>	Yes		N/A	<p>During the assessment, all relevant information for disclosures to stakeholder are available e.g. maps, records, EIA, SIA and HCV. Even though there are no issues with the stakeholder result from public consultation meeting conducted during the second surveillance assessment, the relevant information are public available when deems necessary</p>
<p>2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel</p>	Yes	N/A		<p>Plantation manager (Mr.Suthin) and RSPO working team are nominated by the company to be representative for negotiation process of the community associated with their area of responsibility. Based on the list of stakeholders which was established and latest updated on 13/1/2017 (Stakeholder list :</p>



				QF-RSPO-029), the stakeholder listed are represented from the community and/or their institution
<b>3. Commitment to long-term economic and financial viability</b>	N/A	N/A	N/A	N/A
3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability	N/A	N/A	N/A	N/A
3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders	Yes	N/A		<p>Business plan covering for 3 years (2017-2020) was established. This business plan was initiated by the top management of the company. Relevant inputs for making a business management plan for mill and estates were provided by the mill director and estate director as details following:</p> <ul style="list-style-type: none"> <li>- Plan for management of two scheme smallholders who are also one of owner of the company was included in the business plan</li> <li>- Quality of planting materials is not expected to change. The budgetary plan for replanting program at Natural Palm estate (Tha Change) was taken into account.</li> <li>- Expected FFB 6,500 tons from all estates and estates owned by 2 independent smallholders</li> <li>- Expected oil extraction rate (OER) in 2016 to present which was equal to 17.6 % is used to project OER in the next three year. Oil extraction rate in the next three year is not different from the past 3 years</li> <li>- Cost of production is about 505.419 Baht/ton CPO</li> <li>- Financial indicators especially oil price and human costs were taken into account to develop business plan</li> </ul>
3.1.2 An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available	Yes		N/A	There is no replanting program projected in the next 5 years
<b>4. Use of appropriate best practices by growers and millers</b>	N/A	N/A	N/A	N/A



4.1 Operating procedures are appropriately documented, consistently implemented and monitored	N/A	N/A	N/A	N/A
4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented	Yes	N/A		<p>Key processes of the POM and plantation were established as SOP. List of relevant SOP are below:</p> <ul style="list-style-type: none"> <li>• Hazard identification and risk assessment “QP-RSPO-003”</li> <li>• Environmental impact assessment “QP-RSPO-006”</li> <li>• Occupational health and safety “QP-RSPO-004”</li> <li>• Waste management and disposal “QP-RSPO-005”</li> <li>• First aid “QP-RSPO-007”</li> <li>• Agricultural best practice for the plantation “QP-RSPO-008”</li> <li>• RSPO P&amp;C quality manual “QP-RSPO-009”</li> <li>• Communication, public hearing and negotiation process “QP-RSPO-010”</li> <li>• Fertilizer application “QS-RSPO-007”</li> <li>• Technique for palm oil plantation management “QS-RSPO-012”</li> <li>• Application of pesticides “QS-RSPO-014”</li> <li>• Waste management plan “QS-RSPO-016”</li> <li>• Gender committee election/appointment “QS-RSPO-017”</li> <li>• Replanting program “QS-RSPO-018”</li> <li>• Plan for collection of the environmental sample “QS-RSPO-019”</li> <li>• Safe work practice “QS-RSPO-020”</li> <li>• Ground water management plan “QS-RSPO-021”</li> <li>• Manual for social impact assessment “QS-RPO-022”</li> <li>• Complain and grievance “QF-RSPO-026”</li> <li>• Mitigation for controlling identified risks “QF-RSPO-020”</li> </ul>



4.1.2 A mechanism to check consistent implementation of procedures shall be in place	Yes		N/A	<p>Master list of all SOPs is established and revision of each SOP available in the master list. The list of SOP established was then brought to check the consistent of implementation against SOP. Internal audit was used to check the consistent of the implementation of procedures. The latest internal audit was carried out on 3.11.2016.</p> <p>With regards to the SOP, since there are no foreign workers or migrant workers, only Thai language is used to develop SOPs. All workers have been trained by using those SOP to ensure that they can implement according to the SOP. Records of the training are available during the assessment, such as training on health &amp; safety and PPE use on 3/11/2016. Field inspection was used to monitor the consistent of the implementation against SOPs. For scheme smallholder, Mr.Thas is responsible for all plantation owned by scheme smallholder. For estates owned by the company, Mr.Suthin was assigned to carry out internal control activities.</p>
4.1.3 Records of monitoring and any actions taken shall be maintained and available, as appropriate	Yes		N/A	As there was no evidence of the deviation of implementation according to the procedure, the record of corrective action was not presented. However, some recommendation for improvement was given by internal auditor of the company
4.1.4 The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB)	Yes	N/A		<p>SOP for sourcing of FFB from especially independent smallholders is .written in code QW-RSPO-003 revision 04 dated 2 June 2015. The SOP for handling of FFB supplied by own estate and scheme smallholders is also established in order to ensure that FFB certified and non-certified has been done properly. List of FFB suppliers is established and controlled by purchaser of the mill.</p> <p>Summary of the volume of FFB between certified and non-certified FFB is controlled through the computerized system (SAP and Truck System). Therefore, the mill can retrieve the data of FFB between certified and non-certified anytime.</p>
4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield	N/A	N/A	N/A	N/A



4.2.1 There shall be evidence that good agriculture practices, as contained in SOPs, are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible	Yes		N/A	SOP for maintaining soil fertility was described in procedure "sustainable palm oil plantation" QP-RSPO-008. However, each plantation applies different fertilizers depending on the purpose of the use and results of soil nutrient analysis.
4.2.2 Records of fertiliser inputs shall be maintained	Yes		N/A	Fertilizer application is done according to the result of soil nutrient analysis of each plantation. The soil nutrient analysis done on 8/2/2016 (all plantations) was used to guide which formula of fertilizer should be applied. Fertilizer application is done twice a year. Several formulas of fertilizer were applied such as Tungkha plantation applied 14-10-30 ,Pakpreak plantation applied 0-0-60, Noenthong and Klongklud plantation applied 21-0-0 and 0-0-60.
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status	Yes		N/A	The procedure for collecting soil samples was established in order to use for monitoring the change in nutrient status. All plantations are required to analyze soil nutrient status once a year. Soil analysis was done by Suratthani Provincial Land Development Office. Latest analysis was done on 8/2/2016.
4.2.4 A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting	Yes		N/A	At the time of the assessment, no use of EFB, POME in the plantation, only ash was applied in Tungkha and Pakpreak plantation to improve soil fertility. Anyway, fronds stack is used for all plantations for maintaining soil humidity and improve soil fertility. There is no replanting area at the time of assessment. Therefore, there is no supply of palm residue.
4.3 Practices minimise and control erosion and degradation of soils	N/A	N/A	N/A	N/A
4.3.1 Maps of any fragile soils shall be available	Yes	N/A		There is no fragile soil that needs to have a map of fragile soil. There are 7 soil series at the Natural Palm Plantation. All soil series are not fragile soil especially sandy soil.
4.3.2 A management strategy shall be in place for planting on slopes above a certain limit (needs to be soil and climate specific)	Yes		N/A	All planted areas are flat. Therefore, management strategy to deal with planting on the slope is not required.
4.3.3 A road maintenance programme shall be in place	Yes		N/A	In 2017, there is no road maintenance program for all plantations because road condition is still good. That confirmed when visited the plantation. However, the previous record of the road maintenance program is available because all expenditures of the road maintenance program are required to



				send back to the mill office.
4.3.4 Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place	Yes	N/A		Due to no peat soils in the planting area, the SOP for minimizing of subsidence of peat soil is not applicable.
4.3.5 Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing	Yes		N/A	Due to no peat soils in the planting area, drain ability assessment is not required.
4.3.6 A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils)	Yes		N/A	Management strategy for fragile and problem soils (inadequate soil fertility for palm oil plantation) was established. The one of the techniques to improve soil fertility is indicated in procedure fertilizer application "QS-RSPO-007". Prior to the application of the fertility to improve soil fertility, the survey and soil sample analysis are required to conduct as the first step. The records of those implementations are available during the assessment.
4.4 Practices maintain the quality and availability of surface and ground water	N/A	N/A	N/A	N/A
4.4.1 An implemented water management plan shall be in place	Yes		N/A	<p>A water management plan is described in QS-RSPO-025 dated 1 Sep 2015 for both mill and plantation. The water management plan consists of:</p> <ul style="list-style-type: none"> <li>- Reuse of used water in the mill to irrigate the plants</li> <li>- Recycle of the used water</li> <li>- Increase the storage capacity of the reservoir</li> </ul> <p>The water management plans also included plan to avoid of surface and ground water contamination. Drinking water for workers at the plantation is provided by the company without any charges. During the assessment confirmed that no impact on catchment area and local communities because plantation didn't use surface water from canal and rivers and actions taken for water management are in compliance with the SOPs. Meanwhile, big reservoir for storing rain water was built as the major source of the water for POM operation. During the onsite inspection confirmed that actions taken for water management are in compliance with</p>



				the SOPs
4.4.2 Protection of water course and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated	Yes	N/A		Map of the plantation shows the canals that are across and adjacent the plantation. Anyway, there is a man-made canal was built surrounding Tungkha and Pakpreak plantation in order to indicate boundaries and prevent the leakage of contamination when they apply mill effluent in the plantation. The riparian and buffer zone of at least 15 meters on both sides of the water courses is set to prevent the water courses and vegetation is maintained. The riparian and buffer zone has been delineated as free of agrochemical usage. During the onsite assessment confirmed that actions taken for riparian and buffer zone protection are in compliance with the SOPs.
4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6)	Yes		N/A	There is no water discharge from the mill to adjacent areas. However, the POME quality was analyzed every month in compliance with national regulations. Latest analysis was done first quarter of year 2017. BOD sampled from the first pond is 30,400 mg/l. Meanwhile, BOD from the last wastewater treatment pond (no.8) is 18 mg/l which is in compliance with the national regulation limit not more than 20 mg/l.
4.4.4 Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored	Yes		N/A	Water management plan is described in QS-RSPO-0025 also covered procedure to measure mill water usage. Water meter is installed to measure water use at the mill even though surface water from river is not pumped for mill's operation.



4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques	N/A	N/A	N/A	N/A
4.5.1 Implementation of Integrated Pest Management (IPM) plans shall be monitored	Yes	N/A		All planted areas owned by the company and scheme smallholders have formulated an Integrated Pest Management (IPM) together addressed in the Agricultural best practice for the plantation "QP-RSPO-008". Thai agricultural Standards (TAS) for palm oil plantation are also adopted and used as the guideline for the application of the suggested IPM techniques. Identification of potential pests and thresholds indicated in the procedure. At the time of assessment, all methods were applied for control of pest as a cultural host, culture of barn owl, mechanical and physical methods. Barn owls which are native species were used as part of the biological control method. The use of pesticide was not carried out by the company, which was confirmed during the on-site assessment. The IPM plan was reviewed annually by the smallholder scheme and the plantation manager for all planted areas. IPM procedure QP-RSPO-008 also includes action plans, especially the plan for minimizing the use of pesticide use. The monitoring of the plan is done through internal audit in order to monitor the effectiveness of the implementation.
4.5.2 Training of those involved in IPM implementation shall be demonstrated	Yes		N/A	IPM training provided for the staffs of the Natural Palm plantation and representative of scheme manager was conducted on 5/6/2016. Result of interview with the representative of scheme smallholder also confirmed that he understood the IPM implementation.
4.6 Pesticides are used in ways that do not endanger health or the environment	N/A	N/A	N/A	N/A
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	Yes	N/A		Policy on safe use of chemical is in place. Mechanical weed control is also implemented to minimize the use of pesticide. From plantation manager interview informed that all visited plantations have not used pesticides for controlling of weeds since 2016.





<p>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</p>	<p>Yes</p>	<p>N/A</p>		<p>Record of pesticide used is available. Latest glyphosate application was done on 3/9/2015 at Noenthong plantation 560 ml/water 80 litres.</p>
<p>4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practices guidelines</p>	<p>Yes</p>	<p>N/A</p>		<p>IPM procedure QP-RSPO-008 also includes action plans for IPM and that plan was implemented to reduce the use of pesticide. The monitoring of the plan is done through the internal audit in order to monitor the effectiveness of the implementation. From above mentioned, all visited plantations have used pesticides for controlling of weeds in 2016 less than amount of use of pesticide in 2015</p>
<p>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 national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p>	<p>Yes</p>		<p>N/A</p>	<p>A chemical listed in World Health Organization Class 1A or 1B was adopted and used to develop the procedure. There are 12 chemicals listed in this convention, e.g. Aldrin, chlordane, DDT, dieldrin, endrin, heptachlor, Mirex, toxaphene, hexachlorobenzene, polychlorinated biphenyl, polychlorinated dibenzo-p-dioxin, and polychlorinated dibenzofuran. There is the management plan committing to minimize and eliminate use of those pesticides and paraquat. The use of paraquat has been stopped since 2014.</p>
<p>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 (see Criterion 4.7)</p>	<p>Yes</p>	<p>N/A</p>		<p>There are procedures Agricultural best practice for the plantation “QP-RSPO-008” and Occupational health and safety “QP-RSPO-004” were used to train the workers who deal with the agrochemical and work at the company’s plantations as well as smallholder’s plantations. There is evidence that training has been conducted in an appropriate language understood by the workers. The pesticides are handled, used or applied only by persons who have completed the necessary training such as Mr.Somchai Chumnankit, Mr.Pathapee Yeunman and Mr.Jirayu Phansana. Mr.Somchai Chumnankit could demonstrate his understanding of the hazards and risks related to chemicals used when interviewed. The procedure indicated that personal safety equipment or PPEs which include mask, rubber gloves, waterproof apron and rubber boots are provided to workers who are responsible for chemical usage. At the time of assessment, there was no record of requisition of personal safety equipment (PPE) because they have not used any pesticides or chemical since 2016</p>



4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3)	Yes	N/A		SOP for pesticide storage has been documented and implemented. Chemical pesticides are always kept in store which is secured with lock. Key to the store is only held by designated person responsible for chemical inventory and storage (Mr.Suthin). The empty containers are kept at the pesticide storage before further disposal by authorized company who has been controlled by the environmental officer of the POM. The empty containers are not used for other purposes.
4.6.7 Application of pesticides shall be by proven methods that minimise risk and impact	Yes		N/A	Procedure QP-RSPO-008 for preparation of the pesticide was documented. There is training provided on work instruction, including risk and impacts of pesticide applications for sprayer on 3/11/2016.
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	N/A	N/A		This is not applicable because aerial spray has not been applied.
4.6.9 Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8)	Yes		N/A	The company provided relevant information materials on pesticide handling to all employees and representative of scheme smallholders. Training plan is integrated into the occupational health and safety plan. Workers and subcontractors will be trained on occupational health and safety once a year at least.
4.6.10 Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3)	Yes		N/A	Procedure QP-RSPO-005 for disposal of the waste material is established. Training on this topic was given on 3/11/2016 for both staffs of the Natural Palm plantation and scheme smallholder. The implementation of proper ways for waste disposal is rinse 3 times before disposal.
4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated	Yes	N/A		There is an updated list of pesticide operators (Mr.Wutcharin Chanson, Mr.Pathapee Yeunman, Mr.Jirayut Phansana) which controlled by the safety officer. The records of annual medical surveillance of pesticide operators are available. The latest checkup was conducted on 15/12/2016 by Thonburi-Chumporn Hospital. Cholinesterase is one of the parameters used to test the health status of the sprayers. 3 sprayers were examined this item in 2016 and all of them the results are normal.



