

**RSPO PRINCIPLE AND CRITERIA –  
4<sup>th</sup> Annual Surveillance Assessment (ASA1\_4)  
Public Summary Report**

<b>Carotino/JC Chang Group</b>
Client company Address: Unit 30-01, Level 30, Menara Landmark No. 12, Jalan Ngee Heng, 80000 Johor Bahru Johor, Malaysia
Certification Unit: <b>Carotino Palm Oil Mill (Carotino Production Unit)</b> PT 116, Lot No. 3840 Mukim Ulu Lepar 26500 Kuantan Pahang, Malaysia

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## Section 1: Scope of the Certification Assessment

1. Company Details			
<b>RSPO Membership Number</b>	2-0029-06-000-00	<b>Membership Approval Date</b>	05/03/2010
<b>Parent Company Name</b>	Carotino/JC Chang Group		
<b>Address</b>	Unit 30-01, Level 30, Menara Landmark, No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor, Malaysia		
<b>Subsidiary (Certification Unit Name)</b>	Carotino Palm Oil Mill (Carotino Production Unit)		
<b>Address</b>	PT 116, Lot No. 3840, Mukim Ulu Lepar 26500 Kuantan, Pahang, Malaysia		
<b>Contact Name</b>	Mr Seow Chee Chiang		
<b>Website</b>	<a href="http://www.carotino.com">www.carotino.com</a>	<b>E-mail</b>	<a href="mailto:seowcc@jcc.com.my">seowcc@jcc.com.my</a>
<b>Telephone</b>	607 – 2231 633 (Head Office) 6089 – 567012 (Mill)	<b>Facsimile</b>	607 224 1546 (Head Office) 6089 – 563091 (Mill)

2. Certification Information			
<b>Certificate Number</b>	RSPO 649410	<b>Date of First Certification</b>	27/04/2010
		<b>Certificate Start Date</b>	27/04/2015
		<b>Certificate Expiry Date</b>	26/04/2020
<b>Scope of Certification</b>	Palm Oil and Palm Kernel Production from Carotino Palm Oil Mill and supply base ( Asia Oil Palm Estate 1, Hwa Li Estate 1, Hwa Li Estate 2, Maran Estate, Pahang Oil Palm Estate 1)		
<b>Applicable Standards</b>	RSPO P&C MY-NI 2014; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module D Identity Preserved)		

3. Other Certifications			
<b>Certificate Number</b>	<b>Standard(s)</b>	<b>Certificate Issued by</b>	<b>Expiry Date</b>
EU-ISCC-Cert-DE101-18450685	ISCC EU	DQS	28/09/2019
50450685	MSPO	DQS	24/03/2021

4. Location(s) of Mill & Supply Bases			
<b>Name (Mill / Supply Base)</b>	<b>Location [Map Reference #]</b>	<b>GPS Coordinates</b>	
		<b>Latitude</b>	<b>Longitude</b>

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Carotino Palm Oil Mill	PT 116, Lot 3480, Mukim Ulu Lepar, Kuantan, Pahang	3°48'35.7"N	102°49'15.6"E
Asia Oil Palm Estate 1	Pt116, Lot 3840, Mukim Ulu Lepar, 26500 Kuantan, Pahang, Malaysia	3°49'40.3"N	102°47'50.0"E
Hwa Li Estate 1	Lot 51, 52, 53, 54, 55, 56, 415, 406, 513, 523, 524 ,317, 318, Mukim Keratong-Rompin, Pahang, Malaysia	2°44'40.7364" N	103°1'59.412"E
Hwa Li Estate 2	Lot 2389, Mukim Bera, Bera, Pahang	2° 50' 43.25" N	102° 43' 29.21" E
Maran Estate	Lot 929, 6460, 245, 351, 957, 930, Mukim Lepar, Kuantan, Pahang	3° 44' 31.28" N	102° 50' 42.93" E
Pahang Oil Palm Estate 1	Lot No 23604, 23605, 23600, 23601, 23602, 23603, 23606, 23607, & 23608, Mukim Ulu Lepar-Kuantan Pahang	3°48'35.4024"N	102°49'13.8684"E

### 5. Description of Supply Base

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Asia Oil Palm Estate 1	1,948.71	74.99	143.72	2,167.42	90
Hwa Li Estate 1	1,929.74	45.25	182.41	2,157.40	89
Hwa Li Estate 2	1,509.09	13.27	136.85	1,659.21	91
Maran Estate	1784.31	128.30	228.21	2,140.82	83
Pahang Oil Palm Estate 1	1,835.21	99.98	217.91	2,153.10	85
<b>Total</b>	<b>9,007.06</b>	<b>361.79</b>	<b>909.10</b>	<b>10,277.95</b>	<b>88</b>

*Note:*

<sup>1</sup>The 361.79 ha was inaccurately classified as HCV. The areas were only areas that were being conserved such as riparian, wetland, conservation and ravine which cannot be planted with oil palm. Those areas have been reclassified as conservation areas only.

<sup>2</sup>Compared to last year, the total certified areas were 10,243.50 Ha. There is a variance of 34.45 Ha, due to the finalized of land title from Jabatan Tanah (Land Office) from temporary land title (Milik sementara) to permanent land title (Kekal) for Asia Oil Palm Estate 1, Pahang Oil Palm Estate 2 and Hwa Li Estate 1.

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6. Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Asia Oil Palm Estate 1	0	137.50	1,746.14	65.07	0	1,948.71	0
Hwa Li Estate 1	<sup>1</sup> 435.89	0	1,336.87	156.98	0	1,929.74	0
Hwa Li Estate 2	760.40	0	0	0	748.69	748.69	760.40
Maran Estate	79.74	<sup>2</sup> 107.41	1,485.14	112.02	0.00	1,597.16	187.15
Pahang Oil Palm Estate 1	0	488.57	1,242.99	103.65	0	1,835.21	0
<b>Total (ha)</b>	1,276.03	733.48	5,811.14	437.72	748.69	8,059.51	947.55

*Note:*  
<sup>2</sup>Not declared as matured yet  
<sup>1</sup>Declared as matured

7. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Apr 18-Mar 19)	Actual (Feb 18-Dec 18)	Forecast (Apr 19-Mar 20)
Asia Oil Palm Estate 1	47,729.30	31,743.83	48,213.00
Hwa Li Estate 1	45,846.81	15,855.49	43,335.75
Hwa Li Estate 2	14,546.55	14,865.76	19,600.00
Maran Estate	26,077.64	23,957.35	35,947.80
Pahang Oil Palm Estate 1	42,762.09	33,490.83	41,448.21
<b>Total</b>	176,962.39	119,913.26	188,544.76

8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *			
Estate	Tonnage / year		
	N/A		N/A
<b>Total</b>			

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<b>9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable</b>			
Independent FFB Supplier	Tonnage / year		
	Estimated (Apr 2018-March 2019)	Actual (Feb 2017-Dec 2018)	Forecast (Apr 2019-March 2020)
<b>Total</b>			

<b>10. Certified Tonnage</b>			
Mill Capacity: 60 MT/hr  SCC Model: MB	Estimated (Apr 18-Mar 19)	Actual (Feb 18-Dec 18)	Forecast (Apr 19-Mar 20)
	FFB	FFB	FFB
	176,962.39 mt	119,913.26 mt	188,544.76 mt
	CPO (OER: 20.53%)	CPO (OER: 20.18%)	CPO (OER: 20.80%)
	36,325.23 mt	24,199.65 mt	39,217.31 mt
	PK (KER: 5.24%)	PK (KER: 5.18%)	PK (KER: 5.05%)
9,270.62 mt	6,206.29 mt	9,521.51 mt	

<b>11. Actual Sold Volume (CPO) (Feb 18-Dec 18)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>CPO (MT)</b>	11,495.73	12,439.25	-	-	23,934.98

<b>12. Actual Sold Volume (PK) (Feb 18-Dec 18)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>PK (MT)</b>	5,345.58	-	-	690.00	6,035.58

<b>13. Actual Group certification Claims (Feb 18-Dec 18)</b>		
	Credit	Physical Volume (MT)
<b>IS-CSPO</b>	-	-
<b>IS-CSPKO</b>	-	-
<b>IS-CSPKE</b>	-	-

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
(ASI Accreditation Number: ASI-ACC-067)  
Unit 3, Level 10, Tower A  
The Vertical Business Suites, Bangsar South  
No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Tel +603 2242 4211 Fax +603 2242 4218  
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BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 180 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Jakarta and Australia which involve in RSPO Certification Program.

### 2.1 Assessment Methodology, Programme, Site Visits

The on-site surveillance assessment was conducted from 15-18/01/2019. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO Principles & Criteria 2013 (MY-NI 2014) and RSPO Supply Chain Certification Standard 2017 were used to guide the collection of information to assess compliance.

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (or smallholders) of its supply base.

- The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula  $N = (0.8\sqrt{y}) \times (z)$  where y is the number of estates and where z is the multiplier defined by risk assessment
- As for the smallholders, the sample were determined following the RSPO Management System Requirements and Guidance for Group Certification of FFB Production (2016). The sampling of smallholders were based on the formula  $(0.8\sqrt{y}) \times (z)$ ; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.



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Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.5.

All the previous nonconformities are remains closed. The assessment findings for the recertification assessment are detailed in Section 3.4.

This report is structured to provide a summary of assessment finding as attached in the Appendix A. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

For Initial and Re-certification assessment, the report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

**The following table would be used to identify the locations to be audited each year in the 5 year cycle**

<b>Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Recertification)</b>	<b>Year 2 (ASA 1_1)</b>	<b>Year 3 (ASA 1_2)</b>	<b>Year 4 (ASA 1_3)</b>	<b>Year 5 (ASA 1_4)</b>
Carotino Palm Oil Mill	√	√	√	√	√
Asia Oil Palm Estate 1	√			√	
Hwa Li Estate 1			√		
Hwa Li Estate 2			√		
Maran Estate		√			√
Pahang Oil Palm Estate 1	√	√		√	√

**Tentative Date of Next Visit:** January 13, 2020 – January 16, 2020

**Total No. of Mandays:** 10.0 mandays including 1.0 day SC for mill.

**2. 2 BSI Assessment Team:**

<b>Team Member Name</b>	<b>Role</b> <i>(Team Leader or Team member)</i>	<b>Qualifications</b> <i>(Short description of the team members)</i>
Valence Shem	Team Leader	He holds Bachelor Degree in Industrial Technology, graduated from University of Science Malaysia in 1998 and has 9 years working experience in oil palm plantation industry. He has been in the management system auditing line since 2009 for various standards such as ISO 140001, RSPO P&C, RSPO SCCS and SMETA. He completed the ISO 14001 Lead Auditor Course in 2008, ISO 9001 Lead Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2011, Endorsed RSPO SCCS Lead Assessor Course in 2012 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since 2009 in various companies in Malaysia. During this assessment, he assessed on the aspects of legal, environmental & biodiversity, agriculture best practices and the supply chain element. Able to communicate in Bahasa Malaysia and English.
Ragu Samy A Erulappan	Team Member	Holds a Bachelor Degree in Civil Engineering from University Technology Malaysia. He has more than 5 years working experience in environmental and occupational health safety engineer. He has more than 5 years of auditing experience in ISO 9001:2008, ISO 14001, IS 45001, C-TPAT (Supply Chain Security), SCAN, EICC/RBA, RSPO and GDPMD (Good Distribution Practice for Medical Devices). He has completed ISO 9001:2008 Quality Management System Lead Auditor Course, ISO 14001 Lead Auditor Course, ISO 45001 Lead Auditor Training and Endorsed RSPO P&C Lead Auditor Course. In this assessment he assessed the mill and estate OSH, Legal, and Environment aspects. He is fluent in both verbal/written in English.
Elzy Ovktafia Chairul	Team Member	She graduated from Universiti Putra Malaysia in Diploma of Agriculture, holding the designatory of LISP from the Incorporated Society of Planters and currently in the midst of completing the AISP level (professional certificate and recognition from the Incorporated Society of Planters). She involve in audits and technical reviews works mainly for Sustainability Programme includes RSPO, MSPO and 2nd Party Audit for Social Compliance Programme (URSA, ETI) for 2 years in more than 11 countries. She is a qualified Lead Auditor/Auditor for RSPO P&C, RSPO NEXT, RSPO SCC, ISO 9001:2015 and Social Compliance Audit by Verite. Prior to this, she was the Agronomist in R&D Department for almost 5 years in Oil Palm Plantation where her task involved in all Oil Palm Plantation Operations such as conducting experimental trials on Research & Development with technical paper publications, Crop Forecast, Leaf & Soil Sampling Collection, Fertilizer Recommendation, Pest and Diseases Training, Quality Control as well as special project namely Yield Intensification Project and Food for Palm Project for estates. During this assessment, she assessed on the aspects of legal, social and stakeholder engagement. Able to communicate in Bahasa Malaysia and English.

**Accompanying Persons:**

No.	Name	Role

**2.3 Assessment Plan**

The Assessment plan was sent to the client prior to the assessment.

Date	Time	Subjects	VSH	EOC	RGE
Tuesday 15/1/2019	0830-0900	Opening meeting: <ul style="list-style-type: none"> <li>Opening presentation by audit team leader</li> <li>Confirmation of assessment scope and finalize audit plan (including stakeholder’s consultation)</li> </ul>	✓	✓	✓
	0900-1200	<b>Pahang Oil Palm Estate 1</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	✓	✓	✓
	1200-1300	Lunch break			
	1300-1630	<b>Pahang Oil Palm Estate 1</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.).	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Wednesday 16/1/2019	0900-1200	<b>Maran Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	✓	✓	✓
	1200-1300	Lunch break			
	1300-1630	<b>Maran Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.).	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Thursday 17/1/2019	0900-1200	<b>Carotino Palm Oil Mill</b> Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP,	✓	✓	✓

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		Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders, etc.			
	1000-1200	<u>Stakeholder consultations:</u> Client to invite the relevant stakeholders for <b>both mill and estates</b> which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.		✓	
	1200-1300	Lunch break			
	1300-1630	<b><u>Carotino Palm Oil Mill</u></b> Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Friday 18/1/2019	0800-1100	<b><u>Carotino Palm Oil Mill</u></b> <b><u>RSPO Supply Chain</u></b> Site visit: Incoming of FFB and outgoing of SPO & PK – weighbridge, ramp, storage area, loading bays, etc. Documentation review: RSPO SCC general requirements, internal audit, management review, sales and purchasing documents, mass balance accounting and other relevant documents and records.	✓	✓	
	1100-1130	Preparation of closing meeting	✓	✓	
	1130-1230	Closing meeting	✓	✓	

### Section 3: Assessment Findings

#### 3.1 Normative requirement applied for this assessment:

- Carotino/JC Chang Group /Time Bound Plan
- RSPO P&C 2013 Generic
- RSPO Group Certification Standard 2016
- RSPO Supply Chain Certification Standard 2017
- RSPO P&C GA-NIWG 2017
- RSPO P&C INA-NIWG 2016
- RSPO P&C MY-NIWG 2014
- RSPO P&C PNG-NIWG 2017

#### 3.2 Time Bound Plan progress for multiple management units

Requirement	Remarks
Does the plan include all current subsidiaries, estates and mills?	Yes
Have all the estates and mills certified within 5 years after obtaining RSPO membership? If not, justification shall be available.	No, Pending for RSPO approval on HCV Compensation Plan
Have there been any new acquisitions? If yes, have the new acquisitions been certified within 3 years from the date of acquisition. Certification plan for the new acquisition shall be available.	No
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, changes and justification shall be available.	The only changes is the year to only handle internal certified crop will be delayed due to pending of approval of HCV disclosure by RSPO.
Have there been any isolated lapses in implementation of the plan? If yes, please justification shall be available.	No.
Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes, please justification shall be available.	No.
Have there been any stakeholder comments?	No.
<b>Un-Certified Units or Holdings</b>	
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO P&amp;C criterion 7.3.</li> </ul>	Takon Production Unit has undergone RaCP. As per the RSPO website <a href="https://www.rspo.org/certification/remediation-and-compensation/racp-tracker">https://www.rspo.org/certification/remediation-and-compensation/racp-tracker</a> , the concept note has been submitted and approved. The compensation plan has been submitted for approval.

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Any new plantings since January 1 <sup>st</sup> 2010 shall comply with the RSPO New Plantings Procedure.	No.
Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6.	Land issues is resolved through RaCP.
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3.	No.
Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	No.
Did the company conduct internal audit against the uncertified management units requirement? If yes, a positive assurance statement shall be available.	The remaining uncertified palm oil mill and its supply base under JC Chang Group is Takon Production Unit. Internal audits are done by Group’s internal audit team. Reports consist of root-cause analysis and action plan to mitigate the non-compliances. The last internal audit conducted for Takon Production Unit was in January 2018. The Management meeting was conducted on 13/02/2018 to address the positive assurance of Takon Production unit. Continuous internal audit has also been further conducted in May and June 2018.

**3.3 Progress of scheme smallholders and/or outgrowers (if applicable to this assessment)**

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	Remarks	Compliance
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill’s initial certification?	Not applicable	

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**3.4 Details of findings**

The nonconformity is listed below. The summary report of the assessment by criteria is listed in Appendix A.

During the Annual Surveillance Assessment there was one (1) Minor nonconformity raised. The Carotino Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Nonconformity(ies) has been verified for it effectiveness and closed accordingly.

