



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

File Ref. : EB0500001

RSPO PUBLIC SUMMARY REPORT

CLIENT : Boustead Rimba Nilai Sdn Bhd
PARENT COMPANY : Boustead Plantations Berhad
RSPO MEMBERSHIP No.:1-0012-04-000-00

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

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

MAP : See Attachment 1

AUDIT DATE : 18-21 July 2017 **DURATION** : 13 auditor days

TYPE OF AUDIT : Annual Surveillance Audit No. 1 Recertification Audit

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

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

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

The following attachments form part of this report:

Non-conformity Report(s) List of additional site(s)

Report by Audit Team Leader

Acknowledgement by Client's Representative

Name : Mahzan Bin Munap
Signature :
Date : 30/10/2017

Name : En. Anuar Bin Semail
Signature :
Date : 30/10/2017

RSPO P&C AUDIT REPORT

SUMMARY OF AUDITS

Stage 2 audit / Recertification audit				
On-site audit date	:	14 – 17 June 2016	No. of auditor days	13
Audit team	:	Mohd Hafiz Bin Mat Hussain (resigned), Mohd Zulfakar Bin Kamaruzaman, Amir Bahaari & Ruzita Abd Gani		
No. of major NCR	:	1 (RA01/2016)	Indicator: RSPO SC requirements 2014	Closing date :28/07/16
No. of minor NCR	:		Indicator : 4.4.3 and 6.5.3 of RSPO P&C MYNI 2014	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		X		X
		Contract workers	NGOs	Govt. agency
				Independent growers
		Indigenous people	Contractor	Others (Please specify)
		X	X	
Supply base sampled	:	Sg Jernih Estate and Bebar Estate		

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

Annual Surveillance Audit 2				
On-site audit date	:		No. of auditor days	
Audit team	:			
No. of major NCR	:		Indicator:	Closing date :
No. of minor NCR	:		Indicator :	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
				Suppliers

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	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				

Annual Surveillance Audit 3				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:		Closing date :
No. of minor NCR :		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				

Annual Surveillance Audit 4				
On-site audit date :		No. of auditor days :		
Audit team :				
No. of major NCR :		Indicator:		Closing date :
No. of minor NCR :		Indicator :		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractors	Others (Please specify)	
Supply base sampled :				
Changes since the last audit :				

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SUMMARY OF INFORMATION

TABLE 1

TYPE OF AUDIT	RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	June 16-May 17	June 17- May 18			
Certified Area (Ha)	6,847.00	6,847.00			
Production Area(Ha)	6,480.30	6,518.70			
HCV Area (Ha)	51.82	51.82			
Certified FFB Processed (MT)	118867.86	122,800.00			
Production of Certified CPO (MT)	28,872.00	29,684.00			
Production of Certified PK (MT)	4,225.80	4,087.00			
REMARKS	-	-			

TABLE 2

	PO	PK
Last years certified volume (MT)	28,872.00	4,225.80
Last years actual certified sold (MT)	28,833.03	4,225.80
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	0.00	0.00
New year certified volume (MT)	29,684.00	4,087.00

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1.0 AUDIT PROCESS

1.1 Certification Body

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

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

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mahzan Bin Munap	Lead Auditor / Occupational Safety & Health and Environment	Possessed B.S (Petroleum Engineering) and M.B.A. He is Lead Auditor for OHSAS 18001 and RSPO P&C and Auditor for MSPO.
Hazani Bin Othman	Auditor / Social and HCV areas	Holds a Bachelor of Forestry Science and Diploma in Forestry. He is a lead auditor for ISO 14001, FSC & MTCC FMC and CoC and RSPO P&C.
Mohd Norddin Bin Abdul Jalil	Auditor / GAP	Holds B.Sc. Agriculture (weed management) and had thirty seven years of working experience in plantation management covering rubber and oil palm.
Mohd Zulfakar Bin Kamaruzaman	Auditor / Supply Chain	Holds B.Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operations. He has been trained as a RSPO P&C and SC Lead Auditor.

1.3 Audit methodology

The audit covered the Sungai Jernih palm oil mill and two of its supply base. The sampling of the number of the supply base was using the formula of $0.8\sqrt{y}$. The two supply base covered during the audit were TT – Terengganu Estate and Bebar Estate. The audit included an on-site audit to the estates, mill and workers' living quarter to verify the implementation of the requirement of the certification.

1.4 Stakeholder consultation

Interviews with the CU's employees, contractors and other relevant stakeholders were also conducted during the audit. In general, there were no negative comments received from the interviewed stakeholders.

1.5 Audit plan : Refer to Attachment 2

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

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

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

The palm oil mill commenced operations with a processing capacity of 30 metric tonnes of fresh fruit bunches (FFB) per hour. The total workforce for the CU was about 594 and about 74% of them were foreign workers.

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

The FFB was sourced from SJPU's estates which consisted of Sungai Jernih estate, Bebar Estate and TT-Terengganu Estate. Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

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

Estates	FFB Production	
	Tonnes	Percentage (%)
Sg Jernih Estate	44254.11	37.23
Bebar Estate	46984.68	39.53
TT – Terengganu Estate	27629.07	23.24
Total	118867.86	100.00

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

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Sg Jernih Estate	47900	39.01
Bebar Estate	44800	36.48
TT – Terengganu Estate	30100	24.51
Total	122800	100.00

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

	Total (MT)
FFB Received	118867.86
FFB Processed	118867.86
CPO Production	28872.00
PK Production	4342.00
CPO delivered as IP	28833.03
CPO delivered as non-RSPO certified	-
PK delivered as IP	4225.80
PK delivered as non-RSPO certified	-

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

	Total (MT)
FFB Received	122800.00
FFB Processed	122800.00
CPO Production	29684.00
PK Production	4087.00
CPO delivered as IP	29684.00
CPO delivered as non-RSPO certified	-
PK delivered as IP	4087.00
PK delivered as non-RSPO certified	-

Table 5 Planted and certified area of the Sg. Jernih Production Unit

Estate	Planted (ha)	Certified (ha)
Sg Jernih Estate	2572.2	2695.7
Bebar Estate	2262.5	2340.6
TT – Terengganu Estate	1684.0	1810.7
Total	6518.7	6847.0

Table 6 Planting profile for Sg. Jernih Production Unit

Estate	Year of establishment	Mature (Ha)	Immature (Ha)	Planted area	% of planted area mature	% of planted area immature
Sg Jernih Estate	2007	2572.2	-	2572.2	100%	-
Bebar Estate	1993	2262.5	-	2262.5	100%	-
TT – Terengganu Estate	1994	1684.0	-	1684.0	100%	-
Total		6518.7	-	6518.7	100%	-

Table 7(a): Planting profile for Sg Jernih Estate

Year of planting	Planting cycle (Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2007	2 nd	Mature	214.5	8
2008	2 nd	Mature	377.8	15
2009	2 nd	Mature	388.2	15
2010	2 nd	Mature	398.3	15
2011	2 nd	Mature	401.7	16
2012	2 nd	Mature	400.7	16
2013	2 nd	Mature	391	15
Total			2572.2	100

Table 7(b) Planting profile for Bebar Estate

Year of planting	Planting cycle (Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1993	1 st	Mature	9.3	0.4
1995	1 st	Mature	12.1	.5
2005	2 nd	Mature	260.8	11.5
2006	2 nd	Mature	246	10.9
2007	2 nd	Mature	252.9	11.2
2008	2 nd	Mature	341.3	15.1
2009	2 nd	Mature	365.5	16.2
2010	2 nd	Mature	293.7	13.0
2011	2 nd	Mature	293.4	13.0
2012	2 nd	Mature	149.1	6.6
2014	2 nd	Mature	38.4	1.7
Total			2262.5	100

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Table 7(c) Planting profile for TT - Terengganu Estate

Year of planting	Planting cycle (Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1994	1 st	Mature	32.2	2
1995	1 st	Mature	31.6	2
2001	2 nd	Mature	404.6	24
2002	2 nd	Mature	389.3	23
2003	2 nd	Mature	375.7	22
2004	2 nd	Mature	146.9	9
2008	2 nd	Mature	155.8	9
2009	2 nd	Mature	147.9	9
Total			1684.0	100

2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

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

3.0 AUDIT FINDINGS

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

There were no changes to the certified products.

3.2 Time bound plans including changes and reasons for the changes see below

	Yes	No	<u>If yes, state reasons/justifications</u>
• acquisitions/disposals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
• emergence/re-emergence of land disputes	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
• labour conflicts	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

3.3 Overall comment in terms of acceptance or non acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)

Boustead Plantation Berhad had established a time bound plan to certify all of its business units to the RSPO P&C. Three of it's business units have been certified to the RSPO P&C by SIRIM QAS International, as follows:

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No.	CU	Location	Date of certification	Valid until	Certificate No./Remarks
1.	Sungai Jernih Production Unit	Pahang	12/09/2011	11/09/2011	RSPO 0031
2.	Nak Business Unit	Sabah	16/05/2015	15/05/2020	RSPO 0030
3.	TRP Business Unit	Perak	21/7/2017	20/7/2022	RPC 00124

There has been no change on the time bound plan for other business units. The plan for the other business units is as follows:

No.	Business Unit	Location	Planned for Certification
4.	Segaria Business Unit	Sabah	2017
5.	Telok Sengat Business Unit	Johor	2018
6.	Segamaha Business Unit	Sabah	2018
7.	Lapan Kabu Business Unit	Kelantan	2019
8.	Sugut Estates Business	Sabah	2020
9.	Loagan Business Unit	Sarawak	2021
10.	Kanowit Business Unit	Sarawak	2022

- 3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, are audited within 3 years from when their fruit was first included in the mill certification. Yes No

If no, please state reasons No associated smallholders included in the Certification Unit.

- 3.5 Any new acquisition which has replaced primary forests or HCV areas Yes No

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

No changes

- 3.7 Status of previous non-conformities * See Attachment 6.

Closed Not closed

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

- 3.8 Complaint received from stakeholder (if any)
No complaint observed from stakeholders.

4.0 DETAILS OF NON-CONFORMITY REPORT

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

Total no. of minor NCR(s)
(details refer to Attachment 4) List : 4.1.2

Total no. of major NCR(s)
(details refer to Attachment 4) List : 4.1.1, 4.8.1, 6.5.3

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

Total no. of minor NCR(s)
(details refer to Attachment 5) List : Nil

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

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5.0 AUDIT CONCLUSION

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

6.0 RECOMMENDATION

No NCR recorded. Recommended to continue certification.

 /

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

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

 /

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

 /

Recommended to continue certification.

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

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

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

Audit Team Leader : Mahzan Bin Munap

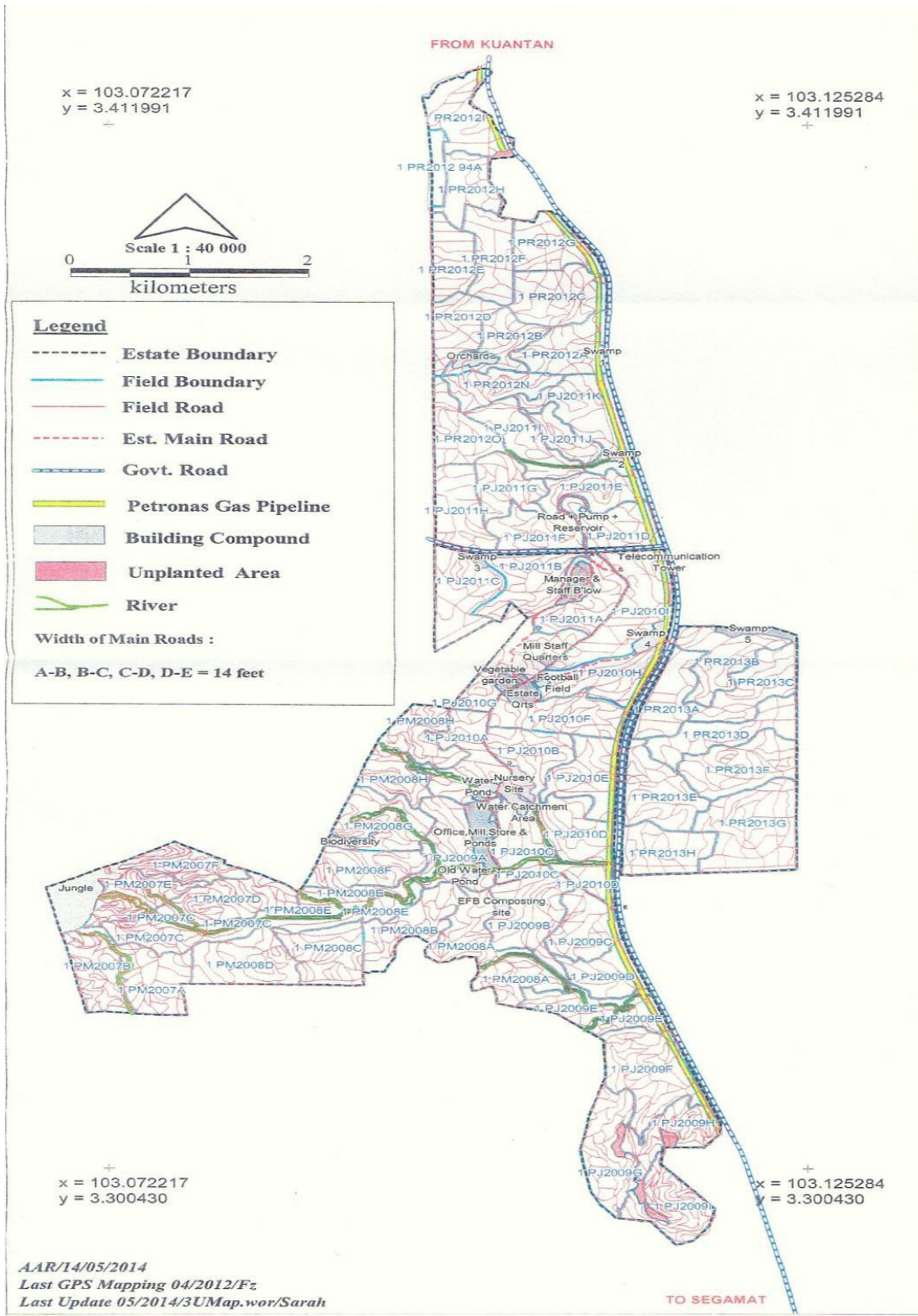
20 October 2017

(Name)