4.6.12 No work with pesticides shall be undertaken by pregnant or breast-feeding women	Yes	N/A		There is a policy statement preventing pregnant and breast-feeding women from handling pesticides in policy number Por Kor 2013-024 which was released since 2 September 2013. All workers are acknowledged on this policy. Anyway, there was no list of female workers handling pesticides at the time of assessment. The company have a system to identify pregnant and breast-feeding women by Gender committee who was appointed by the top management of the company
4.7 An occupational health and safety plan is documented, effectively communicated and implemented	N/A	N/A	N/A	N/A
4.7.1 A H&S policy shall be in place. A H&S plan covering all activities shall be documented and implemented, and its effectiveness monitored	Yes	N/A		Health, safety and environment in workplace policy was announced on 1/8/2015 (Announcement No.Kor Por Or 07/2553) and posted on the plantation communication board. Occupational health and safety procedure, QP-RSPO-004 and health, safety and environment in workplace plan, QF-RSPO-022 were also established. The policy also covers mitigation of risks to workers health and safety at all workplace activities. Workers could demonstrate their understanding on policy during the interview. There is an accident investigation report form QF-RSPO-016, however, there was no accident happened since 2015 until now (at the time of second surveillance assessment). The health and safety plan is made publicly available. The plan for health and safety is mostly related to the training. The targets for improving occupational health and safety will be planned if the targets are not achieved. However, there was no record of unachieved target at the time of assessment.
4.7.2 All operations where H&S is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers	Yes	N/A		The policy addressed that all accidents, occupational illness and incidents are preventable through management of identified risks. A risk assessment was conducted for all operations at the plantation.



<p>4.7.3 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 used, burning</p>	<p>Yes</p>	<p>N/A</p>		<p>All workers involved in the operation in the plantation are appropriately trained in safe working practices and first aid practices on 3/11/2016. The policy and procedure addressed that all workers involved in the operation are provided adequate and appropriately PPEs to protect all potentially hazardous operation such as pesticide application, machine operations, land preparation, and harvesting. Required PPEs for both POM and estate were determined since the developing the risk assessment to ensure that PPE can be used to reduce harmful to health and safety.</p>
<p>4.7.4 The responsible person(s) shall be identified. There shall be records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded</p>	<p>Yes</p>	<p>N/A</p>		<p>The company identified Safety Officer and Health and safety committee are the responsible persons to implement OHS. Meeting between the responsible persons and workers at the plantation about health, safety and welfare is conducted every month. The result of the latest meeting confirmed that there was no issue on health, safety and welfare.</p>
<p>4.7.5 Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and First Aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p>	<p>Yes</p>	<p>N/A</p>	<p>N/A</p>	<p>The accident and emergency procedure QP-RSPO-002 was established. All major potential emergencies, such as, but not limited to fire, chemical spillage, and potential natural disasters are described in the procedure. The training was given to the staffs on 3/11/2016. The effectiveness of the training was proven by evidence showing that there was no accident and emergency case occurred since 2015. Training record of first aid for each plantation manager is available. First aid kits are also provided, maintained and stocked properly. Type and number of the first aid are prepared by each plantation according to the notification of the Department of Labour Protection and Welfare. Mobile first aid kits are also provided.</p>
<p>4.7.6 All workers shall be provided with medical care, and covered by accident insurance</p>	<p>Yes</p>	<p>N/A</p>	<p>N/A</p>	<p>All workers are provided with medical care and covered by accidental insurance by the company and contract workers are also provided with medical care. Refer to Medical insurance and accident insurance conditions; all expenses of the treatment (if any) will be responsible by the insurance company. The insurance policies are valid.</p>
<p>4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics</p>	<p>Yes</p>	<p>N/A</p>	<p>N/A</p>	<p>Due to no accident occurred since 2015, therefore the record using Lost Time Accident (LTA) metrics not applicable.</p>
<p>4.8 All staff, workers, smallholders and contract workers are appropriately trained</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>



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	Yes	N/A		List of staff, workers, smallholders and contract workers whom training must be provided was established and kept update by the management representative. Mill and plantation have an annual training program for calendar year 2017 which was approved by Engineering Manager (Mr.Kawin). Therefore, regular assessment of training needs was carried out by Engineering Manager. Training for workers on smallholder plantation (representative of scheme smallholder) was carried out on 31/11/2016. Based on the training record conducted on 3/11/2016, the list of participants who attended the training is available.
4.8.2 Records of training for each employee shall be maintained	Yes		N/A	All employees have their own individual training record since the first day of employment. Latest training was given on 31/11/2016.
<b>5. Environmental responsibility and conservation of natural resources and biodiversity</b>	N/A	N/A	N/A	N/A
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	N/A	N/A	N/A	N/A
5.1.1 An environmental impact assessment (EIA) shall be documented	Yes	N/A		EIA was conducted using ISO14001 guideline. The possible impacts caused by mill and estate operation are indicated in QF-RSPO-023. EIA is required to conduct annually. Latest assessment is carried out on 27.6.2015. The EIA covered several operations that may impact on environment e.g. Building new roads, Clearing of remaining natural vegetation and Management of mill effluents. Since there is no change that requires re-assessing the impacts on environment, the latest EIA is applicable.
5.1.2 Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person(s)	Yes		N/A	Environmental management plan QS-RSPO-0026 was established and approved by factory manager since 1 September 2015. Here below are environmental management plan - Installation of Electrostatic Precipitator (ESP): to be finished by end of year 2015 - Increase the sterilization process to reduce the odor : to be



				<p>finished by end of year 2015</p> <ul style="list-style-type: none"> <li>- Construct sludge drying storage</li> <li>- Construct the storage for fiber and shell</li> </ul> <p>All environmental mitigation plans established by the company are in consistent with the concerns from stakeholder received during the public consultation meeting conducted during the second surveillance assessment.</p>
5.1.3 This plan shall incorporate a monitoring protocol, adaptive to personal changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years top reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts	Yes		N/A	Plan to review of the monitoring protocol and effectiveness of the mitigation measures is monitored during the management review among top management. Recently, the company installed electrostatic precipitation (ESP) to control the dust from the boiler. The investment of ESP is almost 100 million Bath. This is one of the effectiveness of the mitigation measure invested by the company
5.2 The status of rare, threatened or endangered species and othe High Conservation Value habitat, 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	N/A	N/A	N/A	N/A
5.2.1 Information shall be collated in High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors)	Yes	N/A		HCV assessment was conducted by Forest Industry Organization (FIO) on November 2013. HCV assessment was also included wider landscape-level. Based on the HCV report, there is no presence of protected areas in mill and estates.
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 a management plan	Yes	N/A		With regards to the HCV assessment report, HCV 1.2 with regard to the Purple Swamphen ( <i>Porphyrio porphyria</i> ) is identified by the FIO for only mill and factory division. However, the record of monitoring conducted by the guard of mill showed that this bird is no longer found in the mill. Migration in the past years is might be cause of this fact. For implementation done by estate even though there is no HCV, buffer zone of at least 15 meters on both sides of the canals in the estate has been delineated as free of agrochemical usage in order to reduce the runoff which is cause of the sediment in the canal



5.2.3 There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species	Yes		N/A	Programme for educating staffs at the workforces especially security guards of the mill for inspection the presence of Purple Swamphen is established even though this bird is no longer found in the mill in the past years
5.2.4 Where a management plan has been created there shall be ongoing monitoring: - The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported - Outcomes of monitoring shall be fed back into the management plan	Yes		N/A	Accumulated sediment and fronds in the canal at the Natural Palm plantation is required to check and monitor quarterly. Management plan is to construct the barrage to reduce cumulative sediment load in the canal. Meanwhile, Purple Swamphen is required to monitor monthly. Moreover, sign for communicating with stakeholder and other people is required to carry out and posted at the entrance gate of the mill.
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	Yes		N/A	No HCV set-asides with existing rights of the local communities
5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner	N/A	N/A	N/A	N/A
5.3.1 All waste products and sources of pollution shall be identified and documented	Yes	N/A		List of wastes and pollutions was established in the form no. QS-RSPO-016 on 11 September 2015. List of wastes, for example, are fibre, EFB, shell, and decanter cake. List of wastes identified by the mill and estate are not different since the last assessment.
5.3.2 All chemicals and their containers shall be disposed off responsibly	Yes	N/A		Chemical and their empty containers are stored at the chemical storage before disposal. Storage is well shelter to protect the leakage of remaining pesticide into the environment.
5.3.3 A waste management and disposal plan to avoid or reduce pollution be documented and implemented	Yes		N/A	Waste management and disposal "QP-RSPO-005" procedure was established to avoid or reduce pollutions. Waste (empty pesticide containers) will be kept in permanent storage sheltered from rain and with sufficient containment system to prevent any leakage of agrochemical that may remain in the containers
5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised	N/A	N/A	N/A	N/A



5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored	Yes		N/A	Plan for improving efficiency of the use of fossil fuels and to optimize renewable energy is established. Renewable energy is generated from both biogas and biomass power plant. Energy efficiency was done according to the requirement of the Department of Energy of Thailand
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	N/A	N/A	N/A	N/A
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 dated 2003 or comparable guideline sin other regions	Yes	N/A		Zero burning policy is one of several policies established by the company. SOPs for land preparation which mentions zero burning was established for replanting process. Site inspection was also carried out and confirmed that there is no remain evidence of land burning in the supply bases. Scheme smallholder has been trained on the zero burning even though most of their palm oil is in stage of mature
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 the Guidelines for the Implementation of the ASEAN Policy on zero burning dated 2003 or comparable guideline sin other regions	Yes		N/A	Even though use of fire cane be done when prior approval of the controlled burning, the company will not do use of fires
5.6 Plans to reduce pollution and emissions, including GHG, are developed, implemented and monitored	N/A	N/A	N/A	N/A
5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4)	Yes	N/A		Several practices have been conducting to support the reduction of gaseous emission such as reduce time for start up of engine, reduce the use of CFC and reduce the use of chemical fertilizer. List of identified polluting activities especially particulate emission and gaseous emission was written in the form QS-RSPO-016 on 11 September 2015
5.6.2 Significant pollutants and GHG emissions shall be identified, and plans to reduce or minimise them implemented	Yes	N/A		Mill and their supply bases have documented a pollution and emission control plan in QF-RSPO-023 that identifies the sources of emissions and methods for control together. Gaseous emission (NO <sub>2</sub> , SO <sub>2</sub> and TSP) and particulate emission were assessed and monitored according to the national regulations. Latest monitoring of the gaseous emission was carried out by Environmental and Resource Development Co., Ltd on first quarter of year 2017. This was done according to ESA of the power plant.





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	Yes		N/A	System for monitoring emission of pollutants including greenhouse gases from estate (plantation) and mill operations was established and in place. One of the systems is to monthly monitoring greenhouse gases emitted from the mill. Obvious implementation to reduce the emission is to installation of Electrostatic Precipitator (ESP).
<b>6. Responsible consideration of employees and of individuals and communities affected by growers and mills</b>	N/A	N/A	N/A	N/A
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	N/A	N/A	N/A	N/A
6.1.1 A Social Impact Assessment (SIA) including records of meetings shall be documented	Yes	N/A		A Social impact assessment process has been clearly defined in procedure QS-RSPO-022 Rev.00 dated 17 Mar 2013. The Social Impact Assessment (SIA) has been conducted and described in form QF-RSPO-033. Social impact assessment was carried out by qualified and well trained staff, who have Master Degree on Occupational Health and Safety, under the recommendation of the consultant who is engaged by the company on 16 September 2013. SIA was re-carried out again through a participatory approach during the second surveillance assessment to verify the perspectives from other attendants



<p>6.1.2 There shall be evidence that the assessment has been done with the participation of affected parties</p>	<p>Yes</p>	<p>N/A</p>		<p><u>Tha Chang Plantation</u> : The SIA was carried out through a participatory approach during the public consultation meeting held at Moo 5, Khaothan Sub-district on 10 Mar 2016 and Moo 6, Khaothan Sub-district on 10 Apr 2016. Moreover, all data were assessed through questionnaire used to interview community representatives.  <u>Thungkha Plantation</u>: The SIA was carried out through a participatory approach during the public consultation meeting held at Moo 7, Thungkha Sub-district on 19 Nov 2016.  <u>Pakpreak Plantation</u>: The SIA was carried out through a participatory approach during the public consultation meeting held at Moo 3, Pakpreak Sub-district on 9 Nov 2016.  <u>Noenthong Plantation</u>: The SIA was carried out through a participatory approach during the public consultation meeting held at Moo 6, Salui Sub-district on 8 Nov 2016.  <u>Klongkrud Plantation</u>: The SIA was carried out through a participatory approach during the public consultation meeting held at Moo 3, Klongkrud Sub-district on 21 Nov 2016</p>
<p>6.1.3 Plans for avoidance or mitigation of negative impacts and promotion of positive ones, and monitoring of impact identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation</p>	<p>Yes</p>	<p>N/A</p>		<p>Based on the result of SIA, there was no impact caused by plantation's operation to social. Therefore, there is no plan for avoidance or mitigation of negative impacts on social. However, the company has set the CSR projects to promote the social development</p>
<p>6.1.4 The plans shall be reviewed as a minimum once every two years and updated as 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</p>	<p>Yes</p>	<p>Minor</p>	<p>N/A</p>	<p>Plan for mitigation of social impact is not annually reviewed as planned interval after social impact assessment and public consultation by the year 2016. The results indicated potential negative impacts such as out-of-order road in front of Thachang Estates and local recruitment if possible, etc.</p>
<p>6.1.5 particular attention shall be paid to the impacts of smallholder schemes, where the plantation includes such a scheme</p>	<p>Yes</p>		<p>N/A</p>	<p>Estates owned by Mr.Kowit Kuansongtham and Ms.Thidarat Kuansongtham : The SIA report also covers estates owned by scheme smallholders. However, there is no identified impact caused by estate operation. As scheme smallholders are one of the company's owners, they have involved the process of SIA.</p>