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1729621-201901-N1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.1.2 Minor
<b>Date Issued</b>	17/01/2019	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	The mechanism to check consistent implementation of procedures is not fully effective.		
<b>Requirement Reference:</b>	A mechanism to check consistent implementation of procedures shall be in place.		
<b>Objective Evidence:</b>	<p><u>Pahang Oil Palm Estate Div.1:</u>                      The registered accident record details as per the Safety Piano Chart (sampled month period of July-18 to Dec-18) was not reviewed accordingly as per Guidelines on Accident Reporting and Investigation, Doc. No. M/015-03/2018 in the OSH Quarterly Meeting.</p> <p><u>Carotino Palm Oil Mill:</u>                      Procedure implementation checking for following issues is not fully effective:                      - Several protruding reinforcement bar from partially broken road crossing drainage concrete hump spotted near the store/water treatment plant area.                      - Case 570 MXT (backhoe) was found with malfunction front &amp; back head lamp, horn and seat belt.</p> <p><u>Maran Estate:</u>                      The latest water sampling analysis for domestic usage (drinking water) has been conducted on 01.03.2018 and sent to PERMULAB however, the result have no parameter of Total Coliform as per National Standard of Drinking Water Quality, Revised December 2000, Second Version, January 2004.                      Sighted also the previous 3 consecutive years (2016-2018) water analysis result have different parameter analysed annually and not having the standard parameter as per National Standard of Drinking Water Quality, Revised December 2000, Second Version, January 2004.</p>		
<b>Corrections:</b>	<p><u>Pahang Oil Palm Estate Div.1:</u>                      The person in-charge of OSH and OSH secretary have read and understand the Guideline on accident review during OSH quarterly meeting. The accident review</p>		

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	<p>for the period of 3rd &amp; 4th quarter of 2018 will be reviewed in next OSH meeting on March 2019.</p> <p><u>Carotino Palm Oil Mill:</u>  Workplace inspection on mill compound, building and vehicle safety will be improved, schedule of checking and person in-charge will be appointed to ensure any defecation reported will be remedial accordingly  As for corrective action on Case 570MXT, Management immediately stop utilised the highlighted vehicle Case 570 MXT (backhoe) until the malfunction front &amp; back head lamp, horn and seat belt rectified. Mill will utilize Shovel 936 until Case 570 MXT (backhoe) rectified.</p> <p><u>Maran Estate:</u>  A memo in form of email have been circular to all Operating Units by Head Office to informed on parameters require and to be tested for drinking water test. Estate management had sent the drinking water sample to retest with all parameters required.</p>
<p><b>Root Cause Analysis:</b></p>	<p><u>Pahang Oil Palm Estate Div.1:</u>  The person in-charge of OSH and OSH secretary did not followed the Guideline on accident review during OSH quarterly meeting and also did not included the matter in meeting agenda.</p> <p><u>Carotino Palm Oil Mill:</u>  Mill's workplace inspection always focus on individual station. Mill compound and vehicle aspect was missed out in Work Place Inspection schedule.</p> <p><u>Maran Estate:</u>  The Estate Manager is still under Acting Manager whose just newly promoted July 18 and he was not aware about the requirement. Furthermore, the parameters of testing are not clearly spelt in any memo or procedure. Only verbal instruction given by HQ to test drinking water according to "Drinking Water Act" standard but not clear on the parameters</p>
<p><b>Corrective Actions:</b></p>	<p><u>Pahang Oil Palm Estate Div.1:</u>  The Manager will perform training to person in-charge of OSH and OSH secretary on Guideline on OSH meeting and requirements of accident record review. The manager will also ensure that the requirement on accident review is proper stated in the agenda during he sigh the agenda of calling meeting</p> <p><u>Carotino Palm Oil Mill:</u>  Work Place Inspection program for mill compound and building will be improved and included in Work Place Inspection (WPI) on Monthly basic. Any defecation will be highlighted in WPI and reported to management and proper remedial actions will be taken accordingly.  Checklist will be prepared to monitor Vehicle performance and its safety aspects on daily basis by Driver &amp; Supervisor before work start. Any defects will bring forward to Foreman's attention for rectification. To ensure inspection works properly performed by person in-charge, Mr. Chan Pao Lung (Chief Foreman of</p>



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	<p>Pahang Oil Palm Estate) will be further appointed for the Inspection on Monthly basis/ Every 250 hours when vehicle undergo his routine schedule of maintenance.</p> <p><u>Maran Estate:</u>          Since they is no any memo to spelt on the requirements of parameter. The memo have been circular to Estate Manager to make clear on the parameter requirements of drinking water testing.</p>
<b>Assessment Conclusion:</b>	The corrections and corrective actions are accepted. The effectiveness of implementation shall be verified in the next assessment visit.

Opportunity for Improvements	
OFI #	Description
OFI 1	<p>1729621-201901-01</p> <p><b>Indicator 5.1.2</b>            Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.</p> <p><b>Details :</b>            At Carotino POM, the urgency of returning the un-shredded EFB into the shredding process system can be improved in order to prevent the EFB leachate from escaping to the surrounding storm drain.</p>

Positive Findings	
PF #	Description
PF 1	

**3.4.1 Status of Nonconformities Previously Identified and Observations**

Non-Conformity			
<b>NCR Ref #</b>	1587738-201802-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.1 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	27/03/2018
<b>Statement of Nonconformity:</b>	Evidence of compliance with relevant legal requirements was not effectively demonstrated [ref.:Act 265 EMPLOYMENT ACT 1955 and DOE License/Compliance Schedule: JP/KKS/2017/2018/003216 (validity period 1/7/2017 - 30/6/2018)]		
<b>Requirement Reference:</b>	Evidence of compliance with relevant legal requirements shall be available.		
<b>Objective Evidence:</b>	<p>1) There is one female employee ID: G0003 (CPOM) has worked for night shift (after 10 pm) as per pay slip for Jun'17, Nov'17 and Jan'18 and this is not comply with Act 265 EMPLOYMENT ACT 1955, PART VIII, EMPLOYMENT OF WOMEN, Prohibition of night work:</p> <p>34. (1) Except in accordance with regulations made under this Act or any exemption granted under the proviso to this subsection no employer shall require any female employee to work in any industrial or agricultural undertaking between</p>		

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	<p>the hours of ten o'clock in the evening and five o'clock in the morning nor commence work for the day without having had a period of eleven consecutive hours free from such work:          Provided that the Director General may, on application made to him in any particular case, exempt in writing any female employee or class of female employees from any restriction in this subsection, subject to any conditions he may impose.</p> <p>2) No compliance audit carried out by 3rd party to check compliance against the Compliance Schedule as to date.</p> <p>3) Noise boundary monitoring was not carried out as to date. The latest additional noise monitoring carried out on 17/8/17 did not cover the noise boundary monitoring requirement as per compliance schedule.</p>
<p><b>Corrective Actions:</b></p>	<p>1) Employment Of Women</p> <ul style="list-style-type: none"> <li>• No female employee allowed to working at the night shift until mill get the approval from Labour Department.</li> <li>• The manager will ensure that the documented approval is received before allowing any female employee to work at night.</li> </ul> <p>2) Compliance audit</p> <ul style="list-style-type: none"> <li>• Include the compliance audit in yearly environmental programme planning.</li> <li>• Request yearly budget from HQ to conduct compliance audit.</li> <li>• The management will ensure that this requirement is complied. The management will consult with the relevant authority whenever possible especially when there are changes of personnel. This will ensure that the information obtained will be up to date.</li> </ul> <p>3) Noise boundary monitoring</p> <ul style="list-style-type: none"> <li>• Include the Noise boundary monitoring in yearly environmental programme planning.</li> <li>• Request yearly budget from HQ to conduct noise boundary monitoring</li> </ul> <p>The manager will ensure that all the requirements from the noise boundary monitoring report are thoroughly complied.</p>
<p><b>Assessment Conclusion:</b></p>	<p>Verification on this assessment:          During ASA 1_4, it was found that the worker id: G0003 has not working on in night shift. Verified the pay slips and overtime record (punch card) for December, October and August 2018. Stakeholder consultation also confirmed that there is no more female work in night</p> <p>Third party Compliance Audit dated 6/9/2018 by GS Alam Lestari Solutions report was available for verification. No recurrence of issue and therefore corrective action is found to be effectively implemented.</p> <p>Seen the latest Boundary Noise Monitoring Report dated 19/4/18, Report Ref. ALM/Carotino/0418/3857. Overall result indicate that the Boundary Noise Level for Day Time &amp; Night Time is within the recommended limit. Verified that the proposed corrective action has been effectively documented &amp; implemented. Therefore, this major non-conformance has been effectively closed on 17/1/19.</p>

Non-Conformity			
<b>NCR Ref #</b>	1587738-201802-M2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.4.2 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	27/03/2018
<b>Statement of Nonconformity:</b>	Maintenance and restoration of riparian buffer zones was not effectively implemented.		
<b>Requirement Reference:</b>	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.		
<b>Objective Evidence:</b>	Traces of herbicide spraying was found at riparian buffer zone at Field No. 97U of Pahang Oil Palm Estate.		
<b>Corrective Actions:</b>	1) The monitoring form will be implemented beginning of 1st March 2018. The requirement "to identify the presence of riparian buffer zone demarcation prior to spraying activity" has been added. 2) Conductors in-charge will be briefed on the requirement to ensure understanding and awareness is conveyed. 3) The management will monitor the effect of spraying activities periodically to ensure that the riparian buffer zone in the estate is not damaged.		
<b>Assessment Conclusion:</b>	Verification on this assessment: Based on site visit at all the sampled estates, there has been no trace of agro-chemical application at the riparian zones. The demarcations were also found to be well maintained. Therefore, the corrective action was found to be effectively implemented.		

Non-Conformity			
<b>NCR Ref #</b>	1587738-201802-M3	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.7.2 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	27/03/2018
<b>Statement of Nonconformity:</b>	Procedures and actions was not effectively documented and implemented to address the identified ill health and occupational disease issues.		
<b>Requirement Reference:</b>	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.		
<b>Objective Evidence:</b>	i) Group health and safety manual, edition 1 dated 13/2/07 only explained on the process flow for incident reporting. Process of medical removal protection as not detailed out in the procedure and only explained on reporting of occupational poisoning and disease. ii) HIRARC register for boiler operation did not mentioned specific control measures and PPE requirement for the operators working at high noise area. i.e. Boiler area – hazard of high noise exposure, risk: hearing loss [noise monitoring – control measures, PPE: ear plug] iii) Based on the latest audiometric report dated 10/8/17, there were 1 case of STS and 2 cases of hearing impairment recorded. No retest carried out within 3 month from the date of testing and no further check carried out for the hearing impaired workers.		

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<p><b>Corrective Actions:</b></p>	<p>1) The Mill will advise HQ to update the procedure when necessary in the future if there are any new requirements arise. The OSH committee will ensure that the current procedures are complied. The OSH committee will be briefed again on the details and procedures to increase their understanding and knowledge.</p> <p>2) The review of HIRARC will be carried out when necessary to ensure that all relevant operations are properly risks assessed. The OSH committee will carry out the review at planned schedule. Whenever there are new activities, the committee will review the HIRARC to ensure that all risks are properly assessed. This will reduce the probabilities of the committee missing out any risks from new activities.</p> <p>3) STS</p> <p>i) If the latest retest result remains the same, mill will referred to occupational doctor.</p> <p>ii) If the negative result is due to workplace, mill will report to DOSH.</p> <p>iii) Mill will review all report received and take the immediate action if needed.</p> <p>iv) The Mill will ensure that the reporting process for compliance is not affected due to 3rd party mistake again. The mill will contact any agent used at closer interval after assessments until the report or document has been received.</p>
<p><b>Assessment Conclusion:</b></p>	<p>Verification on this assessment:          Seen the latest reviewed HIRARC dated 1/7/2018, Annual &amp; Baseline Audiometric Testing Report dated 7/9/18, Report Ref. PRO/SEPT/18 (CPOM/33) and OSH Committee Meeting dated 19/12/18. Verified that the proposed corrective action has been effectively documented &amp; implemented. Therefore, this major non-conformance has been effectively closed on 17/1/19.</p>

<p><b>Non-Conformity</b></p>			
<p><b>NCR Ref #</b></p>	<p>1587738-201802-M4</p>	<p><b>Clause &amp; Category (Major / Minor)</b></p>	<p>RSPO SCCS 5.3.2 Major</p>
<p><b>Closed (Yes / No)</b></p>	<p>Yes</p>	<p><b>Date of nonconformity Closure</b></p>	<p>27/03/2018</p>
<p><b>Statement of Nonconformity:</b></p>	<p>The internal audit report unable to provide evidence of conformance to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p>		
<p><b>Requirement Reference:</b></p>	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <p>i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <p>ii) effectively implements and maintains the standard requirements within its organization</p>		
<p><b>Objective Evidence:</b></p>	<p>An audit checklist has been established entitled "Internal Control Checklist" (combined RSPO P&amp;C, ISCC, MSPO, RSPO SCC). It was utilised during the exercise of internal audit on 12-14/12/2017. However, there was no clear evidence of checking of compliance with the RSPO SCCS and RSPO Market Communications and Claims Documents.</p>		
<p><b>Corrective Actions:</b></p>	<p>The Internal Control Assessment Checklist will be utilized for future Internal Control Assessment by Internal Control Team at planned interval. Documents pertaining the elements will be sampled to demonstrate compliance to the standard. Non-compliance will be reported as per usual in the Internal Control Assessment Report.</p>		
<p><b>Assessment Conclusion:</b></p>	<p>Verification on this assessment:</p>		

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	During the 4 <sup>th</sup> annual surveillance audit, sighted the latest internal audit has been conducted on 06/06/2018 by Mr. Seow Chee Chiang, Ms. Stearonthia, Ms. Hasni Asis and Mr. Carl's Ewis Julius and 7 Major RSPO SCCS, hence major NC is closed.
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Non-Conformity			
<b>NCR Ref #</b>	1587738-201802-M5	<b>Clause &amp; Category (Major / Minor)</b>	RSPO SCCS 5.13.1
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	27/03/2018
<b>Statement of Nonconformity:</b>	Management review on RSPO supply chain implementation has yet to be conducted.		
<b>Requirement Reference:</b>	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.		
<b>Objective Evidence:</b>	There is no evidence that management review has been conducted which contains the input and output according to the RSPO SCCS standard.		
<b>Corrective Actions:</b>	The Management Review will be implemented as per Group's Guideline to include the elements that are required by the standards.		
<b>Assessment Conclusion:</b>	Verification on this assessment: Management review minutes of meeting sighted been conducted on 08.06.2018, chaired by Mr. Tan Geong Hui, Regional Controller. It covers both input and output as per requirements in 5.13, hence major NC is closed.		

Non-Conformity			
<b>NCR Ref #</b>	1587738-201802-M6	<b>Clause &amp; Category (Major / Minor)</b>	RSPO SCCS D.5.1 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	27/03/2018
<b>Statement of Nonconformity:</b>	The standard requirement on record and balance shall be done on realtime basis was not implemented.		
<b>Requirement Reference:</b>	The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.		
<b>Objective Evidence:</b>	The current record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK was still on three-monthly basis.		
<b>Corrective Actions:</b>	1) The Mill will follow the RSPO Supply Chain Standards, Revised Version on the implementation of recording on real-time basis. 2) The daily data will be collected from report and production figures to be tabulated and monitored to ensure no short selling. 3) The records will be checked and confirmed by Mill Management.		
<b>Assessment Conclusion:</b>	Verification on this assessment: The real-time basis accounting system has been continuously utilised. The movement of CPO and PK based on real-time can also be seen in the mill's "Daily Production Figure". Therefore, no recurrence of issue and corrective action found to be effectively implemented.		

Opportunity for Improvement	
OFI#	Description
OFI 1	

### 3.4.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1300492M1	4.7.1	Major	24/2/2016	Closed out on 15/03/2016
1300492N1	2.1.4	Minor	24/2/2016	Closed out on 08/02/2017
1300492N2	4.1.2	Minor	24/2/2016	Closed out on 08/02/2017
1300492N3	4.7.5	Minor	24/2/2016	Closed out on 08/02/2017
1587738-201802-M1	2.1.1	Major	08/02/2018	Closed out on 27/3/2018
1587738-201802-M2	4.4.2	Major	08/02/2018	Closed out on 27/3/2018
1587738-201802-M3	4.7.2	Major	08/02/2018	Closed out on 27/3/2018
1587738-201802-M4	SCCS 5.3.2	Major	08/02/2018	Closed out on 27/3/2018
1587738-201802-M5	SCCS 5.13.1	Major	08/02/2018	Closed out on 27/3/2018
1587738-201802-M6	SCCS D.5.1	Major	08/02/2018	Closed out on 27/3/2018
1729621-201901-N1	4.1.2	Minor	17/01/2019	"Open"

### 3.5. Stakeholders Consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Carotino Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as below.

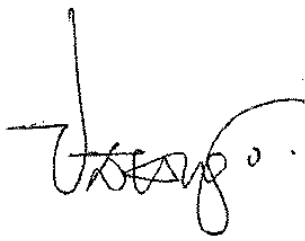
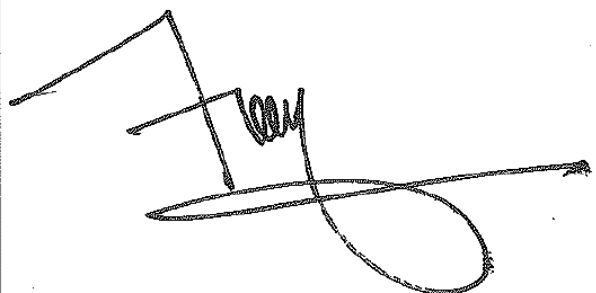
List of Stakeholders Contacted	
<b>Internal Stakeholders</b> Mill and estates workers Workers' Representative Women's Representative	<b>Union/Contractors/Local Communities</b> Village representatives Neighboring plantation Contractors Suppliers
<b>Government Departments</b> Surrounding school representatives	<b>NGO</b> Nil

IS #	Description
1	<b>Feedbacks:</b> <u>Kampung Bakapor</u> Carotino POM and estates always gives good cooperation with the villagers especially regarding the road condition and involving them in the stakeholder consultation.
	<b>Management Responses:</b> Management will continue to give support and cooperation to the neighbouring villages.
	<b>Audit Team Findings:</b> No other issue.
2	<b>Feedbacks:</b> <u>Neighbouring Plantation (KEMA Development)</u> There were clear boundary between KEMA development and Carotino estates. KEMA Development has involved in the stakeholder consultation's recently with Carotino POM's complexes.
	<b>Management Responses:</b> Management will continue to give support and cooperation to the neighbouring plantation.
	<b>Audit Team Findings:</b> No other issue.
3	<b>Feedbacks:</b> <u>Hup Shing Berjaya Enterprise</u> Hup Shing is a long-time CPO transporter to Carotino POM for the last 30 years. Within this period, there is no issue regarding payment, contract, training and works. The contractor would like to thank the management for this good relationship.
	<b>Management Responses:</b> Noted on the appreciation and will continue the good practice.
	<b>Audit Team Findings:</b> No other issue.
4	<b>Feedbacks:</b> <b>Gender Committee</b> So far no sexual harassment case reported and gender committee members are actively conducting activities for women.
	<b>Management Responses:</b> Management will continue to provide awareness to all the employee on the grievance procedure, case reported and prevention action.
	<b>Audit Team Findings:</b> No other issue.
5	<b>Feedbacks:</b> <b>Workers' Representatives</b>



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	The workers have informed that their wages were according to Minimum Wage Order 2016. No discrimination was occurred and they were treated equally regardless of the gender and nationalities.
	<b>Management Responses:</b> Management will continue communicating any new changes on the company policy or SOP through morning muster, trade union and complaint channel.
	<b>Audit Team Findings:</b> No other issue.