(Signature)

(Date)

Map of Sg Jernih Estate



Map of Bebar Estate



Map of TT-Terengganu Estate



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ATTACHMENT 2

Annual Surveillance Audit 1 Plan

Day 1: 18th July 2017 (Tuesday)

Time	Activities / areas to be visited		
0900-0930	Opening Meeting at TT - Terengganu Estate, Audit team introduction and briefing on audit objectives, scope, methodology, criteria and programmes* by audit team leader		
0930-1000	Briefing on the organization implementation of RSPO (including action taken from previous audit findings) and progress of Time Bound Plan.		
1000-1300	MM	HO	MNAJ
	<p align="center"><u>TT-Terengganu Estate</u></p> <p>Audit at TT-Terengganu Estate relating to management plan, environmental and Safety & Health issues Coverage of audit: P1, P2, P4, P5, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site • Environmental management – witness activities at site • Waste & chemical management • Interview with workers safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement • Verification on last year audit findings 	<p align="center"><u>TT-Terengganu Estate</u></p> <p>Site visit and audit at TT-Terengganu Estate relating to Social issues such as local community, SIA and management plans. Coverage of audit: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies and stakeholders • Interview workers, GPW, local communities and stakeholders • Continuous improvement • Verification on last year audit findings 	<p align="center"><u>TT-Terengganu Estate</u></p> <p>Site visit and audit at TT-Terengganu Estate relating to Good Agricultural Practice. Coverage of audit: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc.) • EFB mulching, POME application Nursery (if any) • Chemical store/fertilizer • Plantation on hilly/swampy area • Replanting • IPM implementation, training and safe use of agro-chemicals. • New planting • Continuous improvement • Verification on last year audit findings
1300-1400	Lunch Break		
1400-1700	Continue audit		

Day 2: 19th June 2017 (Wednesday)

Time	Activities / areas to be visited		
0900-1300	MM	HO	MNAJ
	<p align="center"><u>Sg Jernih POM</u></p> <p>Site visit and audit at Sg Jernih POM relating to management plan, environmental and Safety & Health issues Coverage of audit P1, P2, P4, P5, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site 	<p align="center"><u>TT-Terengganu Estate</u></p> <p>Site visit and audit at TT-Terengganu Estate relating to estates boundary, HCV, local community issues and management plan Coverage of audit: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation 	<p align="center"><u>TT-Terengganu Estate</u></p> <p>Site visit and audit at TT-Terengganu Estate relating to Good Agricultural Practice Coverage of audit: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc),

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	<ul style="list-style-type: none"> Environmental management – witness activities at site Waste & chemical management Interview with workers , safety committee and contractors Facilities at workplace Training and skill development programmes Continuous improvement 	<ul style="list-style-type: none"> Consultation with relevant government agencies Inspection of protected sites with HCV attributes Forested area, plantation boundary, adjacent and neighbouring land use Riparian zone Interview workers, Union, local communities and stakeholders Continuous improvement 	<ul style="list-style-type: none"> EFB mulching, POME application Nursery (if any) Chemical store/fertilizer Plantation on hilly/swampy area Replanting IPM implementation, training and safe use of agro-chemicals. New planting
1300-1400	Lunch Break		
1400-1700	<ul style="list-style-type: none"> Continue audit at Sg Jernih POM Verification on last year audit findings 	Site visit and audit at <u>Sg Jernih POM</u> relating to Social issues such as local community, contractors, suppliers, SIA and management plans	Continue audit at TT Terengganu Estate

Day 3: 20th July 2017 (Thursday)

Time	Activities / areas to be visited		
	MM	HO	MNAJ
0900-1300	<p style="text-align: center;"><u>Sg Jernih POM</u></p> <p>Continue audit at Sg Jernih POM Site visit and audit at Sg. Jernih POM relating to management plan, environmental and Safety & Health issues. Coverage of audit: P1, P2, P4, P5, P8</p> <ul style="list-style-type: none"> Laws and regulations Occupational safety & health practice – witness activities at site Environmental management – witness activities at site Waste & chemical management Interview with workers , safety committee and contractors Facilities at workplace Training and skill development programmes Continuous improvement Verification on last year audit findings 	<p style="text-align: center;"><u>Sg Jernih POM</u></p> <p>Continue audit at Sg Jernih POM Site visit and audit at Sg Jernih POM relating to Social issues such as local community, SIA and management plans. Coverage of audit: P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> Laws and regulations Land titles user rights Social Impact Assessment (SIA), management plan & implementation Complaints and grievances Consultation with relevant government agencies Inspection of protected sites with HCV attributes Forested area, plantation boundary, adjacent and neighbouring land use Riparian zone Interview workers, Union, local communities and stakeholders Continuous improvement 	<p style="text-align: center;"><u>Bebar Estate</u></p> <p>Site visit and audit at Bebar Estate relating to Good Agricultural Practice. Coverage of audit: P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> Laws and regulations Commitment to long-term economic and financial viability Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) EFB mulching, POME application Nursery (if any) Chemical store/fertilizer Plantation on hilly/swampy area Replanting IPM implementation, training and safe use of agro-chemicals. New planting Continuous improvement
1300-1400	Lunch Break		
1400-1700	<p style="text-align: center;"><u>Bebar Estate</u></p> <p>Site visit and audit at Bebar Estate relating to management plan, environmental and Safety & Health issues</p>	<ul style="list-style-type: none"> Continue audit Verification on last year audit findings 	<ul style="list-style-type: none"> Continue audit Verification on last year audit findings

Day 4: 21st July 2017 (Friday)

Time	Activities / areas to be visited		
	MH	HO	MNAJ
0900-1245			

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	<u>Bebar Estate</u>	<u>Bebar Estate</u>	<u>Bebar Estate</u>
	<p>Site visit and audit at Bebar Estate relating to management plan, environmental and Safety & Health issues. Coverage of audit: P1, P2, P4, P5, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Occupational safety & health practice – witness activities at site • Environmental management – witness activities at site • Waste & chemical management • Interview with workers , safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement 	<p>Site visit and audit at Bebar Estate relating to estates boundary, HCV, local community issues & management plan. Coverage of audit : P1, P2, P4, P5, P6, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Land titles user rights • Social Impact Assessment (SIA), management plan & implementation • Complaints and grievances • Consultation with relevant government agencies • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use • Riparian zone • Interview workers, GPW, local communities and stakeholders • Continuous improvement 	<p>Site visit and audit at Bebar Estate relating to Good Agricultural Practice Coverage of audit : P1, P2, P3, P4, P7, P8</p> <ul style="list-style-type: none"> • Laws and regulations • Commitment to long-term economic and financial viability • Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) • EFB mulching, POME application Nursery (if any) • Chemical store/fertilizer • Plantation on hilly/swampy area • Replanting • IPM implementation, training and safe use of agro-chemicals. • New planting • Continuous improvement
1245-1430	Lunch Break and Friday Prayer		
1430-1600	<ul style="list-style-type: none"> • Verification on outstanding issues • Audit Team discussion, preparation on audit findings and issuance of NCR (if any) 		
1600	Closing Meeting		

AUDIT PLAN FOR RSPO SC

Day 1: 19th July 2017 (Wednesday)

	Mohd Zulfakar	
1400-1430	Opening Meeting at Sg Jernih POM	
1430-1700	Audit at Sg Jernih POM relating to Supply Chain implementation, which include:	
	<ul style="list-style-type: none"> • General requirements • Document procedures • Purchasing & goods in 	<ul style="list-style-type: none"> • Sales & goods out • Processing • Records keeping

Day 2: 20th July 2017 (Thursday)

	Mohd Zulfakar	
0900-1200	Audit at Sg Jernih POM relating to Supply Chain implementation, which include:	<ul style="list-style-type: none"> • Claimst • Identity Preserved accounting
1200-1230	<ul style="list-style-type: none"> • Preparation on audit findings and issuance of NCR (if any) 	
1230	Closing Meeting with Sg. Jernih POM Management	

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ATTACHMENT 3

Principle 1: COMMITMENT TO TRANSPARENCY

Clause	Indicators		Comply Yes/No	Findings
C 1.1 Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1	There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. Minor Compliance	Yes	The CU continued to implement the procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records inspected were correspondences with the authorities and employees. The latest external stakeholders meeting was held on 18 May 2017. Record showed there were 34 invitees but only 15 turned up. Internal stakeholders meeting was held quarterly as part of the Safety Committee meeting agenda. Review of minutes of meeting with stakeholders observed no request for information on social matters, except a question from the Health Department pertaining to foreign workers' health screening. The question was raised during stakeholder meeting at Bebar Estate.
	1.1.2	Records of requests for information and responses shall be maintained. Major Compliance	Yes	Minutes of meeting with stakeholders maintained. However, no request for information on social matters except a question from the Health Department pertaining foreign workers' health screening. The question was raised during stakeholder meeting at Bebar Estate. The management had provided clarification that all foreign workers health screen by FOMEMA prior to employment. Both question and answer contained in the minute of stakeholder meeting, which were retained by management.
C 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.	1.2.1	Management documents that are made available to the public shall include, but are not necessarily limited to:		
		• Land titles/user rights (Criterion 2.2)	Yes	Land titles documents for TT -Terengganu Estate and Bebar Estate were available at the estate's office
		• Occupational health and safety plans (Criterion 4.7)	Yes	Occupational health and safety plans were available at respective units. Cross refer criterion 4.7
		• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8)	Yes	Management documents of plans and impact assessments relating to environmental and social impacts were maintained available by the CU.
		• HCV documentation summary (Criteria 5.2 and 7.3)	Yes	Management documents of HCV documentation summary were maintained available by the CU.
• Pollution prevention and reduction plans (Criterion 5.6)	Yes	Pollution Prevention Plan had been established in the CU. Cross refer criterion 5.6		
• Details of complaints and	Yes	Management documents of pertaining complaint / grievance (i.e. "Borang Aduan") maintained		

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		grievances (Criterion 6.3);		available by the CU. However, no complaint / grievance observed.
		<ul style="list-style-type: none"> • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report • Human Rights Policy (Criterion 6.13). 	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>Management document of pertaining negotiation procedure (i.e. contained in Fair Compensation document) maintained available by the CU.</p> <p>Management document pertaining continual improvement on environmental and social aspects were maintained available by the CU, as contained in the related environmental and social action plan.</p> <p>http://www.rspo.org/uploads/default/pnc/KKS_Sg_Jernih_SGG_Boustead_SV4_Approved.pdf</p> <p>Human right policy (i.e. "Polisi Hak Asasi Manusia") was maintained available by the CU.</p>
C 1.3 Growers and millers commit to ethical conduct in all business operations and transactions.	1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. Minor Compliance	Yes	Management document pertaining code of ethical conduct and integrity (i.e. contained in Code of Ethics & Conduct) maintained available and communicated to employees during orientation / induction programme.

Principle 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

Clause	Indicators	Comply Yes/No	Findings
2.1 There is compliance with all applicable local, national and ratified international; laws and regulations.	2.1.1 Evidence of compliance with relevant legal requirements shall be available. Major Compliance	Yes	<p>A legal register had been sighted established at the sites audited. SJBW continued to strive comply with the applicable local, national and ratified international laws and regulations that it subscribes. Generally, there were evidence of compliance to the following legal requirements that were reviewed. Such evidence observed were:</p> <p><u>OSH compliance to OSHA 1994 and FMA 1974</u></p> <ul style="list-style-type: none"> • OSH policy signed by Chairman dated 1.6.2012 • Safety and Health Committee and sighted Minutes of Meeting that were held quarterly at each of the sites. • Annual Medical Surveillance for those exposed to chemicals. • Chemical Health Risk Assessment conducted by Registered Assessor in 2012 for estates and 2014 for POM. • Timely submission of JKPP forms 6, 7 & 8 as required by NADOPOD Regulation 2004. • Implementation of CLASS Regulation 2013. • Validity of certificated machineries PMT (including at estate's workshop), as well as PMA and PMD at POM. • Availability and validity of competent persons for AGT, AESP, Steam Engineer, and Engine Drivers.