6.2 There are open and transparent methods for communication and consultation between rowers and/or millers, local communities and other affected or interested parties	N/A	N/A	N/A	N/A
6.2.1 Consultation and communication procedures shall be documented	Yes	N/A		Consultation and communication management guidelines for both POM and estate are developed and documented as the procedure in QP-RSPO-010 Rev.02,1 May 2015
6.2.2 A management official responsible for these issues shall be nominated	Yes		N/A	Management staff responsible for communication with affected persons or interested parties has been assigned by the top management of the Natural Palm Group Co., Ltd. Mill manager (Mr.Kraisorn Kaewon) is the representative appointed by Managing Director of the company since 30 October 2013
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	Yes		N/A	A list of stakeholders includes local communities, local governments, an Islamic religious leader, Buddhist religious leader, head of communities, and local community members are kept and maintained properly. List of stakeholders who live surrounded the estate which was established and latest updated on 13/1/2017 Records of the monthly village meeting that was participated by the environmental officer and records of actions taken in response to input from stakeholder are available during the assessment.
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	N/A	N/A	N/A	N/A
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, whenever requested	Yes	N/A		There is a system in place to deal with complaints and grievances for all affected parties. Such as, complaint box installed at the community center (Moo 5 and Moo 6, Khaothan Sub-district) and the management staff attend the monthly meeting with local communities. Complaint box installed at the community center is acknowledged by the stakeholders through the stakeholder consultation meeting. Complaint boxes are also installed within the mill and estate. This is obviously a mechanism for worker to give the complaints and grievances. The employee will be informed through the OJT.



6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available	Yes	N/A		Up to present, there are no complaint and grievance raised by stakeholder and the worker. Therefore, there is no documented of complaint that is required to maintain at the company
6.4 Any negotiation concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions	N/A	N/A	N/A	N/A
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	Yes	N/A		Procedure QP-RSPO-010 Rev.02 for identifying legal, customary or user rights and for identifying people entitled to compensation was established and released since 1 May 2015. This procedure is remaining unchanged since the last assessment
6.4.2 A procedure for calculating and distributing fair compensation shall be established and implemented, monitored and evaluated in a participatory way, and corrective action 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	Yes		N/A	Procedure QP-RSPO-010 Rev.02 also includes calculating and distributing fair compensation. That procedure is not developed under the participation of stakeholder; they were informed by the company on the procedure for compensation. However, mechanism for compensation is done in a participatory way.
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	Yes	N/A		All plantation areas are owned by the company, the compensation will be made according to the decision of the independent arbitrator or court of justice (if any)
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	N/A	N/A	N/A	N/A
6.5.1 Documentation of pay and conditions shall be available	Yes	N/A		There are 2 types of employment arrangements in the plantation, direct hires (monthly) and contractual. Pay and conditions for each employee and company are indicated in the contract. Contracts for, for example, Mr.Adisak Makchanchim (monthly employee), Ms.Panutcha Chaturongsang (contractual), Mr.Somchai Chumnankit (contractual) have been checked and verified during the audit



6.5.2 Labour laws, union agreements, or direct contracts of employment detailing payments and conditions of employments shall be available in the languages understood by the workers or explained carefully to them by a management official	Yes	N/A		The minimum wage for Surat Thani provinces is 308 Baht/day and Chumporn province is 300 Baht/day. The salary, wage and conditions of work that conformed to the legislation of Department of Labor are described in Thai language in the job description and contracts signed between the company and all workers. Payment was carried out according to the conditions of the employment such as Mr. Adisak receive 12,000 which daily wage was higher than 308 Bath/day
6.5.3 Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible	Yes		N/A	POM and estate provided adequate housing and other basic necessities such as: - house with 2 bedrooms and one separate bathroom that employee can bring their family to live together -water and electricity are provided to each house -Health insurance is provided for all employees
6.5.4 Growers and millers shall make demonstrable efforts to monitor and improve the workers' access to adequate, sufficient and affordable food	Yes		N/A	Due to the mill and plantation near the community and market that employees can access to adequate, sufficient and affordable food. However, the company contact to the seller for affordable food with the lower prices than market prices.
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 independence and free association and bargaining for all such personnel	N/A	N/A	N/A	N/A
6.6.1 A published statement in local languages recognising freedom of association shall be available	Yes	N/A		Policy on respects the rights of all employees to form and join trade unions of their choice and to bargain collectively was established and released since 20 August 2013. The policy number is Por Kor 2013-022. However, all employees did not form any labour union or join any labour association at the time of assessment. The interview with the workers confirmed that they have understood the right to form as the union.



6.6.2 Minutes of meetings with main trade unions or workers representatives shall be documented	Yes		N/A	The last meeting of occupational health and safety was done on 13 January 2017 with regard to the welfare of the employees. Minutes of the meeting was posted on the plantation board for communication with employees who have not attended in the meeting.
6.7 Children are not employed or exploited	N/A	N/A	N/A	N/A
6.7.1 There shall be documentary evidence that minimum age requirements are met	Yes	N/A		The minimum working age for workers together with working hours is clearly defined in the company's recruitment policy. Result of ground inspection confirmed that all workers hired by the company are above 18 year old.
6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age is prohibited	N/A	N/A	N/A	N/A
6.8.1 A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented	Yes	N/A		Policy on non-discrimination and equal opportunities was described in policy no. Por Kor 2013-021 and signed by top management on 20 August 2013. That policy was posted on the plantation's board where is easily accessible by the stakeholders or other interested parties.
6.8.2 Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against	Yes	N/A		Most of employees of the company in both mill and plantation are from local communities. Ratio between male and women workers are not different. That showed workers have not been discriminated against and there was no complaint on issue relating to discrimination.
6.8.3 It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available	Yes		N/A	The company keeps and maintains a record of their employees' work credentials and medical history. Application forms filled by the candidate with relevant training records are available during the assessment. These records were reviewed the recruitment system whether it was done based on skills, capabilities, qualities, and medical fitness necessary for the job.
6.9 There is no harassment or abuse in the work place, and reproductive rights are protected	N/A	N/A	N/A	N/A



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	Yes	N/A		The prohibition of sexual harassment and violence are described in policy number Por Kor 2013-025 which was released on 2 September 2013 and approved by top management. That policy has been documented, implemented and communicated to all levels of the workforces. Gender committee was appointed by top management on 1 Feb 2017. Latest meeting among gender committees was carried out and the result of the meeting showed that there was no issues relating to sexual harassment and violence.
6.9.2 A policy to protect the reproductive rights of all, especially women, shall be implemented and communicated to all levels of the workforce	Yes	N/A		Policy on the protection the productive right is described in policy number Por Kor 2013-024 which was released on 2 September 2013. That policy has been documented, implemented and communicated to all levels of the workforces.
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	Yes		N/A	The company has a mechanism to handle employment grievances, that respects anonymity and protects complainants where requested such as installation of the complaint/grievance box and top management appointed estate or mill manager as the management representative to resolve any concerns of employees or workers. At the time of assessment, there is no any complaints and grievances given by workers.
6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses	N/A	N/A	N/A	N/A
6.10.1 Current and past prices paid for FFB shall be publicly available	Yes		N/A	FFB gate prices are posted at the POM gate. FFB gate prices in the last 2 years are available and ready for public disclosure
6.10.2 Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented where these are under the control of the mill or plantation	Yes	N/A		Computerized system (Truck program) was used by the weighting department of the mill to record transaction between mill and smallholders. For supply bases generated by the Natural Palm Plantation that were sold to another mill owned by different legal entity, these FFBs are no longer as RSPO certified FFB. For those independent smallholder who wishes to know the FFB price, they are informed by phone call with regard to the FFB gate price



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	Yes		N/A	As it is right of the smallholder to sell their FFB to any mills, contractual agreement is not applicable in Thailand. It depends on the most convenience and preference of the stallholders. As it is right of the smallholder to sell their FFB to any mills, it is not necessary that all parties understand the contractual agreement
6.10.4 Agreed payments shall be made in a timely manner	Yes		N/A	There is no middle men between mill and smallholder
6.11 Growers and millers contribute to local sustainable development where appropriate	N/A	N/A	N/A	N/A
6.11.1 Contributions to local development that are based on the results of consultation with local communities shall be demonstrated	Yes		N/A	Contribution of the company to community development such as they are allow local communities to use their roads for transporting, donations to local school, and other activities requested by local communities and governmental sectors. Most of the staffs of the company in both mill and plantation are from local communities that showed there are efforts to improve or maximize employment opportunities at the company for local communities.
6.11.2 Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity	Yes		N/A	There are 2 scheme smallholders who have already been registered in the supply chain base of the company. Many efforts were made by the company to improve farming practices for both scheme smallholder and independent smallholders e.g. provide regular training, give the decanter cake and ash for improving soil fertility, and donate the young palm oil tree.
6.12 No form of forced or trafficked labour is used	N/A	N/A	N/A	N/A
6.12.1 There shall be evidence that no form of forced or trafficked labour is used	Yes	N/A		The results from interview with workers confirmed that they made their own decision to work at plantation without being forced by the company and the company also supports the workers to form as union and do actions to investigate whether workers may become as forced or trafficked labour.
6.12.2 Where applicable, it shall be demonstrated that no contract substitution has occurred	Yes		N/A	Contracts of workers at plantation were checked during the audit. Interview with workers about their job responsibility confirmed that there is no contract substitution occurred. Copy of the employment contracts are given to workers and the original contract is still kept by the company.





6.12.3 Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented	Yes	N/A		Company's policy and procedure for foreign workers released on 1 September 2015 includes statement of the non-discriminatory practices and no contract substitution. The policy also includes the provision of decent living conditions. All workers are provided with house, water and other facilities. The results from interview with workers confirmed that this policy and procedure have been implemented properly.
6.13 Growers and millers respect human rights	N/A	N/A	N/A	N/A
6.13.1 A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1)	Yes	N/A		Policy on human right was signed and released by top management on 1 September 2015. The policy to respect human rights is communicated with workers through the company's communication board. The results from interview with workers, there are no outstanding cases on human right violations.
<b>7. Responsible development of new plantings</b>	N/A	N/A	N/A	N/A
Principle 7 is not applicable to this assessment because there is no new planting after November 2005.				
<b>8. Commitment to improvements in key areas of activities</b>	N/A	N/A	N/A	N/A
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	N/A	N/A	N/A	N/A
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 RSPO Principles and Criteria. As a minimum, these shall include, but not necessarily be limited to: - Reduction in use of pesticides (Criterion 4.6) - Environmental impacts (Criteria 4.3, 5.1 and 5.2) - Waste reduction (Criterion 5.3) - Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8) - Social impacts (Criterion 6.1) - Optimising the yield of the supply base	Yes	N/A		Plan for continual improvement during year 2017-2019 was established and approved by the top management of the company. Here below are main components of the plan: 1. Reduce the use of the pesticide in the Natural Palm Plantation 2. Reduce the costs e.g. electricity cost, water use and other 3. Increase the number of the FFB buying points 4. Increase training course for smallholders in order to invite them to be scheme smallholder 5. Plan for environment friendly programs e.g. reduction of GHG, installation of Electro Static Precipitator (ESP), reduce the weight of plastic bottle and use biodegradable carton boxes. Based on the continuous improvement plan, one of the obvious improvements is to installation of the Electrostatic Precipitator to reduce the emission and ash from the boiler.



## Module E – CPO Mills: Mass Balance

E.1	<b>Definition</b>	<b>Compliance (Yes/No)</b>	<b>Findings</b>
E.1.1	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	Yes	The mill has a procedure to verify the volume of certified and uncertified FFB entering the mill in place. Weighing staff was assigned to responsible to verify the volume of certified and uncertified FFB. Internal delivering form between estate and mill was used to identify whether FFB is being certified. This form is now used to verify certified FFB entering to the mill
E.2	<b>Explanation</b>		
E.2.1	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 product (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.	Yes	An estimated quantity of certified CPO and PK to be certified will be 1,160.35 tons and 377.79 tons, respectively
E.2.2	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).	Yes	Shipping announcement for CPO and PK was done in eTrace correctly. The sale of PK 100 tons using shipping announcement was done on 11.11.2016. While the sale of CPO of 80.77 tons and 253 tons using shipping announcement was done on 6.7.2016 and 11.11.2016.
E.3	<b>Documented procedures</b>		
E.3.1	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;	Yes	There are written procedures and/or work instructions covering the implementation of all the elements required to handle certified RSPO products especially CPO as this company has also been certified RSPO SCC for their other products e.g. CPKO, Olein and stearin
	b) The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.	Yes	Khun Natanong Wisetpakdee (P&C) and Khun Pitchayapa Manob (SCC of refinery) were appointed as management representative of the company on 26 July 2016. They could demonstrate awareness and understanding on the RSPO requirements and work instruction during the audit
	E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	Yes	Procedure for controlling between certified and non-certified FFB is established in QW-RSPO-003 revision 04 dated 2 June 2015. ID card will be used to identify whether they are supplying certified or non-certified RSPO
E.4	<b>Purchasing and goods in</b>		
	E.4.1 The site shall verify and document the volumes of certified and non-certified FFBs received.	Yes	FFB generated by own estates and scheme smallholder during March 2016 to February 2017 is 3,525.54 tons. However, only 2,430.75 tons of FFB supplied to their mill because FFB produced by Tha Chang started to supply to the mill on October 2016.
	E.4.2 The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	Yes	System to inform CB immediately if there is a projected overproduction of certified tonnage is indicated in procedure QW-RSPO-023
E.5	<b>Record keeping</b>		
	E.5.1 a) 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.	Yes	Even though mass balance monitoring is done monthly, it is also able to monitor on the monthly basis. Sold CPO to their certifeid refiner is 333.77 ton. Remaining volume of CPO is 79.45 tons. PK sold to their crusher is 100 tons. Remaining volume of PK is 45.84 tons.



	b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.	Yes	CPO and PK delivered to their own refiner and crusher were deducted according to the conversion ratio agreed in previous assessment at 17% and 6%.
	c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short (i.e. product can be sold before it is in stock.)	Yes	Volume of certified CPO MB was delivered from positive stock. Sell short has never been used by the company. However, the management representative could demonstrate her understanding on how to comply with the sell short
E.5.2	In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	N/A	Palm kernel crushing mill is owned by the same organization



### 3.2 Identified non-conformances and noteworthy Positive Components (and status of non-conformities previously identified)

#### 3.2.1 Details of noteworthy positive components

Mill and estates operation owned by the Natural Palm Group Company Limited are well controlled by their competent staff in order to ensure the compliance with the RSPO P&C requirements. Even though the initial certification assessment also covered the scheme smallholder, the owner of the smallholder's estates is the member of the top management of the Natural Palm Group Company Limited. Well-trained staffs are allocated for managing the estates owned by the member of management to implement relevant activities in the estate and to control the selling of FFB from the estates to the mill.