Formal Signing-off of Assessment Conclusion and Recommendation	
<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Carotino Palm Oil Mill has complied with the RSPO P&amp;C MY-NI 2014 &amp; RSPO Supply Chain Certification Standard (June 2017) and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Carotino Oil Mill is approved and continued.</p>	
Report prepared by	Acceptance of Assessment Conclusion
<b>Name:</b> Valence Shem	<b>Name:</b> <i>Seow Chee Chiang</i>
<b>Company Name:</b> BSI Services Malaysia Sdn Bhd	<b>Company Name:</b> Carotino / J. C. Chang Group
<b>Title:</b> Lead Auditor	<b>Title:</b> Senior Manager
<b>Signature:</b>  	<b>Signature:</b> <i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i>  
<b>Date:</b> 14/4/2019	<b>Date:</b> 22.04.2019



**Appendix A: Summary of Findings**

Criterion / Indicator		Assessment Findings	Compliance
<b>Principle 1: Commitment to Transparency</b>			
<b>Criterion 1.1:</b> 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 on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the stakeholders, Regulatory Department such as DOSH, DOE visiting log book were attended accordingly.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	The management has implemented stakeholder request register where the stakeholders' request will recorded into the Stakeholder Request Book in each operating unit as below: <ol style="list-style-type: none"> <li>1. Pahang Estate: Request from Pejabat Kesihatan Daerah Kuantan for Aktiviti Kawalan Malaria, Pejabat Kesihatan Daerah Kuantan-Pengambilan Selaid Darah Malaria (BFMP) on 02.05.17.</li> <li>2. Maran Estate: Request to extend electricity supply to celebrate Christmas on 24.12.2018.</li> <li>3. Carotino POM: Request for electricity supply to labour line whole day on 17<sup>th</sup> June 2018 due to worker are still on leave due to Hari Raya Aidilfitri on 17.06.2018.</li> </ol> The responses were also well maintained in the same Stakeholder Request Book.	Complied
<b>Criterion 1.2:</b> Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			

<p>1.2.1</p>	<p>Publicly available documents shall include, but are not necessary limited to:</p> <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Occupational health and safety plans (Criterion 4.7);</li> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> <li>• Details of complaints and grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report;</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> <p>- Major compliance –</p>	<p>Company has established safety and health policy signed by Mr. Tee Swee Kee, Estate Director dated 15/1/18. Safety Policy has been made publicly available for all workers and related stakeholders through notice board at the Mill and Estate’s office compounds. The policy was communicated to all workers and staffs accordingly through Safety &amp; Health Policy Briefing. Latest session was conducted in 29/01/18 in Estates &amp; on 22/6/18 at the mill. Safety and Health (OSH) Plan for Mill and Estates was established, dated 15/9/2017 which was include the safety policy, safety legislation, safety committee, safe operating procedure, training, workplace inspection, safety signage, ERP, fire plan and OSH compliance monitoring.</p> <p>There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. JC Chang Group continued to use the internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> <li>• Good Agricultural Practices</li> <li>• Environmental and Social Improvement Plan</li> <li>• SOP on Mechanism for Communication and</li> <li>• Consultation</li> <li>• SOP For Identifying Legal And Customary Rights</li> <li>• And Identifying People Entitled To Compensation</li> <li>• SOP on mechanism for complaints and grievances</li> </ul> <p>In addition to the above documents, sustainability brochure can be found under link; <a href="http://www.carotino.com/userFiles/file/SustainabilityBro.pdf">http://www.carotino.com/userFiles/file/SustainabilityBro.pdf</a></p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		<p>These documents highlight current JC Chang Group practices and their continual improvement plans. Besides the above documents, the policy on the followings are also available at Carotino Group website at <a href="http://www.carotino.com/sustainability-policies-57.aspx">http://www.carotino.com/sustainability-policies-57.aspx</a> :</p> <ol style="list-style-type: none"> <li>1) Environment</li> <li>2) Equal Opportunity</li> <li>3) Sexual Harassment</li> <li>4) Occupational Safety &amp; Health</li> <li>5) Social and Human Rights</li> <li>6) Corruption Prevention</li> </ol> <p>In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view.</p>	
<p><b>Criteria 1.3:</b>            Growers and millers commit to ethical conduct in all business operations and transactions.</p>			
1.3.1	<p>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</p>	<p>Corruption Prevention Policy which incorporated various aspect of committing to a code of ethical conduct and integrity has been established since 04 September 2015 and signed by the estate director.            The policy has been documented and communicated to all levels of the workforce and operations on 21.01.2018, 25.04.2018, 16.05.2018 and 24.09.2018 to newly recruited workers in Pahang Oil Palm Estate 1. In Maran Estate and Carotino POM, the policy has been communicated to the workers on 15.01.2018 and 05.01.2018 respectively during muster call briefing and whenever new worker recruited.</p>	Complied
<p><b>Principle 2: Compliance with applicable laws and regulations</b></p>			
<p><b>Criterion 2.1:</b>            There is compliance with all applicable local, national and ratified international laws and regulations.</p>			

<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available.          - Major compliance -</p>	<p>Pahang Oil Palm Estate Div. 1:          Certificate of Fitness for Unfired Pressure Vessels: - (JKT15-Pin. 1/87 PMT-PH/18 10424) – PH PMT 2236 (valid till 05/02/2019).</p> <p>Maran Estate:          Certificate of Fitness for Unfired Pressure Vessels: - (JKT15-Pin. 1/87 PMT-PH/17 09395) – PH PMT 1656 (valid till 05/02/2019).</p> <p>Carotino Palm Oil Mill:          Certificate of Fitness for Unfired Pressure Vessels: - (JKT15-Pin. 1/87 PMT-PH/17 08609) – PH PMT 699 (valid till 05/02/2019).</p> <p>Pahang OP:</p> <ul style="list-style-type: none"> <li>• Diesel permit # C023596, license holder: Pahang Enterprise Palm Sdn Bhd, validity 26/3/2018 to 25/3/2019, permitted quantity 20,000 lt</li> <li>• MPOB license # 501382102000, serial # 199872, validity 28/11/2018 to 31/3/2019, 2,153.10 Ha, <i>Menjual dan Mengalih FFB</i>, license holder Pahang Enterprise Sdn Bhd</li> <li>• <i>Perakuan Penentuan Timbang dan Sukat</i>, #A3159202, dated 10/8/2018</li> </ul> <p>Maran:</p> <ul style="list-style-type: none"> <li>• Diesel permit # C023566, license holder: Richley Corporation Sdn Bhd, validity 14/12/2018 to 13/12/2018, permitted quantity 12,000 lt – applied for renewal on 15/10/2018 (submission ref. no. BL22018040194) through Business Licensing Electronic Support System (BLESS) and now pending for approval</li> <li>• MPOB license # 502407502000, serial # 190552, validity 1/5/2018 to 30/4/2019, 2,140.82 Ha, <i>Menjual dan Mengalih FFB</i>, license holder Richley Corporation Sdn Bhd</li> </ul>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>• <i>Lesen Penggunaan Sumber Air</i> (Consumption of Water Source License), License # GWUL/LPSA/65/2019, valid until 31/12/2019</li> <li>• <i>Lesen bagi Pemasangan Persendirian</i> (Private Installation License – from Energy Commission), license # 2018/00952, validity 1/7/2018 to 30/6/2019, Monthly Generation Statistic to Energy Commission without fail – total generation in 2018 was 10,388 kWJ.</li> <li>• <i>Perakuan Penentuan Timbang dan Sukat</i>, #B1303629, dated 14/12/2018</li> </ul> <p><u>Carotino POM:</u></p> <ul style="list-style-type: none"> <li>• Diesel permit # C023607, license holder: Carotino Sdn Bhd, validity 30/4/2018 to 29/4/2019, permitted quantity 16,000 lt</li> <li>• MPOB license # 500356604000, serial # 197672, validity 1/11/2018 to 31/10/2019, license holder Carotino Sdn Bhd</li> <li>• <i>Lesen Penggunaan Sumber Air</i> (Consumption of Water Source License), License # SWUL/LPSA/12/2019, valid until 31/12/2019</li> <li>• Third party Compliance Audit dated 6/9/2018 by GS Alam Lestari Solutions</li> </ul>	

Criterion / Indicator	Assessment Findings	Compliance
2.1.2 A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	A list and copies of legal documents and international treaties and agreements were available for verification. Changes in law was normally tracked through www.lawnet.com.my. The person responsible for monitoring compliance to laws and regulations is formally identified in the guidelines. The Unit maintain copy of relevant laws and legislation relevant to palm oil mill and the plantation operation as per listed in the standard. The legal register at Maran Estate was last updated on 7/1/2019. Among the new requirements registered were: <ul style="list-style-type: none"> <li>- GST (Repeal) Act 2018</li> <li>- Employment (Restriction) Act 1968</li> </ul>	Complied
2.1.3 A mechanism for ensuring compliance shall be implemented. - Minor compliance -	In Maran Estate, the water sampling analysis for domestic usage (drinking water) has been conducted annually on 01.03.2018 and sent to PERMULAB however, the result have no parameter of Total Coliform. This is not comply with the National Standard of Drinking Water Quality, Revised December 2000, Second Version, January 2004.  Evaluation of legal requirements and compliance status with legal requirement is monitored by the Estate Department, Manager (Admin/Sustainability), Estate & Mill Manager and Operating Units. Besides, the internal audit conducted by the Sustainability team from Head Office will able to check on the compliance status of the operating unit. The latest internal audit for each visited unit are as follows: <ul style="list-style-type: none"> <li>- Pahang OP Estate, conducted on</li> <li>- Maran Estate, conducted on 7/6/2018</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	System for tracking the changes in the law is addressed in SOP on Mechanism to Trace Changes in Legal Requirements" [doc. No.: E/005-08/2018, dated 6/2/2018. Among the mechanisms spelt out in the SOP were: - Head office subscribes to the Malaysia Gazette on-Line (www.lawnet.com.my) – clause 1 - Information from MPOA, MPOB, and other organizations to HQ – clause 7 - Circular/letter received from government agencies by the estate/mill managers	Complied
<b>Criterion 2.2:</b> 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 and the actual legal use of the land shall be available. - Major compliance -	<p>Pahang OP: After the resurvey which was done in 2017 completed, new land titles had been issued by the Land Office dated 10/4/2018. There are 9 land titles [#27262, 27263, 27255, 27256, 27257, 27258, 27259, 27260 and 27261] with a total of 2,153.10 Ha of area. The owner of all of the lands is Pahang Enterprise Sdn Bhd and the lease periods vary in a range from 21/12/2068 to 18/6/2079.</p> <p>Maran Estate: There are 6 land titles [#H.S(D) 312, H.S(D) 672, H.S(D) 1166, H.S(D) 3974, H.S(D) 3975 and H.S(D) 4121] with a total of 2,140.82 Ha of area. The owner of all of the lands is Richley Corporation Sdn Bhd and the lease expiry dates vary in a range from 22/4/2072 to 11/6/2079.</p> <p>Carotino POM: The mill is located inside Pahang Estate land title occupying about 16 Ha of the area.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	At the boundary between Berkelah Forest Reserve, the demarcation was done by maintaining the ex-elephant fence. This was confirmed through site visit at Pahang OP boundary with Berkelah Forest Reserve and Maran Estate boundary with Kema Development Sdn Bhd.	Complied
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 -	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to JC Chang Group and land ownership documents verified.	Complied
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	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to JC Chang Group and land ownership documents verified.	Complied
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to JC Chang Group and land ownership documents verified.	Complied
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the certification unit and supply base at the time of audit. The land belongs to JC Chang Group and land ownership documents verified.	Complied
<b>Criterion 2.3:</b> Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.			



Criterion / Indicator	Assessment Findings	Compliance	
2.3.1	<p>Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p>- Major compliance -</p>	<p>Not applicable.</p> <p>The estate lands are legally owned by the company. The existing estates are not encumbered by any customary land rights. Interview with the surrounding communities and stakeholders confirm no disputes.</p>	Complied
2.3.2	<p>Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (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>	<p>There is no land dispute in the Carotino Unit at the time of audit. The land belongs to JC Chang Group with further verification of document and stakeholder interview. The estate is surrounded by neighbouring plantations and there is no village settlement near the area.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	There is no land dispute in the Carotino Unit at the time of audit. The land belongs to JC Chang Group with further verification of document and stakeholder interview. The estate is surrounded by neighbouring plantations and there is no village settlement near the area.	Complied
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	There is no land dispute in the Carotino Unit at the time of audit. The land belongs to JC Chang Group with further verification of document and stakeholder interview. The estate is surrounded by neighbouring plantations and there is no village settlement near the area.	Complied
<b>Principle 3: Commitment to long-term economic and financial viability</b>			
<b>Criterion 3.1:</b>			
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 -	Carotino/JC Chang Group has continued its commitment to long term sustainability and improvements through a capital expenditure programme. Carotino Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year. Oil Palm Expenditure (OPEX) is projected for 3 years i.e. from FY 2019/20 until 2021/22, where finance for all the operational activities such as harvesting, maintenance and milling were allocated. The cost of production ranges between RM1,000 to RM1,500/mt CPO.	Complied

Criterion / Indicator		Assessment Findings	Compliance																											
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 -	<p>The visited estates have prepared the replanting programme with minimum of 5 years projection. Below is the details of the programme in Ha unit:</p> <table border="1"> <thead> <tr> <th rowspan="2">Estates</th> <th colspan="6">Ha/year</th> </tr> <tr> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Pahang OP</td> <td>0</td> <td>104</td> <td>74</td> <td>130</td> <td>152</td> <td>100</td> </tr> <tr> <td>Maran</td> <td>0</td> <td>0</td> <td>112</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Estates	Ha/year						2019	2020	2021	2022	2023	2024	Pahang OP	0	104	74	130	152	100	Maran	0	0	112	0	0	0	Complied
Estates	Ha/year																													
	2019	2020	2021	2022	2023	2024																								
Pahang OP	0	104	74	130	152	100																								
Maran	0	0	112	0	0	0																								
<b>Principle 4: Use of appropriate best practices by growers and millers</b>																														
<b>Criterion 4.1:</b> Operating procedures are appropriately documented, consistently implemented and monitored.																														

<p>4.1.1</p>	<p>Standard Operating Procedures (SOPs) for estates and mills are documented          - Major compliance -</p>	<p>Mill have maintained and revised if required, the Documented Standard Operating Procedures file that contains both the safe operating procedures and the procedures to implement the various major field operations.          Mill SOP for Carotino POM contains the procedures for all activities as below:          1) Reception Station (Q/001-02/2010)          2) Grading Station (Q/002-02/2010)          3) Fruit Handling Station (Q/003-02/2010)          4) Vertical Sterilizer Station (Q/004-01/2010)          5) Press Station (CCP/03-01/2011)          6) Clarification Station (CCP/04-01/2011)          7) Nut Station (CCP/05-01/2011)          8) Kernel Station (CCP/06-01/2011)          9) Storage Station (CCP/07-02/2016)          10) Despatch CPO &amp; PK (CCP/08-05/2016)          11) Reception Station (Q/001-02/2010)          12) Grading Station (Q/002-02/2008)          13) Threshing Station (Q/005-02/2010)          14) Press Station (Q/006-01/2008)          15) Clarification Station (Q/007-01/2008)          16) Depericarper Station (Q/008-01/2008)          17) Nut &amp; Kernel Station (Q/009-01/2008)          18) Boiler Station (Q/010-01/2008)          19) Engine Room Station (Q/011-01/2008)          20) Water Treatment Plant (Q/012-01/2008)          21) Effluent Treatment Plant &amp; Effluent Tertiary Plant (Q/013-01/2008)          22) Empty Brunch Press Station (Q/014-01/2010)          23) Land Irrigation Process (Q015-01/2008)          24) Despatch CPO (Q/016-01/2008)          25) Despatch PK (Q/017-01/2008)</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	Bahasa Malaysia is used as main language of communication.	

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<p>4.1.2</p>	<p>A mechanism to check consistent implementation of procedures shall be in place.          - Minor compliance -</p>	<p>In Maran Estate, the latest water sampling analysis for domestic usage (drinking water) has been conducted on 01.03.2018 and sent to PERMULAB however, the result have no parameter of Total Coliform as per National Standard of Drinking Water Quality, Revised December 2000, Second Version, January 2004.</p> <p>Sighted also the previous 3 consecutive years (2016-2018) water analysis result have different parameter analyzed annually and not having the standard parameter as per National Standard of Drinking Water Quality, Revised December 2000, Second Version, January 2004.</p> <p>Company has mechanism to check the implementation of procedure through routine inspection by Mill Director Visit and 3rd party mill inspector which scheduled for twice a year. Mill and Plantation Director and 3rd party mill inspector report were verified. The Internal RSPO visit was conducted by Sustainability Department. The inspection/internal audit was covered all activities related to palm oil mill and oil palm agriculture practices.</p> <p>The internal audit was conducted on 06/06/18 by Sustainability Department. There are total of 26 findings raised during the audit and the action plan was established and closed accordingly.</p> <p>The mechanism to check consistent implementation of procedures is not fully effective as per:</p> <p>Pahang Oil Palm Estate Div.1: -          The registered accident record details as per the Safety Piano Chart (sampled month period of July-18 to Dec-18) was not reviewed accordingly as per Guidelines on Accident Reporting and Investigation, Doc. No. M/015-03/2018 in the OSH Quarterly Meeting.</p>	<p>Minor nonconformance</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Carotino Palm Oil Mill:-            Procedure implementation checking for following issues is not fully effective:            a) Several protruding reinforcement bar from partially broken road crossing drainage concrete hump spotted near the store/water treatment plant area.            b) Case 570 MXT (backhoe) was found with malfunction front &amp; back head lamp, horn and seat belt.</p> <p>Thus, a minor non-conformance was raised.</p>	
<p>4.1.3</p>	<p>Records of monitoring and any actions taken shall be maintained and available, as appropriate.            - Minor compliance -</p> <p>Records of monitoring (MPOB monthly report, Energy Commission report, Online Environmental Reporting and Self-Regulation reporting "EMT elements") were made available and maintained.            Sample of records checked:            a) Energy commission report – December 2018, total generation 393,151 kWh report dated 7/1/19.            b) Monthly report to MPOB, MPOB(EL) MF-4, MPOB(EL) PX 4-MF for December 2018 dated 4/1/19</p> <p><u>Pahang OP</u></p> <ul style="list-style-type: none"> <li>- Latest visit by Regional Controller visit was on 29/9-31/9/2018. The assessment coverage was on labour force, financial resource and management, employees' welfare, field maintenance and upkeep, harvesting and crop production. Report written by the Regional Controller was available for verification</li> <li>- The internal audit was conducted on 4/6/2018 by Sustainability Department</li> <li>- Latest agronomist visit was conducted on 25-26/1/2018 and report was available for verification</li> </ul>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	The mill does not accept crop from any third parties.	Complied
<b>Criterion 4.2:</b> 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 -	SOP-Methods of nutrient assessment for oil palm fertilizer recommendation (B/015-01/2013) and SOP-Soil and water conservation (C/002-01/2008) were established. Soil analysis and foliar sampling will be monitored on yearly basis. All the visited estates operate in accordance with the Agriculture Manual and standard operating procedures. The practices consistently monitored by estate operation management and regional controller. The recommendations for improvements are given to maintain the sustainable practices.	Complied
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	The records of fertilisers input were well maintained at the visited estates. Among the type of records verified were: - Fertiliser Usage Record - Stock Card - Stock Issue Chit Verification of records against the recommendation of agronomist found to be tally. Sampled Block 08A 1,2,3 & 4 of Pahang OP Estate	Complied
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Leaf and soil nutrient analysis are commonly used in the diagnosis of fertilizer requirements in oil palms. The frequency for soil analysis and leaf sampling is conducted annually. The foliar sampling analysis reports by the company's agronomist were available at the estates. E.g. at Pahang OP Foliar analysis was last conducted in February 2018 for 2019 recommendation. The soil analysis was also conducted simultaneously.	Complied