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				<ul style="list-style-type: none"> • Audiometric test carried out on 1.4.2017 for 65 POM employees and at time of audit the POM is awaiting the results from the service provider. • Hearing Conservation Program and PPE & Heat Stress Training, 16 April 2016. • Safety, Health and Welfare – Provision of PPE, First Aid Box whose contents in line with First Aid Guidelines, 2nd edition, 2004 and availability of firefighting appliances. <p><u>Electricity Supply Act 1990 and Electricity Supply Regulations 1994</u></p> <ul style="list-style-type: none"> • Electrical Chargeman was available at sites • Engaged of monthly electrical installation (POM) Visiting Engineer from LAJ Kejuruteraan Sdn Bhd, Klang, Selangor. <p><u>Environmental Quality Act 1974</u></p> <ul style="list-style-type: none"> • Jadual Pematuhan: JP/KKS/2017/2018/004143, valid from 1/7/2017 until 30/6/2018 • The scheduled wastes were managed as per the regulation. The 5th schedule inventory was updated accordingly and the wastes were disposed in a timely manner • Stack sampling and analysis was planned for end of August 2017 (sighted program). Latest stack sampling on record was conducted on 11th February 2017 and the result was 0.252 g/Nm³, which was below the regulatory limit of 0.4 g/Nm³. Previous stack sampling was conducted on 23rd Aug 2016, the result was 0.246 g/Nm³. • Competent person under the Section 49A EQA 1974 for the management of scheduled waste is available. <p><u>Social</u></p> <ul style="list-style-type: none"> • employment contracts as per applicable law / agreements. • employees employed met minimum age requirement. • valid passport and work permit for foreign employees. • wages paid met minimum requirement. • monthly contribution of EPF and SOCSO for local employees. • employees provided with amenities as per applicable requirements. <p><u>Permits and Licences</u></p> <ul style="list-style-type: none"> • valid permits to store diesel at TT Terengganu Estate, Bebar Estate and Sg Jernih Palm Oil Mill as required under the Supplies Control Regulations 1974, Ministry of Domestic Trade, Cooperatives and Consumerism were available. • Valid MPOB licence held by the TT Terengganu and Bebar estates to sell and move FFB and Sg. Jernih Palm Oil Mill for milling of oil palm fruit and sell CPO, PK.
	2.1.2	A documented system, which includes written information on legal requirements shall be maintained Minor Compliance	Yes	The CU maintained its documented written information on legal requirements. However, the written information on legal requirements had yet to be expanded to include specific applicable clause, pertaining to all applicable legislations and regulations that it subscribes, such detail to be as that shown in OSHA 1994.

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	2.1.3	A mechanism for ensuring compliance shall be implemented. Minor Compliance	Yes	The CU implemented mechanism for ensuring compliance to its legal requirements. Any changes to legal requirements were monitored and updated accordingly in the LORR. The evaluation of compliance was carried out on an annual basis by the Assistant Managers of the respective site. There were internal reporting / checking observed, such as: <ul style="list-style-type: none"> • Engineering Visit, 25-26/1/17. • internal audit 19-20/6/17, 24-25/1/1.7 • management review, 26/1/17.
	2.1.4	A system for tracking any changes in the law shall be implemented. Minor Compliance	Yes	The CU maintained to track any changes to applicable law and had appointed Mr. Amrul Nizam B. Abdul Ghani of Boustead Plantation Division as the person responsible to monitor any changes to the law and to cascade those changes to all sites. Boustead Plantation also subscribed to Lawnet.com. for the updates.
C 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights	2.2.1	Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available. Major Compliance	Yes	The estates visited was sighted maintaining their land titles as shown in the below table. The land title documents specify the purpose of the land i.e. planting for either oil palm or agricultural crops of economic value.
	2.2.2	There is evidence that physical markers are located and visibly maintained along the legal boundaries particularly adjacent to state land, NCR land and reserves. Minor Compliance	Yes	Boundary stone at Field PM02D, which bordered to TDM Plantation, and physical marker (i.e. signage and trench) at Field PM94A bordered to FELDA Seberang Tayor observed maintained.
	2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). Minor Compliance	Yes	There was no land related disputes observed within the covered audit period.

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	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. Major Compliance	Yes	There was no land related conflicts observed within the covered audit period.
	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 and relevant authorities where applicable). Minor Compliance	Yes	There was no land related disputes or conflicts observed within the covered audit period.
	2.2.6	To avoid escalation of conflict, there shall be no evidence that oil palm operations have instigated violence in maintaining peace and order in their current and planned operations. Major Compliance	Yes	There was no land related disputes or conflicts observed within the covered audit period.
C 2.3 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (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). Major Compliance	NA	There was no land used by the CU, which under customary or other users' right observed within the covered audit period.
	2.3.2	Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC)	NA	There was no land used by the CU, which under customary or other users' right observed within the covered audit period.

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		<p>(Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>Minor Compliance</p>		
	2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>Minor Compliance</p>	NA	<p>There was no land used by the CU, which under customary or other users' right observed within the covered audit period.</p>
	2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal</p>	NA	<p>There was no land used by the CU, which under customary or other users' right observed within the covered audit period.</p>

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counsel.
Major Compliance

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

Clause	Indicators		Comply Yes/No	Findings
C 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.	3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. Major Compliance	Yes	Sg.Jernih Business Unit continued to achieve long term economic and financial viability through documented management plan projected to year 2022. Since there is no smallholders in this Business Unit, therefore a business case for scheme smallholders is not considered. A Management Plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2017 to 2022 had been prepared for all the estates as well as the POM and made available to the audit team. This plan had also included mature area and also for the expected FFB production per hectare for the period 2017 to 2022.
	3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. Minor Compliance	Yes	It was observed that the replanting programmes for both TT-Terengganu and Bebar Estates were available for year 2018 to 2023. These programmes were reviewed once a year and were incorporated in their annual budget. The next replanting programme will be in 2018 for an area of 29.4ha in Bebar Estate.

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

Clause	Indicators		Comply Yes/No	Findings		
C 4.1 Operating procedures are appropriately documented, consistently implemented and monitored	4.1.1	Standard Operating Procedures (SOPs) for estates and mills shall be documented. Major Compliance	No	SJBU has developed several manuals for its use. Among them were: <ul style="list-style-type: none"> Standard Operating Procedure (SOP) dated 2.5.2012 that provide guidelines to staff members in respect of certain major aspects of Estate and Mill operations. It contained 15 chapters as follows: 		
				Chapter No	Chapter Heading	Subject
				1	Administrative Procedure	1.1 Internal Office Control 1.2 Changes in Management
				2	Financial Procedures	Checkroll Payments Remittance from Head Office Petty Cash Miscellaneous
3	Field Contracts	3.1 New Planting/Replanting Contracts 3.2 Replanting Existing Crop 3.3 Field Maintenance Contract				

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				4	Capital Contract	1.1 Type A Contract 1.2 Type B Contract
				5	Engineering Works	5.1 Engineering Works
				6	Stores Procedures	6.1 Responsibility for Stores 6.2 Ordering of Stores 6.3 Receiving of Goods 6.4 Invoices 6.5 Issues of Stores 6.6 Bulk Purchases through Head Office 6.7 Accounting Procedures on Stores 6.8 Payment of Suppliers
				7	Sales of Produce Ex-Estate/Mill Procedures	7.1 FFB Sales and Despatches 7.2 Sales and Despatch of CPO & PK 7.3 FFB, CPO and PK declaration 7.4 Month-end calculation of oil & kernel in process
				8	Insurance	8.1 Policies and type 8.2 Policy Renewal 8.3 Insurance Claims – Renewal 8.4 Retention of Policies
				9	Annual Estimates	9.1 General 9.2 Preparation of Budget 9.3 Completion of estimates by Head Office 9.4 Additional/(Minus) Votes 9.5 Quarterly Crop Return
				10	Computer Control	10.1 Data capture 10.2 Processing 10.3 Subsequent Amendments 10.4 Back-up of data 10.5 Changes to Program 10.6 Control Totals 10.7 Sequence of Processing 10.8 Computer Operations and Coding manual 10.9 BAARMIS
				11	Monthly/Periodical Requirements	11.1 Submission deadlines 11.2 Cut-off dates for monthly accounts 11.3 Documents for monthly account 11.4 Monthly account for Head Office Checking 11.5 Monthly progress report 11.6 List of monthly submissions of return 11.7 Area Statement

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				<table border="1"> <tr> <td>12</td> <td>Financial Year-end Requirements</td> <td>12.1 List of documents 12.2 Provision Account 12.3 Bank reconciliation statement 12.4 Unclaimed Wages 12.5 Inter Estate/Mill Balance 12.6 Annual Report</td> </tr> <tr> <td>13</td> <td>Retention of Documents</td> <td></td> </tr> <tr> <td>14</td> <td>Sundries</td> <td>14.1 Staff transport allowance 14.2 Staff motorcycle loan 14.3 Children education transport allowance subsidy 14.4 Electricity supply 14.5 Mill security 14.6 Weighbridge security 14.7 Bulk tanks 14.8 Sales of palm oil mill by-products; sludge oil and excess pal kernel shell 14.9 Shipment of personal belongings</td> </tr> <tr> <td>15</td> <td>Foreign Workers Expenses</td> <td>15.1 Introduction 15.2 Definition 15.3 Policies and Accounting treatment</td> </tr> </table>	12	Financial Year-end Requirements	12.1 List of documents 12.2 Provision Account 12.3 Bank reconciliation statement 12.4 Unclaimed Wages 12.5 Inter Estate/Mill Balance 12.6 Annual Report	13	Retention of Documents		14	Sundries	14.1 Staff transport allowance 14.2 Staff motorcycle loan 14.3 Children education transport allowance subsidy 14.4 Electricity supply 14.5 Mill security 14.6 Weighbridge security 14.7 Bulk tanks 14.8 Sales of palm oil mill by-products; sludge oil and excess pal kernel shell 14.9 Shipment of personal belongings	15	Foreign Workers Expenses	15.1 Introduction 15.2 Definition 15.3 Policies and Accounting treatment
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15	Foreign Workers Expenses	15.1 Introduction 15.2 Definition 15.3 Policies and Accounting treatment														
				<ul style="list-style-type: none"> • Mill Operation Manual, Issue 2, March 2002 that contained 16 chapters, Safe Work Procedures with 16 headings, and Safe Work Procedure for Laboratory. • Common HSE Manual, Rev.1, 14.3.2011 with 22 titles for use by the Estate and Mill. • Although Estate Standard Operating Procedures (SOPs) known as Oil Palm Circular (O.P.C) was last updated on 17/05/2013, however, O.P.C No.15b was found not adequately documented to cater FFB weight up to 26 kg. Therefore a major non conformity report was raised against indicator 4.1.1 (NCR No: MN 01/2017) <p>On the social aspects the CU maintained it documented procedures related to, such as:</p> <ul style="list-style-type: none"> • External Communication Procedure. • Fair Compensation Procedure. • <i>Carta Aliran Membuat Aduan Kepada Pihak Pengurusan (Dalaman).</i> • <i>Prosedur Penentuan Hak Pemilikan Tanah.</i> 												
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. Minor Compliance	No	The CU maintained implemented mechanism for ensuring consistency of implementation of procedure. There were internal reporting / checking observed, such as: <ul style="list-style-type: none"> • Quarterly EHS Workplace Inspection • Engineering Visit, 25-26/1/17 • Internal audit 19-20/6/17, 24-25/1/17 													

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				<ul style="list-style-type: none"> management review, 26/1/17. <p>In addition to the above, briefing on the SOPs (O.P.C.) and related documents were conducted and workers were frequently reminded about it during the morning muster. However, the harvesters at TT-Terengganu and Bebar Estates were observed that they did not consistently implement (a) the harvesting procedure as per O.P.C. No.15b, and (b) the manuring workers in Field PJ09A of TT-Terengganu Estate did not comply to the procedure in O.P.C. no 03b as they were seen not broadcasted evenly the Kieserites fertilizers. . Therefore a minor nonconformity report was raised against indicator 4.1.2 (NCR No: MN 02/2017).</p>
	4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. Minor Compliance	Yes	Records of monitoring and the actions taken by the CU were maintained and kept for a minimum of 12 months. The following were observed during the audit: <ul style="list-style-type: none"> Monitoring of the SOP implementation at estates visited was closely carried out by person-in-charge. Among the records verified were work programmes for major activities at the estates such as field cost book, chemical usage form, mature oil palm work programme for fertiliser application, herbicide spraying, rat baiting, harvesting and collection of FFB. Monitoring on implementation of social and HCV action plans. The updated status of implementation was noted retained.
	4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). Major Compliance	Yes	Sg. Jernih Palm Oil Mill did not sourced FFB from third party.
C 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield	4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. Minor Compliance	Yes	Sg.Jernih BU continued to implement the good agriculture practices as per Oil Palm Circular Manual (O.P.C.) to ensure optimal and sustained yield, and follow the recommendations for the application of the fertilizer in (O.P.C. No.03.b revised) dated April 1996 and Oil Palm Manuring Recommendations 2017 by Applied Agricultural Resources Sdn. Bhd. (AAR).
	4.2.2	Records of fertiliser inputs shall be maintained. Minor Compliance	Yes	Sg.Jernih BU continued to monitor their fertilizer inputs as recommended by their agronomist from Applied Agricultural Resources Sdn. Bhd.(AAR). The records of the fertiliser inputs were maintained in the Fertilizer Application Record Book 2017 and the Bin Card.
	4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. Minor Compliance	Yes	Periodic foliar and soil sampling were carried out by the Applied Agricultural Resources Sdn. Bhd.(AAR) and its result formed part of the basis for the fertilizers input recommendation. Foliar samplings were carried out in April and May 2017 in Bebar and TT-Terengganu Estates respectively.