As the company has been certified for ISO9001, GMP and HACCP by SGS for years, the relevant management documentation established by the mill are quite ready for the RSPO certification audit. Computerized system for all relevant sites e.g. mill and FFB collection point, has been provided for the traceability purposes. Utility and facility at the mill and estate are quite new and constructed for few years. Until the present, the facilities and utilities are well maintained in the good conditions. The construction of facility for all sites was made in the way to prevent the environmental impacts. For instance, there are 2 big retention ponds for storing the rainfall without the use of water from either surface water or ground water. Biogas and biomass were constructed at the site for utilization of all wastes generated by the mill. POME is applied in the estate of the company and Sangthong estate owned by the scheme smallholder. One of the obvious improvements after RSPO P&C certification in last two years is to installation of the Electrostatic Precipitator (ESP) to reduce the emission and ash from the boiler.

#### 3.2.2 Status of non-conformities previously identified

The verification comments for the non-conformities raised in the previous assessment can be seen in **Appendix 4**.

### 3.3 Issues raised by stakeholders

Meetings and interview with the relevant stakeholders arranged during the on-site assessment were carried out on the day 2 of the audit schedule (16 March 2017). The following table summarised the feedbacks received from the stakeholders consulted and their follow-ups. It was concluded that there was no negative impact caused by POM and its supply bases on the stakeholder. No complaint raised by stakeholder was observed during the public consultation meeting.

However, only one recommendation from the stakeholder on the initiative the project on corporate social responsibility was observed during the interview. Even though the company initiated many projects on corporate social responsibility, some projects were not really needed by the local community. Therefore, the stakeholder recommended that it would be useful if the representatives of the community will have a chance to involve in initiating the project on corporate social responsibility.

#### Summary of comments received during stakeholder consultation

Organizations	Feedback/comment received	Verification and follow-up by Bureau Veritas
Government agencies	No comments	NA
Local communities	No comments	NA
Contractors	No comments	NA
Suppliers	No comments	NA
Etc.	No comments	NA



#### 4.0 Certified organisation's acknowledgement of internal responsibility

#### 4.1 Assessment conclusion and recommendation

Based on the evidence gathered during the on-site visits it can be concluded that The Natural Palm Group Co., Ltd. (POM) and its supply bases (Certification Unit) has conformed to the requirements of the RSPO Principles and Criteria for Sustainable Palm Oil Production, 2013.

Therefore, the assessment team recommends The Natural Palm Group Co., Ltd. (POM) and its supply bases (Certification Unit) to be certified/continue to be certified for RSPO Principles and Criteria, 2013.

#### 4.2 Formal sign-off of assessment findings

I, the undersigned, representing The Natural Palm Group Co., Ltd. (POM) and its supply bases (Certification Unit) acknowledge and confirm the contents of the assessment report and findings of the assessment.

---

Mr. Kowit Kuansongtham  
Director

Date: 17 May 2017

I, the undersigned on behalf of Bureau Veritas Certification Hong Kong, confirm the contents of the assessment report and findings of the assessment.

---

Dr. Benchamaporn Pimpa  
Lead Assessor

Date: 17 May 2017

**Location map(s) of Certification Unit**

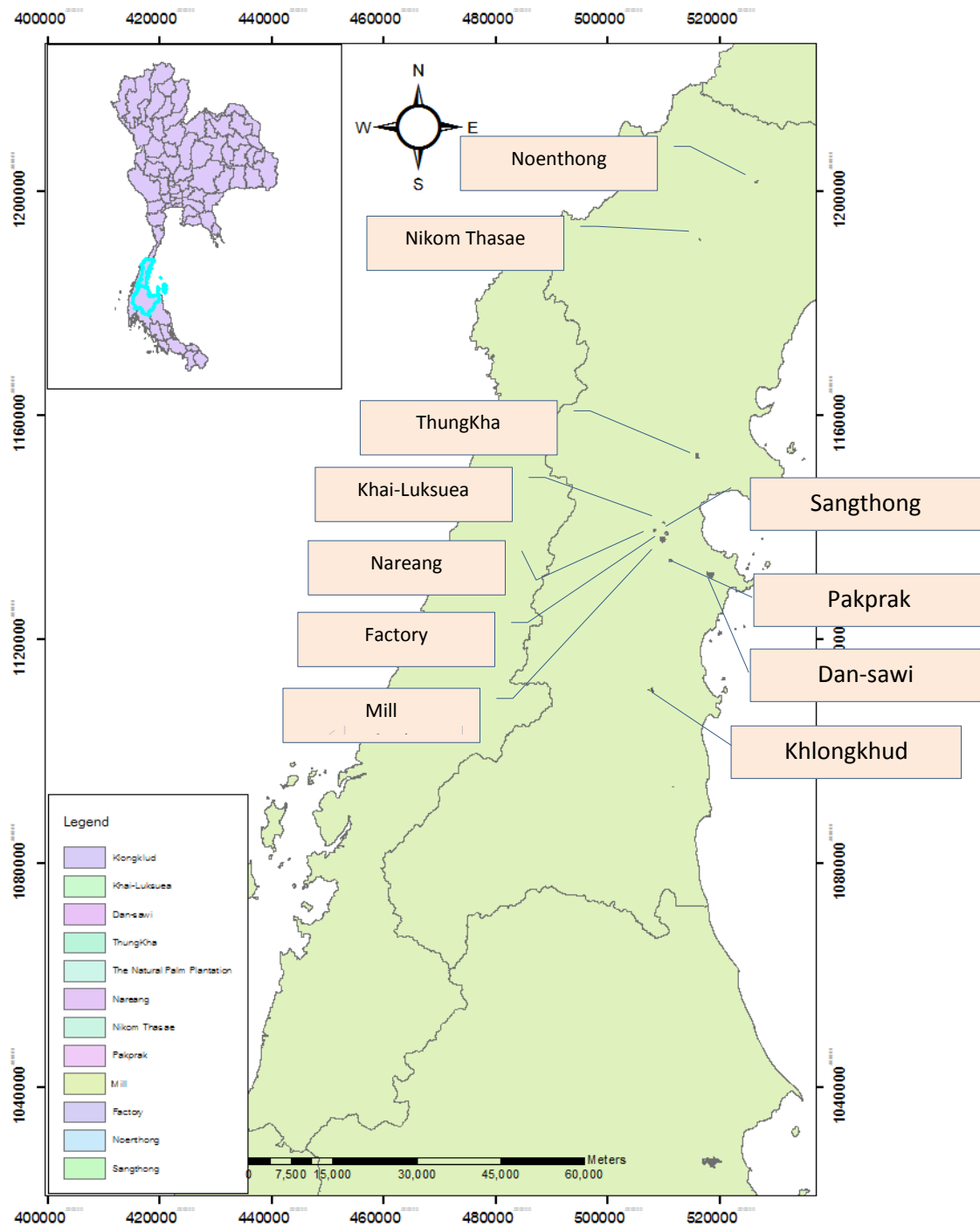


Figure 1 Geographical Map of Natural Palm Group Co., Ltd and their supply bases

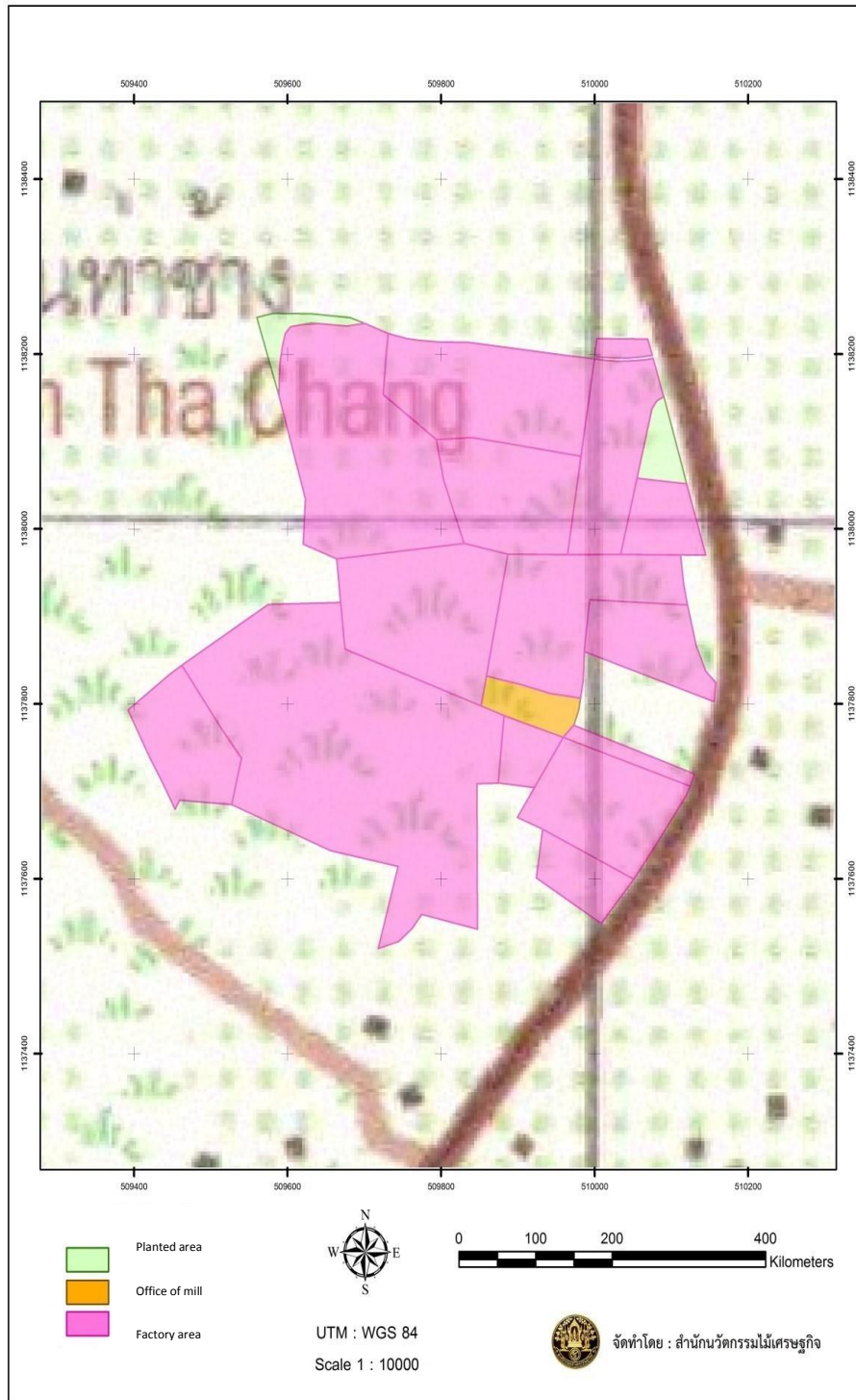


Figure 2 Map of Natural Palm Group Co., Ltd (mill)

**Source:** Forest Industry Organization (2013)



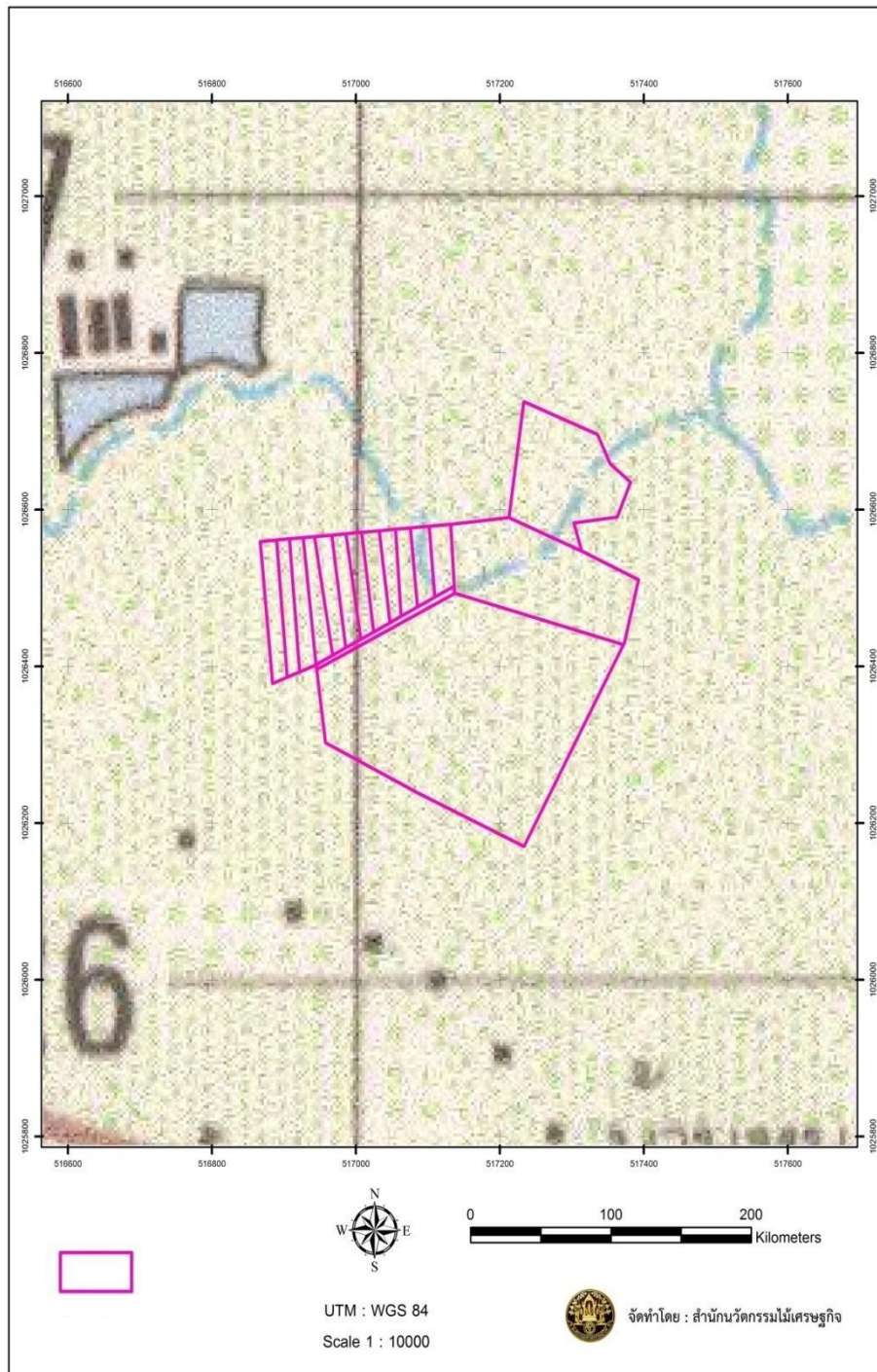


Figure 3 Map of Natural Palm Plantation Block (Tha Chang)  
**Source:** Forest Industry Organization (2013)