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Criterion / Indicator		Assessment Findings	Compliance
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	EFB application is done as part of nutrient recycling strategy and recorded regularly. All EFB were sourced from Carotino POM. The best practice of EFB application is described in the estate's SOP Manual. Records were well kept in the estate's EFB book and EFB Month End Costing. Based on the records, the application of EFB in the field was in line with the SOP recommendation i.e. 40 mt/Ha.	Complied
<b>Criterion 4.3:</b> Practices minimise and control erosion and degradation of soils.			
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	Based on soil map and field observations, the visited estates have no soil that categorised as fragile. Based on soil map of Maran Estate (source: Jabatan Pertanian Semenanjung Malaysia, Unit Pengurusan dan Pemuliharaan Sumber Tanah, Pahang DM, dated 28/10/2010), the main soil series are Sri Batang Merbau (54%), Bugor (13%), Tai Tak, Pohoi and Kemuning, to name a few.	Complied
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	In order to minimise erosion from planting activities in slopes, the estates practice were to construct terraces and establishment of cover crop such as Mucuna sp. This was sighted during the field visit at all the sampled estates.	Complied
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Road maintenance program for the current financial year was available for all the visited estates. Among the activities for the road maintenance are grading & compacting, resurfacing pot hole filling, water diverter, culvert maintenance and pruning roadside fronds. Based on expenditure report at Maran Estate, the progress to-date was in-line with the programme i.e. 87%.	Complied
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There was no peat soil at all of the visited estates.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There was no peat soil at all of the visited estates.	Complied
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There was no fragile or problem soils at all of the visited estates.	Complied
<b>Criterion 4.4:</b> 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 -	Water Management Plan is incorporated with Environmental and Social Improvement Plan – Sabah, which was last updated on 1/8/2018. Among the management plan and implementation at the estates & mill were: <ul style="list-style-type: none"> <li>- no construction of bunds/weirs/dams across natural waterways passing through the operating units</li> <li>- the quality of the river water was monitored through water sampling analysis at the inlet and outlet of the estates</li> <li>- application of compost in accordance to guideline</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance														
4.4.2	<p>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.</p> <p>- Major compliance -</p>	<p>Ref.: Guidelines on establishment of riparian buffer zone [C/001-01/2008]. Width of zones is guided by the followings:</p> <table border="1"> <thead> <tr> <th>River width (m)</th> <th>Riparian width (m)</th> </tr> </thead> <tbody> <tr> <td>&gt;40</td> <td>50</td> </tr> <tr> <td>20-40</td> <td>40</td> </tr> <tr> <td>10-20</td> <td>20</td> </tr> <tr> <td>5-10</td> <td>10</td> </tr> <tr> <td>&lt;5</td> <td>5</td> </tr> <tr> <td>3</td> <td>-</td> </tr> </tbody> </table> <p>PVC pipes painted with yellow were used to demarcate the Riparian Buffer Zones. Chemical spraying and fertiliser application were restricted within the Buffer Zones.</p> <p>At Maran Estate, the upstream &amp; downstream of Sg Bekapur and Sg Ketapi analysed once a year. Last analysis was done on 25/6/2018 [ref.: report # IE767/2018, by an accredited laboratory (SAMM No. 030) in accordance to "Guidelines on River Water Sampling Procedure" [C/011-01/2010, dated 4/2/2010]. Parameters tested were pH, BOD, COD, SS, AN and DO. Based on the latest results, there was no significant indication that pollutants from the estate had reached the rivers.</p>	River width (m)	Riparian width (m)	>40	50	20-40	40	10-20	20	5-10	10	<5	5	3	-	Complied
River width (m)	Riparian width (m)																
>40	50																
20-40	40																
10-20	20																
5-10	10																
<5	5																
3	-																
4.4.3	<p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p>- Minor compliance -</p>	<p>The mill applies the biological system with 9 ponds and 2 tanks (methane capture) in series for its treatment of effluent. The quality of discharged effluent was analysed every month and the parameters are T, pH, BOD, COD, TS, SS, O&amp;G, AN and TN. Last 12 months results were verified where highest BOD=39 ppm while lowest was 23 ppm. The samples were analysed by an accredited laboratory (SAMM No. 247).</p> <p>Competent Person for Effluent Treatment Plant was available i.e. Certificate No. CePPOME/184528, validity 15/8/2018 to 15/8/2019.</p>	Complied														

Criterion / Indicator		Assessment Findings	Compliance
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	The mill extracts its water supply from Sg. Belayar and pumped into a collection pond before undergo water treatment process. The mill has been monitoring its consumption of water on daily basis. Based on the daily records, the consumption in 2018 was 5,813.43 lt/mt CPO.	Complied
<b>Criterion 4.5:</b> 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 -	Ref.: Guidelines on Integrated Pest and Disease Management of Oil Palm [L/001-06/2017]. The IPM plan includes the planting of beneficial plants and control of damage by rodents. Beneficial plants such as Tunera subulata, Antigonon Leptopus and Cassia were seen grown in the estates. Barn owls were also kept in the estates to suppress the population of rats. Census of rat and leaf-eating pest was regularly carried out to monitor the population of the pests. Appropriate action shall be taken should the population of pests are above the threshold levels.	Complied
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	Trainings of those involved in IPM implementation were carried out from time to time through methods such as field demonstration, briefing and on-the-job supervision. Various subjects were covered in the trainings such as P&D census, planting & maintenance of beneficial plants, rat baiting operation, agrochemical spraying and barn owl census to name a few.	Complied
<b>Criterion 4.6:</b> Pesticides are used in ways that do not endanger health or the environment			

<p>4.6.1</p>	<p>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 -</p>	<p>Justification for all pesticides used was stated in the SOP for Justifications for Pesticide Usage under IPM (Insecticide, Fungicide &amp; Rodenticide) (B/008-14/2016) and Justification for Weedicides Usage (B/009-12/2018). The use of pesticide is specific to the target pest, weed and disease. Justification takes consideration to minimize effect on non-target species. Example of the method and application as follow:</p> <table border="1" data-bbox="1032 587 1805 1275"> <thead> <tr> <th>Method and type of control</th> <th>Ai of Chemical</th> <th>Rate and application</th> </tr> </thead> <tbody> <tr> <td>Prophylactic and treatment sprayings against leaf fungus for oil palm nursery seedlings</td> <td>Propineb 70%</td> <td>20g/10L water</td> </tr> <tr> <td>Trunk injection against leaf eating insects (mature palm above 6 years)</td> <td>Monocrotophos (55% w/w) or Methamidophos</td> <td>Inject 8 – 10 ml per palm by drilling a 15-20 cm hole on the trunk at 0.5-1.0 m above ground at 45° angle.</td> </tr> <tr> <td>Insecticide spray</td> <td>Chlorpyrifos 21.2%</td> <td>32ml per 16-18L CKS</td> </tr> <tr> <td>Fungicide treatment/injection on mature palm</td> <td>Hexaconazole 5.00%</td> <td>90ml + 10L (media)/palm by injection method.</td> </tr> <tr> <td>Fungicide spray on nursery stage</td> <td>Thiram 80%</td> <td>32-64gm per 16-18L CKS</td> </tr> </tbody> </table>	Method and type of control	Ai of Chemical	Rate and application	Prophylactic and treatment sprayings against leaf fungus for oil palm nursery seedlings	Propineb 70%	20g/10L water	Trunk injection against leaf eating insects (mature palm above 6 years)	Monocrotophos (55% w/w) or Methamidophos	Inject 8 – 10 ml per palm by drilling a 15-20 cm hole on the trunk at 0.5-1.0 m above ground at 45° angle.	Insecticide spray	Chlorpyrifos 21.2%	32ml per 16-18L CKS	Fungicide treatment/injection on mature palm	Hexaconazole 5.00%	90ml + 10L (media)/palm by injection method.	Fungicide spray on nursery stage	Thiram 80%	32-64gm per 16-18L CKS	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance																
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 -	Records of pesticides used (including active ingredients used and area treated, amount of active ingredients applied per ha and number of applications) were established and monitored. The records of weeding programme and herbicide master list was sampled as follows: <table border="1" data-bbox="1025 555 1783 890"> <thead> <tr> <th colspan="2">FY18 (Last quarter Oct –Dec 18)</th> </tr> <tr> <th>Pahang Oil Palm Estate Div. 1</th> <th>Ai/ha</th> </tr> </thead> <tbody> <tr> <td>Metsulfuron-methyl 20%</td> <td>2.50</td> </tr> <tr> <td>Glyphosate</td> <td>0.22</td> </tr> <tr> <td>Chlorophacinone 0.005%</td> <td>0.08</td> </tr> <tr> <th>Maran Estate</th> <th>Ai/ha</th> </tr> <tr> <td>Starane</td> <td>0.36</td> </tr> <tr> <td>Amine 60</td> <td>0.34</td> </tr> </tbody> </table>	FY18 (Last quarter Oct –Dec 18)		Pahang Oil Palm Estate Div. 1	Ai/ha	Metsulfuron-methyl 20%	2.50	Glyphosate	0.22	Chlorophacinone 0.005%	0.08	Maran Estate	Ai/ha	Starane	0.36	Amine 60	0.34	Complied
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4.6.3 Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	The management encourage establishing biological control as per IPM plan. The implementation in the field is consistent with the JC Chang’s Group SOP. No prophylactic use of pesticides found at visited operating units.	Complied																
4.6.4 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	There are no Class 1A and Class1B at the Pahang Oil Palm Estate Div. 1 during this assessment. The used of Paraquat was totally banned and replaced with systemic chemical. Pahang Oil Palm Estate Div. 1 – Chemical register available dated 30/1/18, only class III and IV chemical used. Maran Estate – Chemical register available dated 14/1/19, class II, III and IV chemical used.	Complied																

Criterion / Indicator	Assessment Findings	Compliance																		
<p>4.6.5 Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).                      - Major compliance -</p>	<p>Pesticides were handled, used or applied by trained workers applied in accordance with the product label. Latest training for pesticides handler was conducted on 27/11/17. Appropriate safety and application equipment were provided and used, i.e 3M 3200/3200F, anti-fog goggles, apron and wellington boots based on CHRA assessor’s recommendation. Sample of chemical safety data sheet (SDS) checked and available during site visit:</p> <table border="1" data-bbox="1025 619 1823 1050"> <thead> <tr> <th>Chemical/ trade name</th> <th>Active ingredient</th> <th>Chemical Class</th> </tr> </thead> <tbody> <tr> <td>Nufarm Glyphosate</td> <td>Glyphosate Isopropyl Amine (41% w/w)</td> <td>III</td> </tr> <tr> <td>Starane 200EC</td> <td>Fluroxypyr 1-methylheptye1 ester 29.6% w/w</td> <td>III</td> </tr> <tr> <td>Hextar 2,4-D Amine 60</td> <td>2,4-D dimethylammonium 60% w/w</td> <td>II</td> </tr> <tr> <td>Ally (20DF) 500gm</td> <td>Metsulfuron-methyl 20%</td> <td>IV</td> </tr> <tr> <td>Garlon 250EC</td> <td>triclopyr</td> <td>III</td> </tr> </tbody> </table> <p>All precautions attached to the products (SDS and notice board) were properly observed, applied, and understood by workers based on the interview with staff and workers at visited estates.</p>	Chemical/ trade name	Active ingredient	Chemical Class	Nufarm Glyphosate	Glyphosate Isopropyl Amine (41% w/w)	III	Starane 200EC	Fluroxypyr 1-methylheptye1 ester 29.6% w/w	III	Hextar 2,4-D Amine 60	2,4-D dimethylammonium 60% w/w	II	Ally (20DF) 500gm	Metsulfuron-methyl 20%	IV	Garlon 250EC	triclopyr	III	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation. Based on CHRA assessor’s store assessment recommendation, the below action was taken for improvement as such; i) Ventilation system for adequate air flow ii) Warning sign (dark red letter against white background) iii) Safety Data Sheet (SDS) availability iv) Label of chemicals v) Spill control	Complied
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in the SOP for Justifications for Pesticide Usage under IPM (Insecticide, Fungicide & Rodenticide) (B/008-14/2016). The implementation in the field is consistent with the SOP. As to date, there was no outbreak of pest and disease.	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 -	No aerial spray at Carotino Production Unit	Complied



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Criterion / Indicator		Assessment Findings	Compliance																		
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	<p>There is no associated smallholder at Carotino Production Unit. Training records for staff and workers on chemical application and IPM implementation were available and verified during on-site assessment. Sample of training checked:</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>13/6/18</td> <td>PPE Training and Chemical Spraying and labelling</td> <td>Pahang Oil Palm Estate Div. 1</td> </tr> <tr> <td>19/7/18</td> <td>Rat Baiting</td> <td>Pahang Oil Palm Estate Div. 1</td> </tr> <tr> <td>15/7/18</td> <td>Bufferzone &amp; Environmental Awareness</td> <td>Pahang Oil Palm Estate Div. 1</td> </tr> <tr> <td>10/5/18</td> <td>Pesticide Spraying</td> <td>Maran Estate</td> </tr> <tr> <td>26/7/18</td> <td>Manuring</td> <td>Maran Estate</td> </tr> </tbody> </table>	Date	Training Topic	Estate	13/6/18	PPE Training and Chemical Spraying and labelling	Pahang Oil Palm Estate Div. 1	19/7/18	Rat Baiting	Pahang Oil Palm Estate Div. 1	15/7/18	Bufferzone & Environmental Awareness	Pahang Oil Palm Estate Div. 1	10/5/18	Pesticide Spraying	Maran Estate	26/7/18	Manuring	Maran Estate	Complied
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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 -	The disposal of organic, recyclable and toxic wastes was done properly. Based on site visit at the workers line site, field and other facilities, there was no indiscriminate dumping of wastes observed. This showed that education given by the management through briefing and signage was effective. Among the methods of disposal practiced by the certification unit were land fill for organic wastes and disposal through the recycle centres and authorised scheduled wastes collectors.	Complied																		

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.11</p>	<p>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.                      - Major compliance -</p>	<p>a) Pahang Oil Palm Estate Div. 1 Annual medical surveillance for sprayers and pesticide operators were conducted by registered OHD, JKKP No. HQ/16/DOC/00/454 under MY Health Clinic Kuantan on 1/11/18. Based on USECHH 3 and USECHH 4, all 15 workers were found fit to work with no detrimental of health.                      b) Maran Estate Annual medical surveillance for sprayers and pesticide operators were conducted by registered OHD, JKKP No. HQ/16/DOC/00/454 under MY Health Clinic Kuantan on 1/11/18. Based on USECHH 3 and USECHH 4, all 9 workers were found fit to work with no detrimental of health.</p>
		<p>Complied</p>

Criterion / Indicator		Assessment Findings					Compliance															
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	<p>There are no women works with pesticides at all visited estates. For those who were still within reproductive age, urine pregnancy test (UPT) was conducted by EHA to confirm and check the pregnancy status for those who exposed to chemical i.e. store keeper. Sample summary of medical check-up as at January 2019 as per the following:</p> <table border="1"> <thead> <tr> <th>Employee</th> <th>Health Status</th> <th>Test Date</th> <th>Pregnancy Status &amp; Action</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>Storekeeper</td> <td>Fit</td> <td>3/8/18</td> <td>Positive – Staff has been transferred to non-exposed and chemical handling matters.</td> <td>Pahang Oil Palm Estate Div.1</td> </tr> <tr> <td>Storekeeper</td> <td>Fit</td> <td>31/12/18</td> <td>Negative</td> <td>Maran Estate</td> </tr> </tbody> </table>					Employee	Health Status	Test Date	Pregnancy Status & Action	Estate	Storekeeper	Fit	3/8/18	Positive – Staff has been transferred to non-exposed and chemical handling matters.	Pahang Oil Palm Estate Div.1	Storekeeper	Fit	31/12/18	Negative	Maran Estate	Complied
Employee	Health Status	Test Date	Pregnancy Status & Action	Estate																		
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<p><b>Criterion 4.7:</b>            An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:</p>																						

<p>4.7.1</p>	<p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.          - Major compliance -</p>	<p>Company has established safety and health policy signed by Mr. Tee Swee Kee, Estate Director dated 15/1/18. Safety Policy has been made publicly available for all workers and related stakeholders through notice board at the Mill and Estate's office compounds. The policy was communicated to all workers and staffs accordingly through Safety &amp; Health Policy Briefing. Latest session was conducted in 29/01/18 in Estates &amp; on 22/6/18 at the mill. Safety and Health (OSH) Plan for Mill and Estates was established, dated 15/9/2017 which was include the safety policy, safety legislation, safety committee, safe operating procedure, training, workplace inspection, safety signage, ERP, fire plan and OSH compliance monitoring.</p> <p>a) Pahang Oil Palm Estate Div. 1:          i) Chemical Health Risk Assessment (CHRA) The CHRA was conducted on 17/1/2017 by Occumed Consultancy &amp; Services Sdn Bhd (JKKP IH 127/171-2(08)). The OSH action plan was established to capture all the recommendation from the assessor.          ii) Medical Surveillance 15 operators were sent for medical surveillance on 1/11/2018 for those who are involved with pesticide chemical, refer to medical surveillance report by registered OHD, HQ/16/DOC/00/454 by MY Health Clinic Kuantan. Based on test result, all the operators were found fit with no detrimental of health.</p> <p>b) Maran Estate:          i) Chemical Health Risk Assessment (CHRA) The CHRA was conducted on 3/2/2017 by Occumed Consultancy &amp; Services Sdn Bhd (JKKP IH 127/171-2(08)). The OSH action plan was established to capture all the recommendation from the assessor.          ii) Medical Surveillance 9 operators were sent for medical surveillance on 1/11/2018 for those who are involved with pesticide chemical, refer to medical surveillance report by registered OHD,</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>HQ/16/DOC/00/454 by MY Health Clinic Kuantan. Based on test result, all the operators were found fit with no detrimental of health.</p> <p>Carotino Palm Oil Mill:</p> <p>i) Chemical Health Risk Assessment (CHRA) The CHRA was conducted on 24/1/2018 by Procoma Environmental (M) Sdn Bhd (Registered Assessor No. HQ/09/ASS/00/102. The OSH action plan was established to capture all the recommendation from the assessor.</p> <p>ii) Medical Surveillance 3 operators were sent for medical surveillance on 14/3/2018 for those who are involved with 2,5 Hexanedione chemical, refer to medical surveillance report by registered OHD, HQ/10/DOC/00/183 by Polyclinic Ar Razi. Based on test result, all the operators were found fit with no detrimental of health.</p> <p>iii) Annual &amp; Baseline Audiometric Testing Report available dated 7/9/18. A total of 33 identified workers been sent for testing. Seen the Test Report No. PRO/SEPT/18 (CPOM/33) done by Registered DOSH Doctor No. JKPP KES 127/669/1. Identified workers with hearing issues have been actioned accordingly as per the test report recommendation.</p> <p>iv) Local Exhaust Ventilation (LEV) Testing &amp; Inspection The latest LEV inspection was conducted on 30/5/18 by Procoma Environmental (M) Sdn Bhd, JKPP HIE 127/171-3/2(23-2018/020). Based on the examination and testing results, it shows that the face velocity measured for the fume cupboard complied with ACGIH specification.</p>	