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	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. Minor Compliance	Yes	In addition to the fertiliser application, Bebar and TT-Terengganu Estates had also carried out frond stacking following the L-shaped in the palm inter row as per the SOPs (O.P.C. 51C).
C 4.3 Practices minimize and control erosion and degradation of soils.	4.3.1	Maps of any fragile/marginal soils shall be available. Major Compliance	Yes	During the field visit and cross referenced to the soil map provided it was observed that no fragile or marginal soils was found in Sg.Jernih BU. The soil comprises of: <ul style="list-style-type: none"> • Beserah / Bungor / Local Alluvium / Malacca / Masai /Pelepah / Rengam / Sogomana / Tavy series in Bebar Estate, and • Batu Enam / Batu Lapan / Changkat Lobak / Durian / Kemahang / Padang Besar / Pagi / Pohoi / Sedang-Bungor / Local Alluvium (Clayey) series in TT-Terengganu Estates.
	4.3.2	A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP. Minor Compliance	Yes	Sg.Jernih BU continued to plant palms within slopes between 9 and 25 degrees as per Boustead Plantations Berhad policy dated 12 th January, 2015. Sighted the policy posted on the estates notice board. Additionally, the estate's SOPs included to minimise soil erosion based on local soil and climate conditions, such as ground cover management (O.P.C.01a), biomass recycling (O.P.C.08b), land preparation (O.P.C. 07c), terracing (O.P.C.54a) and natural regeneration of <i>Nephrolepis biserrata</i> .
	4.3.3	A road maintenance programme shall be in place. Minor Compliance	Yes	During the field visit, it was observed that the main and field roads of Sg.Jernih BU were in satisfactory condition and accessibility were made possible by regular maintenance. There was evidence of road maintenance programmes that consist of road resurfacing with grading & compaction and culvert maintenance.
	4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. Major Compliance	Yes	No peat soils were found during the field visit in Sg.Jernih BU. The programme on water and ground cover management were adequate as per the Agronomic Report produced by Applied Agricultural Resources Sdn. Bhd.(AAR), dated respectively 25.05.2016 and 21.09.2016 for TT-Terengganu Estate and Bebar Estate. During the field visit, it was found only soft grasses in the interrow, L-shaped frond stacking and construction of silt pits were in place.
	4.3.5	Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. Minor Compliance	Yes	No peat soils were found during the field visit in Sg.Jernih BU.
	4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils).	Yes	There were no fragile and problem soils in Sg.Jernih BU.

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		Minor Compliance																																																									
C 4.4 Practices maintain the quality and availability of surface and ground water.	4.4.1	An implemented water management plan shall be in place. Minor Compliance	Yes	<p>Sg.Jernih BU had its Water Management Plan for year 2017 developed in order to maintain the quality and availability of natural water resources by practicing efficient water consumption through various methods such as:</p> <ul style="list-style-type: none"> • implementation of Rain Water Harvest, • construction of water gate for effective management of collection/main drain, • establishment of <i>Mucuna bracteata</i> to prevent erosion, • side drain at field road to control water, • L-shaped frond stacking, • enhancement of ground vegetation at bare ground area. <p>In the Water Management Plan, the BU has also identified actions to be taken in the event of water supply shortage, though both estates received supply of piped treated water from the local state authorities for the domestic consumption.</p>																																																							
	4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated Major Compliance		At landscape-level, there is a river (Sg. Jernang) in TT Terenganu Estate. On-site visit observed buffer zone bordered to the river was maintained. There buffer zone signage was maintained and no agriculture chemical-based activities were observed in the buffer zone.																																																							
	4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6). Minor Compliance	Yes	<p>The mill treated their effluent in accordance to the terms and conditions laid out in the DOE "Jadual Pematuhan" Licence No. JP/KKS/2017/2018/004143. The analysis of treated POME is conducted monthly by an independent laboratory, FELDA Palm Industries Sdn Bhd Makmal Analisis Bukit Goh. The parameters analyzed included BOD, TSS, Ammoniacal Nitrogen, Total Nitrogen, Oil & Grease, Ph and COD.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Jan 2017</th> <th>Feb 2017</th> <th>Mar 2017</th> <th>Apr 2017</th> <th>May 2017</th> <th>Jun 2017</th> </tr> </thead> <tbody> <tr> <td>Is ETP Final Discharge Results. within spec?</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">Yes</td> </tr> </tbody> </table>		Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Is ETP Final Discharge Results. within spec?	Yes	Yes	Yes	Yes	Yes	Yes																																									
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4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. Minor Compliance	Yes	<p>The water usage at the mill was separated between Processing and Domestic usage. The following were water usage as reported at the mill:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="12">2016</th> <th colspan="6">2017</th> </tr> <tr> <th>Jan</th><th>Feb</th><th>Mar</th><th>Apr</th><th>May</th><th>Jun</th><th>Jul</th><th>Aug</th><th>Sep</th><th>Oct</th><th>Nov</th><th>Dec</th> <th>Jan</th><th>Feb</th><th>Mac</th><th>Apr</th><th>May</th><th>Jun</th> </tr> </thead> <tbody> <tr> <td>Month</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td><td></td><td></td><td></td> </tr> </tbody> </table>	Year	2016												2017						Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mac	Apr	May	Jun	Month																		
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				Water consumption m ³ /t FFB processed	0.88	0.90	0.98	1.14	0.91	0.90	0.89	0.97	0.97	0.93	0.93	0.85	0.91	0.86	0.88	0.91	0.85	0.89
				Average water consumption in 2016 was 0.93 m ³ /FFB processed compared to 2017 YTD of 0.88 m ³ /FFB processed. The increase in water consumption in 2016 were probably due to poor crop harvest in March to April and August to September.																		
C4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.	4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. Major Compliance	Yes	Sg.Jernih BU continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the S.O.P.,(O.P.C. No.04a, 04b,04f,04g.). In order to minimize use of insecticides on leaf-eating pest, the estates had planted beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> along the roadsides and the construction of the barn owl boxes (BOB) i.e. 30 and 79 units in Bebar and TT-Terengganu Estates respectively. Rat damage and leaf-eating pest census was regularly carried out to obtain information about threshold level and action to be taken thereafter. The records of census were available for verification.																		
	4.5.2	Training of those involved in IPM implementation shall be demonstrated. Minor Compliance	Yes	Training related to IPM implementation was conducted at TT-Terengganu Estate on 23.03.2017 and 27.02.2017 involving 28 workers, whilst in Bebar Estate it was held on 02.06.2017 where 24 workers were involved.																		
C 4.6 Pesticides are used in ways that do not endanger health or the environment	4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. Major Compliance	Yes	The use of all agrochemicals by the estates was guided by its SOP (O.P.C.No.01b; 04b; 04f; 04g) where justifications had been provided. The Manual had included a chemical register list which indicates the purpose of usage (intended target), hazards signage, trade and generic names.																		
	4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. Major Compliance	Yes	Records of pesticides used were available for verification. The latest records were as at June 2017, which includes the information about area treated, active ingredients (ai) per Ha, LD50 and number of application.																		
	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	Yes	Sg.Jernih BU is committed to minimise the usage of agrochemicals by implementing IPM with the increased in the planting of beneficial plants such as <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> . Blanket spraying is also not practiced by this PU and soft grasses were maintained in the field. It had also been the practice that insecticides and rat baits are used only after a threshold level has been exceeded as per the S.O.P. (O.P.C. no. 04b; 04f and 04g) and that no prophylactic use of such pesticides would be permitted.																		

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		specific situations identified in industry's Best Practice. Major Compliance		
	4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in industry's Best Practice. The use of such pesticides shall be minimised and/or eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000). Minor Compliance	Yes	All pesticides used were those officially registered under the Pesticide Act 1974, The Sg.Jernih BU had used only Class II ,Class III & Class IV pesticides. No illegal agrochemicals (stated by local and international laws) in particular paraquat were used or found.
	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). Major Compliance	Yes	At TT-Terengganu Estate, training on chemical handling was last conducted on 09/02//2017 entitled " <i>Prosedur Kerja Selamat bagi Pengendalian Racun Rumpai</i> " by Estate Assistant and attended by 4 employees whilst at Bebar Estate training on " <i>Teknik dan cara meracun dengan betul</i> " was carried out on 16.02.2017 with 10 workers attending.
	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	Yes	During the audit it was observed that the storage of chemicals used by the estates were stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Only authorised personnel have access to the chemical store. All empty pesticides containers were disposed to Kualiti Alam Sdn Bhd.

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	other purposes (see Criterion 5.3). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations. Major Compliance								
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. Minor Compliance	Yes	During the audit, it was noted that Sg.Jernih BU had not use chemicals categorized as World Health Organization (WHO) type 1A or 1B or listed by the Stockholm or Rotterdam Conventions. Paraquat had not been used in the estate. The Safety Procedures for pesticides application were well described in <i>Prosedur Kerja Selamat</i> dated 12 th March,2011 which the BU complied.						
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. Major Compliance	Yes	Aerial application of agrochemicals were not practiced in Sg.Jernih BU.						
4.6.9	Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. (see Criterion 4.8). Minor Compliance	Yes	There was no purchase of FFB from smallholders. Training on pesticides handling for sprayers at Bebar and TT Terengganu estates were conducted as follow: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Estate</th> <th>Date training given</th> </tr> </thead> <tbody> <tr> <td>TT Terengganu</td> <td>9.2.2017</td> </tr> <tr> <td>Bebar</td> <td>15.4.2017</td> </tr> </tbody> </table>	Estate	Date training given	TT Terengganu	9.2.2017	Bebar	15.4.2017
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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). Minor Compliance	Yes	The CU waste management and disposal plan had included identifying and monitoring sources of waste and pollution. Interviews with workers revealed that they understood the method to dispose scheduled wastes. EFB was sent to estate for mulching; recycle waste (plastic, paper, aluminum and glass) were segregated and sent to the recycle waste dealers. Disposal of waste materials related to pesticide containers were being carried out as per established procedures. Triple rinsing activities for empty pesticide containers was continued to be implemented. The rinsed containers were pierced and stored prior to disposal and the estate considered them as scheduled wastes.						
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health	Yes	At the audited estates, all operators handling the pesticides were identified and their records of annual medical surveillance and documented action to treat related health conditions were available. The health surveillance was conducted by Dr. Yasriza Yahya (Reg ref: HQ/08/DOC/00/18). Their						

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		conditions, shall be demonstrated. Major Compliance		results showed health status as normal and thus the pesticide handling operators were certified fit to work
	4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women Major Compliance	Yes	There was no evidence of pregnant or breast-feeding women sprayers being used in Sg. Jernih BU.
C 4.7 An occupational health and safety plan is documented, effectively communicated and implemented. The occupational health and safety plan shall cover the following:	4.7.1	An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. Major Compliance	Yes	<p>The CU had adopted its Occupational Safety and Health (OSH) Policy, plan and programme. The policy dated 1/6/2012 endorsed by the Chairman was sighted prominently on notice boards at mill and estate offices. The policy is available in both Bahasa Malaysia and English. It was also briefed to all levels of employees in the BU.</p> <p>Documented safety plans had been sighted. It included:</p> <ul style="list-style-type: none"> • at estates level training programme for Jan – Dec 2017 such as Harvester Training, Manurer Training, Spraying Training, Tractor Driver Training, First Aid Training, Zero Burning Training, Recycle training, Triple Rinsing Training, Fire Drill Training, Ramp Attendant Training, Buffer Zone Training, etc. • at mill it covered SOP training that included safety and health considerations for individual station, PPE training, Safe Chemical Handling, n-hexane chemical exposure monitoring, Authorised Gas Tester and Standby Person Training, and several Talks held: <ul style="list-style-type: none"> ✓ “<i>Ceramah Open Burning and Schedule Waste</i>” by DOE Pahang on 7th March 2017 ✓ “<i>Ceramah on Domestic waste</i>” by SW Corp Muadzam Shah, Pahang on 1st March 2017 ✓ “<i>Ceramah Pencegahan Kebakaran</i>” by BOMBA & PENYELAMAT Pekan and Fire drill on 1st March 2017 ✓ “<i>Ceramah & Pameran Booth Jenayah, Narkotik & Lalulintas</i>” by PDRM IPD Pekan, and ✓ “<i>Ceramah & Pameran Booth</i> by SOCSO and RTD” on 21st February 2017 • Quarterly OSH Committee Meeting • Medical surveillance • Audiometric Test • Hearing Conservation and Heat Stress Course held on 4th April 2017 • Industrial First Aid Training • Quarterly workplace inspection: <p>In addition to the OSH Policy, the CU adopted a specific procedural document for safety known as Safe Work Procedure. They were individually established for mill and estates. To ensure understanding of the procedures employees training were given and tool box briefings were conducted periodically. The objective was a safe working environment and therefore Supervisors and Mandores kept reminding them of the need to always be on the look-out for hazards and the avoidance of risks.</p> <p>Random interviews with employees showed that they generally understood the basic requirements</p>

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				of the policy and the Safe Work Procedure. The visited sites showed that the OHS rules were adhered to by employees such as wearing of PPE and following safety signages.
4.7.2	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. Major Compliance	Yes	Based on the risk assessment done, the CU had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA records were verified during the assessment. At the estates, the HIRARC covered activities like spraying, harvesting, pruning, manuring and rat baiting. As for the mill, the identified activities were FFB sterilization, kernel extraction and oil extraction and clarification, etc. Its HIRARC register was last reviewed and updated on 27.10.2017 following an accident occurred on 22.10.2016. Corresponding Standard Operation Procedure and Safe Work Procedure for these activities were documented, available and used for employees training. Where hazardous substance were involved, it was verified that chemicals were used and handled in accordance with the product safety precautions. SDS were available at point of use, e.g. at the mill: water treatment plant, boiler chemical dosing area; at the estate: chemical store and chemical mixing area. For those handling chemicals, the CU had executed programs to meet the following: <ul style="list-style-type: none"> • the necessity for employee exposure monitoring programme; • the necessity for health surveillance programme; and • the requirement for the training and retraining of employees as required under USECHH 2000, regulation 22. 	
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 is used, burning. Major Compliance	Yes	Workers, particularly pesticides sprayers, harvesters, manure applicators, workshop personnel and all those at the mill were provided with necessary training on safe working practices. Appropriate PPE were given to employees of estate visited. They were seen to wearing PPE such as face masks respirators, goggles, nitrile gloves, apron and hard hat, to cover all potentially hazardous operations such as mixing of pesticides and pesticide application. At the mill, the employees were provided and they were seen donned hard hat, safety shoes, gloves, ear plugs, safety glass, goggles and apron. The PPE issuance records were available during the audit. The frequency for PPE replacement was found reasonable. Random checks of selected employees at their palms, wrist, hand and around neck showed there was no case of rashes or itchiness.	
4.7.4	The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about	Yes	The CU had established OSH Committee and continued to use the same Committee to facilitate their OSH implementation plan. Roles and responsibility of each member, including worker's representative, were defined and the committee meetings were held on a quarterly basis. Meeting minutes were available on file and detailed the discussions that include accident cases, workplace inspections, relevant training required for workers, health monitoring results and areas for improvement.	