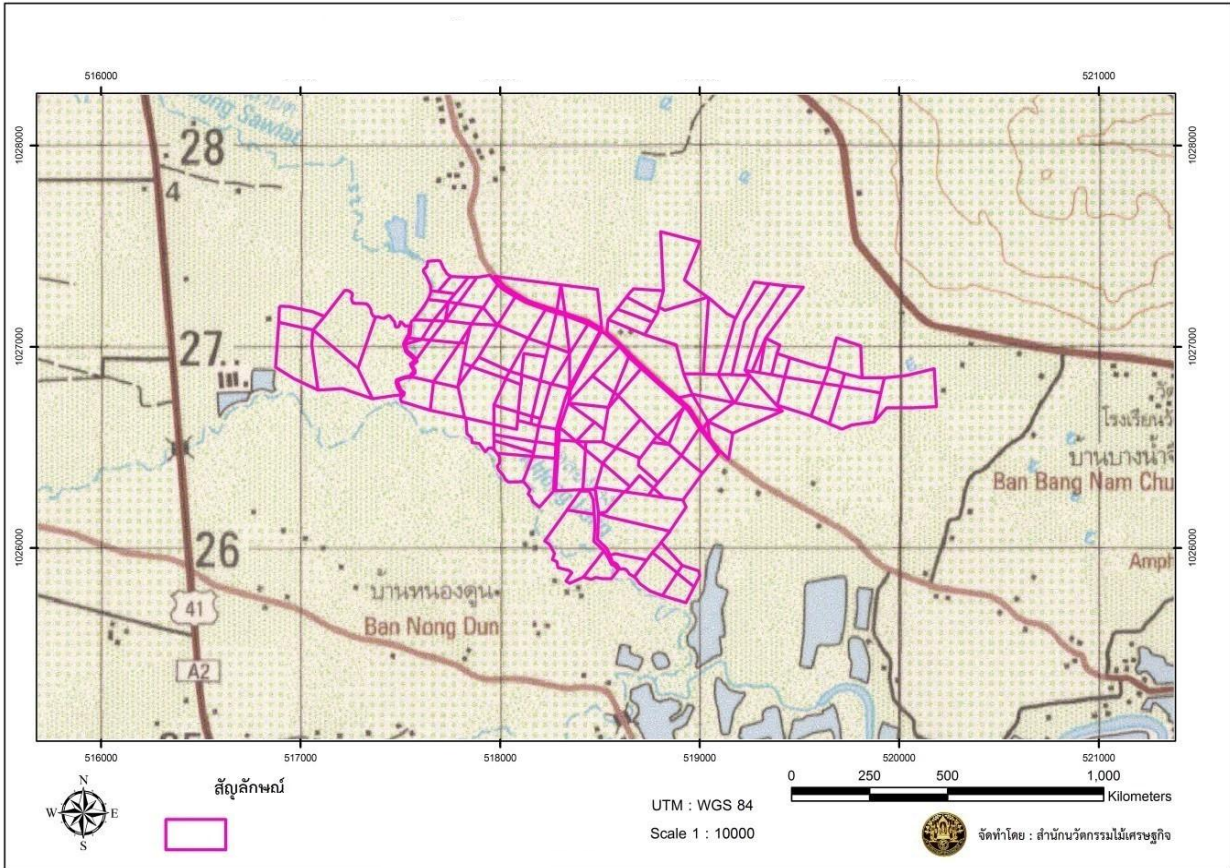


Figure 4 Map of Natural Palm Plantation Block (Khaothan)  
**Source:** Forest Industry Organization (2013)



Figure Error! No text of specified style in document.-5 Map of factory division  
Source: Forest Industry Organization (2013)

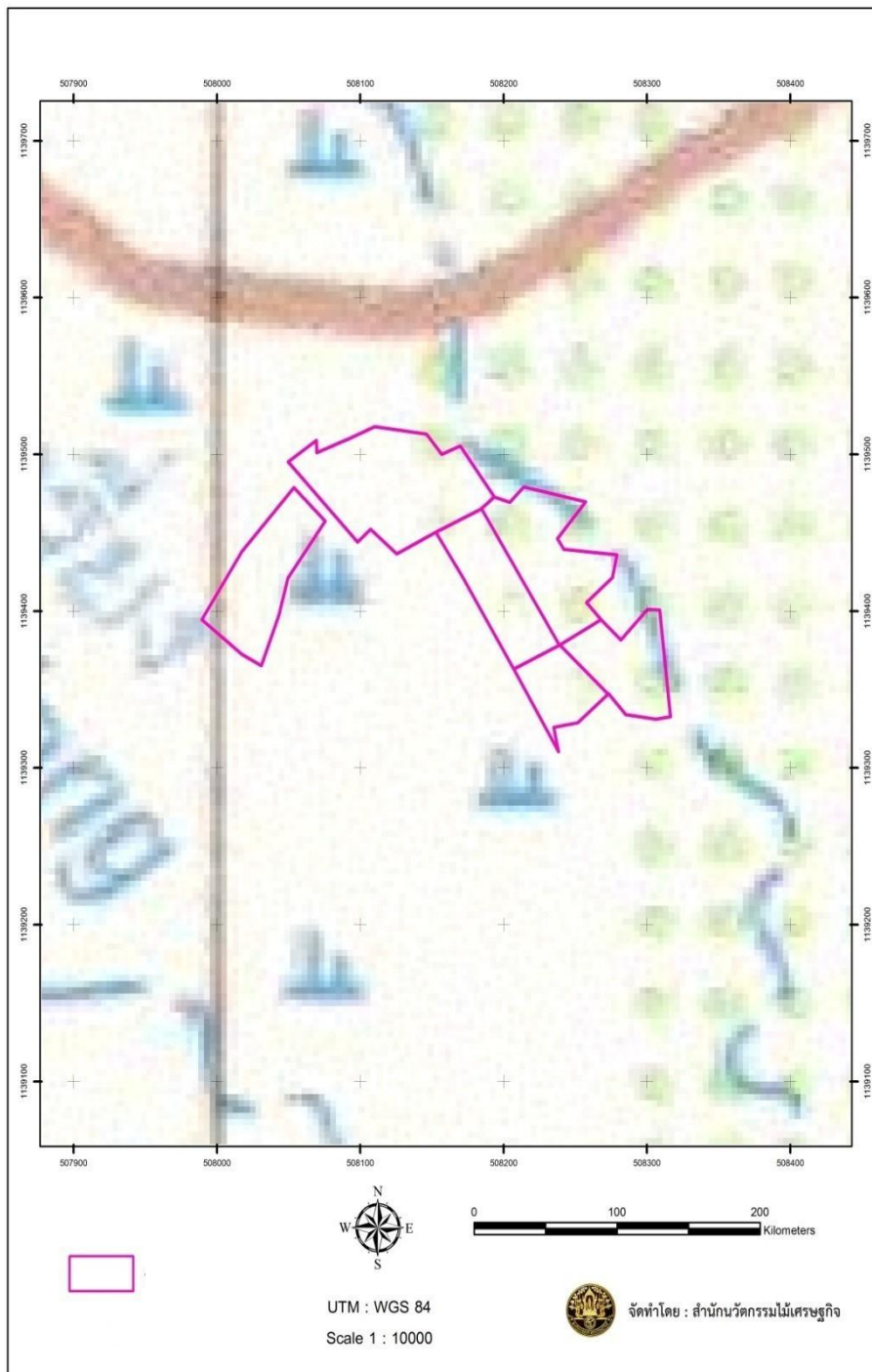


Figure 6 Map of Nareang division  
**Source:** Forest Industry Organization (2013)

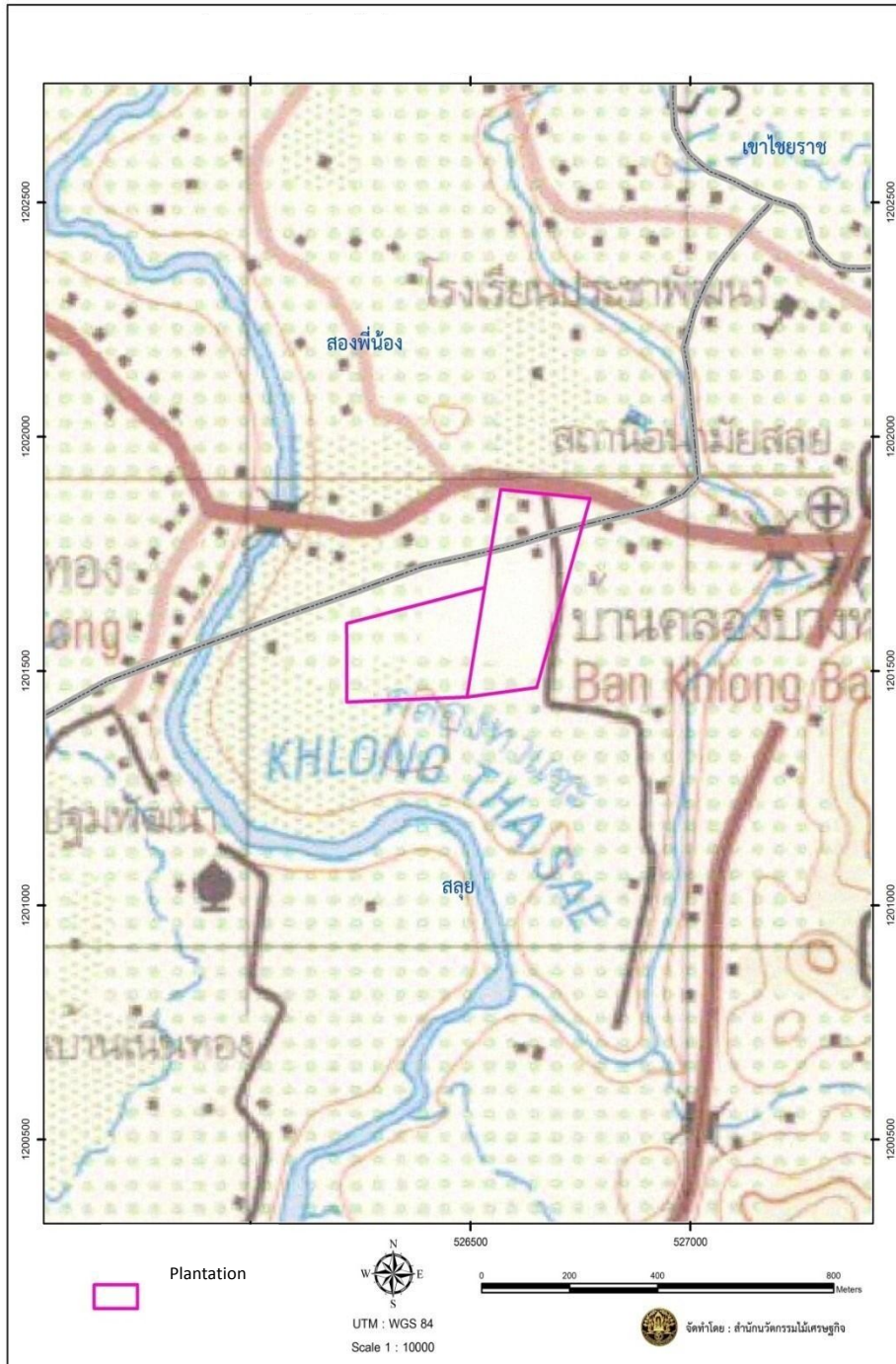


Figure 7 Map of Noenthong division  
**Source:** Forest Industry Organization (2013)