<p>4.7.2</p>	<p>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 -</p>	<p>The Hazard Identification, Risk Assessment and Control Procedure was established and maintained. All the activities were register in the HIRARC register form. HIRARC was reviewed on annually basis or if there is any significant change including occurrence of incident.</p> <p>Pahang Oil Palm Div. 1.Estate:          Among the HIRARC carried out covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance.          The HIRARC for Pahang Oil Palm Estate Div.1 was reviewed overall on 26/6/2018. Existing HIRADC has been also reviewed and maintained accordingly with changes will be done if there is a new process/any accident occurred.</p> <p>Maran Estate:          Among the HIRARC carried out covered activities like loose fruits picking, manuring, chemical mixing and spraying, chemical storage, harvesting and FFB collection and workshop.          The HIRARC for Pahang Oil Palm Estate Div.1 was reviewed overall on 02/7/2018. Existing HIRADC has been also reviewed and maintained accordingly with changes will be done if there is a new process/any accident occurred.</p> <p>Carotino Palm Oil Mill:          The HIRARC for Mill was reviewed overall on 01/7/2018. Existing HIRADC has been also reviewed and maintained accordingly with changes will be done if there is a new process/any accident occurred.          Weighbridge, Ramp, Threshing Station, Pressing Station, Clarification, Nut Cracking Station, Kernel Plant, Kernel Storage, CPO Storage, Boiler Station, Engine room, workshop, General-cleaning and others, Store, EFB Press, Laboratory, WTP, WWTP, Sterilizer, EFB Shredder, Rotating equipment (airlocks, nut cracker), Welding</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		activity, Lab (oil extraction), biogas plant, solvent plant, spraying, chemical mixing, triple rinse , Drainage and irrigation, Harvesting, loose fruit picking Pruning and raking, nursery, roads and terrace construction, drain construction, culvert & bridge construction, selective weeding, manuring, scout harvesting, FFB internal transport and external transport and workshop.	
4.7.3	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p>	<p>All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE. Suitable PPE has been provided to the workers based on the information in the MSDS/CSDS and CHRA assessor’s recommendation.</p> <p>List of Personal Protective Equipment (PPE) Provided – identifies the type of PPE for the respective activities.</p> <p>i) Sterilizer and boiler/power operator – Safety Helmet, Leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff</p> <p>ii) Lab operator – Respirator (double cartridge) Nitrile Glove (chemical resistant), safety boots, Ear plug (NRR = 24 dB)</p> <p>iii) Field workers (sprayer, manurer &amp; harvester) – 3M 3200 half face respirator with 3311K-55, antimist goggles, wellington boots, apron and sickle cover.</p> <p>Sampled PPE issuance records dated 26/12/18 for sprayers &amp; 10/10/18 for harvesters at Maran Estate and 26/12/18 for workshop workers at Carotino Palm Oil Mill.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.4</p>	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.</p> <p>- Major compliance -</p> <p>At Pahang Oil Palm Estate Div.1, the Safety and Health Committee organization chart was established and available. Quarterly Safety &amp; Health Committee meeting accordingly and chaired by Estate Manager, discussion on the all relevant Health &amp; Safety matters were done accordingly. Seen the HSE Meeting Minutes: 12/12/18, 14/9/18, 21/6/18, 15/03/18 verified held accordingly every 3 months once). DOSH visit log book sighted visit report dated 2/1/19.</p> <p>At Maran Estate, the Safety and Health Committee organization chart was established and available. Quarterly Safety &amp; Health Committee meeting accordingly and chaired by Estate Manager, discussion on the all relevant Health &amp; Safety matters were done accordingly. Seen the HSE Meeting Minutes: 05/01/19, 10/10/18, 09/7/18, 10/04/18 verified held accordingly every 3 months once). DOSH visit log book sighted visit report dated 21/1/19.</p> <p>At Mill, the Safety and Health Committee organization chart was established and available. Quarterly Safety &amp; Health Committee meeting accordingly and chaired by Mill Manager, discussion on the all relevant Health &amp; Safety matters were done accordingly. Seen the HSE Meeting Minutes: 19/12/18, 20/09/18, 26/6/18, 27/03/18 verified held accordingly every 3 months once). DOSH visit log book sighted visit report dated 2/1/19.</p>	<p>Complied</p>



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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.5</p>	<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>	<p>Complied</p>

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4.7.6	All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	<p>Medical care and accident insurance is provided to all the employees. Local workers are covered under SOCSO scheme while foreign workers are covered under foreign workers compensation scheme. Seen the foreign workers compensation scheme at mill/estates as follows:</p> <p>Pahang Oil Palm Estate Div. 1: LONPAC Insurance Bhd, Policy No. (J/18/WF01/006058/JHR-17), period of insurance: 1/12/18 - 30/11/19 for 14 foreign workers. SOCSO contribution for month of Dec-18 for 28 local workers.</p> <p>Maran Estate: LONPAC Insurance Bhd, Policy No. (J/18/WF01/005540/JHR-75), period of insurance: 29/08/18 - 28/08/19 for 10 foreign workers. SOCSO contribution for month of Dec-18 for 65 local workers.</p> <p>Carotino Palm Oil Mill: LONPAC Insurance Bhd, Policy No. (J/18/WF01/005543/JHR-73), period of insurance: 25/06/18 - 24/06/19 for 1 foreign workers. SOCSO contribution for month of Dec-18 for 49 local workers.</p>	Complied

Criterion / Indicator		Assessment Findings				Compliance	
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	Records on Lost Time Accident (LTA) metrics at mill/estates had been verified to be in satisfactory trending. JKKP 8 been submitted to DOSH annually.				Complied	
		Year	Pahang Palm Div. 1	Oil Estate	Maran Estate		Carotino Palm Oil Mill
		2017	0 case		10 case (with total 10 days LTI)		0 case
		2018	0 case		9 case (with total 8 days LTI)		0 case
<b>Criterion 4.8:</b> All staff, workers, smallholders and contract workers are appropriately trained.							

Criterion / Indicator	Assessment Findings	Compliance
4.8.1	<p>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.</p> <p>- Major compliance -</p>	<p>Formal training program for the year 2018/2019 available and implemented. Regular assessment of training conducted to ensure understanding among the employees. Trainings conducted include a formal training programme on all aspects of RSPO Principles and Criteria and the Supply Chain Certification System. The various trainings conducted and the training records maintained to be acceptable.</p>
		Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.8.2	Records of training for each employee shall be maintained. - Minor compliance -	Records of training for each employee was maintained at all visited operating units. Sample of training carried out in 2018/2019 were: Pahang Oil Palm Estate Div. 1: a) Lubricant Handling & Contamination Training dated 17/5/18 b) Spraying/Using Chemical Training dated 12/6/18 c) Schedule waste management Training dated 19/6/18 d) Rat Baiting Training dated 19/7/18 Maran Estate: a) Harvesting Training dated 25/4/18 b) Tractor Driving Training dated 12/4/18 c) PPE Training dated 5/9/18 d) Emergency Response Plan Training dated 1/8/18 e) Rat Baiting Training dated 10/11/18 Carotino Palm Oil Mill: a) Biogas Engine Station Training dated 6/1/19 b) Press Station Training dated 18/12/18 c) Kernel Plant Training dated 12/12/18 d) Empty Bunch Press Training dated 12/12/18	Complied
<b>Principle 5: Environmental responsibility and conservation of natural resources and biodiversity</b>			
<b>Criterion 5.1:</b> 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.			

Criterion / Indicator		Assessment Findings	Compliance
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	Environmental Impact Assessment was done through SEIA conducted by Wild Asia where report dated 22/1/2009 was available for verification. Among the identified significant aspects were water quality and availability, contamination of soil or water, air pollution in the form of dust emissions or greenhouse gas emissions, loss of bio-diversity.  Carotino Production unit has carried out the annual review of environmental impacts in term of Environmental and Social Improvement Plan. The review was last carried out on 15/9/17. The plan incorporated the environmental aspect and impacts with mitigation plans for mill and estates activities.	Complied
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	The continuous implementation of the improvements activities were checked during the field and document audit. The environmental management plan has been established to monitor the identified significant activities that give impacts on environment. A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented. Nonetheless, during the site visit at the mill, it was observed that the urgency of returning the un-shredded EFB into the shredding process system can be improved in order to prevent the EFB leachate from escaping to the surrounding storm drain (OFI).	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.1.3	<p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Continuous awareness training programme has been carried out by the company to its workers and other stakeholders. Carotino POM had also delivered its obligation to report its environmental performance by submitting its Environmental Mainstreaming Tools (EMT) once in every 6 months (verified report dated 7/6/2018 and 31/12/2018) and third party Environmental Audit (verified report dated 6/9/2018 by GS Alam Lestari Solutions).</p>	Complied
<p><b>Criterion 5.2:</b>            The status of rare, threatened or endangered species and 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 and operations managed to best ensure that they are maintained and/or enhanced.</p>			
5.2.1	<p>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).</p> <p>- Major compliance -</p>	<p>A final 'A conservation assessment of Carotino's Peninsular Malaysian Estates – Conservation values and recommendations' dated 22 January 2008 by WildAsia is made available. The report identifies habitat areas of significance within the estates and makes recommendations for their conservation. This includes a timetable for implementation of riverine buffers and suggests support for the conservation of lowland forest and karsts areas surrounding the estates.</p>	Complied
5.2.2	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	<p>There is no RTE species identified at the visited estates. Nonetheless, since Berkelah Forest Reserve is located adjacent to both visited estates, management plan was established which includes demarcation of boundary with Berkelah FR, communication with appropriate stakeholders to create awareness about conservation programmes.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	Evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities were maintained and implemented. Signage was utilised as part of creating awareness among employees on the restriction of capturing/harming/collecting/killing the RTE species. At Maran Estate, "Pengumuman Kesedaran Nilai Pemuliharaan Tinggi" conducted on 4/6/2018 during muster meeting.	Complied
5.2.4	Where a management plan has been created there shall be ongoing monitoring: • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	Based on the assessment conducted by WildAsia, there was no area within the estates that has been classified as HCV. There were only conserved areas which were mainly riparian zones areas that cannot be planted. These areas were monitored, nonetheless. The conservation management plan which was documented as conservation improvement plan has been reviewed on yearly basis where the plan includes monitoring of buffer zone area and conservation area in the estate and surrounding area.	Complied
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 -	No HCV set asides with existing rights of local communities have been identified.	Complied
<b>Criterion 5.3:</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			



Criterion / Indicator		Assessment Findings	Compliance
5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Visits made to Mill together with estates showed that all waste products and sources of pollution were identified and documented as per the Waste and Waste Products Identification and Disposal Plan, F/007-06/2016 The documentation and identification of all the waste products such as scheduled wastes, domestic wastes and recyclable wastes (e.g. metal, plastic, paper, etc.) mill waste and polluting materials e g. used lubricants, boiler ash and empty fruit bunches were maintained and monitored at the Mill. Scheduled Waste identified included spent hydraulic oil (SW 305), used filters SW 410 and empty container (SW409).	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.3.2	<p>All chemicals and their containers shall be disposed of responsibly.</p> <p>- Major compliance -</p>	<p>At Pahang OP and Maran estates, ECC sent to Indah Agro Sdn Bhd (agrochemical supplier) – verified “<i>Pengesahan Pengambilan Barang-barang Lusuh</i>” (Receipt acknowledgement of worn item) dated 8/1/2019 (Pahang OP) and 14/1/2019 (Maran).</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.3</p> <p>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>- Minor compliance -</p>	<p>Domestic wastes handling is guided by "Guidelines on Garbage Disposal" [F/006-06/2016, dated 21/12/2016]. Method recommended is by land filling at a strategic location i.e. 500 m from residential area and 200 m from any watercourse. Based on site visit, the handling of domestic wastes was carried out according to its guideline.</p> <p>Recyclable wastes were voluntary collected by workers and sold to the estate's sundry shop. The sundry shop later sold to recyclers for disposal. Verified transaction receipt at Pahang OP #35288 dated 20/11/2018 and at Maran #43248 (15/7/18), 43249 (20/10/18) and 43250 (17/12/18), where items were carton boxes, aluminium cans and plastic mineral bottle.</p> <p>At all the visited operating units, scheduled wastes were handled and disposed in accordance to legal regulations. The following are among the sampled consignment notes verified:  #20180711111AMNX3, dated 10/7/18 for SW410 – contaminated rags/oil filters  #20180711102037YH, dated 10/7/18 for SW305 – spent lubricants  #2018071110RPK2D9, dated 10/7/18 for SW409 – contaminated containers  #2018081015EDY8L1, dated 8/8/18 for SW404 – clinical wastes</p>	<p>Complied</p>
<p><b>Criterion 5.4:</b>  Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		

Criterion / Indicator		Assessment Findings	Compliance
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 -	Plan for improving efficiency of fossil fuel was spelt out in Renewable Energy Plan for Carotino POM (doc. No. Sustainability 5.4.1, dated 5/1/2019). Among the plans established by the operating units were: - Closely monitor the diesel engine running hour - Optimise the diesel engine only running for start and stoppage of the boiler - Optimise the biogas engine to supply energy to reduce diesel engine hour - regular service of diesel powered tractors and machinery  Monitoring of diesel fuel consumption was done by all the visited operating units. The data was then used for GHG calculating by using the RSPO GHG Calculator.	Complied
<b>Criterion 5.5:</b> 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 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	Based on Guideline on Group's Long Term Replanting Planning [A/016-05/2018, dated 20/6/2018], burning is restricted in the event of replanting. There was no replanting activity at all the visited estates. Nonetheless, the management personnel understood the requirements of zero burning.	Complied
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	NA – no replanting at the visited estates.	Not applicable
<b>Criterion 5.6:</b> Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			

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Criterion / Indicator		Assessment Findings	Compliance									
5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	The Mill and estates had reviewed the environmental impact assessment on potential pollution to water, gaseous emissions to air and contamination on land. Monitoring of mill gas emissions is being done online using the Continuous Emissions Monitoring System (CEMS) and supported by the Ringelman Smoke Chart.  Results of stack sampling for boiler no. 2 and 3 are as follows: <table border="1"> <thead> <tr> <th>Boiler</th> <th>1<sup>st</sup> half 2018</th> <th>2<sup>nd</sup> half 2018</th> </tr> </thead> <tbody> <tr> <td>No. 2</td> <td>0.327 g/Nm<sup>3</sup></td> <td>0.307 g/Nm<sup>3</sup></td> </tr> <tr> <td>No. 3</td> <td>0.138 g/Nm<sup>3</sup></td> <td>0.119 g/Nm<sup>3</sup></td> </tr> </tbody> </table>	Boiler	1 <sup>st</sup> half 2018	2 <sup>nd</sup> half 2018	No. 2	0.327 g/Nm <sup>3</sup>	0.307 g/Nm <sup>3</sup>	No. 3	0.138 g/Nm <sup>3</sup>	0.119 g/Nm <sup>3</sup>	Complied
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5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH <sub>4</sub> ) emission through POME treatment. The mill has its own bio-gas plant where the captured methane is used to provide fuel to 2 units of generator set. Other less significant GHG emissions identified including CO <sub>x</sub> , SO <sub>x</sub> and NO <sub>x</sub> from various sources including fossil fuel, chemical and fertilizer consumptions.	Complied									
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 -	RSPO GHG Calculator was used. The data input in the RSPO GHG calculator was found to be accurate and traceable though verification of various documents such as Stock issued summary, effluent sample result, store issuance report and bin cards to name a few.	Complied									
<p><b>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</b></p> <p><b>Criterion 6.1:</b>            Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>												

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Criterion / Indicator		Assessment Findings	Compliance
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	Social and Environmental Impact Assessment was conducted by Wild Asia on 14-17/10/2008 with documented report dated 14/1/2009. The assessment conducted was involved site visits, document reviewed and interviewed with the relevant stakeholders such as workers, suppliers, villagers, government authorities and etc.	Complied
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The assessment was conducted with the participation of relevant stakeholders such as internal and external stakeholders. The approach of the assessment was reported in the SEIA report dated 14-17/10/2008. The management plan also incorporated the issues raised in Joint Consultative Meeting, Gender Committee Meeting and Stakeholder Meeting in the Social Improvement Plan.	Complied
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 -	Annually, each of the estate and mill will review the Environmental and Social Improvement Plan following the meeting/ discussion/ visit with internal and external stakeholder i.e. meeting minutes, visit record, workers survey, etc. It was noted that the Environmental and Social Improvement Plan has been updated on 12/9/2018 for Carotino POM, 15/9/2017 for Pahang Oil Palm Estate 1 and Maran Estate. The new action plan were having the section for Environmental, OSH, Water management, HCV management, Plantation operation management and Social Plan.	Complied
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 -	Starting 2017, the action plan for SEIA will be reviewed for every 2 years and each of the estate and mill will review the Environmental and Social Improvement Plan following the meeting/ discussion/visit with internal and external stakeholder i.e. meeting minutes, visit record, workers survey, etc. It was noted that the Environmental and Social Improvement Plan has been updated on the month of September for the visiting site of CPOM, Asia and Pahang Estate.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	Not applicable.  No smallholder schemes in the certification unit.	Not applicable
<b>Criterion 6.2:</b> There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	JC Chang Group has established SOP on Mechanism for Communication and Consultation with Doc. Ref. No. E/004/07-2015 dated 8/9/2015. There are three methods of communication such as below: <ul style="list-style-type: none"> <li>• Consultative with employees and others stakeholders</li> <li>• Gender group (female) consultation</li> <li>• Free prior informed consent</li> </ul> Mechanisms of the communication such as Joint Consultative Committee (JCC), Complaints and Grievance Procedure and suggestion box are available outside the office.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Assistant Manager (Mohd Zafri & G. Saravanan) on 08.08.2017 (Pahang Oil Palm 1 Estate) and Junior Assistant (Mr. Shaufiq Anaz) on 01.01.2019 (Maran Estate) have been nominated as the person responsible for issues such as consultation and communication requirements.  The notice of appointed persons was displayed at the notice board outside the mill office.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	Complied
<b>Criterion 6.3:</b> There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected 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 -	Complied
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance –	Complied
<b>Criterion 6.4:</b> 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.		



Criterion / Indicator		Assessment Findings	Compliance
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 -	JC Chang Group has developed a SOP for Identifying Legal and Customary Rights and Identifying People Entitled to Compensation with Doc. Ref. No. E/002-04/2017 dated 28/12/2017. The procedure has detailing the procedure on how to identify the legal and customary rights, procedure on calculating and distributing fair compensation as well as documentation of the outcome of compensation.	Complied
6.4.2	A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land. - Minor compliance -	SOP as per criterion 6.4.1.	Complied
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 -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit.	Complied
<b>Criterion 6.5:</b> 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.			