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	health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. Major Compliance		<p>The TT Terengganu estate OSH Committee and Bebar estate OSH Committee organization chart for 2017 were verified during the audit. The Committee composition met more than that required by the OSH Committee Regulation 1996. It comprised of Chairman, (Estate Manager), Secretary (Assistant Manager) and nine (9) each from Employer Representatives and Employee Representatives.</p> <p>Minutes of Committee meeting sighted at TT-Terengganu and Bebar showed the agenda for the meeting appropriately addressed matters relating to safety and health at the place of work. The OSH Committee was held quarterly as required by the Safety and Health Committee Regulation 1996. Attendance of meeting met the quorum requirement.</p>
4.7.5	<p>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>Minor Compliance</p>	Yes	<p>The CU continued to maintain the existing Accident and Emergency procedures found in the OSH Manual Chapter 15 and 16 that included steps required to response for a range of potential emergencies including fire, explosions, and medical emergencies, uncontrolled release of hazardous substances, security threats and floods.</p> <p>Interview with various workers in the field, staff at the estate offices and Sg. Jernih POM personnel showed that they were aware and understood the established procedure for emergency response. The Emergency Response Plan were tested annually. At POM drill was conducted on 1/3/2017, TT Terengganu Estate on 15/5/2017 and at Bebar Estate it was planned to be held in mid-October pending completion installation of its siren and improvement to its firefighting equipment.</p> <p>When accident occur in the field workers were aware that they were required to immediately notify their Mandore or Supervisor (where applicable) who will assist them with first aid treatment. If nature of accident was serious and cannot be handled by the Mandore/Supervisor the injured person will be send to the estate clinic.</p> <p>Training records sighted showed that a Basic First Aid training was conducted by Occumed Consultancy & Services Sdn Bhd. Hence, there are assigned operatives trained in first aid are available at mill and estates.</p> <p>OSH performance was continuously monitored and accident cases were managed in accordance with NADOPOD Regulations, 2004. Accident records were maintained and reviewed during quarterly Safety & Health Committee meeting. No incident case was reported from the estates audited. However, there were four (4) cases of incidents recorded at the POM comprising of one scalding case at shoulder when opening boiler main stop valve and the remainder cases related to Noise Induced Hearing Loss at their workplace. All four cases were reported to DOSH promptly.</p>
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. Minor Compliance	Yes	<p>The CU continued to provide medical care to the mill and estates workers.</p> <p>For foreign workers, the CU continued to provide group insurance as required under the Workmen Compensation Act 1992. Sighting of records and cross check with workers showed that they were covered with valid insurance policy via Insurance Underwriter, RHB Insurance Berhad for a period of 18 months. Sighted at</p> <ul style="list-style-type: none"> - Bebar estate RHB Insurance Berhad, Policy No. MG 076282 and MG 078274 with coverage period from 30th September, 2016 until 29th March 2018 and 14th October 2016 until 13th April

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				<p>2018 respectively.</p> <p>- TT Terengganu estate RHB Insurance Berhad, Policy No. MG 105999 for coverage period 14th March 2017 to 13th September 2018.</p> <p>It was observed that the mill did not employ any foreign workers.</p> <p>Local workers were covered by SOCSO. This was verified through the 'Jadual Caruman Bulanan' January, February, and March 2017 for estate and mill workers.</p>																																																
	4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. Minor Compliance	Yes	<p>Form JKPP 8 for 2016 was submitted to DOSH timely, thus, adhering to legal requirements before the mandatory cut-off date of 31st January 2017. Accident statistics were being maintained in a satisfactory manner and injury record were recorded using Lost Time Accident (LTA) metrics. No accident was reported for both estates. At the POM, the last accident occurrence, categorized as minor, was on 22/10/2016 and DOSH was notified on the same day and Form JKPP 6 was submitted. HIRADC register was reviewed and updated on 27.10.2017.</p> <p>Investigation to the accident had been carried out by the Safety Committee and a complete report produced on 3rd November, .2016.</p>																																																
C 4.8 All staff, workers, smallholders and contract workers are appropriately trained.	4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. Major Compliance	No	<p>Training for employees were conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. Training records were kept by the mill and estates. Training needs identification matrix was established with target dates for the training identified.</p> <p>At the POM, the following trainings were recorded:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Name of Course</th> <th>Date held</th> <th>Target group</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Basic First Aid by Occumed Consultancy & Services Sdn Bhd</td> <td>8-9/3/2016</td> <td>OSH Committee + Supervisors</td> </tr> <tr> <td>2.</td> <td>Usage of PPE by Asst. Manager</td> <td>14/4/2016</td> <td>All mill operatives</td> </tr> <tr> <td>3.</td> <td>RSPO Supply chain</td> <td>18/10/2016</td> <td>Weighbridge Clerk, Office staff and Managers</td> </tr> <tr> <td>4.</td> <td>Standard Operating Procedures <ul style="list-style-type: none"> • Sterilizer station • Press station • Kernel Plant station • Boiler station • Vehicle (Shovel) operation </td> <td> 1/4/2017 1/4/2017 1/4/2017 1/4/2017 13/8/2017 </td> <td> Sterilizer operatives Press operatives Kernel plant operative Boilerman Driver </td> </tr> <tr> <td>5.</td> <td>Working at height</td> <td>11-12/4/2016</td> <td>Workshop staff</td> </tr> <tr> <td>6.</td> <td>Confine Space</td> <td>1/4/2017</td> <td>Maintenance and Production</td> </tr> <tr> <td>7.</td> <td>OSH Legal requirements</td> <td>25-26/9/2017</td> <td>OSH Committee</td> </tr> <tr> <td>8.</td> <td>Fire Safety, Building Evacuation and Fire Fighting Equipment Demonstration by BOMBA, Rompin</td> <td>1/3/2017</td> <td>All</td> </tr> <tr> <td>9</td> <td>Open burning and Scheduled Waste by DOE</td> <td>7/3/2017</td> <td>All</td> </tr> <tr> <td>10</td> <td>HIRADC</td> <td>18/4/2017</td> <td>OSH Committee + Supervisors</td> </tr> <tr> <td>11</td> <td>Ceramah Jenayah Narkotik & Lalulintas by Police</td> <td>21/2/2017</td> <td>All</td> </tr> </tbody> </table>		Name of Course	Date held	Target group	1.	Basic First Aid by Occumed Consultancy & Services Sdn Bhd	8-9/3/2016	OSH Committee + Supervisors	2.	Usage of PPE by Asst. Manager	14/4/2016	All mill operatives	3.	RSPO Supply chain	18/10/2016	Weighbridge Clerk, Office staff and Managers	4.	Standard Operating Procedures <ul style="list-style-type: none"> • Sterilizer station • Press station • Kernel Plant station • Boiler station • Vehicle (Shovel) operation 	1/4/2017 1/4/2017 1/4/2017 1/4/2017 13/8/2017	Sterilizer operatives Press operatives Kernel plant operative Boilerman Driver	5.	Working at height	11-12/4/2016	Workshop staff	6.	Confine Space	1/4/2017	Maintenance and Production	7.	OSH Legal requirements	25-26/9/2017	OSH Committee	8.	Fire Safety, Building Evacuation and Fire Fighting Equipment Demonstration by BOMBA, Rompin	1/3/2017	All	9	Open burning and Scheduled Waste by DOE	7/3/2017	All	10	HIRADC	18/4/2017	OSH Committee + Supervisors	11	Ceramah Jenayah Narkotik & Lalulintas by Police	21/2/2017	All
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8.	Fire Safety, Building Evacuation and Fire Fighting Equipment Demonstration by BOMBA, Rompin	1/3/2017	All																																																	
9	Open burning and Scheduled Waste by DOE	7/3/2017	All																																																	
10	HIRADC	18/4/2017	OSH Committee + Supervisors																																																	
11	Ceramah Jenayah Narkotik & Lalulintas by Police	21/2/2017	All																																																	

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4.8.2	Records of training for each employee shall be maintained. Minor Compliance	Yes	The above records of training conducted, including attendance lists were retained,																																																																			

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

Clause	Indicators		Comply Yes/No	Findings
C 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.	5.1.1	An environmental impact assessment (EIA) shall be documented. Major Compliance	Yes	<p>The CU had documented its environmental impact assessment. A procedure titled as “Environmental Aspect Impact/ Environmental Impact Evaluation” had been established to guide on how to carry out the environmental aspect impact evaluation. The identification of the environmental aspects was carried out using the EA/5.1/EAI – Environmental aspect & impact identification form. The aspect-impact evaluation was reviewed annually.</p> <p>It was observed that the CU Environmental aspect and impact evaluation covered all upstream activities such as from oil palm nursery, replanting, to FFB reception at POM and their downstream processes.</p> <p>The Bebar Estate and TT Terengganu Estate have identified the environmental aspects and its associated environmental impacts for all of its activities related to</p> <ul style="list-style-type: none"> • field operation such as chemical spraying, manuring, harvesting/pruning, EFB mulching, transportation and decanter cake application • workshop such as servicing vehicle, changing tyres, and • chemical and waste stores such as receive/storage/issue of fertilizer/chemical and store cleaning. <p>The Environmental Aspect/Impact Identification Evaluation register was last reviewed in March 2017.</p>
	5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons. Minor Compliance	Yes	The identified impacts required no change of the current practice for both mill and estates. Among those identified include impacts of EFB, boiler smoke, all types of scheduled wastes, POME sludge, excessive use of pesticides, diesel, petrol, lubricants and domestic waste. The mitigation measures was continued to be implemented to minimise the negative impacts. Among the mitigation measures developed were OPC, SOP, working instructions, training, good housekeeping and engineering controls.
	5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring	Yes	The mitigation measures was continued to be implemented to minimise the negative impacts. Among the mitigation measures developed were OPC, SOP, working instructions, training, good housekeeping and engineering controls.

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		and where there are operational changes that may have positive and negative environmental impacts. Minor Compliance		
<p>C 5.2 The status of rare, threatened or endangered species other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.</p>	5.2.1	Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). Major Compliance	Yes	The CU had collated information pertaining to High Conservation Value (HCV), which covered within the CU and the adjacent areas. Based on HCV report and planting map, in TT Terengganu Estate, there is remnant of natural vegetation area. Visit to the area observed presence of wildlife (wild boar) and its habitat (wallow), as well as stream. There is no such area observed in Bebar Estate.
	5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through an action plan. Major Compliance	Yes	<p>Appropriate measures to protect wildlife and conservation area were observed such as prohibition signage at entrance, consultation with relevant authorities (PERHILITAN), training for Auxiliary Police and patrol by Auxiliary Police.</p> <p>The management had also erected signage "Biodiversity Area" at the forested area. However, the signage did not include relevant statement of prohibition and disciplinary measure. Further, the signage was not positioned at perimeter prior to entry of the area.</p> <p>Observed the CU practiced planted cover crop and grass cut for field upkeep and no use of chemical at area of stream edge to avoid water pollution by chemical.</p>
	5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. Minor Compliance	Yes	The CU had maintained signage and information on notice board about protection and prohibition related to wildlife and conservation area to ensure employees and visitor aware of its requirements. The CU also routinely remind its employees about the requirement during morning muster.
	5.2.4	Where an action plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; Outcomes of monitoring 	Yes	The Auxilliary Police of the CU maintained patrolling the estate and its surroundings including the conservation area. However, there was no outcome that requires feedback and revision of action plan.

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		shall be fed back into the action plan. Minor Compliance		
	5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. Minor Compliance	Yes	The remnant natural vegetation area in the TT Terengganu Estate was noted as had been set-aside by the Land Department, Terengganu from the CU land titles.
C 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.	5.3.1	All waste products and sources of pollution shall be identified and documented. Major Compliance	Yes	The auditor had verified that waste products and sources of pollution had been identified and documented as found in the respective site's waste management plan. It had listed the waste product, sources of pollution, mitigation measures, target, and person responsible. Among the wastes that were identified include domestic wastes from household, scrap iron, empty chemical containers, scheduled wastes and mill wastes such as boiler ash, POME, EFB, fiber & shell, decanter cake, etc.
	5.3.2	All chemicals and their containers shall be disposed of responsibly. Major Compliance	Yes	Empty agrochemical containers were disposed responsibly. The CU recognized them as scheduled wastes and handled them in accordance to established procedure EA SUS/SW/EQA(SW)-Scheduled Waste Procedure. They were triple rinsed, punched with holes and disposed to DOE registered Scheduled Waste collector, Kualiti Alam Sdn Bhd. Records of empty pesticide containers and its disposal were maintained by the respective estates and mill
	5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented Minor Compliance	Yes	Waste management and disposal plan to avoid or reduce pollution had been documented and implemented as discussed in Indicator 5.1.3 above. Procedures and guideline were used to guide the waste disposal activities and to reduce pollution during routine operation. Mill wastes had been disposed as follows -100% of EFBs were sent for mulching in the field. None was used as fuel in the boiler. Only crop residue/biomass i.e. fiber and shell were used as fuel for boiler. On the monitoring of water and effluent discharge, monthly and quarterly report for final discharge were submitted to DOE timely, as required by the written approval. Effluent quality monitoring was also done on a monthly basis, with samples taken at final discharge point and sent for analysis. Results of laboratory showed that the discharges were within permissible limits. Disposal of scheduled wastes and domestic wastes were as described in criterion 5.3.2 above.
C 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.	5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. Minor Compliance	Yes	Separate records for the renewable energy consumed and fossil fuel used are available. The CU monitored the consumption of mt diesel per mt FFB. Diesel consumption at Bebar Estate was lesses as compared to TT Terengganu Estate. This was primarily due to Bebar Estate contract out the internal transportation of FFB to its collection center whereas TT Terengganu did not outsource this activity. Instead, it evacuated its FFB using own farm tractors.