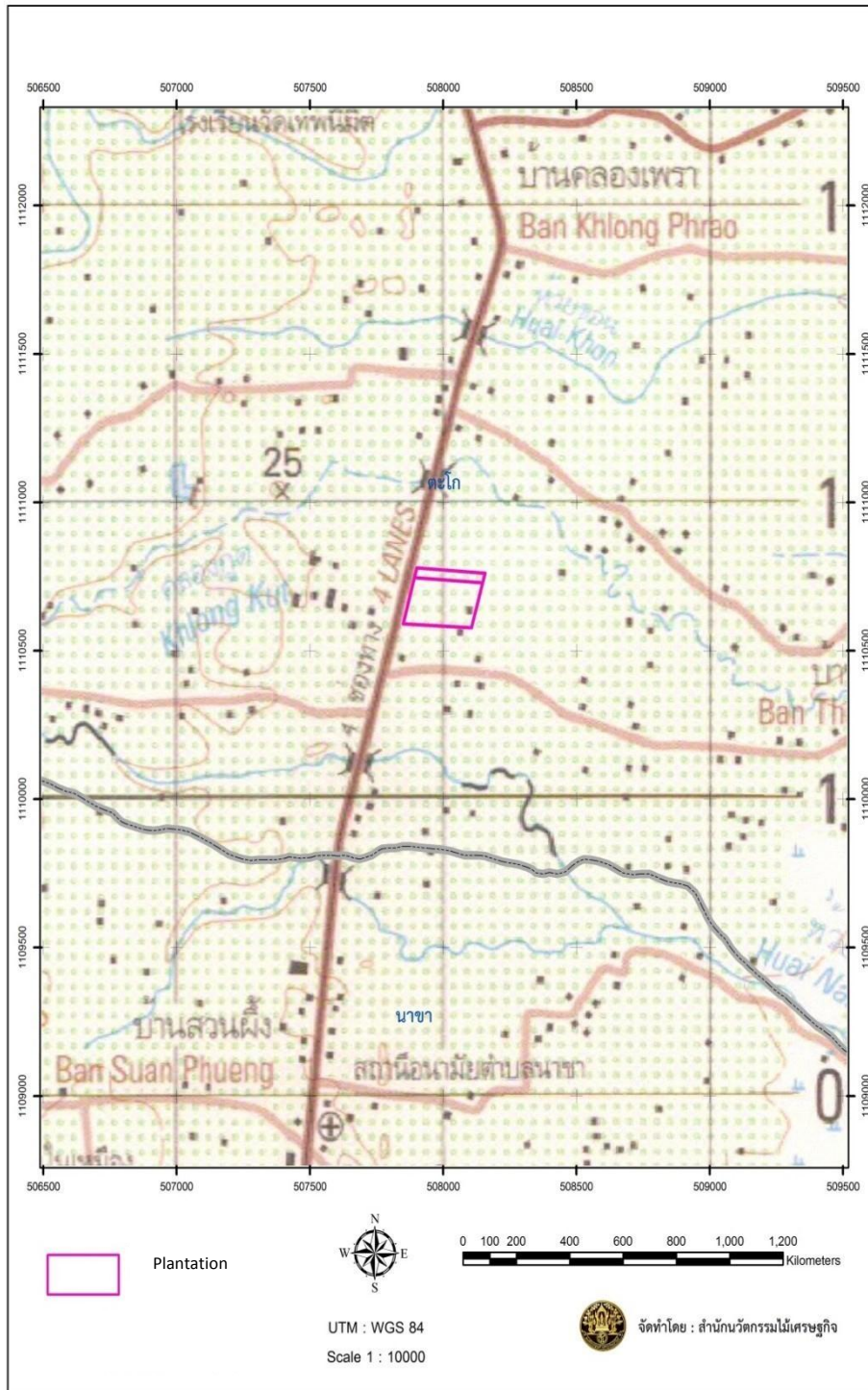


Figure 8 Map of Klongklud division  
**Source:** Forest Industry Organization (2013)

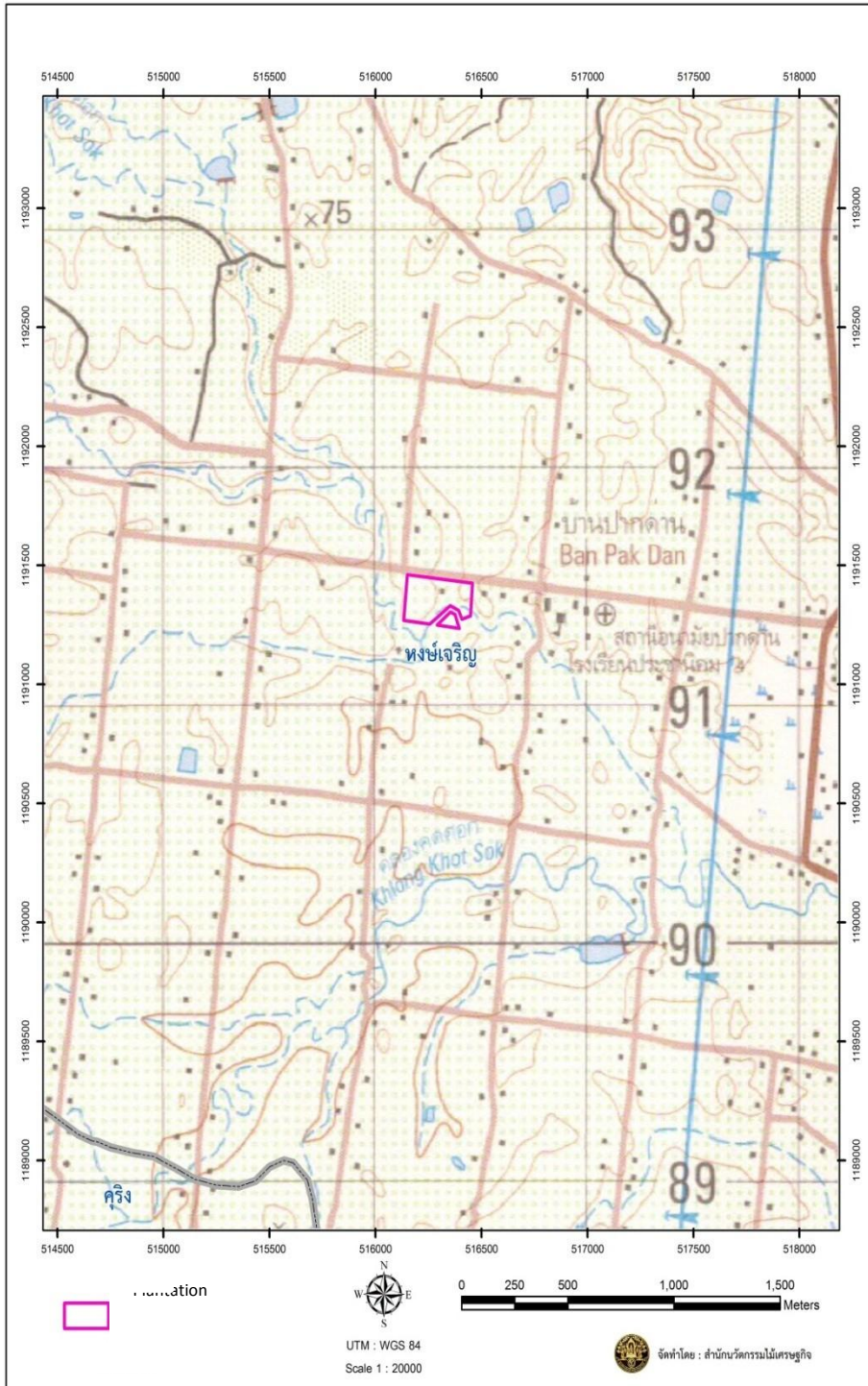


Figure 9 Map of Nikom Tha Sae division  
**Source:** Forest Industry Organization (2013)

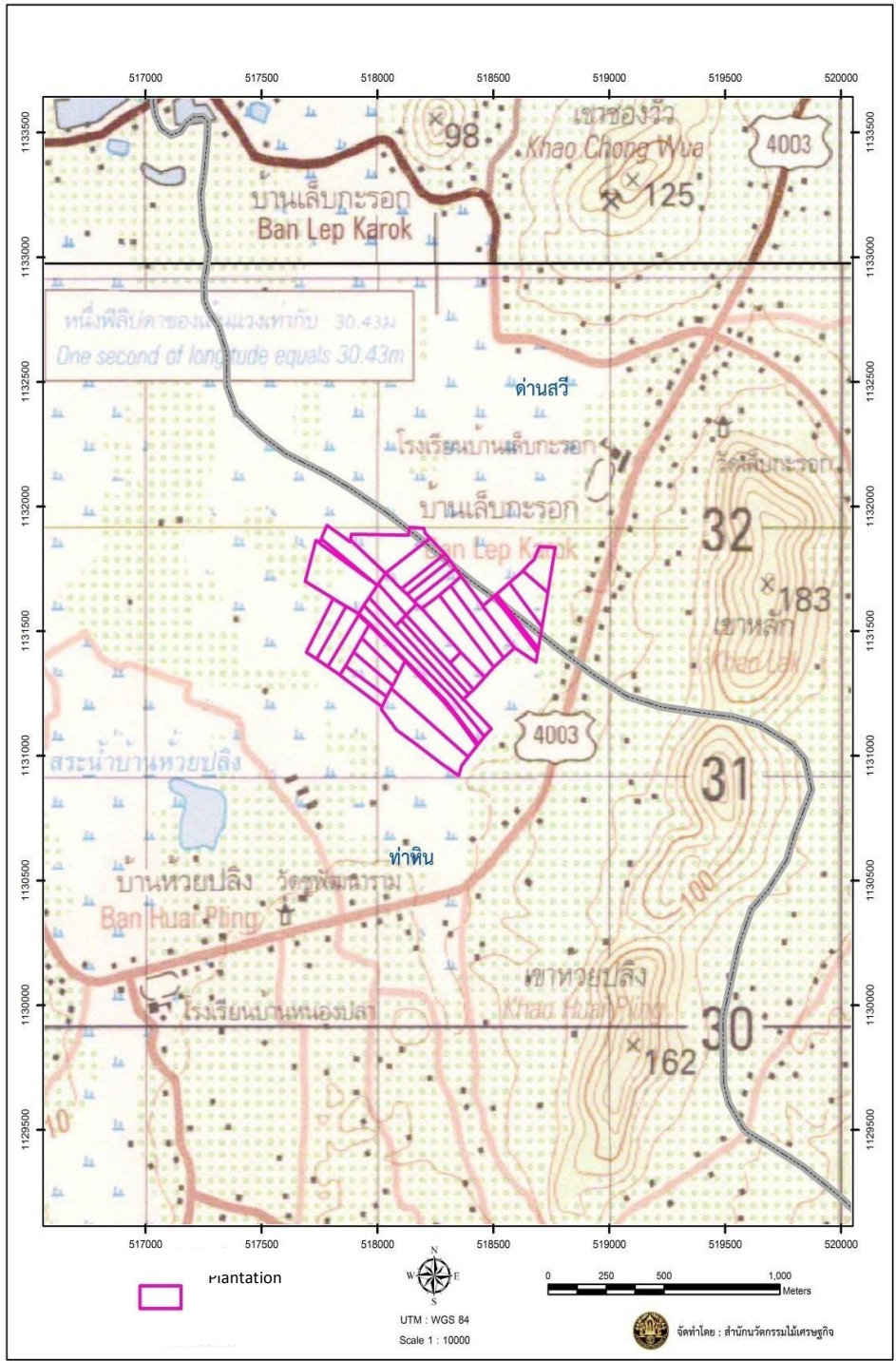


Figure 10 Map of Dan-sawi  
 Source: Forest Industry Organization (2013)



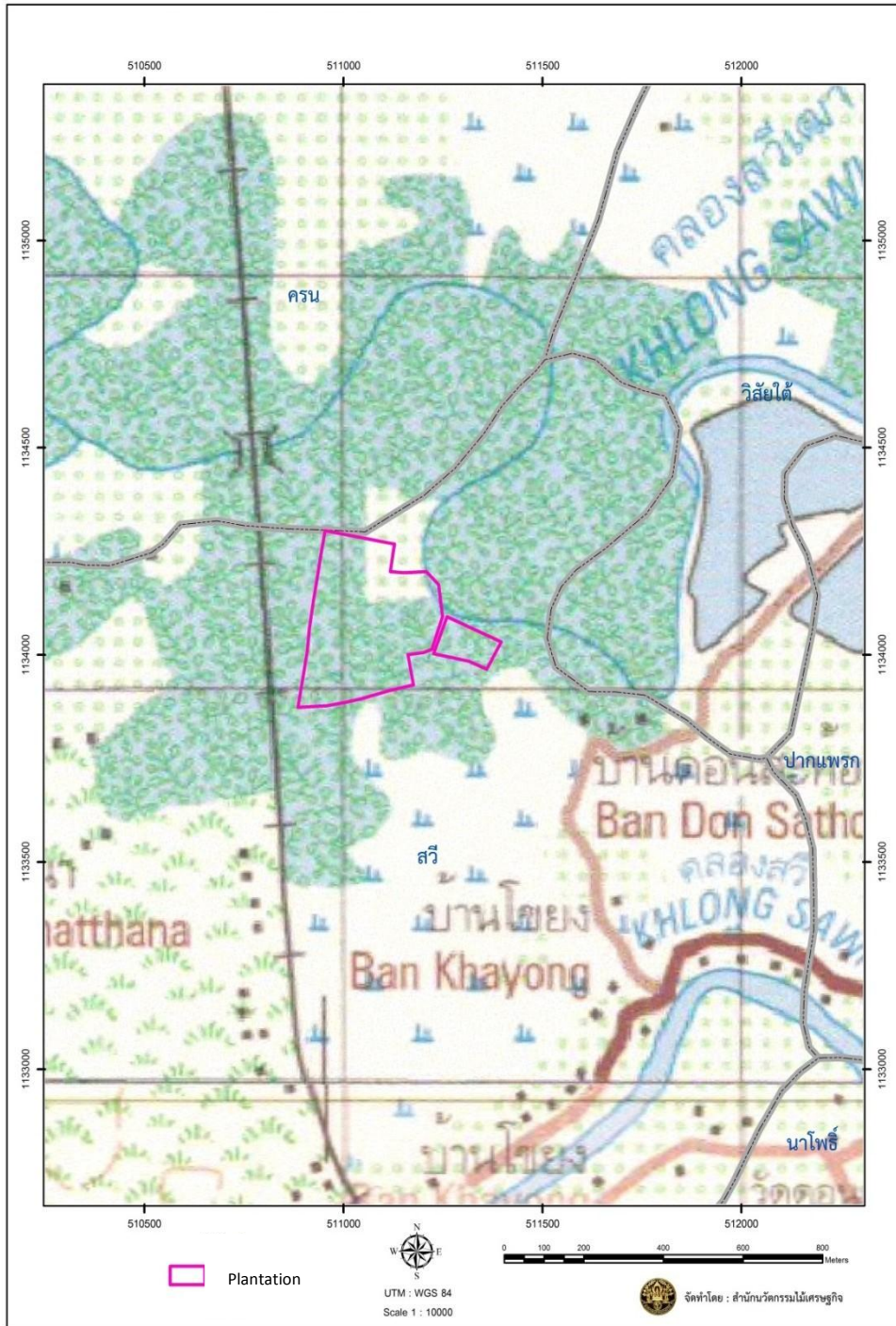


Figure 11 Map of Pakprak

Source: Forest Industry Organization (2013)