Criterion / Indicator		Assessment Findings	Compliance
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	<p>Mill and estates have employed local and foreign workers. All the workers are under direct employment. Sampled payslip for Dec 18, Oct 18 and Aug 18 as below:</p> <p>Pahang Oil Palm 1 Estate:</p> <ol style="list-style-type: none"> <li>1. Employee ID: PE1002262 (POPE 1)</li> <li>2. Employee ID: PE100174 (POPE 1)</li> <li>3. Employee ID: PE100160 (POPE 1)</li> <li>4. Employee ID: P0P0205 (POPE 1)</li> <li>5. Employee ID: PE100101 (POPE 1)</li> <li>6. Employee ID: MR100404 (ME)</li> <li>7. Employee ID: MR100384 (ME)</li> <li>8. Employee ID: MR100401 (ME)</li> <li>9. Employee ID: MR100248 (ME)</li> <li>10. Employee ID: MR100125 (ME)</li> <li>11. Employee ID: MR100331 (ME)</li> <li>12. Employee ID: G0317 (CPOM)</li> <li>13. Employee ID: G0320 (CPOM)</li> <li>14. Employee ID: G0130 (CPOM)</li> <li>15. Employee ID: G0139 (CPOM)</li> <li>16. Employee ID: G0002 (CPOM)</li> <li>17. Employee ID: G0311 (CPOM)</li> </ol> <p>All the sampled workers were achieved the minimum wage accordance to Minimum Wage Order 2016 which achieved RM 1000/ month or RM 38.50/ day for 2018 pay slip sampled. The new minimum wage order 2018 has been added in the legal register list and applicable for January 2019 salary onwards.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.2</p> <p>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.</p> <p>- Major compliance -</p>	<p>Employment contract are available in language that understood by workers. The contract has detailing the payments and employment conditions such as period of working, working hour, medical assistance, housing, holiday and annual leave, period of notice and etc. The contract was signed by the workers and sampled contracts as below:</p> <ol style="list-style-type: none"> <li>1. Employee ID: PE1002262 (POPE 1)</li> <li>2. Employee ID: PE100174 (POPE 1)</li> <li>3. Employee ID: PE100160 (POPE 1)</li> <li>4. Employee ID: P0P0205 (POPE 1)</li> <li>5. Employee ID: PE100101 (POPE 1)</li> <li>6. Employee ID: MR100404 (ME)</li> <li>7. Employee ID: MR100384 (ME)</li> <li>8. Employee ID: MR100401 (ME)</li> <li>9. Employee ID: MR100248 (ME)</li> <li>10. Employee ID: MR100125 (ME)</li> <li>11. Employee ID: MR100331 (ME)</li> <li>12. Employee ID: G0317 (CPOM)</li> <li>13. Employee ID: G0320 (CPOM)</li> <li>14. Employee ID: G0130 (CPOM)</li> <li>15. Employee ID: G0139 (CPOM)</li> <li>16. Employee ID: G0002 (CPOM)</li> <li>17. Employee ID: G0311 (CPOM)</li> </ol> <p>All the workers who joined before the enforcement of new Minimum Wage Order 2016 had signed on detail of changes on terms and conditions of employment. The appendix has detailing the new daily and monthly rate.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>- Minor compliance –</p>	<p>The workers were provided with housing, free water and electricity supply, medical and education assistance such as school bus in Carotino POM, Maran Estate and Pahang Estate. This is evident as per employment contract and line site visit.</p> <p>In Carotino POM and estates’ line-site has been inspected on weekly basis by EHA and the Line Site Report Book by EHA was sighted. Other than that, the electricity is provide through gen-set and the water treated. Seen the water treatment analysis result-drinking water analysis which was conducted annually. The Laboratory is Permulab Sdn Bhd (Drew Ameroid (M) Sdn Bhd) licensed with MS ISO/IEC 17025 Testing Samm No 127 on 24.12.18, E-Coli and total Coliform is absent for Pahang Estate. In Maran Estate, the water analysis been sampled on 01.03.2018, E-Coli is absent while no parameter for Total Coliform been tested, hence Minor NC been raised under requirement 4.1.2.</p>	Complied
6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p>	<p>Sundry shops were located in the mill and estates’ compound. The goods and foods price list was displayed at the shop. Sri Jaya small town is around 22 km from the mill and estates complexes. For school children, mill and estate shared the school bus provided.</p>	Complied
<p><b>Criterion 6.6:</b>            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.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	J.C. Chang Group has established Social and Human Rights Policy dated 15 January 2018 signed by the Estate Director. The policy has a statement where the management is respect the right of employees to join any association freely. In Pahang Oil Palm 1 Estate, the policy has been briefed to the employees on 20-29/01/2018 and on 05.01.2018 in Carotino POM. Attendant list was sighted. The policy was displayed at the notice board outside the office.	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	Joint Consultative Committee (JCC) was established to discuss issues related to workers. The committee was formed by different nationality such as Nepal, Indonesia and local. All the workers' representatives were elected democratically by all the workers themselves. The meeting being conducted every four months. The JCC meeting was conducted quarterly. For example, the last meeting was conducted 13/12/2018, 25/09/2018, 19/06/2018 and 20.03.2018 for Carotino POM, 05/01/2019, 10/10/2018, 09/07/2018 and 10/04/2018 for Maran Estate, 12/12/2018, 14/09/2018, 20/06/2018 and 14/03/2018 for Pahang Oil Palm 1 Estate. Meeting minutes is sighted and actions have been taken to resolve the issues raised by the workers.	Complied
<b>Criterion 6.7:</b> Children are not employed or exploited.			

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Criterion / Indicator		Assessment Findings	Compliance
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	J.C. Chang Group has established Social and Human Rights Policy 15 January 2018 signed by the Estate Director. The policy has a statement where the management will not employ underage children. The policy was displayed at the notice board outside the office. The policy has been briefed to the employees on 05.01.2018 for Carotino POM, 15/01/2018 for Maran Estate and 29.01.2018 in Pahang Estate. Attendant list was sighted.  Document reviewed of the workers' list in mill and estate found that the management did not employ workers less than 18 years old.	Complied
<b>Criterion 6.8:</b> 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 -	JC Chang Group has established Equal Opportunities Policy dated 1/7/2012 signed by the Estate Director. All the employees with calibre will be given equal opportunities to participate in relevant development programmes. The policy was displayed at the notice board outside the office. In Carotino POM the policy has been briefed to the employees on 05/01/2018, in Maran Estate the training was conducted on 15/01/2018 and in Pahang Estate, the training has been conducted on 01/03/2018, 15/06/2018, 01/07/2018 and 08/09/2018. Attendant list with photos were sighted.	Complied
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 -	The management is committed to ensure that the workplace is free from discrimination or any forms of discriminatory harassment. They treated all the employees equally irrespective of sex, marital status, age, race, national origin, religion and political beliefs. The management has recruited female and male workers. It was also confirmed through interview the workers from mill and estates.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	The management recruited the employees based on skills, experiences and attitude of the employees is appropriate to the positions offered. The management will provide development programme to those who are competent and capable without any discrimination or prejudice.  It was also confirmed through interview the workers from mill and estates and verified their individual workers files (contract, increments and training records).	Complied
<b>Criterion 6.9:</b> There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	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 -	JC Chang Group has established Sexual Harassment Policy dated 1/7/2012 signed by the Estate Director. The policy is to promote a workplace that is free of sexual harassment. The policy was displayed at the notice board outside the office. The policy has been briefed to the employees on 05/01/2018 in Carotino POM, on 15/1/2018 in Maran Estate and in Pahang Estate on 26/05/2018 & 24/09/2018. Attendant list was sighted.  Six monthly of the gender committee meeting will emphasize on the policy and process for lodging complaint for sexual harassment.	Complied
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 -	JC Chang Group has established Policy of Reproductive Rights with Doc. Ref. No. E/015-01/2015 dated 8/9/2015. The management respects the rights of reproductive as part of human rights. The policy was displayed at the notice board outside the office. The policy has been briefed to the employees on 26.05.2018 at Pahang Oil palm 1 Estate.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.9.3	<p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p>	<p>Complied</p>
<p><b>Criterion 6.10:</b>            Growers and mills deal fairly and transparently with smallholders and other local businesses.</p>		
6.10.1	<p>Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>- Minor compliance -</p>	<p>Complied</p>
6.10.2	<p>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).</p> <p>- Major compliance -</p>	<p>Complied</p>
6.10.3	<p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>- Minor compliance -</p>	<p>Complied</p>



Criterion / Indicator		Assessment Findings	Compliance
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Not applicable as the management unit did not has any business dealing with smallholder.	Complied
<b>Criterion 6.11:</b> 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 –	Contributions are regularly made to school activities and community activities. Donation has been contributed to local community such as: Carotino POM: a. Contribution of school transport for Jan 18 – Oct 18. b. Education Aid 2018 Maran Estate: a. Annual education Aid. b. Monthly school bus for worker’s children. c. Worker Welfare-Contribution of 505.80 kg chicken for Hari Raya Haji on 21.08.2019. Pahang Estate: a. Annual education Aid. b. Monthly school bus for worker’s children. Worker Welfare-Contribution of 180 chicken for Hari Raya Haji on 21.08.2019.	Complied
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 –	No scheme smallholders included within certified Carotino POM complex.	Not applicable
<b>Criterion 6.12:</b> No forms of forced or trafficked labour are used.			

Criterion / Indicator		Assessment Findings	Compliance
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	Social and Human Rights Policy 15 January 2018 signed by the Estate Director. The policy has a statement where the management will not employ underage children. The policy was displayed at the notice board outside the office. The policy has been briefed to the employees on 05/01/2018 for Carotino POM, 15/01/2018 for Maran Estate and 29.01.2018 in Pahang Estate. Attendant list was sighted.  Attendant list was sighted. The workers have signed on a consent letter to tender the passport voluntarily to the management for safety issue.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	No contract of substitution is sighted.	Complied
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	Social and Human Rights Policy is implemented. All the workers were treated equally and no discrimination occurred. Carotino POM and supply bases unit did not employed temporary workers.	Complied
<b>Criterion 6.13:</b> 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 -	Social and Human Rights Policy 15 January 2018 signed by the Estate Director. The policy has a statement where the management is respect the right of employees to join any association freely. The policy was displayed at the notice board outside the office. The policy has been briefed to the employees on 05/01/2018 for Carotino POM, 15/01/2018 for Maran Estate and 29.01.2018 in Pahang Estate. Attendant list was sighted.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable as estates were located in Peninsular.	Complied
<b>Principle 7: Responsible development of new plantings</b>			
Carotino Palm Oil Mill Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this annual surveillance assessment. The immature areas are replanted area.			
<b>Principle 8: Commitment to continual improvement in key areas of activity</b>			
<b>Criterion 8.1:</b> Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			

Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p> <p>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.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides(Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);               <ul style="list-style-type: none"> <li>• Optimising the yield of the supply base.</li> </ul> </li> <li>- Major compliance -</li> </ul>	<p>Sustainability improvement plan for 2018/2019 available.</p> <p>Minimise the use of certain pesticides:</p> <ul style="list-style-type: none"> <li>- Mature &amp; immature palm (P&amp;D control : spraying with biological control chemical planting &amp; weeding predator host plant, rat control and RB)</li> <li>- IPM implementation (BOB, beneficial maintenance)</li> <li>- Rotor slashing field inter-row</li> <li>- Cover crop upkeep and maintenance</li> </ul> <p>Environmental impacts &amp; pollution and GHG emission</p> <ul style="list-style-type: none"> <li>- Conservation of riparian buffer zone</li> <li>- Maintenance of field drain</li> <li>- Road maintenance programme</li> <li>- River water monitoring</li> <li>- Waste collection, segregation and recycling</li> <li>- Zero burning practice for land preparation</li> </ul> <p>Social impacts</p> <ul style="list-style-type: none"> <li>- CSR project</li> <li>- House repair and maintenance</li> </ul>	<p>Complied</p>

**Appendix B: Approved Time Bound Plan**

The Takon Production Unit is the last Unit to be certified under Carotino/ JC Chang Group. The Takon Palm Oil Mill and its FFB supplying plantations under the JC Chang group was seeking to be certified by April 2016. The Takon Production Unit comprises of 1 palm oil mill and 4 oil palm plantations located in the State of Sabah, Malaysia. However the following are some of the challenges raised for a deferment:

**Reasons / Justification for deferring RSPO certification plan for Takon Production Unit.**

1. The original proposed plan to certify Takon Production Unit in Sabah was somewhat over ambitious as it was based on the achievement of other Production Units where some basic preparatory works were started 2 to 3 years ahead of its pre and main assessments. The CB commented that the plan was challenging connotes that somewhat over-zealous on the plan proposed.
2. The overly long delay of more than a year by CB and RSPO Board to vet and re-vet Production Units' certification report and limited premium paid / uptake on certified products had created disappointment and a sense of uncertainty on the RSPO certification process and direction which somehow had affected the zest and drive to pursue vigorously on the preparatory works for Takon Production Unit in Sabah.
3. As Takon Production Units in Sabah have out-grower supply base, their reluctance and unpreparedness to embrace RSPO certification voluntarily has somewhat setback their pace to initiate the certification process as previously planned. More than 50% of FFB received are from outsider farm.
4. The pace of development for RSPO certification in Takon Production Unit was generally slowed by lack of personnel with the right knowledge, exposure and experience in the operating unit to stimulate RSPO enthusiasm and to spur the necessary trainings and other preparatory works.
5. By the process, plantation groups which have become member of RSPO should plan for certification soonest so as to demonstrate their sincerity for being a member and not to hitch a ride on the RSPO name. Hitherto, many large Malaysia plantation groups which have become member have yet to get any of their production units certified. As such, in all fairness and in the spirit of RSPO, it is pertinent to ponder whether this is more inappropriate and un-abiding that the deferment of the stated plans to certify Takon Production Unit in Sabah.

No.	Production Units	Location	Status	TBP	Remark
1	<b>Asia Palm Oil Mill</b>		Certified	Certified on 31/01/2013 Recertification completed in November 2017.	
	i) Melewar Estate 2	Lahad Datu, Sabah			
	ii) Hwa Li Estate 3	Lahad Datu, Sabah			
	iii) Asia Oil Palm Estate 2	Lahad Datu, Sabah			
2	<b>Melewar Palm Oil Mill</b>		Certified	Certified on 7/2/2014	
	i) Gerola Estate	Lahad Datu, Sabah			
	ii) Pahang Oil Palm Estate 2	Lahad Datu, Sabah			
	iii) Pahang Oil Palm Estate 3	Lahad Datu, Sabah			

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	iv) Melewar Estate 1	Lahad Datu, Sabah			
	v) Tye Yang Estate	Lahad Datu, Sabah			
3	<b>Carotino Palm Oil Mill</b>		Certified	Certified on 27/11/2010. Recertification completed in 2015	
	i) Maran Estate	Kuantan, Pahang			
	ii) Asia Oil Palm Estate	Kuantan, Pahang			
	iii) Hwa Li Estate 1	Segamat, Johor			
	iv) Hwa Li Estate 2	Segamat, Johor			
	v) Pahang Oil Palm Estate 1	Kuantan, Pahang			
4	<b>Takon Palm Oil Mill</b>		Pending main assessment	2019 (Exact period will depend on RSPO approval on the HCV disclosure)	<p>The last remaining production unit is pending for RSPO Main Assessment which is supposed to be completed in 2016. However, the assessment was deferred due to the withdrawal of SGS as certification body. Currently, the delay of Main Assessment is due to pending of approval on HCV Disclosure by RSPO. Updates on JC CHANG GROUP HCV compensation concept note</p> <p>i) On 22/9/2016, J C Chang Group submitted his "Reporting template for disclosure of areas cleared without prior HCV assessment since November 2005.</p> <p>ii) No social liability for the loss of HCVs 4, 5 and 6</p> <p>iii) Total 9.79ha of raw non-complaint land clearing are reported based on LUCA submitted.</p> <p>2). Disclosure template mentioned approved by RSPO and J C Chang Group follow up with RaCp Concept note and conservation plan</p> <p>3). Concept note approved by RSPO on area to area compensation (Muis Melewar</p>
	i) Pelita Estate	Lahad Datu, Sabah			
	ii) Muis Melewar Plantation 1	Tawau, Sabah			
	iii) Muis Melewar Plantation 2	Lahad Datu, Sabah			
	iv) Takon Estate	Lahad Datu, Sabah			

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					<p>Plantation 1 liability compensated under Asia Oil Palm Estate 1). However the concept of additionality and knowledge-based aspects are not fulfilled with HCV status and conservation plan is very basic 4). Conservation plan been improved and submitted but RSPO requested more or bigger plan for the submission on compensation plan under Annex 8</p> <p>5). On 23rd October 2017, we have engaged Wildasia to review of documents (HCV report, RSPO comments, RSPO compensation plan</p>
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**Appendix C: GHG Reporting Executive Summary**

The GHG emissions that were produced in 2018 for Carotino Palm Oil Mill and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in 2018 for Carotino Palm Oil Mill and supply basFe are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	1.05
PKO	1.05

Extraction	%
OER	20.28
KER	5.08

Production	t/yr
FFB Process	105,265.71
CPO Produced	21,349.95
PK Produced	5,343.22

Land Use	Ha
OP Planted Area	9,148.68
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	383.92
<b>Total</b>	<b>9,532.60</b>

**Summary of Field Emission and Sink**

	Own Crop*		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB
<b>Emission</b>								
Land Conversion	78,881.91	0.75	-	-	-	-	78,881.91	0.75
CO <sub>2</sub> Emission from fertilizer	11,936.92	0.11	-	-	-	-	11,936.92	0.11
NO <sub>2</sub> Emmision	6,100.57	0.06	-	-	-	-	6,100.57	0.06
Fuel Consumption	3,102.07	0.03	-	-	-	-	3,102.07	0.03
Peat Oxidation	0	0	-	-	-	-	0	0
<b>Sink</b>								
Crop Sequestration	-76,014.84	-0.72	-	-	-	-	-76,014.84	-0.72
Conservation Sequestration	0	0	-	-	-	-	0	0



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<b>Total</b>	24,006.63	0.23	-	-	-	-	24,006.63	0.23
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\*Note: Includes both estates and smallholders

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	6,476.45	0.06
Fuel Consumption	165.68	0
Grid Electricity Utilisation	0	0
<b>Credit</b>		
Export of Grid Electricity	-420.56	0
Sales of PKS	-3,025.33	-0.33
Sales of EFB	0	0
<b>Total</b>	<b>3,196.24</b>	<b>0.03</b>

**Summary of Kernel Crusher Emission and Credit (if applicable)**

Emissions	tCO <sub>2</sub> e
PK from own mill	5,600.59
PK from other source	0
Fuel Consumptions	0
<b>Total Crusher emissions</b>	<b>0</b>

\*This mill has no kernel crusher operation.