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				Noted, that one out of two boilers at the Sg. Jernih POM had been out of service and beyond repair since mid-2015. This inevitably made Sg. Jernih POM relied heavily on the only operable boiler. The high diesel consumption used in the gensets at the POM was essentially due to shortage of fiber and shell (clonal material – Ramets – small shell and less fiber per fruitlet). In this respect, the efficiency on the use of fossil fuel had been optimized.
C 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice	5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Major Compliance	Yes	There was no land preparation in Sg.Jernih BU by burning ever since Boustead Plantations Berhad practice zero burning as per the policy dated 11th January 2011. During the field visit the signages " <i>Dilarang Membakar</i> " were clearly erected and no evidence of open burning seen. Based on the field visit, it was confirmed the no replanting program planned for 2017/2018 as there was no replanting area sighted at the Bebar Estate and TT Terengganu Estate.
	5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in ' <i>Guidelines for the Implementation of the ASEAN Policy on Zero Burning</i> ' 2003. Minor Compliance	Yes	See findings in Indicator 5.5.1 above. There was no evidence that fire had been used to prepare land during the last oil palm replanting in both TT-Terengganu and Bebar Estates.

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<p><i>Growers and millers commit to reporting on operational greenhouse gas emissions. However, it is recognised that these significant emissions cannot be monitored completely or measured accurately with current knowledge and methodology. It is also recognized that it is not always feasible or practical to reduce or minimise these emissions.</i></p> <p><i>Growers and millers commit to an implementation period until the end of December 2016 for promoting best practices in reporting to the RSPO, and thereafter to public reporting. Growers and millers make this commitment with the support of all other stakeholder groups of the RSPO.</i></p> <p>Plans to reduce</p>	<p>5.6.1</p>	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p>	<p>Yes</p>	<p>An assessment of identified polluting activities was being conducted and monitored at the mill and at estates of Bebar and TT Terengganu. Pollution Identification Environmental improvement action plan was used to identify the waste products and sources of pollution and being reviewed accordingly.</p> <p>At the mill they include gaseous emissions, particulate / soot emissions, effluent discharge and the scheduled wastes and domestic wastes.</p> <p>The most significant environmental receptors for mill operations were:</p> <ul style="list-style-type: none"> Air emission from boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (management of effluent ponds – biogas emission). The stack monitoring was conducted by Envision Service, Kuala Terengganu for chimney stack no. 2 (note: Boiler no.1 is out of service and non-functioning, thus no monitoring of chimney stack no. 1). Results were below the regulatory limit of 0.4g/Nm³. <table border="1" data-bbox="1099 616 1912 695"> <thead> <tr> <th>Date of monitoring</th> <th>Dust emission g/Nm³</th> </tr> </thead> <tbody> <tr> <td>23.8.2016</td> <td>0.2466</td> </tr> <tr> <td>11.2.2017</td> <td>0.252</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Wastewater discharges from cleaning water/run-off/process station waters (hydrocyclone/sterilizer condensate/clarification waste) & boiler quenching water and blowdown. Land pollution include scheduled waste, domestic waste and industrial/process waste. <p>For estates, the significant environmental receptors to soil were pesticides (spillage), to air were use of fertilisers, diesel/petrol/lubricant consumed by farm tractors and FFB vehicles, motorised road graders. Others include electricity usage domestic waste dumped at own operated landfill.</p>	Date of monitoring	Dust emission g/Nm ³	23.8.2016	0.2466	11.2.2017	0.252
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	<p>5.6.2</p>	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. Major Compliance</p>	<p>Yes</p>	<p>The significant pollutants and greenhouse gas (GHG) emissions had been identified and documented and plans to reduce or minimise were being implemented.</p> <p>At the estate level minimize the use of chemical fertilizer by complementing the application of POME and EFB mulching although their use is considered carbon neutral.</p>						

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pollution and emissions, including greenhouse gases, are developed, implemented and monitored.	5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. Minor Compliance	Yes	<p>The CU is using the RSPO PalmGHG Calculator version 3.0.1 to calculate the GHG emission for the estate and the mill. The data input used in the calculation was using the 2016 2016, and it can be confirmed that the data were accurate. Based on the summary report, the following were determined:</p> <p>Mill emissions:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Emission sources</th> <th style="text-align: right;">tCO2e</th> <th style="text-align: right;">tCO2e/tFFB</th> </tr> </thead> <tbody> <tr> <td>POME</td> <td style="text-align: right;">22376.09</td> <td style="text-align: right;">0.2</td> </tr> <tr> <td>Fuel consumption</td> <td style="text-align: right;">892.76</td> <td style="text-align: right;">0.01</td> </tr> <tr> <td>Grid electricity utilisation</td> <td style="text-align: right;">1745.54</td> <td style="text-align: right;">0.02</td> </tr> <tr> <td>Export of excess electricity to housing</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Sale of PKS</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Sale of EFB</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">25014.39</td> <td style="text-align: right;">0.22</td> </tr> </tbody> </table> <p>Estate emissions:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Emission sources</th> <th style="text-align: right;">tCO2e</th> <th style="text-align: right;">tCO2e/tFFB</th> </tr> </thead> <tbody> <tr> <td>Land Conversion</td> <td style="text-align: right;">64382.77</td> <td style="text-align: right;">0.57</td> </tr> <tr> <td>CO2 Emissions from Fertiliser</td> <td style="text-align: right;">10310.04</td> <td style="text-align: right;">0.09</td> </tr> <tr> <td>N2O Emissions</td> <td style="text-align: right;">8584.73</td> <td style="text-align: right;">0.08</td> </tr> <tr> <td>Fuel Consumption</td> <td style="text-align: right;">478.78</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Peat Oxidation</td> <td></td> <td></td> </tr> <tr> <td>Sinks</td> <td></td> <td></td> </tr> <tr> <td>Crop Sequestration</td> <td style="text-align: right;">-61026.33</td> <td style="text-align: right;">-0.54</td> </tr> <tr> <td>Conservation Sequestration</td> <td style="text-align: right;">-825.48</td> <td style="text-align: right;">-0.01</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">21904.51</td> <td style="text-align: right;">0.2</td> </tr> </tbody> </table> <p>The final emissions value per product are 1.48 tCO2e/tCPO and 1.48 tCO2e/tPK.</p>	Emission sources	tCO2e	tCO2e/tFFB	POME	22376.09	0.2	Fuel consumption	892.76	0.01	Grid electricity utilisation	1745.54	0.02	Export of excess electricity to housing	0	0	Sale of PKS	0	0	Sale of EFB	0	0	Total	25014.39	0.22	Emission sources	tCO2e	tCO2e/tFFB	Land Conversion	64382.77	0.57	CO2 Emissions from Fertiliser	10310.04	0.09	N2O Emissions	8584.73	0.08	Fuel Consumption	478.78	0	Peat Oxidation			Sinks			Crop Sequestration	-61026.33	-0.54	Conservation Sequestration	-825.48	-0.01	Total	21904.51	0.2
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Principle 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES BY GROWERS AND MILLERS

Clause	Indicators	Comply Yes/No	Findings
C 6.1 Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual	6.1.1 A social impact assessment (SIA) including records of meetings shall be documented. Major Compliance	Yes	<p>The CU had conducted social impact assessment as explained in the report dated 23/8/10. Each operating unit of the CU also conducted annual meeting with respective stakeholders to review their social aspects. Minute of meeting observed documented and retained, e.g.</p> <ul style="list-style-type: none"> Ladang Tabung Tentera: "Minit Mesyuarat Stakeholder, 1st 2017", 18/5/17. Mill: "Minit Mesyuarat Organisasi & Individu Berkepentingan LSJ – KSSJ 2017", on 17/1/17. "Minit Mesyuarat Penilaian Kesan Sosial (SIA) Ke atas Penduduk Setempat", 14/6/17. <p>The meetings had attended by relevant stakeholders, .e.g. local communities, neighbouring estates, neighbouring schools, relevant government agencies, contractors, suppliers, etc. The meetings had discussed relevant social aspects.</p> <p>There is no replanting observed currently. Replanting is planned in 2019 in Ladang Tabung Tentera. The management expect no impact to employees particularly on their monthly earning,</p>

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improvement.				since currently the unit facing shortage of workers. However, the assessment / meeting not explicitly determine and document relevant social aspect associated to replanting.
	6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. Major Compliance	Yes	The CU maintained documented minute of meetings with stakeholders, as well as routine management meeting with employees. The stakeholders attended the meeting as mentioned in Indicator 6.1.1. The CU also maintained committees meeting, such as meeting of "Persatuan Wanita (PEWANIS)" which monitor social impacts onto women at workplace and in community. The issues raised has been addressed in the plan as reported in Indicator 6.1.3.
	6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. Major Compliance	Yes	The CU continued to implement plans to address identified social impacts. Among social action plans were: <ul style="list-style-type: none"> • re-roofing of staff and workers linesite (phase by phase). • training on fire prevention for household. • repair of perimeter drainage at workers linesite. • installation of road lights between mill to workers linesite. <p>However, no significant social related issues raised by external stakeholders. Thus, no applicable plan.</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 Minor Compliance	Yes	Each of operating unit of the CU practices reviewed respective social action plan annually. The review (meetings) involved relevant stakeholders, as mentioned in 6.1.1.
	6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). Minor Compliance	NA	There were no smallholders included in the CU.
C 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and	6.2.1	Consultation and communication procedures shall be documented. Major Compliance	Yes	The CU maintained its documented consultation and communication procedures, i.e.: <ul style="list-style-type: none"> • External Communication Procedure. • <i>Carta Aliran Membuat Aduan Kepada Pihak Pengurusan (Dalaman)</i>.
	6.2.2	A management official responsible for these issues shall be nominated.	Yes	The CU had appointed the respective assistant manager as the management official responsible for social issues at respective operating units

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other affected or interested parties	6.2.3	Minor Compliance A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. Minor Compliance	Yes	The CU maintained its list of stakeholders at each operating units. No significant changes of list were observed.
C 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties	6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. Major Compliance	Yes	The CU maintained its complaint and disputes mechanism which is open to all affected parties and ensure anonymity of complainant. The CU has established “ <i>Carta Organisasi Panel Aduan</i> ” (Panel of Complaint Committee) to handle complaint or grievance, including related to gender issues. Nevertheless, no complaint or dispute was observed.
	6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. Major Compliance	NA	No case of dispute within the audited period was observed.
C 6.4 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. Major Compliance	Yes	The CU maintained its documented procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, i.e.: <ul style="list-style-type: none">• <i>Prosedur Penentuan Hak Pemilikan Tanah</i>• Fair Compensation Procedure.
	6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and	Yes	The CU maintained its documented procedure for calculating and distributing fair compensation i.e. the Fair Compensation Procedure. There was no case of compensation observed for loss of legal, customary or user rights.

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		long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. Minor Compliance		
	6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. Major Compliance	NA	There was no case of compensation observed for loss of legal, customary or user rights.
C 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages	6.5.1	Documentation of pay and conditions shall be available. Major Compliance	Yes	The CU maintained to have pay slips and check-roll records related to pay and daily works. MAPA/NUPW and MAPA/AMESU agreements maintained adhered by the CU that contain detail documentation of employment conditions.
	6.5.2	Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. Major Compliance	Yes	Employees had signed individual employment agreement. The employment agreement has also referred to the MAPA/NUPW and MAPA/AMESU agreements which contained details of benefits and work conditions. Employees generally understood and enjoyed their benefits / rights. Wages of employees observed generally had met minimum requirement as per their legally bind agreements, except for those who were absent or whose productivity were less.
	6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to smallholders). Minor Compliance	No (RECURRING)	Generally, the CU provided its employees with appropriate housing and amenities, which is in accordance to Workers' Minimum Standard of Housing and Amenities Act 1990. In the previous audit, a minor nonconformity was raised concerning noncompliance to requirement pertaining weekly line-site inspection. During this audit, generally, the CU had improved its frequency of line-site inspection. However, frequency of inspection for line-site of mill yet to further improved. Thus, the previous nonconformity was upgraded to Major (i.e. NCR HO-01).