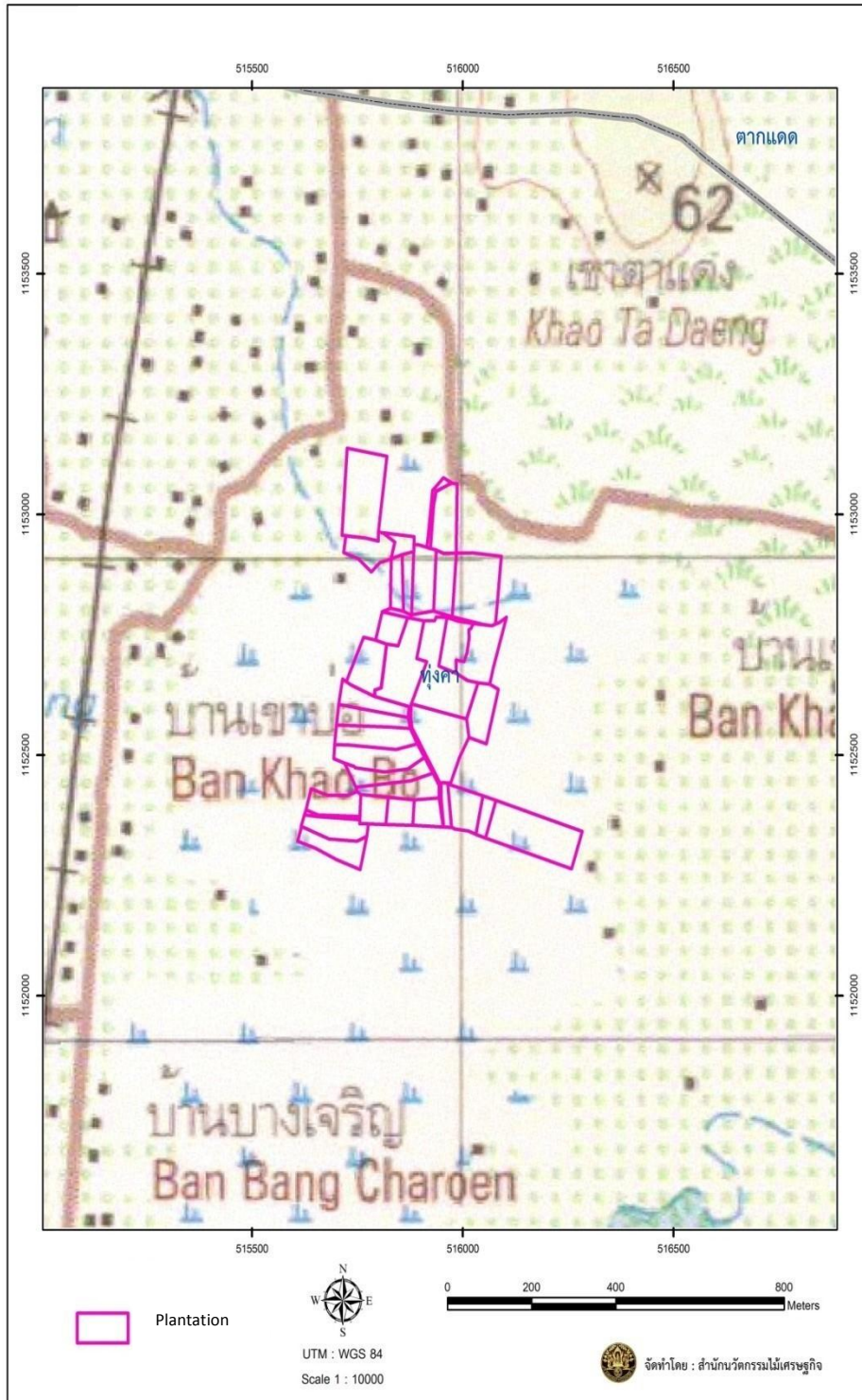


Figure 12 Map of ThungKha

**Source:** Forest Industry Organization (2013)

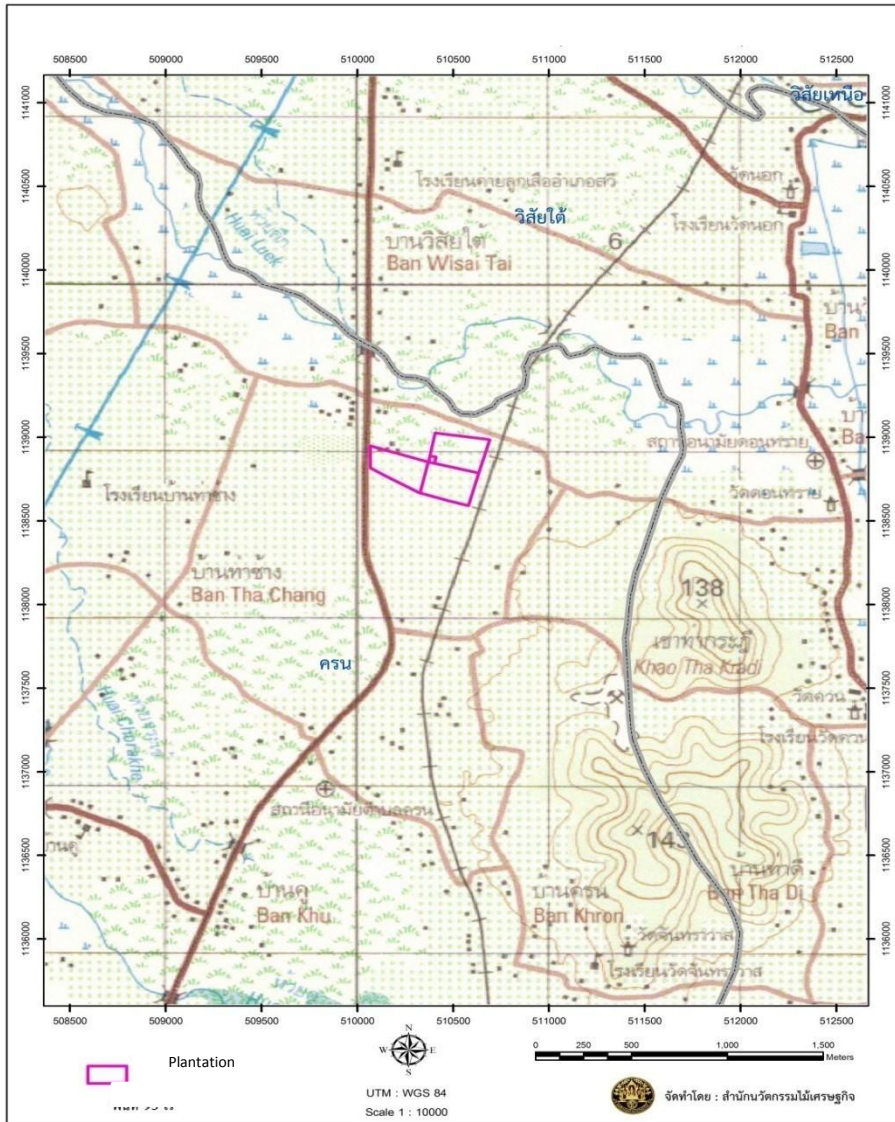


Figure 13 Map of Sangthong  
**Source:** Forest Industry Organization (2013)

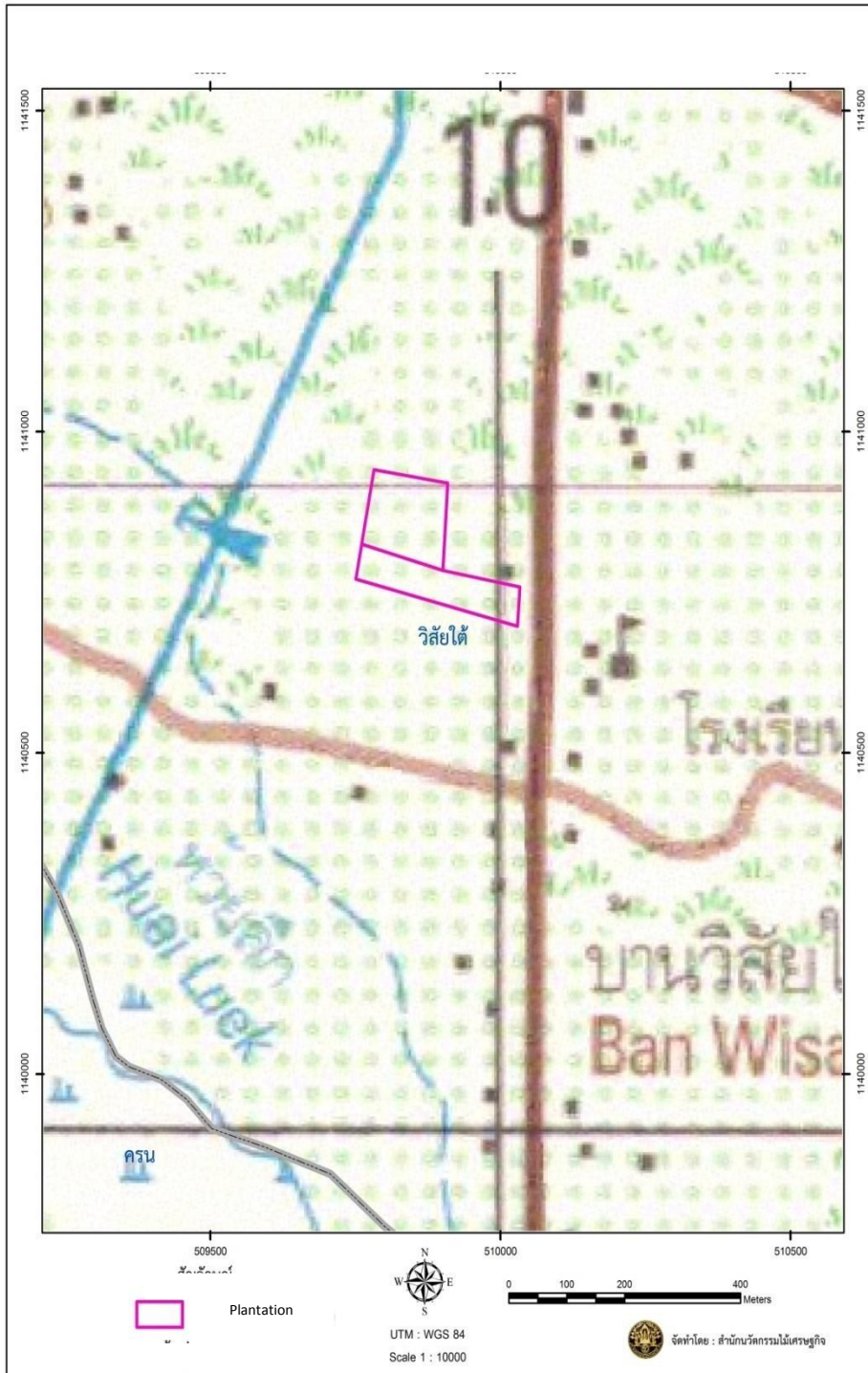


Figure 14 Map of Khai-Luksuea  
**Source:** Forest Industry Organization (2013)

**Assessment Programme**

AUDIT				
Person	Date	Time	Place	Activity
<b>Day 1 (15.3.2017)</b>				
BV audit team	15.3.2017	09.00-09.30	The Natural Palm Plantation-Tha Change	Opening meeting Find tune the understanding on the audit plan and briefings the RSPO audit process
BV audit team		09.30-10.30	The Natural Palm Plantation-Tha Change	Site tour + Follow up previous NC
BP and CS		10.30-17.00	The Natural Palm Plantation-Tha Change	<ul style="list-style-type: none"> <li>● P 1.1, 1.2 (Commitment to transparency)</li> <li>● P 2.1, 2.2, 2.3 (Compliance with applicable laws)</li> <li>● P 3 (Commitment to long-term economic viability)</li> <li>● P 4.1 (documented procedurs), 4.2 (practices maintain soil fertility), 4.3 (control erosion and degradation of soil), 4.4 (maintain the quality and availability of surface and ground water), 4.5 (IPM), 4.6 (pesticides), 4.7 (OHS), 4.8 (training)</li> </ul>
PN+TW		10.30-17.00	The Natural Palm Plantation-Tha Change	<ul style="list-style-type: none"> <li>● P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.6 (plan to reduce pollution, emission, GHG)</li> <li>● P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), P6.13 (respect human rights)</li> <li>● 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land),</li> <li>● P7 (NPP)</li> <li>● P8 (continual improvement)</li> </ul>
BV audit team		17.00-17.30	The Natural Palm Plantation-Tha Change	Auditor meeting
		17.30		End of day 1
<b>Day 2 (16.3.2017)</b>				
BP+PK+TW+ CS	16.3.2017	09.00-10.30	Mill	Public consultation meeting at Mill and its supply base ● EIA, HCV, Burning Issues, Waste Mgt, Agrochem. ● SIA, Communication, Complaint, Customary ● Wages, Trade Union, Anti Child Labour/ Discrimination/Sexual Harassment, Payment to Outgrower, CSR
BP + TW		10.30-12.00	Mill	P 4.1 (operating procedure for mill),
PK		10.30-12.00	Mill	<ul style="list-style-type: none"> <li>● P.6.1 and 6.2 (SIA), P.6.3 (complaints and grievances), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), P6.13 (respect human rights)</li> </ul>
BV audit team		12.00-13.00	Mill	Lunch time Auditor time for discussion
BP		13.00-17.00	Mill	<ul style="list-style-type: none"> <li>● P 1.1, 1.2 (Commitment to transparency)</li> <li>● P 2.2 and 2.3 (Right to use the land, customary right)</li> <li>● P 4.1 (operating procedure for mill), 4.4 (water use</li> </ul>