<b>Palm Oil Mill Effluent (POME) Treatment:</b>	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

<b>POME Diverted to Anaerobic Digestion:</b>	
Divert to anaerobic pond (%)	21.17
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	78.83

**Appendix D: General Chain of Custody Requirements for the Supply Chain**

<b>5.1 Applicability of the general chain of custody requirements for the supply chain</b>			
	<b>Requirement</b>	<b>Evidence</b>	<b>Compliance</b> (Yes / No or N/A) For any N/A raised, justification is required.
5.1.1	The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.	Carotino Palm Oil Mill takes legal ownership and physically handles its RSPO certified oil palm products i.e. CPO and PK.	Yes
5.1.2	Traders and distributors require a licence obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Carotino POM is not a trading company. Therefore, this requirement is not applicable.	Yes
5.1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	The parent company (JC Chang Group) is the member of RSPO. Membership No.: 2-0029-06-000-00 since 5/3/2010. Palmtrace member ID: RSPO_PO1000000128 (Carotino Sdn Bhd).	Yes
5.1.4	Processing aids do not need to be included within an organization's scope of certification.	Processing aids are not used in the milling process.	Yes
<b>5.2 Supply chain model</b>			

5.2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	The FFB suppliers are of RSPO certified estates which consists of Carotino certification unit only. Declassification of the CPO or PK was done in accordance to the correct order.	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Carotino POM is IP certified and sales of the products were of IP or conventional only.	Yes
<b>5.3. Documented Procedures</b>			
5.3.1	<p>The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> </ul>	<p>There were 13 SOPs for critical points established in order to implement RSPO SC:</p> <ol style="list-style-type: none"> <li>1) SOP reception station (13/08/2018)</li> <li>2) Grading station (1/10/2016)</li> <li>3) Pressing station (12/12/11)</li> <li>4) Clarification station (12/12/11)</li> <li>5) Nut Station (11/12/11)</li> <li>6) Kernel Plant (13/12/11)</li> <li>7) Bio-gas plant (15/1/14)</li> <li>8) Storage (16/12/16)</li> <li>9) Dispatch (20/10/17)</li> <li>10) ETP (12/12/11)</li> <li>11) RSPO SCC Standard Products Calculation, Doc Ref No: MBC/10-04/2018-CPOM (06/12/18)</li> <li>12) Mechanism for handling non-conforming FFB (16/08/18)</li> <li>13) Records and documentation (19/06/18)</li> </ol>	Yes
	<ul style="list-style-type: none"> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> </ul>	<p>Among the records included in the procedures are:</p> <ul style="list-style-type: none"> <li>• FFB receiving</li> <li>• Weighbridge tickets</li> <li>• Dispatch of CPO/PK –</li> <li>• weighbridge ticket, delivery order,</li> <li>• shipping document</li> <li>• Summary Mass Balance</li> </ul>	Yes

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		<ul style="list-style-type: none"> <li>Daily production report</li> </ul> <p>Internal audit report</p>	
	<ul style="list-style-type: none"> <li>Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization's procedures for the implementation of this standard.</li> </ul>	<p>Overall responsibility is assigned to the Admin Officer (Ms. Norzilawati Abdul Ghafar). Ref.: Appointment letter from Mill Manager dated 7/7/2014 and SOP for RSPO SCC Standard Products Calculation, Doc Ref No: MBC/10-04/2018-CPOM dated 6<sup>th</sup> December 2018.</p>	Yes
5.3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <p>i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p>	<p>Ref.: Guideline for Internal Auditing of the Sustainability System, T/001-03/2018, dated 3/6/2018. The procedure consists of the following elements:</p> <ul style="list-style-type: none"> <li>Procedure details – responsibility of internal lead auditor, frequency, sampling, reporting, handling of non-conformities (issuing and closing), records keeping</li> <li>Frequency of Internal Audit to be conducted is on a planned basis over the course of a year.</li> </ul>	Yes
	<p>ii) effectively implements and maintains the standard requirements within its organization</p>	<p>The latest internal audit has been conducted on 06/06/2018 by Mr. Seow Chee Chiang, Ms. Stearonthia, Ms. Hasni Asis and Mr. Carl's Ewis Julius and 7 Major RSPO SCCS.</p>	Yes
<b>5.4. Purchasing and goods in</b>			
5.4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <li>The name and address of the buyer;</li> <li>The name and address of the seller;</li> <li>The loading or shipment/delivery date;</li> <li>The date on which the documents were issued;</li> </ul>	<p>When FFB delivered to the mill from the estates, the transporters presented Delivery Order (DO) and in some cases, estate's weighbridge tickets to the mill weighbridge clerk in order the FFB to be received by the mill.</p> <p>E.g. of information available in the dispatch tickets is as follows:</p> <ul style="list-style-type: none"> <li>FFB Dispatch Chit No. - 26021</li> <li>Estate's names – Maran Estae</li> <li>Date &amp; time of delivery – 12/12/2018, 9.47 a.m.</li> <li>Field No. – 010-A</li> </ul>	Yes

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	<ul style="list-style-type: none"> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<p>E.g. of information available in the estate’s weighbridge tickets is as follows:</p> <ul style="list-style-type: none"> <li>• Name of estates – Maran Estate</li> <li>• Field No. – 10A</li> <li>• Name of driver – Mr. XXX</li> <li>• Vehicle no. – JHG3871</li> <li>• Weighbridge ticket no. – FFB18003567W</li> <li>• Date &amp; time of delivery – 12/12/2018, 9.47 a.m.</li> <li>• Total bunches – 680</li> <li>• Seal no. – 0026021</li> </ul> <p>Net weight – 6.95 mt</p>	
	<ul style="list-style-type: none"> <li>• Information shall be completed and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>	<p>The information was available in various documents such as delivery order and weighbridge tickets.</p>	<p>Yes</p>
	<ul style="list-style-type: none"> <li>• The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	<p>The mill does not accept any crop other than Carotino/JC Chang Group.</p>	<p>N/A</p>
	<ul style="list-style-type: none"> <li>• A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (<a href="http://www.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> </ul>	<p>The mill does not accept any crop other than Carotino/JC Chang Group.</p>	<p>Yes</p>
	<ul style="list-style-type: none"> <li>• The validity of licence for traders and distributors shall also be checked via the RSPO website at least annually or through the</li> </ul>	<p>The mill does not accept any crop other than Carotino/JC Chang Group.</p>	<p>N/A</p>

	RSPO IT platform by confirmation of shipping announcements / announcements.		
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	Ref.: Mechanism For Handling Non-Conforming FFB, MEC-02/2014-CPOM dated 14/12/14. Based on the procedure, if certificate of the FFB supplier found to be invalid, the FFB shall be downgraded to non-certified and the CPO and PK produced from the material shall also be downgraded accordingly.	Yes
<b>5.5. Outsourcing activities</b>			
5.5.1	In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mil cannot outsource processing activities like refining or crushing.  This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).	Not applicable. No outsourced activity for processing.	Yes
5.5.2	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a. The site has legal ownership of all input material to be included in outsourced processes;	Not applicable. No outsourced activity for processing.	N/A
	b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and	Not applicable. No outsourced activity for processing.	N/A

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	enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.		
	c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.	Not applicable. No outsourced activity for processing.	N/A
	d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.	Not applicable. No outsourced activity for processing.	N/A
5.5.3	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourced activity for processing.	N/A
5.5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourced activity for processing.	N/A
<b>5.6. Sales and goods out</b>			
5.6.1	<p>The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form.</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/ delivery date;</li> <li>• The date on which the documents were issued;</li> </ul>	<p>Asia POM ensured the required information is available in document form. Sampled contract: CA3240 (CSPO) and CA2829 (CSPK)</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer: XXXX</li> <li>• The name and address of the seller: Carotino Sdn Bhd (Carotino Palm Oil Mill) PT 116, Lot No. 3840, Mukim Ulu Lepar, 26500 Kuantan, Pahang.</li> <li>• The loading or shipment/ delivery date: e.g. 1/11/2018</li> </ul>	Yes

	<ul style="list-style-type: none"> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<ul style="list-style-type: none"> <li>• The date on which the documents were issued; e.g. 1/11/2018</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations): e.g. Crude Palm Oil (CPO/IP)RSPO Sustainable Palm Kernel (MB) or Palm Kernel (PK/IP)</li> <li>• The quantity of the products delivered: e.g. 37.07 mt</li> <li>• Any related transport documentation: e.g. Despatch note no. 7771</li> <li>• Supply chain certificate number of the seller: e.g. On weighbridge ticket e.g. RSPO 649410</li> </ul> <p>A unique identification number - Available in a few documents e.g. DN no., seal no., etc.</p>	
	<ul style="list-style-type: none"> <li>• Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>	<p>Information is complete and available in various documents such as sales contract, mill weighbridge ticket and delivery note.</p>	<p>Yes</p>
	<ul style="list-style-type: none"> <li>• For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	<p>Verification of transaction summary extracted from PalmTrace confirmed that all announcements for CSPO and CSPK were in order.</p>	<p>Yes</p>
<p><b>5.7. Registration of transactions</b></p>			
<p>5.7.1</p>	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries and;</li> <li>• take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, Refer Annex</li> </ul>	<p>The registration of PalmTrace is carried out by Carotino Sdn Bhd, Pasir Gudang, Johor. All transaction will be registered in the PalmTrace.</p>	<p>Yes</p>



	1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable.		
5.7.2	The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:	Based on the announcement summary, all the registrations were found to be in order.	Yes
	<ul style="list-style-type: none"> <li>Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> </ul>		
	<ul style="list-style-type: none"> <li>Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</li> </ul>	Not applicable. Products are not sold beyond refinery.	N/A
	<ul style="list-style-type: none"> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> </ul>	Based on the MB accounting, the removal of volumes was done correctly when the products were sold as conventional or other scheme (e.g. ISCC).	Yes
	<ul style="list-style-type: none"> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	Based on the announcement summary, all the confirmations were found to be in order.	Yes
<b>5.8. Training</b>			
5.8.1	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.	Training plan for 2018/2019 - by Stations were available – incorporation with other training plans. The dates varies depending on the departments.	Yes

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5.8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.	<p>Relevant personnel to supply chain implementation as defined by the CU are the personnel that involve in supply chain implementation – weighbridge clerk, lab personnel, supervisors, grader, admin officer and technical assistant. In Carotino case, 7 personnel were identified.</p> <p>Based on training records, last trainings were:</p> <ul style="list-style-type: none"> <li>• Admin Officer: 12.04.2018</li> <li>• Mill Assistant: 06.06.2018</li> <li>• Weighbridge clerk: 10.05.2018</li> <li>• Supervisor: 14.05.2018 &amp; 26.6.2018</li> <li>• Lab Assistant: 23.4.2018, 27.06.2018 and 18.06.2018</li> </ul>	Yes
<b>5.9. Record Keeping</b>			
5.9.1	The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.	All the sampled records related to the movements of RSPO certified materials and products were found to be accurate, complete, up-to-date and accessible.	Yes
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	<p>The mill maintained its records related to supply chain for at least 5 years as per RSPO SCC Standard Products Calculation, Doc Ref No: MBC/10-04/2018-CPOM (06/12/18).</p> <p>Sampled: CPO and PK weighbridge tickets and DO for February 2015 – all records/documents were still in place. Despatch slip from Carotino POM to Carotino Sdn Bhd on 12.01.2015, CPO 36.76 MT Ticket No: CPO15000030W dated 12.01.2015, lorry CAS7733/TN4257.</p>	Yes
5.9.3	The organization shall be able to provide the estimate volume of palm oil/palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	NA – product of the CPO mill is containing 100% palm oil.	Yes

<b>5.10. Conversion factors</b>			
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its Derivaties. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Conversion factor of CPO and PK production is depending on the actual OER and KER. The average for latest conversion on 17.01.2019 20% (OER) & 5.03% (KER).	Yes
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	The facility is using the actual yield (OER and KER) performance.	Yes
<b>5.11. Claims</b>			
5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	No claims or usage of trade logo in the product of CPO and PK.	Yes
<b>5.12. Complaints</b>			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Addressed in the E/001-06/2017, dated 6/1/2017, – internal/external complaint shall be handled through SOP on Mechanism for Complaint and Grievances. Means of lodging complaints - unlimited verbally/writing. Recording of verbal complaint is through utilization of "Format of Grievance and Complaints Register" [ref.: Clause 13 of the procedure] – in the format has the information about: <ul style="list-style-type: none"> <li>• Nature of complaint</li> <li>• Details of complainants – name, date and contact info</li> <li>• Details of Recipient of complainant – Name, date, designation</li> <li>• Action taken to settle the grievance by (Level...)</li> <li>• Ref/Date Informed the Complainant</li> </ul>	Yes

		<ul style="list-style-type: none"> <li>Remarks (if any)</li> </ul> <p>There has been no complaint with regards to RSPO SCC since the last audit.</p>	
<b>5.13. Management Review</b>			
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.	<p>Addressed in the E/001-06/2017, dated 6/1/2017, – internal/external complaint shall be handled through SOP on Mechanism for Complaint and Grievances. Means of lodging complaints - unlimited verbally/writing. Recording of verbal complaint is through utilization of "Format of Grievance and Complaints Register" [ref.: Clause 13 of the procedure] – in the format has the information about:</p> <ul style="list-style-type: none"> <li>Nature of complaint</li> <li>Details of complainants – name, date and contact info</li> <li>Details of Recipient of complainant – Name, date, designation</li> <li>Action taken to settle the grievance by (Level...)</li> <li>Ref/Date Informed the Complainant</li> <li>Remarks (if any)</li> </ul> <p>There has been no complaint with regards to RSPO SCC since the last audit.</p>	Yes
5.13.2	<p>The input to management review shall include information on:</p> <ul style="list-style-type: none"> <li>Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>Customer feedback.</li> <li>Status of preventive and corrective actions.</li> <li>Follow-up actions from management reviews.</li> <li>Changes that could affect the management system.</li> <li>Recommendations for improvement.</li> </ul>	<p>Addressed in the E/001-06/2017, dated 6/1/2017, – internal/external complaint shall be handled through SOP on Mechanism for Complaint and Grievances. Means of lodging complaints - unlimited verbally/writing. Recording of verbal complaint is through utilization of "Format of Grievance and Complaints Register" [ref.: Clause 13 of the procedure] – in the format has the information about:</p> <ul style="list-style-type: none"> <li>Nature of complaint</li> <li>Details of complainants – name, date and contact info</li> </ul>	Yes

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		<ul style="list-style-type: none"> <li>• Details of Recipient of complainant – Name, date, designation</li> <li>• Action taken to settle the grievance by (Level...)</li> <li>• Ref/Date Informed the Complainant</li> <li>• Remarks (if any)</li> </ul> <p>There has been no complaint with regards to RSPO SCC since the last audit.</p>	
5.13.3	<p>The output from the management review shall include any decisions and actions related to:</p> <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	<p>The output of management review covers:</p> <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes – the result of the management review on the CAP taken.</li> <li>• Resource needs – Person in charge appointed.</li> </ul>	Yes

<b>General corporate communications</b>			
4.1	<p>A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.</p>	<p>Carotino POM has not using any corporate communication on its product (CPO and PK).</p>	N/A

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4.2	<p>In corporate communications a member is allowed to:</p> <ul style="list-style-type: none"> <li>a. Display its RSPO membership status</li> <li>b. Display the RSPO web address (www.rspo.org)</li> <li>c. State that the member supports the work of the RSPO</li> <li>d. State the member’s history with regard to the RSPO.</li> <li>e. Use the RSPO trademark to promote its membership of the RSPO.</li> </ul> <p>Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text ‘Check our progress at www.rspo.org’ where the link must lead to the member’s profile page.</p>	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
4.3	<p>In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.</p>	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
4.4	<p>Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member’s own products.</p>	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
4.5	<p>Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications &amp; Claims document. This is for the sole use of the RSPO secretariat.</p>	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
<b>Business to business communications</b>			
5.1	<p>Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.</p>	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A

5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
5.3	<p>Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options:</p> <p>a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation.</p> <p>b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.</p>	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
5.4	<p>A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must not be labelled as certified or sold in such a way that implies RSPO certification.</p> <p>For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.</p>	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A

<b>Business to consumer communication</b>			
6.1	Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as 'product-specific' claims. Product-specific claims are voluntary.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body	Carotino POM has not using any corporate communication on its product (CPO and PK).	N/A



	<p>(CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on <a href="http://www.rspo.org">www.rspo.org</a>.</p>		
<b>MODULE A – IDENTITY PRESERVED &amp; SEGREGATED SPECIFIC RULES</b>			
<b>Certified oil palm content (IP)</b>			
	<p>For IP, 95% or above of the oil palm content must be RSPO IP-certified.</p>	<p>Carotino POM has apply 100% IP for its product (CPO &amp; PK).</p>	<p>N/A</p>
	<p>For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.</p>	<p>Carotino POM has apply 100% IP for its product (CPO &amp; PK).</p>	<p>N/A</p>
	<p>Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.</p>	<p>Carotino POM didn't use any RSPO label and trademark for its product (CPO &amp; PK).</p>	<p>N/A</p>
<b>Labelling and trademark (IP)</b>			

	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <p>a. RSPO trademark which includes the tag 'CERTIFIED' or RSPO trademark which includes the tag 'This product contains certified sustainable palm oil'. Wherever a RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4pt (1.4 mm or 0.06 inch). In on-pack communications, the RSPO trademark can be printed anywhere on the pack.</p>	<p>Carotino POM didn't use any RSPO label and trademark for its product (CPO &amp; PK).</p>	<p>N/A</p>
<b>Messaging (IP)</b>			
	<p>Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements:</p> <ul style="list-style-type: none"> <li>• The oil palm products contained in this product have been certified to come from RSPO sources. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• The entire supply chain is monitored by independent, RSPO-accredited auditors. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. <a href="http://www.rspo.org">www.rspo.org</a></li> </ul>	<p>Carotino POM didn't use any RSPO label and trademark for its product (CPO &amp; PK).</p>	<p>N/A</p>

	References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records.		
<b>MODULE B – MASS BALANCE SPECIFIC RULES</b>			
<b>Minimum Mass Balance content (MB)</b>			
	95% or above of the oil palm content must be RSPO MB-certified.	Not applicable as only IP module is used	N/A
	Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the non-certified volume must be covered by equivalent volume of RSPO Credits.	Not applicable as only IP module is used	N/A
<b>Labelling and trademark (MB)</b>			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> <li>• Surrounded by the text: 'Certified sustainable palm oil'.</li> <li>• The RSPO label MUST contain the tag 'MIXED'. The tag MIXED designates oil palm products sourced under the Mass Balance (MB) supply chain system, which administratively balances inputs and outputs of certain palm oil volumes. The tag 'MIXED' on a product does not guarantee that the product itself contains the certified material; some or all of it may reside in a product that does not carry a claim.</li> <li>• The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'.</li> <li>• Wherever the RSPO trademark is displayed, the applicable trademark license number must be shown immediately under</li> </ul>	Not applicable as only IP module is used	N/A

	<p>or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4 pt (1.4 mm or 0.06 inch).</p> <p>In on-pack communications, the RSPO trademark can be printed anywhere on the pack. Further guidance on use of the trademark is provided in the RSPO Trademark License Terms and Conditions and in Annex 1 of the Rules on Market Communications &amp; Claims document.</p>		
<b>Messaging (MB)</b>			
	<p>Messaging <b>ALLOWED</b> in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> <li>• [Oil palm products]/[palm oil]/[palm kernel oil] from RSPO-certified mills and plantations were mixed with non-certified oil palm products in the supply chain.</li> <li>• The volume of [oil palm products]/[palm oil]/[palm kernel oil] in this product reflects an equivalent volume of palm oil or palm kernel oil produced by RSPO certified mills and plantations.</li> </ul> <p>In off-product communications, reference to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown in company records is allowed.</p>	Not applicable as only IP module is used	N/A
	<p>Messaging <b>NOT ALLOWED</b> in storytelling in product-related communications:</p> <p>Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product.</p>	NA	N/A
<b>MODULE C – PARTIAL PRODUCT CLAIMS</b>			
	<p>To increase awareness among consumers of the availability of sustainable oil palm products and to help accelerate the uptake, it is permissible to make a claim on product when the percentage</p>	Not applicable as only IP module is used	N/A

	<p>of the oil palm content is less than 95% certified, but only when the following conditions have been met:</p> <ul style="list-style-type: none"> <li>• The member making the claim is the end product manufacturer, is an RSPO member and is certified against the RSPO SCCS or is an RSPO retailer member authorized to use the trademark by the RSPO.</li> <li>• At least 50% of the oil palm content has been supplied through an RSPO certified supply chain as IP, SG or MB.</li> <li>• The remainder of the oil palm content that is not RSPO-certified is covered by the purchase of RSPO Credits to an equivalent volume.</li> <li>• The product-specific claim is limited to only the following phrase: 'This product contributes to the production of certified sustainable palm oil'.</li> </ul> <p>The use of the RSPO label with this claim is mandatory and must include the tag '50% MIXED'. No other percentage is allowable within this claim.</p>		
<b>MODULE D – COMBINED SUPPLY CHAIN MODELS SPECIFIC RULES</b>			
	<p>Where a mixture of inputs supplied through different RSPO supply chain models are present in a product, the following applies:</p> <p>75% IP + 20% SG =&gt; 95% SG claim is made          65% SG + 30% MB =&gt; 95% MB claim is made          55% MB + 40% B&amp;C =&gt; 95% partial product claim can be made          45% SG + 55% B&amp;C &lt; 50% B&amp;C claim can be made</p>	<p>Not applicable as only IP module is used</p>	<p>N/A</p>
	<p>Where one supply chain model accounts for 95% of the oil palm content, the claim for this specific model may be made:</p>	<p>Not applicable as only IP module is used</p>	<p>N/A</p>