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	6.5.4	Growers and millers shall make demonstrable efforts to monitor and where able, improve workers' access to adequate, sufficient and affordable food. Minor Compliance	Yes	The CU maintained has agreement with inside shoppers and ensured price are publicly displayed at shops.
C 6.6 The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.6.1	A published statement in local languages recognising freedom of association shall be available. Major Compliance	Yes	The CU maintained its published statement recognizing freedom of association, which contained in <i>"Polisi Kebebasan Berpersatuan"</i> , 11/1/11. In fact, there are active employees unions (NUPW and AMESU) in the CU, which recognized by the management through legally bind agreements.
	6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. Minor Compliance	Yes	The CU continued to have meetings with employees unions. Minute of meeting with unions were observed, i.e. <i>"Mesyuarat Majikan Bersama Wakil NUPW dan AMESU Bagi Ladang dan Kilang Sungai Jernih, 2017"</i> , 31/1/17. Attendance also documented and retained.
C 6.7 Children are not employed or exploited.	6.7.1	There shall be documentary evidence that minimum age requirements are met. Major Compliance	Yes	The CU maintained to document information pertaining each of its employees. The document (employee list) among other contain individual employee name, identification number, date of birth, date of join etc. No under-age employee was observed.
C 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.	6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. Major Compliance	Yes	The CU maintained its documented equal opportunities (i.e. <i>"Polisi Kesamarataan Hak"</i> , 11/1/11). The policy publicly displayed at each operating unit.
	6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. Major Compliance	Yes	Employees, including foreign and women, union members and local communities acknowledged no discrimination observed.
	6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion where relevant are	Yes	Reviewed of recruitment and promotion observed it was based on relevant type of job and criteria set, such as skills, medical fitness, performance, abilities etc. Among of recruitment and promotion reviewed were for:

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		based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. Minor Compliance		<ul style="list-style-type: none"> • FFB Inspector, 31/1/17. • Loading Ramp Operator, 1/2/17. • Workshop Operator, 31/12/16.
C 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.	6.9.1	A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The CU maintained its documented policy to prevent sexual harassment and violence (i.e. <i>"Polisi Gangguan Seksual"</i> , 11/1/11). The CU also maintained implemented the policy through continued having meeting for reviewing of sexual harassment and violence cases. The meeting conducted by internal committee (i.e. <i>"Persatuan Wanita Kilang Dan Ladang Sawit Sungai Jernih"</i>). Minute of meeting (5/4/17) was reviewed, as well as interviewed with committee members. No case of sexual harassment and violence was observed.
	6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. Major Compliance	Yes	The CU maintained its documented policy to protect (i.e. <i>"Polisi Hak Reprodukatif"</i> , 11/8/15). The CU also maintained implemented the policy through continued having meeting for reviewing of violation of reproductive right policy. The meeting conducted by internal committee (i.e. <i>"Persatuan Wanita Kilang Dan Ladang Sawit Sungai Jernih"</i>). Minute of meeting (5/4/17) was reviewed, as well as interviewed with committee members. No case of violation was observed.
	6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. Minor Compliance	Yes	The CU maintained its "whistleblowing" mechanism to ensure anonymity and protects complainants, if requested. However, no case of grievance was observed.
C 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.	6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. Minor Compliance	NA	The CU maintained only receives FFB from its own certified supply base. No outside FFB received was observed.
	6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). Major Compliance	Yes	There was no FFB pricing involved, as the CU continued receive FFB from its own certified supply bases. However, for other inputs, the CU maintained to practice to use purchase / work order, tender or agreement, depending on type and period of service or inputs required.
	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	Interviewed with contractor and supplier acknowledged that the CU practice having contractual document prior to supply input or service. They also acknowledged understand and fair about their contractual document.

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		Minor Compliance		
	6.10.4	Agreed payments shall be made in a timely manner. Minor Compliance	Yes	Interviewed with contractor and supplier acknowledged that they acknowledged payments were made in a timely manner. Supplier's Delivery Order, Invoice and CU's payment voucher and acknowledgement of receipt by supplier also verified and observed no issue of late payment.
C 6.11 Growers and millers contribute to local Sustainable development where appropriate.	6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. Minor Compliance	Yes	The CU continued to contribute to local communities. Among contribution observed: <ul style="list-style-type: none"> • continue provide relevant job opportunity to local community whenever available. • financial donation to school. • continue of landscape maintenance of linesite. • "Majlis Buka Puasa" • "Majlis Hari Raya" • "Ceramah dan Pameran" by PERKESO & JPJ. • Ceramah dan Pameran" about open burning and scheduled waste by JAS Pahang.
	6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. Minor Compliance	NA	No smallholders were included in the CU.
C 6.12 No forms of forced or trafficked labour are used.	6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. Major Compliance	Yes	No form of forced or trafficked labour was observed. Foreign workers observed have valid passport and permit. Passport of foreign workers noted kept by management, but upon their request. There were evidence of written request, which signed by employee for each passport kept by management. Review of wages of workers (payslip and check-roll) observed that minimum requirement was met as per CAs, except for those who absent or whose productivity were less. Also observed, in the mill, that there were shift workers worked more than 6 consecutive days, which total hours of weekly work more than 48 hours. The management has explained that was due to shift nature, job and competency requirement and comply with legal requirement. Review of written information observed the Employment Act had been checked and determined complied as claimed. However, since the written information not includes specific applicable clause, the management yet to determine its practice correctly complied with applicable clause.
	6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. Minor Compliance	Yes	No contract substitution was observed as acknowledged by foreign workers.
	6.12.3	Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented. Major Compliance	Yes	The CU maintained its special labour policy (i.e. "Polisi Pekerja Buruh Asing"). Observed no breach of policy pertaining employment of foreign workers.

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C 6.13 Growers and millers respect human rights	6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). Major Compliance	Yes	The CU maintained its documented policy (" <i>Polisi Hak Asasi Manusia</i> ", 11/1/16) pertaining to respect of human rights. The policy had been communicated and publicly available at each operating unit.
	6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation. Minor Compliance	NA	The CU located in Peninsular Malaysia, and no children of foreign workers observed.

Principle 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS

Sg.Jernih PU has no plan for any new planting and no new development of area was observed during the visit. Thus Principle 7 is not applicable.

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

Clause	Indicators		Comply Yes/No	Findings
C 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.	8.1.1	The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria. As a minimum, these shall include, but are not necessarily be limited to: Major Compliance		
	a)	Reduction in use of pesticides(Criterion 4.6);	Yes	Generally, the Sg.Jernih CU is committed to reduce the usage of pesticides by implementing IPM such as the increase in the planting of nectariferous beneficial plants such as <i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> , <i>Turnera sublata</i> and installation of additional barn owls cages.
	b)	Environmental impacts (Criteria	Yes	The Sg. Jernih Palm Oil Mill, Bebar and TT Terengganu estates had established its Environmental

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	4.3, 5.1 and 5.2);		Management Programme to reduce impacts to the environment as identified in their Environmental Aspect Impact Register. Each of the site list out their environmental Objectives, Target, Action Plan, Proposed Budget, Proposed Completion date and Person In-Charge. The progress is being tracked and reported monthly.
c)	Waste reduction (Criterion 5.3);	Yes	<p>The CU had established its waste management plan to reduce waste that it had identified. At the respective estate visited the following were sighted evident:</p> <ul style="list-style-type: none"> • 100% EFB (mill wastes) were used as fertilizer input to the field; • empty agrochemical containers were disposed responsibly, and • the practice of 3R (Reduce, Reuse and Recycle) for office and household wastes (at line-site). <p>Mill approach to waste reduction were as follows:</p> <ul style="list-style-type: none"> • Fibre & shell were used as fuel in the boiler. • The practice of 3R for office wastes.
d)	Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);	Yes	<p>Among those programmes implemented at the mill were:</p> <ol style="list-style-type: none"> (1) annual rotational desludging of mill effluent ponds; (2) plan by year end 2017 to install dewatering press to harvest solids at maturation pond no. 1 for the purpose of collecting waste solids for use as fertiliser in the estates; (3) prudent boiler maintenance management, that is, to service them timely and avoid the use of diesel generator that rely on fossil fuel.
e)	Social impacts (Criterion 6.1);	Yes	<p>The CU continued implement social action plan to improve social aspect. Among continual social / improvement action plan were:</p> <ul style="list-style-type: none"> • re-roofing of staff and workers line-site (phase by phase). • training on fire prevention for household. • repair of perimeter drainage at workers' line-site. • installation of road lights between mill to workers' line-site.
f)	Encourage optimising the yield of the supply base	Yes	<p>As Sg.Jernih BU is part of a well-established organisation, Boustead Plantations Berhad, the yield performance has always been the top priority in ensuring long-term economic and financial viability. In general, various efforts had been done to optimise the yield of the plantation such as maximising crop recovery, optimum ripeness standard (harvest ripe bunches only and 100% loose fruit collection), the soil fertility were maintained and planting only high yielding planting material.</p>

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ATTACHMENT 4

Detail of Non-Conformities and Corrective Actions Taken – RSPO P&C MYNI 2014

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.1.1 NCR#: MN01/2017	Major	<p><u>Requirement:</u> Standard Operating Procedures (SOPs) for estates and mills shall be documented.</p> <p><u>Findings:</u> TT and Bebar Estates do not comply with the indicator 4.1.1.</p> <ol style="list-style-type: none"> It was found that OPC No.15b (SOP) were not adequately documented up to 26kg. (a) Training needs analysis, (b) Training identification and (c) water effluent sampling procedures and preservation of samples were not available at Palm Oil Mill and estates audited. 	<ol style="list-style-type: none"> An addendum of OPC No. 15b has been made and circulated to all operating units. A training has been conducted pertaining the harvesting procedures as per OPC No. 15b as well. A meeting pertaining the issue was conducted at Bebar Estate on 14th August 2017. Discussion and some briefing has been performed by the manager related to the auditor's findings. 	<p>The addendum of OPC No. 15b and the training records submitted had been verified and accepted.</p> <p>Status: Closed</p>
Indicator 4.1.2 NCR#: MN02/2017	Minor	<p><u>Requirement:</u> A mechanism to check consistent implementation of procedures shall be in place.</p> <p><u>Findings:</u> TT and Bebar Estates do not comply with the indicator 4.1.2</p> <ol style="list-style-type: none"> It was found that the harvesters of TT and Bebar Estates do not consistently implement the harvesting procedures as per OPC No. 15b It was also found that the manuring workers in Field PJ09A of TT Estate do not comply to the procedures of OPC No. 03b as they had not broadcasted evenly the Kieserite fertilisers. 	<p>Training has been conducted to the workers related.</p> <p>The management will ensure comprehensive understanding among the management staff and workers by conducting several meeting and discussion in future, any improvement measurements will be considered</p>	<p>The training records for harvesting and manuring were reviewed. Effectiveness of the corrective actions to be verified in the next audit.</p> <p>Status: Open</p>

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<p>Indicator 4.8.1</p> <p>NCR#: MM01/2017</p>	<p>Major</p>	<p><u>Requirement:</u> 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 need and documentation of the programme.</p> <p><u>Findings:</u> Formal training for the following courses were not evident:</p> <ul style="list-style-type: none"> • Hazard Identification, Risk Assessment and Risk Control • Environmental Aspect and Impact Assessment • Accident Investigation and Root Cause Analysis • Understanding of applicable Legal Requirements, example EQA 1974, Employment Act 1955, Minimum Standards of Housing and Amenities Act 1990, etc. • Working with Scaffolding 	<p>Formal training had been planned for year 2018 that include:</p> <ul style="list-style-type: none"> • Competent person for CePSWaM, CePPOME, CePSO, Authorised Gas Tester, Authorised Entrant and Standby Person • Hazard Identification, Risk Assessment and Risk Control • Health Surveillance • Accident Investigation • Scaffolding • Working Safely at Height • Environmental Aspect and Impact Assessment • RSPO Documenting • Lab Course MPOB • Kursus Kemahiran & Pengetahuan Asas Rawatan Effluent Sawit • MPOB FFB Grading • Supply Chain 	<p>The action plans were found to be acceptable:</p> <ul style="list-style-type: none"> • The certificate of attendance for HIRARC attended by management staff that was not presented during the audit and now sighted and verified by the auditor was in order. • OSHE training to be held in September 2017 and the remainder training programs to be included in Budget 2018. <p>However, the effectiveness of the implementation will be verified in the next surveillance audit.</p> <p>Status: Open</p>
<p>Indicator 6.5.3</p> <p>NCR#: HO01/2017</p>	<p>Major (Upgraded last year NCR)</p>	<p><u>Requirement:</u> Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to smallholders).</p> <p><u>Findings:</u> During the audit, it was found that the worker's quarters inspection was not conducted as per the requirements of Section 23, sub-section (2) of the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446).</p>	<ul style="list-style-type: none"> • Delegation of tasks has been sorted out. Mill management has established training and awareness to the staff involved. • The management will ensure that housing inspection will be done weekly as per the requirements of Section 23 Sub-section (2) of the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) 	<p>Delegation of tasks has been sorted out. Mill management has established training and awareness to the staff involved. The housing inspection performed weekly as per the requirements.</p> <p>Status: Closed</p>

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ATTACHMENT 5

RSPO Supply Chain at the Sungai Jernih POM – Identity Preserved Model – Module D

Item No	Requirement NOV 2014	Findings Standard Nov 2014																																	
D.1 D.1.1	<p>Definition A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&C). Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p> <p>To verify : a) the volume of certified FFB entering the mill b) the volume sales of RSPO certified</p> <p>The claim only the volume of oil palm products produced from processing of the certified FFB as IP</p>	<p>Actual (June 2016 – May 2017)</p> <table border="0"> <tr> <td></td> <td></td> <td align="center">MT</td> </tr> <tr> <td>a) FFB Received</td> <td></td> <td align="right">118867.86</td> </tr> <tr> <td> RSPO</td> <td align="right">118867.86</td> <td></td> </tr> <tr> <td>FFB Processed</td> <td></td> <td align="right">118867.86</td> </tr> <tr> <td> RSPO</td> <td align="right">118867.86</td> <td></td> </tr> <tr> <td>CPO Production</td> <td align="right">28,872.00</td> <td></td> </tr> <tr> <td>PK Production</td> <td align="right">4,342.00</td> <td></td> </tr> <tr> <td>b) Delivery of CPO</td> <td></td> <td align="right">28,833.03</td> </tr> <tr> <td> RSPO(IP)</td> <td align="right">28,833.03</td> <td></td> </tr> <tr> <td>Delivery of PK</td> <td></td> <td align="right">4,225.80</td> </tr> <tr> <td> RSPO (IP)</td> <td align="right">4,225.80</td> <td></td> </tr> </table>			MT	a) FFB Received		118867.86	RSPO	118867.86		FFB Processed		118867.86	RSPO	118867.86		CPO Production	28,872.00		PK Production	4,342.00		b) Delivery of CPO		28,833.03	RSPO(IP)	28,833.03		Delivery of PK		4,225.80	RSPO (IP)	4,225.80	
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D 2 D.2.1	<p>Explanation Estimate total tonnage of CPO and PK potentially produce in a year</p>	<p>Projection (June 2017 – May 2018)</p> <table border="0"> <tr> <td></td> <td></td> <td align="center">MT</td> </tr> <tr> <td>(1) FFB Received</td> <td></td> <td align="right">122,800.00</td> </tr> <tr> <td> RSPO</td> <td align="right">122,800.00</td> <td></td> </tr> <tr> <td>(2) FFB Processed</td> <td></td> <td align="right">122,800.00</td> </tr> <tr> <td> RSPO</td> <td align="right">122,800.00</td> <td></td> </tr> <tr> <td>(3) CPO Production</td> <td align="right">29,684.00</td> <td></td> </tr> <tr> <td>(4) PK Production</td> <td align="right">4,087.00</td> <td></td> </tr> </table>			MT	(1) FFB Received		122,800.00	RSPO	122,800.00		(2) FFB Processed		122,800.00	RSPO	122,800.00		(3) CPO Production	29,684.00		(4) PK Production	4,087.00													
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D. 2 D 2.2	<p>Explanation The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book</p>	<p>Boustead Rimba Nilai Sdn Bhd – Boustead Sungai Jernih Business Unit has registered RSPO e-Trace. The member ID is RSPO_PO10000000338 Sample of registration was sighted:</p>																																	

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	<p>and claim.</p>	<p>Contract Information Transaction ID # TR-7b8f2e73-a77f Seller Contract # POSJ00461 Announcement date 17/05/2017 Transport Medium Tanker (lorry) Shipment date MAY 2017 Product name CSPO IP Certified volume 100 MT Seller Boustead Rimba Nilai Sdn Bhd – Boustead Sungai Jernih Business Buyer <i>Cargill Palm Products Sdn Bhd</i> Member ID RSPO_PO1000000177</p> <p>Contract Information Transaction ID # TR-33032907-70a8 Seller Contract # POSJ00461 Announcement date 14/6/2017 Transport Medium Tanker (lorry) Shipment date JUNE 2017 Product name CSPO IP Certified volume 1500 MT Seller Boustead Rimba Nilai Sdn Bhd – Boustead Sungai Jernih Business Buyer <i>Intercontinental Speciality Fats Sdn Bhd</i> Member ID RSPO_PO1000000176</p> <p>Contract Information Transaction ID # TR-14f0536f-2ed9 Seller Contract # PKSJ00097 Announcement date 14/6/2017 Transport Medium Tanker (lorry) Shipment date JUNE 2017 Product name CSPK IP Certified volume 300 MT Seller Boustead Rimba Nilai Sdn Bhd – Boustead Sungai Jernih Business Buyer <i>PGEO Oil Mill Sdn Bhd</i> Member ID RSPO_PO1000002945</p>
<p>D 3 D 3.1</p>	<p>Documented procedures The site shall have written procedures and/or work instructions</p>	<p>a) An integrated RSPO: Supply Chain procedure revised dated July 2016 describing the procedures on the following activities related on its supply chain certification standard required</p>

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	<p>to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>b) The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.</p>	<p>by the RSPO. The Procedure was sighted and found all elements were covered which included</p> <ul style="list-style-type: none"> • 4.0 Responsibilities • 5.0 Control of Documents • 6.0 Delivery of FFB the Estates (FFB) • 7.0 Receiving FFB at the Mill • 8.0 Process monitoring • 9.0 CPO and PK Despatch • 10.0 Product Claims • 11.0 Outsourced Contractor • 12.0 Training • 13.0 Management Review & Audit • 14.0 Reclassification of Mill's Supply • 15.0 Production Volume <p>Sg Jernih POM has revised procedure entitle "Supply Chain (SCC) Procedures", July 2016. Sighted the procedure and noted it has addressed and met minimum requirements of RSPO supply chain standard. Among the changes include specific information contain in the CPO and PK despatch documentation which is mill weighbridge ticket and delivery order. Both document shall provide name of seller and buyer, delivery date, description of product (IP or MB), weight of product delivered, RSPO certificate number, delivery order number and Weighbridge ticket number. Therefore Past Major NCR #:RA01/2016 was closed.</p> <p>b) The RSPO Chairman has the overall responsibility and authority over the implementation of the supply chain requirements. It was noted RSPO Chairman has assigned Sungai Jernih Mill Manager to ensure the implementation of supply chain procedure met the RSPO requirements. Interviewed with relevant person in-charge at critical control point was revealed they are understood on the RSPO standard requirements which requires no mixing of RSPO certified and non RSPO certified material in receiving, processing, storage and delivery.</p>
<p>D 3.2</p>	<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBS.</p>	<p>Receiving of certified and non-certified FFB procedure is stated in section 7.0 (Receiving FFB at the Mill) of RSPO: Supply Chain procedure revised dated July 2016.</p>
<p>D.4 D.4.1</p>	<p>Purchasing and goods in The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBS received.</p>	<p>All certified FFB came from own supply base/estates namely Sungai Jernih Estate, Bebar Estate and Ladang Tabung Tentera Terengganu (LTTT) Estate. All delivery documents of certified FFB were verified to ensure the certified status of the FFB. Volumes of certified FFBS received by the mill had been properly recorded and monitored.</p> <p>Boustead Rimba Nilai Sdn Bhd – Boustead Sungai Jernih Business Unit Business Unit has received 117,817.70 MT of RSPO FFB from own estates for their processing activities.</p> <p>A Delivery Note # 05196 dated 14/4/2017 with FFB ticket # 24584 referring to Bebar Estate was sighted. Quantity delivered – 25,920 kg of RSPO FFB</p> <p>A Delivery Note # 028755 dated 10/06/2017 with FFB ticket # 26740 referring to LTTT Estate was sighted. Quantity delivered – 31,830 kg of RSPO FFB</p>

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		<p>A Delivery Note # 479 dated 22/05/2017 with FFB ticket # 26112 referring to Sungai Jernih Estate was sighted. Quantity delivered – 5,000 kg of RSPO FFB</p> <p>A Delivery Note # 05299 dated 14/05/2017 with FFB ticket # 25766 referring to Bebar Estate was sighted. Quantity delivered – 31,170 kg of RSPO FFB</p> <p>A Delivery Note # 028790 dated 30/06/2017 with FFB ticket # 27378 referring to LTTT Estate was sighted. Quantity delivered – 34,360 kg of RSPO FFB</p> <p>A Delivery Note # 424 dated 21/06/2017 with FFB ticket # 27188 referring to Sungai Jernih Estate was sighted. Quantity delivered – 4,380 kg of RSPO FFB</p>
D 4.2	The site shall inform the CB immediately if there is a projected overproduction.	Based on records of FFB received and CPO & PK produced, there was no overproduction observed.
D.5 D.5.1	Record keeping The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	Sungai Jernih POM has maintained the three-monthly accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK. Record entitle <i>“Mass Balancing Records for Oil Mills”</i> . For year 2016 and 2017 (until July) Boustead Rimba Nilai Sdn Bhd – Boustead Sungai Jernih Business Unit monitored their incoming of FFB and outgoing of certified CPO product on three monthly basis. This records contain information about certified FFB received, process, CPO & PK production and todote balance stock (refer attached <i>“Mass Balancing Record for Oil Mills”</i> summary report).
D 6 D.6.1	The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from noncertified material including during transport and storage.	Through interview with FFB grader, Weighbridge staff, mill supervisor and Mill Manager, it was confirmed that the mill has not received and processed any non-certified FFB. Sighted weighbridge summary Monthly reports which confirmed that all FFB were from its own estate i.e. Sungai Jernih Estate, Bebar Estate and LTTT Estate.
D.6.2	The objective is for 100 % segregated material to be reached.	Sungai Jernih POM does not accept any non-certified FFB. It was confirmed through weighbridge summary Monthly reports therefore CPO and PK can be considered 100% segregated.

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ATTACHMENT 6

STATUS OF NON CONFORMITIES PREVIOUSLY IDENTIFIED – RSPO P & C

P & C Indicator	Major/ Minor	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 4.4.3 NCR#: MH01/2016	Minor	<p>Requirement: Indicator 4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations. <i>Jadual Pematuhan Syarat-Syarat Lesen (01 July 2016 – 30 Jun 2017)</i></p> <ul style="list-style-type: none"> Syarat 3 – Sebarang limpahan atau kebocoran ke mana-mana alur air adalah tidak dibenarkan sama sekali. Syarat 7 – Semua komponen system pengolahan effluent hendaklah diselenggara dengan sempurna dan dapat berfungsi dengan baik Syarat 33 – Buku log hendaklah disediakan untuk merekodkan semua aktiviti harian pengolahan effluent dari segi masa pelepasan effluent. <p>Finding: During site audit the following were found:</p> <ul style="list-style-type: none"> Treated effluent flows into water stream from sprinkler head point no. 4 Land application: treated effluent pipe leaking at point no. 2 Time of effluent discharge was not recorded in the effluent log book. 	<p>The following actions had been taken:</p> <ul style="list-style-type: none"> i. Mill had repaired Sprinkler head point no. 4 by blank out and treated effluent pipe leaking at Point no. 2 ii. Mill had meeting with Sg Jernih Estate about the Sprinkler Area that had been damaged by harvester during harvesting crop and had done improvement regarding this matters. iii. Mill had erected signage at Sprinkler Area to make the harvesters aware. iv. Mill had allocated for Sprinkler Operator in next year budget. v. Mill will carry out Workplace Inspection in in field affected accordingly (Every 3 months interval) vi. Mill will record the time of effluent discharge in the log book 	<p>The action plans were found to be acceptable. Effectiveness of the implementation had been verified during the ASA1, i.e.</p> <ul style="list-style-type: none"> Sprinkler signage at appropriate area of the field found erected. Evidence of records of Operator training on :<i>Penjagaan dan Operasi Kawasan Sprinkler</i>” for Operators Raman Adam Bin Abu Samah and Ros Mainy Bin Mohd Nor that was given on 1.3.2017 Mill had carried out quarterly Workplace Inspection. Sighted inspection record of 16.11.2016 by Kamarol Adzha B Othman, 10.3.2017 by Rusle Bin Ishak and 15.6.2017 by Suhaili Bin Sulaiman. Sighted the Effluent Discharge Log Book for Sprinkler being used that specified date, description of activity, start and end time of activity performed and signature of operator. <p>Status: Closed</p>

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P & C Indicator	Major/ Minor	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
Indicator 6.5.3 NCR#: MZK01/2016	Minor	<p>Requirement: Indicator 6.5.3: Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446) or above, where no such public facilities are available or accessible (not applicable to smallholders).</p> <p><u>Finding:</u> During the audit, it was found that the worker's quarters inspection was not conducted as per the requirements of Section 23 of the Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446).</p>	<p>1. The management/ Sungai Jernih Business Unit will carried out workers quarter's inspection by weekly basis as per section 23 Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446)</p> <p>2. The management will ensure inspection will carried out by staff-in- charge and will record in proper documentation.</p> <p>3. The Management will verify and take necessary action on issue arising in regards the inspection results.</p>	<p>The action plans were found to be acceptable. Effectiveness of the implementation will be verified in the next surveillance audit.</p> <p>Verification: Not all unit has conducted weekly linesite inspection. Mill linesite yet to conduct weekly inspection. Thus, this nonconformity upgraded and issued as new NCR HO-01.</p> <p>Status: Upgraded - Major</p>

STATUS OF NON CONFORMITIES PREVIOUSLY IDENTIFIED – RSPO SCC 2014

RSPO SCC 2014	Major /	Detail Non-conformances	Corrective Action Taken	Verification by Assessor
NCR #: RA01/2016	Major	<p>Requirement: 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: Complete and up to date procedures covering the implementation of all the elements in these requirements.</p> <p><u>Finding:</u> The established procedure has not addressed some of RSPO SCC 2014 requirements</p>	The RSPO Supply Chain Procedure has been revised.	<p>Sg Jernih POM has submitted the revised procedure to the auditor. The revised procedure entitle "Supply Chain (SCC) Procedures", July 2016. The procedure has addressed the minimum requirements of RSPO supply chain standard 2014. Among the changes include specific information contain in the CPO and PK despatch documentation which is mill weighbridge ticket and delivery order. Both documents shall provide name of seller and buyer, delivery date, description of product (IP or MB), weight of product delivered, RSPO certificate number, delivery order number and Weighbridge ticket number. Sample of weighbridge ticket and delivery order record was submitted to the auditor. Based on evidence submitted to the auditor had closed the finding.</p> <p>Status : closed.</p>