				and mill effluent) 4.7 (occupational health and safety), 4.8 (worker contractors) ● 5.4 (efficiency of fossil fuel use), 5.6 (plan to reduce pollution, emission)
PK		13.00-17.00	Mill	Con't from the morning session
TW		13.00-17.00	Mill	● P.5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), ●5.6 (GHG) ● P.3 (Commitment to long-term economic and financial viability) ● P.8 (commitment for continuous improvement)
PN		09.00-12.00	Estates owned by Khun Kowit Kuansongtham	● General issues for RSPO certification assessment ● Justification for RSPO principles and criteria ● P 1.1, 1.2 (Commitment to transparency) ● P 2.1, 2.2, 2.3 (Compliance with applicable laws) ● P 3 (Commitment to long-term economic viability) ● P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices) ● P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) ● P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights) P7 (NPP) P 8 (contial improvement)
PN		13.00-17.00	Estates owned by Khun Thidarat Kuansongtham	● General issues for RSPO certification assessment ● Justification for RSPO principles and criteria ● P 1.1, 1.2 (Commitment to transparency) ● P 2.1, 2.2, 2.3 (Compliance with applicable laws) ● P 3 (Commitment to long-term economic viability) ● P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices) ● P 5.1 (Environmental impact assessment), 5.2 (HCV assessment), 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) ● P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights) P7 (NPP) P 8 (contial improvement)
BV audit team		17.00-17.30	Mill	Auditor meeting
		17.30		End of day 2
<b>Day 3 (17.3.2017)</b>				
PN	17.3.2017	09.00-12.00	Noenthong division	● P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices) 5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG) ● P 6.1 (SIA), P 6.2 (procedure on the consultation and



				communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights)
BP+PN +CS		09.00-12.00	Nikom Tha Sae division	<ul style="list-style-type: none"> <li>● P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices)</li> <li>5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG)</li> <li>● P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights)</li> </ul>
BV audit team		12.00-13.00		Lunch time Auditor time for discussion
PN		13.00-15.30	Klongklud division	<ul style="list-style-type: none"> <li>● P 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8 (Use of appropriate best practices)</li> <li>5.3 (waste management), 5.4 (efficiency of fossil fuel use), 5.5 (use of fire for preparing land), 5.6 (plan to reduce pollution, emission, GHG)</li> <li>● P 6.1 (SIA), P 6.2 (procedure on the consultation and communication with local communities), 6.3 (Dispute resolution), 6.4 (Compensation for loss of legal or customary right), 6.5 (Pay and conditions for employee), 6.6 (Freedom of association for trade union), 6.7 (child labor), 6.8 (discrimination), 6.9 (sexual harassment), 6.10 10 (FFB mill gate price), 6.11 (contribution to local development), P6.12 (forced or trafficked labor), (respect human rights)</li> </ul>
BP		13.00-15.30	Mill	<ul style="list-style-type: none"> <li>● RSPO SCC</li> <li>● 6.10 (FFB mill gate price)</li> </ul>
PK		13.00-15.30	Mill	Con't principle 6
BV Audit team		15.30-16.30	Mill	Auditor meeting
BV Audit team		16.30-17.00	Mill	Closing meeting
		17.00		End of audit

**Details of Non-Conformity and Corrective Actions Taken**

NCR No.	: NPG/ASA2/001	Date of issuance	: 17/3/2017
Grade	: Major/Minor	Type of assessment	: ASA2
Implementation deadline	: Next surveillance audit		
Requirements	RSPO P&C Generic Version (2013) Indicator 6..1.4		
Non Conformity Description of objective evidence:			
Plan for mitigation of social impact is not annually reviewed as planned interval after social impact assessment and public consultation by the year 2016 especially negative impacts from out-of-order road in front of Thachang Estates and local recruitment if possible			
Root Cause Analysis			
Social impact assessment was conducted under the participation with the stakeholder. To minimize the identified social impact, mitigation plan was initiated. However, results from operation to reduce identified social impacts were not taken into consideration to analyse and develop the mitigation plan to minimize the social impacts (if any)			
Correction (if applicable)			
Based on the actual implementation in the past two years especially plan to minimize the impact when road maintenance is required, this implementation under the previous plan was used as the baseline information to review whether plan for mitigation of social impact is effective. Result from the review, new mitigation plan to minimize the impact on social has now been established with the affected parties. To monitor the effectiveness of the implementation according to the new mitigation plan, the current communication procedure with stakeholder will be used.			
Corrective action			
Plan for monitoring the actual implementation not only plan interval for minimizing the social impact but also other issues was created to ensure that those results of implementation will be reviewed within interval period of time (every 2 years)			
Verification of corrective actions			
Plan for minimizing the impacts caused by estate operation on social has now been revised and re-established based on the result of implementation against the previous mitigation plan. The company has started to implement according to the mitigation plan established with the affected parties. In case of implementation is not met with affected party's satisfaction, the company is welcome to receive any complaint and feedback through the channel provided in the communication procedure. Since the amount of time needed for implementation according to the new mitigation plan, the effectiveness of the implementation will be monitored in the next surveillance assessment. Moreover, the level of the non-conformity is minor. Therefore, the completeness of the correction and the result of the effectiveness of the implementation in accordance with mitigation plan will be followed in the next surveillance assessment			
Status	: Open/Closed by Dr Benchamaporn Pimpa	Date of closure	: -



**Verification on NCRs raised in the Previous Assessment**

NCR No.	: 1	Date of issuance	: 25/9/2015
Grade	: <del>Major</del> /Minor	Type of assessment	: ASA1
Implementation deadline	: Next surveillance audit		
Requirements	RSPO P&C Generic Version 2.1.3		
Non Conformity Description of objective evidence:			
Neither mechanism nor implementation for ensuring the compliance with relevant laws and regulations was established and conducted			
Root Cause Analysis			
Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable)			
See details from correction action below			
Corrective action			
As the procedure for ensuring the compliance of the relevant laws and regulations has not obviously indicated mechanism to monitor the compliance with laws and regulations, some updated laws and regulations were not included in the list of laws and regulations. To correct non-conformity, the mechanism is now indicated in the procedure QP-RSPO-009. Monitoring time interval for updating laws and regulations of 1 month is now determined. Responsible persons who are in charge to monitor the compliance of laws and regulations are also determined. Compliance monitoring was already carried out by responsible persons to ensure that all implementation are met with the updated laws and regulations			
Verification of corrective actions			
Mechanism to monitor the compliance and responsible person are not clearly indicated in the procedure. Monitoring time interval determined in the procedure for identifying updated laws and regulations is reasonable. Result showed that monitoring the compliance of updated laws and regulations is now carried out. All implementation is complied with the laws and regulations			
Status	: <del>Open</del> /Closed/ <del>Downgraded</del> by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015



NCR No.	: 2	Date of issuance	: 25/9/2015
Grade	: Major/Minor	Type of assessment	: ASA1
Implementation deadline : 24 November 2015			
Requirements	RSPO P&C Generic Version 4.4.2		
Non Conformity Description of objective evidence:			
Buffer zone of at least 15 meters on both sides of the canals in the estate has been delineated as free of agrochemical usage, however, onsite inspection confirmed that agrochemical was recently applied for weed control			
Root Cause Analysis			
Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable)			
See details from correction action below			
Corrective action			
Refreshment training was given to all workers who work at the Natural Palm Plantation on 4 November 2015. Signs along the canal advice free zone of chemical have been now carried out. At the first step, spraying of chemical along the canal will be under the control of the supervisor noise.			
Verification of corrective actions			
Permanent signs were used to communicate with the sprayers for boosting awareness on the use of chemical. Sprayers have also been retrained to increase awareness. In order to prevent the reoccurrence, supervisor was assigned to control all spraying along the canal			
Status	: <del>Open</del> /Closed/ <del>Downgraded</del> by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015

NCR No.	: 3	Date of issuance	: 25/9/2015
Grade	: Major/Minor	Type of assessment	: ASA1
Implementation deadline : 24 November 2015			
Requirements RSPO P&C Generic Version 4.6.1			
Non Conformity Description of objective evidence:			
Here below are evidence showing that justification of all pesticides use indicated in procedure has never been taken into account:			
<ul style="list-style-type: none"> <li>- No evidence of field survey results when weeds and diseases cannot be controlled by mechanical programs</li> <li>- No pesticide application program</li> </ul>			
Root Cause Analysis			
Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable)			
See details from correction action below			
Corrective action			
Survey record form for monitoring the presence of weeds and diseases is now established to guide which chemical should be used for controlling them. Results of the field survey will be used to develop the pesticide application program. In order to ensure that all workers understand new practice, training was given to all workers at the plantation on 4 November 2015			
Verification of corrective actions			
Even though procedure QP-RSPO-008 for justification of all pesticide use is now established to close non-conformity raised from the initial assessment, it was not used effectively. However, corrective actions were carried out to solve non-conformity. Field survey is required to do prior developing the pesticide application program. How to survey the field and develop the pesticide application program was one of the training subjects given to all workers on 4 November 2015.			
Status	: <del>Open/Closed/Downgraded</del> by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015

NCR No.	: 4	Date of issuance	: 25/9/2015
Grade	: Major/Minor	Type of assessment	: ASA1
Implementation deadline : 24 November 2015			
Requirements RSPO P&C Generic Version 4.6.5			
Non Conformity Description of objective evidence:			
Here below are evidence of non-conformity against Indicator 4.6.5			
<ul style="list-style-type: none"> <li>- No evidence showing that Mr Ton has been given the training by the company on the use of pesticide in accordance with the procedure and product label</li> <li>- No evidence showing that pesticides always applied in accordance with the product label</li> </ul>			
Root Cause Analysis			
Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable)			
See details from correction action below			
Corrective action			
Not only Mr Ton but also other workers have been given the training on the use of pesticide. The training covered a bunch of things related to the pesticide application and product labelling. The training was carried out on 4.11.2015. The record book of the pesticide application is also modified to show the dosage of chemical use.			
Verification of corrective actions			
Not only Mr Ton, but the training was given to all sprayers. The training given on 4 November 2015 covered a bunch of things related to the pesticide application and product labelling. Based on the latest record book, dosage of the chemical use is now available and ready to crosscheck whether it met with the product label			
Status	: Open/Closed/Downgraded by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015

NCR No.	: 5	Date of issuance	: 25/9/2015
Grade	: Major/Minor	Type of assessment	: ASA1
Implementation deadline : 24 November 2015			
Requirements RSPO P&C Generic Version 4.7.4			
Non Conformity Description of objective evidence:			
Meeting between the responsible persons and workers at the estate was not conducted on a regular basis to discuss about health, safety and welfare issues			
Root Cause Analysis			
Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable)			
See details from correction action below			
Corrective action			
Meeting between the responsible persons and workers at the estate about health, safety and welfare issues is now required to be conducted every month. Latest meeting was carried out on 19 October 2015. Result of the meeting confirmed that there was no issue on health, safety and welfare			
Verification of corrective actions			
Meeting between the estate manager and workers at the estate is now conducted on 19 October 2015. This meeting is their monthly plan review meeting on health, safety and welfare issues. Based on the minutes of the meeting confirmed that there was no issue on health, safety and welfare raised by the workers			
Status	: <del>Open</del> /Closed/ <del>Downgraded</del> by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015



NCR No.	: 6	Date of issuance	: 25/9/2015
Grade	: Major/Minor	Type of assessment	: ASA1
Implementation deadline : 24 November 2015			
Requirements RSPO P&C Generic Version 5.1.3			
Non Conformity Description of objective evidence: Even though HCV management recommended by HCV assessor (Forest Industry Organization) especially establishment of barrage to reduce cumulative sediment load in the canal was carried out, there are no monitoring record and evidence of outcomes of monitoring that fed back into the management plan			
Root Cause Analysis Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable) See details from correction action below			
Corrective action As there is no plan to monitor the effectiveness of the mitigation measures, the company could not show monitoring record and evidence of monitoring effectiveness of the mitigation measure. Therefore, monitoring plan is set once a month. Record form (QF-RSPO-041) was also established to record the effectiveness of the mitigation measure. This form has already been used to record the monitoring conducted on 6.11.2015 for Nareang estate, the Natural Palm Plantation, Noenthong division and Klongklud division			
Verification of corrective actions Form for recording the effectiveness of the mitigation measures recommended by HCV assessor is now established and used for monitoring. The monitoring is required to be conducted monthly. Result of monitoring showed that barrage could reduce cumulative sediment load in the canal effectively.			
Status	: Open/Closed/Downgraded by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015

NCR No.	: 7	Date of issuance	: 25/9/2015
Grade	: Major/Minor	Type of assessment	: ASA1
Implementation deadline : 24 November 2015			
Requirements RSPO P&C Generic Version 5.6.3			
Non Conformity Description of objective evidence:			
Currently, significant pollutants and emissions from mill and estates were not reported regularly to RSPO			
Root Cause Analysis			
Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable)			
See details from correction action below			
Corrective action			
PalmGHG which is released by RSPO is now adopted to use for monitoring the significant pollutants and emissions. GHG report was already submitted to RSPO secretariat in October. Currently, GHG report was accepted by RSPO secretariat			
Verification of corrective actions			
The company adopted the PalmGHG to monitor the significant pollutants and emissions for both mill and estates. GHG report carried out by the company has already been submitted to RSPO secretariat. RSPO secretariat also confirmed that GHG report carried out by the company is in acceptable quality level.			
Status	: <del>Open</del> /Closed/ <del>Downgraded</del> by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015

NCR No.	: 8	Date of issuance	: 25/9/2015
Grade	: Major/Minor	Type of assessment	: ASA1
Implementation deadline : 24 November 2015			
Requirements RSPO P&C Generic Version 6.10.2			
Non Conformity Description of objective evidence:			
There is no mechanism to determine FFB gate price especially when it is required by government			
Root Cause Analysis			
Root cause analysis was one of elements that have been considered and closed by TUV NORD Integra bvba			
Correction (if applicable)			
See details from correction action below			
Corrective action			
As there is no person in charge to monitor the updated news/notification from government on FFB gate price, the latest notification affect to the FFB gate price was not taken into account. Now, the responsible person has been assigned. Mechanism to determine FFB gate price especially when it is required by government is also defined. Even though the notification from government request the company pay FFB gate price higher than ever, top management of the company agree to do it immediately			
Verification of corrective actions			
Responsible person and mechanism to determine FFB gate price especially when it is required by government is now defined. Top management released the policy to acknowledge any request from the government even though it cause negative impact on the business			
Status	: <del>Open/Closed/Downgraded</del> by TUV NORD Integra bvba in initial assessment	Date of closure	: 24/11/2015