	95% IP + 5% MB => 95% IP IP claim can be made 95% SG + 5% MB => 95% SG SG claim can be made 95% MB + 5% C => 95% MB MB claim can be made		
<b>5.12. Complaints</b>			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	<p>Addressed in the E/001-06/2017, dated 6/1/2017, – internal/external complaint shall be handled through SOP on Mechanism for Complaint and Grievances. Means of lodging complaints - unlimited verbally/writing. Recording of verbal complaint is through utilization of “Format of Grievance and Complaints Register” [ref.: Clause 13 of the procedure] – in the format has the information about:</p> <ul style="list-style-type: none"> <li>• Nature of complaint</li> <li>• Details of complainants – name, date and contact info</li> <li>• Details of Recipient of complainant – Name, date, designation</li> <li>• Action taken to settle the grievance by (Level...)</li> <li>• Ref/Date Informed the Complainant</li> <li>• Remarks (if any)</li> </ul> <p>There has been no complaint with regards to RSPO SCC since the last audit.</p>	Yes
<b>5.13. Management Review</b>			
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.	Carotino POM has the Audit Procedures & Management Review, Doc Ref No: T/001-03/2018 dated 03.06.2018 – Guideline For Internal Auditing and Management Review of the Sustainability and Supply Chain System mentioned that the management review should be performed annually at planned intervals which at appropriate scale and nature of Group activities.	Yes

		Management review minutes of meeting sighted been conducted on 08.06.2018, chaired by Mr. Tan Geong Hui, Regional Controller.	
5.13.2	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	The input of management review covers: <ol style="list-style-type: none"> <li>1. Results of internal audits covering RSPO Supply Chain Certification Standard – latest internal audit was conducted on xx</li> <li>2. Customer feedback – no special stakeholder or customer feedback reported at the time of audit.</li> <li>3. Status of preventive and corrective actions – the corrective action plan were reviewed and updated.</li> <li>4. Follow-up actions from management reviews – as per time bound plan for correction.</li> <li>5. Changes that could affect the management system – recommendation from ICT.</li> </ol>	Yes
5.13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	The output of management review covers: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes – the result of the management review on the CAP taken.</li> <li>• Resource needs – Person in charge appointed.</li> </ul>	Yes

**Appendix E: CPO Mill Supply Chain Assessment Report (Module D - CPO Mills: Identity Preserved)**

D.1 Definition			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)

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D.1.1	A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. 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. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.	Carotino Palm Oil Mill only receives certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.	Yes
<b>D.2 Explanation</b>			
D.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report ( <i>See Table 10</i> ).	Yes
D.2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).	Verification of the transaction summary from RSPO Palmtrace showed that the mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	Yes
<b>D.3 Documented procedures</b>			



D.3.1	<p>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:</p> <p>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</p>	<p>Written documented procedures, Sustainable Mill SOP, for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and noncertified FFB. The IP model is used because only certified FFB from own supply base is received and processed at Carotino Palm Oil Mill.</p> <p>Among the established SOP are:</p> <ul style="list-style-type: none"> <li>i) CCP/01-03/2018 (SOP at Reception Station)</li> <li>ii) CCP/08-04/2017 (SOP to dispatch CP and PK), dated 20/10/17</li> <li>iii) MBC-02/2014-CPOM (SOP for RSPO SCC Standard Products Calculation, dated 18/12/14)</li> <li>iv) Mechanism For Handling Non-Conforming FFB, MEC-02/2016-CPOM dated 16/8/2016</li> <li>v) SOP for reporting and documentation, CP/12-03/2014. Dated 19/12/14</li> </ul>	Yes
	<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>The mill manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. Based on interview with the mill manager, he was able to explain and demonstrate the implementation of the company's supply chain procedures.</p>	Yes
D.3.2	<p>The site shall have documented procedures for receiving and processing certified FFBs.</p>	<p>Carotino Palm Oil mill has documented procedures (as mentioned above in D 3.1) for the incoming FFB, processing and outgoing palm products (CPO and PK). The procedure covers receiving and processing certified and non-certified FFBs.</p>	Yes
<p><b>D.4 Purchasing and goods in</b></p>			

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D.4.1	The site shall verify and document the tonnage and sources of certified FFBS received.	<p>Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records verified by internal and external audit. Carotino mill have system to verify at the weighbridge.</p> <p>When FFB delivered to the mill from the estates, the transporters presented Delivery Order (DO) and in some cases, estate's weighbridge tickets to the mill weighbridge clerk in order the FFB to be received by the mill.</p> <p>E.g. of information available in the dispatch tickets is as follows:</p> <ul style="list-style-type: none"> <li>• FFB Dispatch Chit No. - 26021</li> <li>• Estate's names – Maran Estae</li> <li>• Date &amp; time of delivery – 12/12/2018, 9.47 a.m.</li> <li>• Field No. – 010-A</li> </ul> <p>E.g. of information available in the estate's weighbridge tickets is as follows:</p> <ul style="list-style-type: none"> <li>• Name of estates – Maran Estate</li> <li>• Field No. – 10A</li> <li>• Name of driver – Mr. XXX</li> <li>• Vehicle no. – JHG3871</li> <li>• Weighbridge ticket no. – FFB18003567W</li> <li>• Date &amp; time of delivery – 12/12/2018, 9.47 a.m.</li> <li>• Total bunches – 680</li> <li>• Seal no. – 0026021</li> <li>• Net weight – 6.95 mt</li> </ul>	Yes
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	There was no overproduction projected. Nonetheless, the facility is aware to this requirement.	
<b>D.5 Record keeping</b>			

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D.5.1	<p>The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</p> <p><i>IP Mill must report on real time basis.</i></p>	<p>The mill is able to record and balance all its receipts of certified FFB and deliveries of certified CPO and PK through the utilization of its "Daily Production Figure" report. As at 17/1/2019:</p> <p>FFB processed = 472.79 mt</p> <p>B/f from 16/1: CPO = 620.48 mt, PK = 135.74 mt</p> <p>Produced: CPO = 94.57 mt, PK = 23.79 mt</p> <p>Dispatch: CPO &amp; PK = 0 mt</p> <p>Balance: CPO = 715.05 mt, PK = 159.53 mt</p>	Yes
<b>D.6 Processing</b>			
D.6.1	<p>The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non- certified oil palm product including during transport and storage to strive for 100% separation.</p>	<p>Based on verification of FFB receipt records, it was confirmed that only certified source of FFB from own plantation were processed. Therefore, there was no mixing of non-certified FFB in production of CPO and PK.</p> <p>Processing and storage records can be traced back to only certified segregated FFB and finish product (CPO and PK) through traceability records such as weighbridge records and FFB dispatch chit. This ensures that 100% segregated materials are reached.</p>	Yes

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**Supply Chain Declaration** *(Applicable For Appendix E)*

<b>A. Monthly Records of Certified and Uncertified FFB Received since the last audit</b>				
<b>No.</b>	<b>Month - Year</b>	<b>Volume of FFB from certified supply bases (mt)</b>	<b>Volume of FFB from uncertified supply bases (mt)</b>	<b>Total FFB/Month (mt)</b>
1	Feb 18	10,698.83	-	10,698.83
2	Mar 18	11,921.59	-	11,921.59
3	Apr 18	9,706.83	-	9,706.83
4	May 18	8,368.49	-	8,368.49
5	Jun 18	6,977.21	-	6,977.21
6	Jul 18	7,808.63	-	7,808.63
7	Aug 18	10,459.49	-	10,459.49
8	Sep 18	12,053.75	-	12,053.75
9	Oct 18	13,146.13	-	13,146.13
10	Nov 18	14,124.76	-	14,124.76
11	Dec 18	14,647.55	-	14,647.55
	Total	119,913.26		119,913.26

<b>B. Monthly Records of Certified CPO &amp; PK since the last audit</b>			
<b>No.</b>	<b>Month - Year</b>	<b>Certified CPO (mt)</b>	<b>Certified PK (mt)</b>
1	Feb 2018	2,088.41	745.72
2	Mar 2018	2,416.91	638.58
3	Apr 2018	2,036.15	522.85
4	May 18	1,719.31	453.87
5	Jun 18	1,445.66	338.62
6	Jul 18	1,592.62	355.14
7	Aug 18	2,129.90	518.48
8	Sep 18	2,498.12	616.31
9	Oct 18	2,632.19	638.59
10	Nov 18	2,790.68	693.10
11	Dec 18	2,849.70	685.03
	Total	24,199.65	6,206.29

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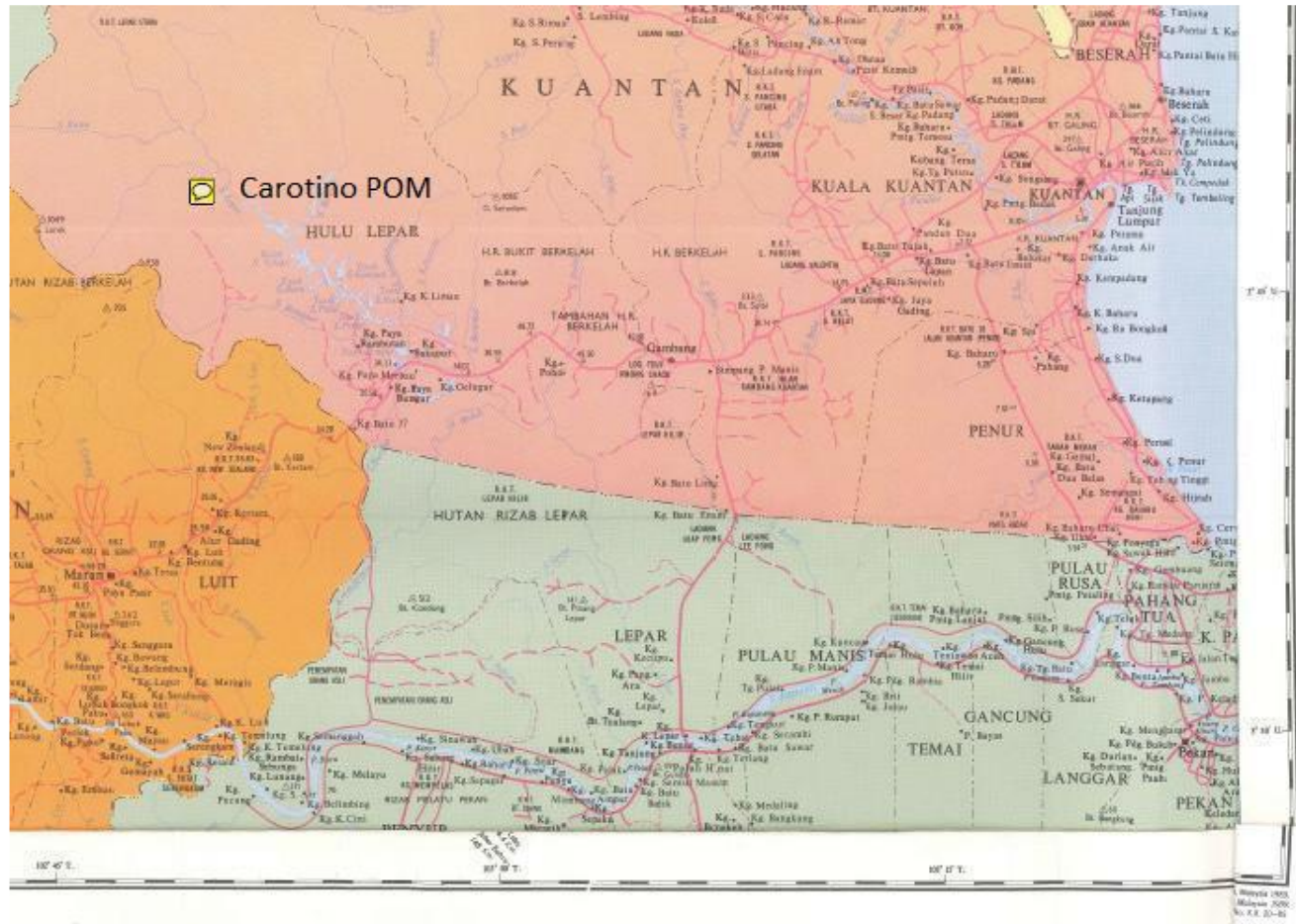
<b>C. Records of Certified CPO &amp; PK Sold under PalmTrace to Buyers since the last audit (if any)</b>				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1.	Buyer 1	RSPO_PO1000000034	6,417.15	
2.	Buyer 1	RSPO_PO1000005894	5,078.58	
3	Buyer 2	RSPO_PO1000001551		2,787.57
4.	Buyer 3	RSPO_PO1000002945		2,558.01
		Total	11,495.73	5,345.58

<b>D. Records of CPO &amp; PK Sold under other schemes to Buyers since the last audit (if any)</b>				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
1	Buyer 1	ISCC	12,439.25	

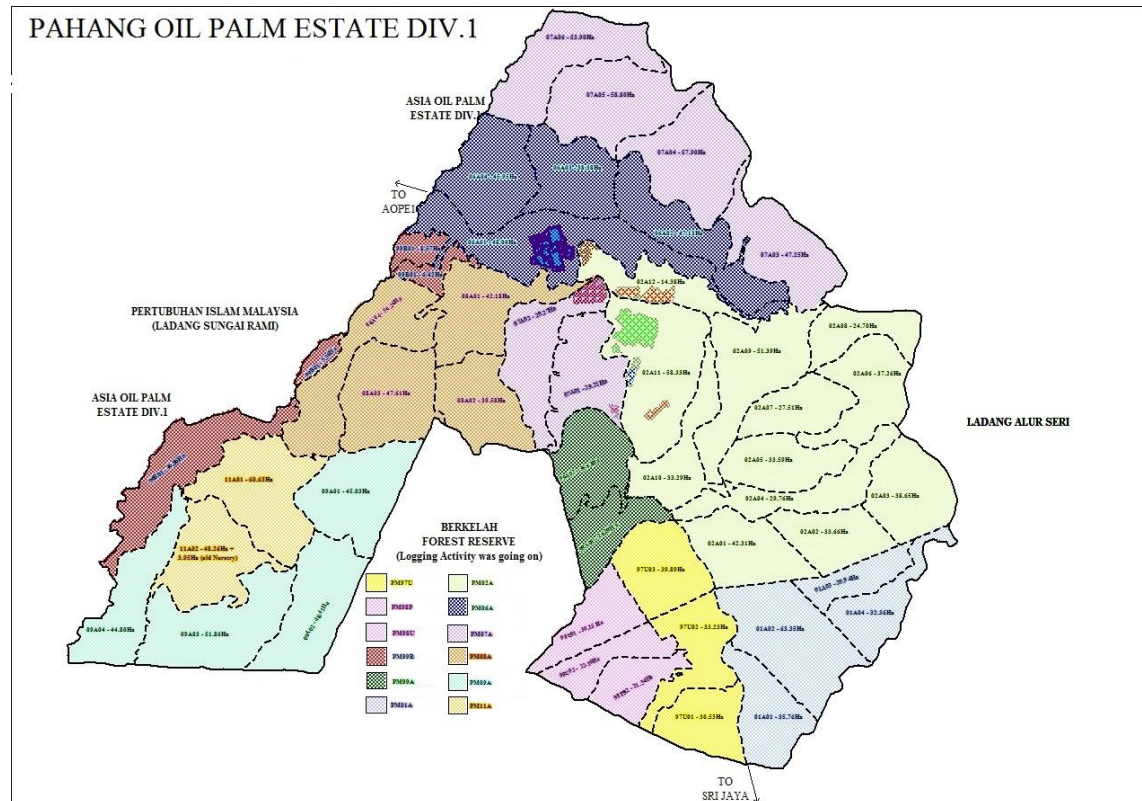
<b>E. Records of CPO &amp; PK Sold as conventional to Buyers since the last audit (if any)</b>				
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)	
1	Buyer 4		467.52	
2	Buyer 5		222.48	
	Total		690.00	

<b>F. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any)</b>			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
Nil			

**Appendix F: Location Map of Carotino Palm Oil Mill Certification Unit and Supply bases**

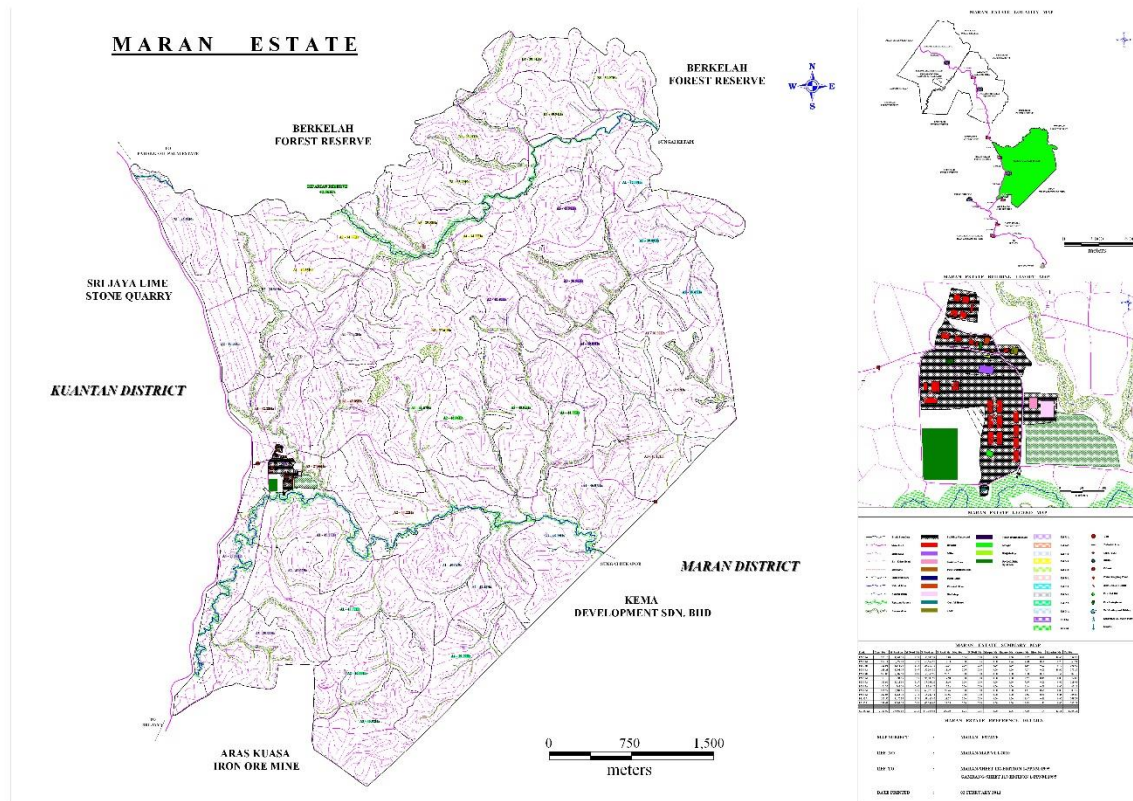


**Appendix G: Pahang Oil Palm Estate 1 Field Map**





**Appendix H: Maran Estate Field Map**





**Appendix I: List of Smallholder Sampled** *(If applicable – scheme/associated/group certification)*

Not applicable.

## Appendix J: List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure