

**RSPO PRINCIPLE AND CRITERIA –
1st ANNUAL SURVEILLANCE ASSESSMENT (ASA1_1)
Public Summary Report**

Carotino/JC Chang Group
Client company Address: Unit 30-01, Level 30, Menara Landmark No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor, Malaysia
Certification Unit: Melewar Palm Oil Mill and supply base (Melewar Production Unit) Location of Certification Unit: KM 45, Off Jalan Lahad Datu – Sandakan 91100 Lahad Datu, Sabah, Malaysia

TABLE of CONTENTS

Page No

Section 1: Scope of the Certification Assessment.....	4
1. Company Details.....	4
2. Certification Information.....	4
3. Other Certifications	4
4. Location(s) of Mill & Supply Bases	5
5. Description of Supply Base.....	5
6. Plantings & Cycle	5
7. Certified Tonnage of FFB (Own Certified Scope)	6
8. Certified Tonnage of FFB (from other certified unit(s))	6
9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)	6
10. Certified Tonnage	7
11. Actual Sold Volume (CPO).....	7
12. Actual Sold Volume (PK).....	7
13. Actual Group certification Claims	7
Section 2: Assessment Process	8
2.1 Assessment Methodology, Programme, Site Visits	8
2.2 BSI Assessment Team:.....	9
2.3 Assessment Plan	10
Section 3: Assessment Findings	13
3.1 Normative requirement applied for this assessment:.....	13
3.2 Time Bound Plan progress for multiple management units	13
3.3 Progress of scheme smallholders and/or outgrowers (if applicable to this assessment) .	15
3.4 Details of findings.....	15
3.4.1 Status of Nonconformities Previously Identified and Observations.....	19
3.4.2 Summary of the Nonconformities and Status.....	23
Formal Signing-off of Assessment Conclusion and Recommendation	27
Appendix A: Summary of Findings	28
Appendix B: Approved Time Bound Plan.....	104
Appendix C: GHG Reporting Executive Summary	108
Appendix D: General Chain of Custody Requirements for the Supply Chain.....	110
Appendix E : CPO Mill Supply Chain Assessment Report (Module E- CPO Mills: Mass Balance)	129
Supply Chain Declaration (<i>Applicable For Appendix E</i>).....	134

RSPO Public Summary Report
Revision 8 (Mar /2019)

Appendix F: Location Map of Melewar Palm Oil Mill and Supply bases	137
Appendix G: Pahang Estate 3 Field Map	138
Appendix I: Melewar Estate 2 Field Map	140
Appendix J: Gerola Estate Field Map	141
Appendix K: Tye Yang Estate Field Map.....	142
Appendix L: Melewar Estate 1 Field Map.....	143
Appendix M: List of Smallholder Sampled (<i>If applicable – scheme/associated/group certification</i>)	144
Appendix N: List of Abbreviations	145

Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	2-0029-06-000-00	Membership Approval Date	05/03/2010
Parent Company Name	Carotino/JC Chang Group		
Address	Unit 30-01, Level 30, Menara Landmark, No. 12, Jalan Ngee Heng 80000 Johor Bahru, Johor, Malaysia		
Subsidiary (Certification Unit Name)	Melewar Palm Oil Mill (Melewar Production Unit)		
Address	Location of Certification Unit: KM 45, Off Jalan Lahad Datu – Sandakan 91100 Lahad Datu, Sabah, Malaysia		
Contact Name	Mr Seow Chee Chiang		
Website	www.carotino.com	E-mail	seowcc@jcc.com.my
Telephone	+607 2231633 (Head Office) +6089 567012 (Mill)	Facsimile	+607 224 1546 (Head Office) +6089 563091 (Mill)

2. Certification Information			
Certificate Number	RSPO 651276	Date of First Certification	07/02/2014
		Certificate Start Date	07/02/2019
		Certificate Expiry Date	06/02/2024
Scope of Certification	Palm oil and Palm Kernel Production		
Applicable Standards	RSPO P&C MY-NI 2014; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module E – Mass Balance)		

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
50450564MSPO	MS2530-4:2013 MSPO Part 4: General Principles for Palm Oil Mills	DQS Certification (M) Sdn Bhd	25/06/2020
	MS2530-3:2013 MSPO Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		25/06/2020
EU-ISCC-CERT-DE101-16450565	ISCC	DQS Certification (M) Sdn Bhd	02/05/2020

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS Coordinates	
		Latitude	Longitude
Melewar Palm Oil Mill	KM 45, Off Jalan Lahad Datu – Sandakan 91100 Lahad Datu, Sabah, Malaysia	5° 16' 21.50" N	118° 03' 12.4" E
Gerola Estate	Kinabatangan, Lahad Datu, Sabah	5° 12' 18.74" N	118° 2' 4.56" E
Tye Yang Estate	Kinabatangan, Lahad Datu, Sabah	5° 14' 33.03" N	117° 59' 58.59" E
Melewar Estate 1	Kinabatangan, Lahad Datu, Sabah	5° 15' 49.11" N	118° 3' 48.66" E
Pahang Oil Palm Estate 2	Kinabatangan, Lahad Datu, Sabah	5° 17' 37.88" N	118° 8' 21.87" E
Pahang Oil Palm Estate 3	Kinabatangan, Lahad Datu, Sabah	5° 22' 27.72" N	118° 8' 18.62" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Gerola Estate	1,403.37	-	184.03	1,587.40	88.41
Tye Yang Estate	3,344.62	-	415.28	3,759.90	88.96
Melewar Estate 1	1,978.42	-	344.76	2,323.18	85.16
Pahang Oil Palm Estate 2	2,387.00	-	284.80	2,671.80	89.34
Pahang Oil Palm Estate 3	2,391.11	-	228.19	2,619.30	91.29
Total (ha)	11,504.52	-	1,457.06	12,961.58	88.41

6. Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Gerola Estate	323.72	549.61	-	345.99	184.05	1079.65	323.72
Tye Yang Estate	1,480.26	599.29	312.11	677.38	275.58	1864.36	1,480.26
Melewar Estate 1	293.98	1136.73	139.88	407.83	0	1684.44	293.98
Pahang Oil Palm Estate 2	478.81	606.83	-	198.13	1103.23	1908.19	478.81
Pahang Oil Palm Estate 3	707.95	-	-	1683.16	-	1683.16	707.95
Total (ha)	3284.72	2892.46	451.99	3312.49	1562.86	8219.80	3,284.72

RSPO Public Summary Report
Revision 8 (Mar /2019)

7. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Feb 2019-Jan 2020)	Actual (Nov 2018-Oct 2019)	Forecast (Feb 2020- Jan 2021)
Gerola Estate	32,146.00	22,730.38	26,983.13
Tye Yang Estate	35,450.45	47,761.42	52,074.00
Melewar Estate 1	46,500.00	31,958.53	39,238.00
Pahang Oil Palm Estate 2	33,100.00	38,405.18	29,790.00
Pahang Oil Palm Estate 3	34,200.00	43,171.93	36,676.00
Total	181,396.45	184,027.44	184,761.13

Notes: FFB forecast is slightly lower than actual due to replanting program in 2020 for Melewar Production Unit (Melewar Estate 1: 337.73 Ha, Gerola Estate: 320.72 Ha, Tye Yang Estate: 1,287.65 Ha, POP 2: 263.68 Ha & POP3: 445.33 Ha).

8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *			
Estate	Tonnage / year		
	Estimated (Feb 2019-Jan 2020)	Actual (Nov 2018-Oct 2019)	Forecast (Feb 2020- Jan 2021)
Hwa Li Estate 3	N/A	2,234.96	N/A
Melewar Estate 2		1,197.75	
Asia Estate 2		640.63	
Total		4,073.34	

9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (Feb 2019-Jan 2020)	Actual (Nov 2018-Oct 2019)	Forecast (Feb 2020- Jan 2021)
Independent FFB Supplier	20,787.05	19,870.87	18,242.54

RSPO Public Summary Report
Revision 8 (Mar /2019)

10. Certified Tonnage			
	Estimated (Feb 2019-Jan 2020)	Actual (Nov 2018-Oct 2019)	Forecast (Feb 2020- Jan 2021)
	FFB	FFB	FFB
Mill Capacity: 60 MT/hr	181,396.45 mt	188,100.78 mt	184,761.13 mt
SCC Model: MB	CPO (OER: 21.62%)	CPO (OER: 20.96%)	CPO (OER: 20.01%)
	39,186.27 mt	39,392.57 mt	36,970.70 mt
	PK (KER: 6.05%)	PK (KER: 4.90%)	PK (KER: 5.01%)
	10,976.80 mt	9,136.11 mt	9,256.53 mt

Remark:

1. Extension volume requested for CSPO: 2000 MT and CSPK: 1000 MT
2. Period of Nov 18-Jan 19: FFB tonnage: 54,804.02 MT, CPO: 11172.32 MT & PK: 2604.31 MT.
3. Period of Feb 19-Oct 19: FFB tonnage: 133,296.76 MT, CPO: 28220.25 MT & PK: 6531.80 MT.

11. Actual Sold Volume (CPO)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
CPO (MT)	7,312.88 mt	31,591.76 mt	-	-	38,904.64 mt

Conventional product = product that is produced using certified FFB but sold without RSPO claim.

12. Actual Sold Volume (PK)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
PK (MT)	8,914.96 mt	-	-	-	8,914.96 mt

Conventional product = product that is produced using certified FFB but sold without RSPO claim.

13. Actual Group certification Claims		
	Credit	Physical Volume (MT)
IS-CSPO	-	-
IS-CSPKO	-	-
IS-CSPKE	-	-

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: ASI-ACC-067)
Suite 29.01 Level 29, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Tel +603-92129638 Fax +603-92129639
Nicholas Cheong: Nicholas.Cheong@bsigroup.com
www.bsigroup.com

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 assessment was conducted from **04-07/11/2019**. 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 onsite Major NC closure visit was conducted on **19/12/2019** by Muhammad Fadzli Masran.

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 & Criterias 2013 (MYNI-2014) and RSPO Supply Chain Certification Standard 2017 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

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

RSPO Public Summary Report
Revision 8 (Mar /2019)

the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

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 initial assessment/annual surveillance 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

Assessment Program					
Name (Mill / Supply Base)	Year 1 (Recertification)	Year 2 (ASA 1_1)	Year 3 (ASA 1_2)	Year 4 (ASA 1_3)	Year 5 (ASA 1_4)
Melewar Palm Oil Mill	✓	✓	✓	✓	✓
Gerola Estate	✓		✓		
Tye Yang Estate	✓			✓	
Melewar Estate 1		✓		✓	
Pahang Oil Palm Estate 2		✓			✓
Pahang Oil Palm Estate 3			✓		✓

Tentative Date of Next Visit: October 19, 2020 – October 22, 2020

Total No. of Mandays: 10.0 mandays including one day SC audit for mill

2.2 BSI Assessment Team:

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Elzy Ovktafia	Team Leader	She graduated from Universiti Putra Malaysia in Diploma of Agriculture while Licentiate Diploma and Advanced Diploma from the Incorporated Society of Planters. She involve in audits and technical reviews works

RSPO Public Summary Report
Revision 8 (Mar /2019)

		mainly for Sustainability Programme includes RSPO and MSPO for more than 3 years in more than 11 countries. She is a qualified Lead Auditor/Auditor for MSPO, RSPO P&C, RSPO NEXT, RSPO SCC, ISO 9001:2015, ISO 14001:2015 and Social Compliance Audit by Verite. Prior to this, she was the Agronomist in R&D Department for 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 assessment, she covers the legal issues, land use rights, stakeholder consultation, worker’s welfare and social issues.
Ragu Erulappan	Samy Team Member	Ragu Erulappan is a fulltime employee with BSI Services Malaysia. He graduated from University Technology Malaysia. He attended internal RSPO training in 22 December 2014. He has completed ISO 9001:2008 Quality Management System Lead Auditor training, ISO 14001, ISO 18001 Lead Auditor Training. Currently he is an ISO 9001:2008, ISO 14001, ISO 18001, C-TPAT (Supply Chain Security) and GDPMD (Good Distribution Practice for Medical Devices) Lead Auditor. He has more than 5 years of auditing experience since August 2010 covering Environment, Safety and Health, Legal aspects in various industries. He is involved as Environment, Safety and Health Auditor during the RSPO Assessment. For this assessment he assesses Mill and Estate OSH, best practices and legal aspects. He is able to speak and understand Bahasa Malaysia, English and Tamil.
Mahzan Munap	Team Member	He holds a MBA from Ohio University and B Sc. in Petroleum Engineering from University of Missouri, USA. Collected over 370 days of auditing experience in OHSAS 18001 and MS 1722 OHSMS (72 days for palm oil milling and 8 days for oil palm plantation). CIMAH competent person with Malaysia Department of Occupational Safety and Health (DOSH) since 1997. An Occupational Safety and Health Trainer at INSTEP PETRONAS. Successfully completed RSPO Lead Assessor Course in 2008 and IRCA accredited Lead Assessor training for ISO 9001 and RABQSA/IRCA EMS Lead Assessor Course for ISO 14001 in 2008. For this assessment he assesses Mill and Estate Legal, and Environment aspects. He is able to speak and understand Bahasa Malaysia and English.

Accompanying Persons: -

2.3 Assessment Plan

Date	Time	Subjects	EO	MM	RE
Sunday, 03/11/2019	AM - PM	Audit Team travel to Sandakan & Check in @ My Inn Hotel	√	√	√

RSPO Public Summary Report
Revision 8 (Mar /2019)

Date	Time	Subjects	EO	MM	RE
Monday, 04/11/2019	0800-0830	Opening Meeting: <ul style="list-style-type: none"> • Opening Presentation by Audit team leader • Confirmation of assessment scope and finalize • Audit plan (including stakeholder’s consultation) • Verification on previous audit findings 	√	√	√
	0830-1200	Melewar Palm Oil Mill: Inspection of FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc	√	√	√
	1200-1300	Lunch	√	√	√
	1300-1630	Melewar Palm Oil Mill: Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, 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	√	√	√
Tuesday, 05/11/2019	0800-1200	Melewar Estate 1: 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.	√	√	√
	1000-1200	Meeting with stakeholders (local authority) – DOSH, DOE, Forestry, Wildlife, Land Office, Labour Office etc.	√	-	-
	1200-1300	Lunch	√	√	√
	1300-1630	Melewar Estate 1: 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 06/11/2019	0800-1200	Pahang Oil Palm Estate 2: 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.	√	√	√

RSPO Public Summary Report
Revision 8 (Mar /2019)

Date	Time	Subjects	EO	MM	RE
	1200-1300	Lunch	√	√	√
	1300-1630	Pahang Oil Palm Estate 2: 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 07/11/2019	0800-1200	Melewar Palm Oil Mill: Incoming of FFB and outgoing of CSPO & CSPK – 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.	√	√	√
	1200-1300	Lunch	√	√	√
	1300-1600	Melewar Palm Oil Mill: RSPO Supply Chain Continue with unfinished elements.	√	√	√
	1600-1630	Audit team discussion & findings preparations	√	√	√
	1630-1700	Closing Meeting <ul style="list-style-type: none"> • Presentation of report by BSI Lead Auditor – briefing & discussion of findings • Acceptance & acknowledgement by Melewar Palm Oil Mill & Estates 	√	√	√
Friday 08/11/2019	AM	Audit Team travel back to KL via Sandakan	√	√	√

Section 3: Assessment Findings

3.1 Normative requirement applied for this assessment:

- Carotino/JC Chang Group Multiple Management Units / 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

Time Bound Plan		
Requirement	Remarks	Compliance
Does the plan include all current subsidiaries, estates and mills?	Yes	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	<p>Yes. Last unit which is Takon Production Unit has undergone RSPO initial certification on 28/10/2019-02/11/2019 with positive result and the CB will recommend Takon Unit for RSPO certification.</p> <p>Latest update 04.01.2020 on the land conflict issue, as requested by HO, Mr. Nesron Bin Alat (Secretary of 42 land claimants committee) and Sipar Bin Una-Una (Chairman of 42 land claimants committee) came to Takon Estate office around 8.30 AM to submit the 'IC number of 42 land claimants which including the 6 new claimants' with a supporting letter from Sazalye Donol Muhammad & Co'. (Refer to the chronology of event)</p>	Yes
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three-year from the date of acquisition. Certification plan for the new acquisition shall be available.	No	Yes
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	No	Yes

RSPO Public Summary Report
Revision 8 (Mar /2019)

Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised	No	Yes
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 a Major non-compliance shall be raised	No	Yes
Have there been any stakeholder comments?	No up to present.	Yes
Un-Certified Units or Holdings		
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> • Primary forest. • Any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. 	No new development reported.	Yes
Any new plantings since January 1 st 2010 shall comply with the RSPO New Plantings Procedure.	No new plantings since 1/1/2010.	Yes
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. The RSPO RaCP tracker shall be checked to confirm for any land conflicts/Liabilities https://www.rspo.org/certification/remediation-and-compensation/racp-tracker . The progress on the Liabilities shall be verified and reported.	Yes, the land conflict is on the process of authority application. (Takon Production Unit).	Yes
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3.	No labour dispute reported and found during the on-site audit.	Yes
Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	No legal non-compliance reported and found during the on-site audit.	Yes
Did the company conduct internal audit against the uncertified management units requirement? If yes, a positive assurance statement shall be available.	Yes. Internal audit conducted with findings highlighted for site's further improvement. *Last internal audit conducted for Takon Production Unit is July 2019.	Yes

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
<p>Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification?</p> <p>OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.</p>	Not applicable.	N/A

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 1st annual surveillance assessment there were one (1) Major & one (1) Minor nonconformities raised. The Melewar 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			
NCR Ref #	1845994-201911-M1	Clause & Category (Major / Minor)	Indicator 4.7.2 Major
Date Issued	07/11/2019	Due Date	03/02/2020
Closed (Yes / No)	Yes	Date of nonconformity Closure	19/12/2019
Statement of Nonconformity:	The hazard identification, risk rating and risk control measures details in certain HIRARC operations was not adequately addressed.		
Requirement Reference:	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.		
Objective Evidence:	Melewar POM: Fire Hazard was not captured on following sampled HIRARC operations: a) Diesel Gen-Set b) Water Treatment Plant c) Boiler House d) Biogas Engine Plant		

RSPO Public Summary Report
Revision 8 (Mar /2019)

	<p>Melewar Estate Division 1: Harvesting operation: Hazard risk rating (likelihood x severity) on snake bite severity rating was not adequately captured as per risk rating matrix recommendation in Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), Doc. No. U/029-01/2019, dated 17/7/19.</p> <p>Pahang Oil Palm Estate 2: a) Manuring operation: The Hazard from Insect & Snake Bite was not identified. b) Selective Weeding & Harvesting operation: The Hazard risk rating (likelihood x severity) on snake bite severity rating was not adequately captured per risk rating matrix recommendation in Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), Doc. No. U/029-01/2019, dated 17/7/19. c) Transportation risk control measures on passengers sitting safety was not adequately yes as few passengers were seen hopping behind the pickup truck during the field visit.</p>
<p>Corrections:</p>	<p>Person in charge by individual operating unit will review back the HIRARC as per Guidelines U/029</p>
<p>Root Cause Analysis:</p>	<p>The hazard identification, risk rating and risk control measures details in certain HIRARC operations was not adequately addressed due to HIRARC was not reviewed as per Guidelines U/029-01/2019 by respective person in charge at individual operating unit.</p>
<p>Corrective Actions:</p>	<p>1) To retrain OSH Committee member on Guidelines U/029-01/2019 as to refresh on HIRARC establishment and review back the HIRARC amongst OSH member 2) To review back the HIRARC through consultation with worker Person in-charge – Person responsible for OSH at each operating unit Time Frame – 15th November 2019</p>
<p>Assessment Conclusion:</p>	<p>Major NC verification visit:</p> <p><u>Melewar POM</u> i. OSH Committee training on Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), U/029-01/2019 dated 15/08/2019 was conducted on 14/11/2019 conducted by the Admin Officer. Sighted the training records, attendances list and training material dated 14/11/2019. ii. Consultation with workers on the HIRARC review for Diesel Gen-Set, Water Treatment Plant, Boiler House and Biogas Engine Plant was conducted on 13/11/2019. Sighted the attendances list for all workers involved in the consultation. iii. Job hazard analysis for Diesel Gen-Set, Water Treatment Plant, Boiler House and Biogas Engine Plant was conducted on 13/11/2019. iv. HIRARC review was conducted for Diesel Gen-Set, Water Treatment Plant, Boiler House and Biogas Engine Plant was conducted on 13/11/2019. v. Interview with sampled related personnel at each station show appropriate understanding and awareness on the hazard and existing risk control at their work station.</p> <p><u>Pahang Oil Palm Estate 2</u></p>

RSPO Public Summary Report
Revision 8 (Mar /2019)

- i. OSH Committee training on Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), U/029-01/2019 dated 15/08/2019 was conducted on 11/11/2019 conducted by the Sr. Asst. Manager. Sighted the training records, attendances list and training material dated 11/11/2019. Participant understanding on the training conducted has been assessed using 'Borang Penilaian Latihan'.
- ii. Workers consultation on HIRARC review for harvesting, selective weeding, manuring and field checking has been conducted on 12 – 13/11/2019. Sighted the attendances list for all workers involved in the consultation.
- iii. HIRARC review on harvesting, selective weeding, manuring and field checking has been conducted on 13/11/2019. Review was to include biological hazards such as insects/snake bite in the hazards identification and new process, field checking.
- iv. Sighted Internal Memo from the Estate Manager dated 13/11/2019 on Prohibition of hopping behind the pickup truck or vehicle not design for workers transportation during the field visit.
- v. Interview with sampled related personnel at each station show appropriate understanding and awareness on the hazard and existing risk control at their work station.

Melewar Estate Division 1

- i. OSH Committee training on Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), U/029-01/2019 dated 15/08/2019 was conducted on 13/11/2019 conducted by the Asst. Manager. Sighted the training records, attendances list and training material dated 13/11/2019. Evaluation on the participant understanding was conducted through Q & A form. 18 participant were evaluated and all shows appropriate understanding on the training provided.
- ii. Workers consultation on HIRARC review for harvesting operation has been conducted on 13/11/2019. Sighted the attendances list for all workers involved in the consultation.
- iii. Hazard risk rating (likelihood x severity) on biological hazard such as snake bite severity rating has been reviewed. The severity has been classified as severe with rating 5 and likelihood was classified under rare as there are no cases on biological hazard occur for the last 7 years. The risk rating was conducted as per Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), U/029-01/2019 dated 15/08/2019.

All the corrective action and evidence of implementation were found to be adequate. The Major NC closed on 19/12/2019.

RSPO Public Summary Report
Revision 8 (Mar /2019)

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1845994-201911-N1	Clause & Category (Major / Minor)	Indicator 4.1.2 Minor
Date Issued	07/11/2019	Due Date	Next annual surveillance assessment
Closed (Yes / No)	No	Date of nonconformity Closure	"Open"
Statement of Nonconformity:	A mechanism to check consistent implementation of procedures was not fully effective.		
Requirement Reference:	A mechanism to check consistent implementation of procedures shall be in place.		
Objective Evidence:	1) Melewar POM: First aid kit inspection and First aid case investigation process was not adequately addressed according to internal procedure requirements:- a) First Aid cases (minor cut) dated 29/6/19, 10/7/19 and 20/10/19 recorded in the First Aid Log Book at Laboratory. However, no evidence available that the first aid injury cases has been investigated and reviewed accordingly in the OSH Meeting dated 11/10/19 & 12/7/19. b) First Aid Kit inspection sampled at Guard House and Grader Room found that the first aid kit was inspected on quarterly basis with sampled dated 1/6/19 & 14/9/19 respectively. However, according to JC Chang Group Guidelines of First Aid in the Workplace, Doc. No. M/025-02/2014, the frequency of the first aid kit inspection should be on monthly basis.		
Corrections:	1) To conduct accident investigation and review accordingly in the OSH meeting if any accident cases happen in future 2) To perform monthly inspection of First Aid Kit		
Root Cause Analysis:	A mechanism to check consistent implementation of procedures for Melewar Palm Oil Mill is available, however, the implementation is not as per procedure due to lack of awareness on certain procedures requirement.		
Corrective Actions:	1) To retrain person involved on accident investigation (OSH committee member) on Guidelines M015-03/2018 2) To appoint person responsible to do First Aid Kit monthly inspection 3) To retrain person in charge for First Aid Kit inspection on Guidelines M/025-02/2014 Person in-charge – Mohd Arzani Mazelie, AO MPOM, - Mr Chan Chor Laup, Manager MPOM Time Frame – 18th November 2019		
Assessment Conclusion:	The effectiveness of the implementation will be verified during next assessment		

Opportunity for Improvements	
OFI #	Description
OFI 1	-

Positive Findings	
PF #	Description
PF 1	Good cooperation from the management.

3.4.1 Status of Nonconformities Previously Identified and Observations

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1708986-201808-M1	Clause & Category (Major / Minor)	Indicator 6.5.2 Major
Closed (Yes / No)	Yes	Date of nonconformity Closure	08/02/2019
Statement of Nonconformity:	Documented agreement and payment evidence on the pay slips were not in line with legal regulations (JTK Permit)		
Requirement Reference:	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.		
Objective Evidence:	<p>Melewar POM: Based on the records of the sampled attendance (punch card), it was found that two women workers have been working for night shift as following: - Employee ID #G0125: 13-19/8/2018; 21/8/2018; 28-30/8/2018; 1/9/2018; 6-8/9/2018; 10/9/2018; 12-15/9/2018; 18/9/2018; 24- 28/9/2018; 30/9/2018; 2-4/10/2018; 7-14/10/2018; 16/10/2018; 22- 23/10/2018; 25-28/10/2018 & 30/10/2018 - Employee ID #G0287: 2/8/2018; 12-17/8/2018 & 24-30/8/2018 However the work agreements and pay slips does not show any allocation of night shift work payments to the respective sampled women employee. Hence, the payment of shift allowance to women employees was not according to Permit Wanita Bekerja Malam (Serial # 600- 1/2/13/144(05/KBN/2018-002) condition mainly # 1.6 Membayar pekerja-pekerja wanita elauun syif pada kadar yang dipersetujui dalam terma dan syarat-syarat perkhidmatan jika terdapat perjanjian kolektif kadar hendaklah tidak kurang daripada kadar yang terkandung dalam perjanjian kolektif.</p>		
Corrective Actions:	<ol style="list-style-type: none"> 1) To retrain person in charge on law changes and tracking as per requirement of "Mechanism To Trace Changes In Legal Requirements ". Documents Evidences attached: (Doc. No.1a & 1b) - Training evidence include photos, assessment, attendance. 2) Update documented evidences which to be in line with pay slip and JTK permit conditions Documents Evidences attached: (Doc. No.2a,2b & 2c) - Changes on allowances rate for female working at night 3) Pay back arrears payment in lieu with agreed rate with involved parties Documents Evidences attached: (Doc. No.3a,3b & 3c) - Pay back (cash voucher) 4) If any female employee work at night, mill management will ensure the permit requirements are comply with. Documents Evidences attached: (Doc. No.4) - 		

RSPO Public Summary Report
Revision 8 (Mar /2019)

	Announcement to female employee working at night on her rights and entitlement. Person in-charge – Mill Manager (Mr. Chan Chor Laup) and appointed person in charge for law changes and tracking (Mr. Mohd Arzani Mazelie)
Assessment Conclusion:	ASA1_1 verification: During ASA 1 Audit, it was found out that Employee ID: G0125 and Employee ID: G0287 has not worked more than 10 pm anymore. Verified the pay slips month of January, July and September 2019 for both workers, therefore the NC is remained closed.

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1708986-201808-M2	Clause & Category (Major / Minor)	Indicator 6.12.3 Major
Closed (Yes / No)	Yes	Date of nonconformity Closure	08/02/2019
Statement of Nonconformity:	Special labour policy and procedures was not established and implemented for temporary/migrant workers employed at Gerola Estate.		
Requirement Reference:	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented.		
Objective Evidence:	Gerola Estate: Sighted a VSM Report January 2018 under title 0.4 Workers Situation and Movement (as at Dec 17) shown Gerola Estate having 16% of casual workers to be employed awaiting Sabah Government rehiring programme completion. Based on the hiring agent (Agensi Pekerjaan Hollywood Sdn. Bhd.) Tax Invoice # AINV005484; Date: 19/7/2018 that listed a total 29 workers being charged to Gerola Estates Sdn. Bhd. on Recruitment Program Compound + JPV Special Pass fee for casual hiring. However there's no any special labour policy and procedures established for the implementation.		
Corrective Actions:	1) Special labour policy & procedures will be established by head office. Documents Evidences attached: (Doc.No.5) - Guideline on worker employment for casual or temporary employee (Document Number E/021-01-2018 dated 15/11/2018) 2) Estate will provide training to appointed person on recruitment on the requirement of special labour policy & procedures Documents Evidences attached: (Doc.No.6) - Training evidence include photos, assessment, attendance 3) Company sustainability team will carry out visit to ensure the policy are well implemented Documents Evidences attached: (Doc.No.7) - Audit report by Internal Sustainability dated 22/11/2018 Person in-charge - Head office Senior Manager (Mr. Seow Chee Chiang) - Estate Manager (Mr. Chong Kian Sen) and appointed person in charge for recruitment (Mr. Joseph Sudanking) - Sustainability Auditor (Ms. Hasni Asis) - Time Frame: 24th November 2018		
Assessment Conclusion:	ASA1_1 verification: During ASA 1 Audit, the 'Guidelines on worker's employment for casual or temporary employee' is established and available. Sighted records of communication of guideline/policy to all level of workforce within Mill conducted		

RSPO Public Summary Report
Revision 8 (Mar /2019)

	on 03/09/2019. In Melewar Estate 1, the guideline was circulated and communicated among staffs on 17/11/2018 - 20/12/2018. Sighted in Melewar Estate 1 and Pahang Estate 2, there is no casual workers sighted.
--	---

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1708986-201808-N1	Clause & Category (Major / Minor)	Indicator 5.1.2 Minor
Closed (Yes / No)	Yes	Date of nonconformity Closure	Annual Surveillance 1 Assessment (07/11/2019)
Statement of Nonconformity:	Environmental Impact Assessment has not been conducted on the landslide incident at the linesite area		
Requirement Reference:	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.		
Objective Evidence:	<p>Melewar POM: During site visit to the linesite area, it was observed that there was a landslide at in front of house no. SESA01/2000 and house no. JESA12A/2012 and JESA12B/2012 was sinking due to water movement underground. The houses has been vacated. During document review, it was noted that Melewar POM has not identified activity in linesite area as one of the estate mill activity which gives significant impact to the environment. No environmental impact assessment conducted on the landslide incident even though the management aware of the incident.</p>		
Corrective Actions:	<p>Mill management will review the EIA plan and ensure all applicable aspect and impacts related are properly identified in the EIA.</p> <p>Person in-charge – Mill Manager (Mr. Chan Chor Laup), Admin, Assistant Manager (Philip V. Ating, Steven Lee, Stephen Lee, Ilangovan K, Victor D, Suriansyah Alinin, Loo QaiShien), Site supervisor (Handeary Pilip), Officer (Muhammad Arzani Bin Mazelie)</p> <p>Time Frame – 21st November 2018</p>		
Assessment Conclusion:	<p>ASA1_1 verification: The auditor visited the affected unit, house no. SESA01/2000 and house no. JESA12A/2012 and JESA12B/2012. All remedial works to contain the landslide and soil movement had been undertaken. The slope is more gentle and planted with Vertiver grass and boulders were placed firmly at the foothill as well as disuse large tractor tyres were laid flat at a slightly terrace ground above the boulders to control movement. Guardrails were place at top of hill to disallow vehicle parking that could cause soil movement. The EIA and its management plan had been reviewed and updated accordingly on 18.11.2018</p>		

RSPO Public Summary Report
Revision 8 (Mar /2019)

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1708986-201808-N2	Clause & Category (Major / Minor)	Indicator 6.5.3 Minor
Closed (Yes / No)	No	Date of nonconformity Closure	Annual Surveillance 1 Assessment (07/11/2019)
Statement of Nonconformity:	Housing area surrounding maintenance provision (grass cutting) was not satisfactorily according to national standards or above.		
Requirement Reference:	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		
Objective Evidence:	Melewar POM: During site visit to the linesite and staff housing areas, it was observed that the surrounding of houses were not adequately maintained mainly on the grass cutting which might possibly lead to unwanted presence of reptiles etc.		
Corrective Actions:	<ol style="list-style-type: none"> 1) To appoint suitable personnel for line site inspection 2) To retrain person in charge to conduct line site inspection and monitored by assistant in charge. 3) Checklist on line site inspection to be established 4) Schedule of line site inspection 5) Person in-charge – Assistant Manager (Mr. Suriansyah Alinin) , appointed personnel (Muhammad Arzani Bin Mazelie) Time Frame – 21st November 2018 		
Assessment Conclusion:	ASA1_1 verification: During ASA 1 Audit, it was found out that the cleanliness for housing area at Indonesian and Philippine workers are satisfactory. Line site inspection was conducted on weekly basis and person in charge appointed was aware on the task given.		

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1708986-201808-N3	Clause & Category (Major / Minor)	Indicator 4.6.10 Minor
Closed (Yes / No)	Yes	Date of nonconformity Closure	Annual Surveillance 1 Assessment (07/11/2019)
Statement of Nonconformity:	Proper disposal of waste material, according to procedures were not fully demonstrated.		
Requirement Reference:	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3).		
Objective Evidence:	Melewar POM: During site visit to the linesite area, it was observed that there was improper dumping of wastes including old paint container (scheduled waste) behind house no. SESA01/2000.		
Corrective Actions:	<ol style="list-style-type: none"> 1) To appoint suitable personnel for waste management 2) To retrain person in charge on waste management and monitored by assistant in charge. 3) Checklist on waste management and collection 		

RSPO Public Summary Report
Revision 8 (Mar /2019)

	<p>4) Schedule of waste collection</p> <p>Person in-charge – Assistant Manager (Mr. Suriansyah Alinin), appointed personnel (Mohd Rusli Tohir)</p> <p>Time Frame – 21st November 2018</p>
Assessment Conclusion:	<p>ASA1_1 verification:</p> <p>Appointment letter for Mr. Muhammad Arzani dated 21/11/18 was sighted as the responsible personnel for waste management. Seen also the Waste Disposal & Waste Segregation Training Report dated 21/11/18 to retrain person in charge on waste management. Checklist for waste management & collection available dated 15/10/19 and the Domestic Waste Collection Schedule 2019 been established with weekly collection with latest collection done on 30/10/19.</p> <p>Verified that proposed correction & corrective action plan has implemented accordingly. Verified also that there was no repetitive of similar issue during this assessment visit. Therefore, the Minor NC raised during the previous assessment has been verified and closed effectively on 4/11/2019.</p>

Opportunity for Improvements	
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)
1708986-201808-M1	Major	6.5.2	16/11/2018	08/02/2019
1708986-201808-M2	Major	6.12.3	16/11/2018	08/02/2019
1708986-201808-N1	Minor	5.1.2	16/11/2018	Closed out on 07/11/2019
1708986-201808-N2	Minor	6.5.3	16/11/2018	Closed out on 07/11/2019
1708986-201808-N3	Minor	4.6.10	16/11/2018	Closed out on 07/11/2019
1845994-201911-M1	Major	4.7.2	06/11/2019	Closed out on 19/12/2019
1845994-201911-N1	Minor	4.1.2	06/11/2019	"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 Melewar 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	
<p>Internal Stakeholders</p> <p>Field workers Mill workers NUPW representative Gender committee General workers</p>	<p>Union/Contractors/Local Communities</p> <p>Local village (MPKK Kampung Koyah B) Kejuruteraan ETARA Agency Hollywood Pengangkutan Dagang Tera</p>
<p>Government Departments</p> <p>Sekolah Kebangsaan Paris 3 HUMANA Jabatan Imigresen Malaysia – Cawangan Lahad Datu Embassy of Indonesia (Kota Kinabalu) JTK Officer - Kinabatangan</p>	<p>NGO</p> <p>Nil</p>

IS #	Description
<p>1</p>	<p>Feedbacks: <u>MPKK Kampung Koyah B</u> There is suggestion made for increasing the road humps on the road in Pahang Estate 2 to avoid speeding by tractors or lorries. This is because high speed can lead to dust contamination to their house. Also please take note on the lorry driver without license who was drive recklessly.</p> <p>Management Responses: There were many road humps that company built as for now, together with the safety signboard and speed limit. Since a lot of people using the road including neighbouring estates and villagers, the lorry driver may come from outside people. Estate have ensure that all their drivers has possess a valid vehicle license.</p> <p>Audit Team Findings: It was verified during site visit that the road humps and safety sign with speed limits were installed. It was found out also that the road used is an off-road (from Pahang Estate 2 to Melewar POM) where the drivers were given training by Pusat Memandu Selasih Ria Sdn Bhd on 05 August 2016 & 28 June 2019 for Kursus Pemanduan Berhemah.</p>
<p>2</p>	<p>Feedbacks: <u>Sekolah Kebangsaan Paris 3</u> The school management would like to extend their appreciation to JC Chang group on the contribution and donation given so far. Only some of the student has the poor attendance records and achievement which need attention by the parents.</p> <p>Management Responses: Management takes note on the information and will disseminate the information to the workers during muster briefing.</p> <p>Audit Team Findings: No other issue.</p>
<p>3</p>	<p>Feedbacks: <u>HUMANA</u> The school management would like to extend their appreciation to JC Chang group on the contribution and donation given so far. One suggestion from HUMANA is to add the Teacher’s Assistant since the current student is 98 students with only 3 teachers. There was some ex-HUMANA student whom didn’t have a job can be considered to become the Teacher or Assistant Teacher. As at now, there is 2 more teacher needed to accommodate the current crowd.</p> <p>Management Responses: Although there are 98 students, the classes were divided into 3 sessions which were morning, afternoon and evening session and split with 3 teachers. The ex-HUMANA student which were more than 18 years old normally will go back to their home country or working in the estates. Other than that, the teacher’s salary was paid by HUMANA so only HUMANA can add in more teachers from their side.</p> <p>Audit Team Findings: Noted on the information and no other issue.</p>
<p>4</p>	<p>Feedbacks: <u>Jabatan Imigresen Malaysia – Cawangan Lahad Datu</u> “Pemutihan” was closed on 30th June 2019 but for plantation and agriculture industry, there is grace period until 31 December 2019 for dependents (wife & children) permit registration. For children, the permit will be terminated once they reach 18 years. If they want to work here, they need to go through the new permit/visa application process. Since there are only 5 Immigration Officers in Lahad Datu and they handled more than 10,000 permit renewal so the impact expected is the delay on the permit renewal. However, for any emergency cases, if company would like to get it fast, they can request with high priority or even with agent, company can liaise directly with Immigration Office.</p>

	<p>Management Responses: Noted on the information</p> <p>Audit Team Findings: No other issue.</p>
5	<p>Feedbacks: <u>Embassy of Indonesia (Kota Kinabalu)</u> The employment contract for Indonesian Workers should be 2 years with extendable (upon agreed by both employer and employee). For some area, there is case where the workers come to apply work in Sabah & Sarawak by themselves without go through the job application process by Indonesia Agent and Embassy of Indonesia’s acknowledgement. Therefore, the Embassy of Indonesia encouraged company to inform them on the details of the Indonesian workers hired in case of any emergency and safety issue occur.</p> <p>Management Responses: Noted on the information</p> <p>Audit Team Findings: No other issue.</p>
6	<p>Feedbacks: <u>Jabatan Tenaga Kerja (Kinabatangan)</u> Under the Sabah Labour Ordinance, there is no limit of employment contract for workers hired as long as the contract is fair and understandable by the workers. However, JTK is not sure if other agencies such as Immigration Department or Embassy of Indonesia’s required different terms and condition.</p> <p>Management Responses: Noted on the information</p> <p>Audit Team Findings: No other issue.</p>
7	<p>Feedbacks: <u>Contractor & FFB Supplier</u> Sales contract is signed and available. No issue on payment from the JC Chang Group. So far, there is no other complaint.</p> <p>Management Responses: Noted on the information</p> <p>Audit Team Findings: No other issue.</p>

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 Melewar Palm Oil Mill has complied with the RSPO P&C MY-NI 2014 & 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 Melewar Palm Oil Mill is approved and continued.</p>	
Report prepared by	Acceptance of Assessment Conclusion
Name: Elzy Ovktafia Chairul	Name: Seow Chee Chiang
Company Name: BSI Services Malaysia Sdn Bhd	Company Name: Carotino/J.C Chang Group
Title: Client Manager	Title: Senior Manager
Signature: 	Signature: <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> 
Date: 25/01/2020	Date: 31/01/2020

Appendix A: Summary of Findings

Criterion / Indicator		Assessment Findings	Compliance
Principle 1: Commitment to Transparency			
Criterion 1.1:			
Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	<p>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.</p> <p>- Minor compliance -</p>	<p>JC Chang Group has developed a Guideline on Mechanism for Information Requests by Stakeholders. The guideline has been reviewed on 11/10/2017 and updated documentation with Doc. Ref. No. E/006-07/2017 was available for review. 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. Restricted information such as account and cost data, personal privacy and etc. are not allowed to be shared publicly.</p> <p>Melewar POM has appointed the Assistant Managers (Mr Stephen Lee and Mr Philip V. Ating) as Person Responsible for the stakeholder's request and response. Sighted the appointment letter dated on 02/09/2019 and 14/01/2014 signed by Senior Mill Manager.</p> <p>For the Melewar Estate 1 and Pahang Estate 2, the management has appointed the manager and assistants' manager as Management Official Responsible for Consultation and Communication. The person responsible has been informed to the stakeholders by displayed at the notice board.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	<p>The management has implemented stakeholder request register where the stakeholders' request was recorded into the logbook maintained at each operating unit's office.</p> <p><u>MPOM:</u> Mill maintain the records for stakeholder's request in Stakeholder Request File. Latest request was made by Melewar Div 1 (borrow 100 pcs chair) on 14.08.2019. The management has response to the request by 14.08.2019.</p> <p><u>Melewar Estate 1:</u> Melewar Estate 1 has recorded the stakeholder's request in the Stakeholder's Request File and summarized in the Stakeholder Request Book. The latest request made from Asia Estate 2 for manpower to do the fertilizer bags stitch for fertilizer store usage on 26/10/2019. It was approved by the manager.</p> <p><u>Pahang Estate 2:</u> Pahang Estate 2 has recorded the stakeholder's request in the Stakeholder's Request File and summarized in the Stakeholder Request Book. The latest request made from Jaslan Lambu on the electricity timing to 12.00 am and it was approved.</p>	Complied
<p>Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>			

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator	Assessment Findings	Compliance
1.2.1 Publicly available documents shall include, but are not necessary limited to: <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). - Major compliance –	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. Melewar Production Unit (MPU) under the Carotino /JC Chang Group has a website www.carotino.com for the promotion of its products. The website also contains information about the company’s corporate structure, its policy and management objectives. Information relating to land titles, SEIA Report, HCV report, Complaint and Grievances procedures, safety and health plans, pollution prevention plans was made available at all operating units including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view. These documents highlight the current Carotino /JC Chang Group practices and their continual improvement plans.	Complied
Criteria 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.		
1.3.1 There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. -Minor compliance	Established as Corruption Prevention Policy signed by Mill Director; Dated 4/9/2015. Sighted records of communication of policy to all level of workforce within Mill conducted on 03/09/2019 to all 160 workers, in Melewar Estate 1 on 15/11/2015 which is during induction training and in Pahang Estate 2 on 05/11/2019. The briefing was measured its understanding among the workers by providing questions for them to answer. Most of the workers shown understanding of the policy briefed.	Complied
Principle 2: Compliance with applicable laws and regulations		
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.		

<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>Melewar Production Unit had continued to comply with the legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and ICT. Melewar Production Unit had obtained and renewed license and permits as required by the law. Sample of licenses or permit viewed were:</p> <p>The Melewar Palm Oil Mill and estates visited continued to comply with applicable legal requirements it has identified. The list of legal requirements has been registered in Legal Document Master List. The list was last reviewed and circulated to all Operating Units on 3.9.201 that include Departure Levy (Act 813 and P.U.A 213/216)</p> <p>Melewar POM:</p> <ol style="list-style-type: none"> 1. Jabatan Tenaga Kerja Sabah Permit for Non-Residents Workers (Seksyen 118, Ordinan Buruh (Sabah Bab 67), license no: 021462P (Indonesian: 83, Philippines: 17) valid from 20/03/2019 until 19/03/2020. 2. Jabatan Tenaga Kerja Sabah Permit Potongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67) for Bayaran Pemprosesan Dokumen Perjalanan (tidak termasuk levi, bon jaminan bank/insurans, denda memperbaharui permit kerja/visa, skim pampasan insurans pekerja asing dan pemeriksaan kesihatan (GROWARISAN)), Bayaran perubatan (tanggungannya pekerja), bayaran peralatan kerja yang diganti (stor), bayaran passport (tanggungannya pekerja) dan lain-lain jenis potongan (bayaran bas sekolah, bayaran pengangkutan kecemasan & tabung surau) valid from 02.02.2018 – 02.02.2020. 3. Jabatan Tenaga Kerja Sabah Permit for Wanita Bekerja Malam Seksyen 75, Ordinan Buruh (Sabah Bab 67) valid from 02.02.2018 to 02.02.2020. 4. MPOB license no.: 500106704000 (validity period 01/12/2018 – 30/11/2019) for processing capacity limit of 384,000mt of FFB. 	<p>Complied</p>
--------------	--	--	-----------------

RSPO Public Summary Report
Revision 8 (Mar /2019)

		<ol style="list-style-type: none"> 5. DOE License: JPKKS/12/004849 ref: ASSH(B)31/152/000/ 032 (validity period 01/07/2019 - 30/06/2020) for 100mt/hr and method of POME discharge is land application with BOD final discharge limit 20mg/l. 6. Environmental Quality (Clean Air Regulation) 2014 Contravention Licence JPLP/PBU/12/0005141 obtained from DOE via letter dated 29.8.2019. <i>Lesen hendaklah dipamerkan di suatu tempat yang mudah dilihat= Under 22(1) EQA 1974</i> 7. Competent Person Certified Environmental Professional in Scheduled Waste Management (CePSWaM) serial no: CePSWaM/01680 obtained on 22.5.2018. 8. Currently no Competent Person for CEPPOME - Certified Environment Professional in the Treatment of Palm Oil Mill Effluent. . Due to non-availability of this competent person , a Major NCR had been raised. 9. Diesel Storage Permit J031012, ref KPDNKK.J-JB/26/5A/11/1057(P/D)(P10) (validity period 16/01/2017 – 15/01/2018) Quantity: 19,100 liter. 10. Energy commission license no: LP/12/1/9/1817 dated 21/07/2017 for Electricity generating capacity 8.758 MW 11. Diesel Permit, S/N#S011895, Approved Storage Quantity: 45,000liter, permit valid until 13/11/19. 12. Poison permit (Sodium Hydroxide): S/N#000642, valid until 31/12/2019 13. MPOB License No. 500106704000, validity until 30/11/2019 14. Air Receiver Permit, Registration No. SB PMT 11193, valid until 19/06/20 15. Steam Boiler Permit, Registration No. SB PMD 2626, valid until 15/02/20 <p>Melewar Estate Division 1:</p>	
--	--	--	--

RSPO Public Summary Report
Revision 8 (Mar /2019)

		<ol style="list-style-type: none"> 1. MPOB license no.: 502061402000 (validity period 01/1/2019 – 31/12/2019) to move and sell. 2. DOE Approved Scheduled Waste collector – Wawasan Oil Recycle Sdn Bhd for movement, transfer, placement or deposit of wastes in accordance with Section 18 (1A) Licence no.:003519 valid 30/4/2019 – 30/04/2020 3. Air Compressor, SB PMT 1242, valid from 7.1.2019 – 6.4.2020 4. Petrol Permit ref. KPDNHEP.LDT.900.3/2 (12/2018) P (validity period 16/01/2019 – 15/01/2020) Quantity: 200 liter 3 times per week. 5. Diesel Permit ref KPDNHEP.LDT.900.3/21(03/1998) SK validity period 19/10/2018 – 18/10/2019) Quantity: 18,000 liter. On-line renewal submitted through BLESS on 8.9.2019and yet to receive response. 6. Air Receiver Permit, Registration No. SB PMT 1242, valid until 6/04/20 7. MPOB License No. 502061402000, validity until 31/12/2019 8. License to Practise as Dresser, Registration No. 212, valid until 31/12/19. 9. Jabatan Tenaga Kerja Sabah Permit Potongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67) for Bayaran Pemprosesan Dokumen Perjalanan (tidak termasuk levi, bon jaminan bank/insurans, denda memperbaharui permit kerja/visa, skim pampasan insurans pekerja asing dan pemeriksaan kesihatan (GROWARISAN)), Bayaran perubatan (tanggungjawab pekerja), bayaran gantian peralatan/bahan kerja (stor), bayaran balik pinjaman peribadi, dan lain-lain jenis potongan (tabung surau & kakitangan) valid from 05.02.2018 – 05.02.2020. 10. Jabatan Tenaga Kerja Sabah Permit for Non-Residents Workers (Seksyen 118, Ordinan Buruh (Sabah Bab 67), license no: 021462P (Indonesian: 221, Philippines: 1) valid from 31/12/2019 until 30/12/2020. 	
--	--	---	--

		<p>Pahang Estate 2:</p> <ol style="list-style-type: none"> 1. Jabatan Tenaga Kerja Sabah Permit Potongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67) for Bayaran Pemprosesan Dokumen Perjalanan (tidak termasuk levi, bon jaminan bank/insurans, denda memperbaharui permit kerja/visa, skim pampasan insurans pekerja asing dan pemeriksaan kesihatan (GROWARISAN)), pinjaman peribadi, bayaran perubatan (tanggungjawab pekerja), yuran untuk kelab sukan/rekreasi dan lain-lain jenis potongan (stor & tabung surau) valid from 05.04.2018 – 05.04.2020. 2. Jabatan Tenaga Kerja Sabah Permit for Non-Residents Workers (Seksyen 118, Ordinan Buruh (Sabah Bab 67), license no: 5740W (Indonesian: 213, Philippines: 11) valid from 27/09/2019 until 26/09/2020. 3. MPOB license no.: 503479802000 (validity period 01/42019 – 31/3/2019) to move and sell.: 4. Energy Commission Private Licence No. 2019/01653 No. Siri: 0001 capacity install not to exceed 160 kw valid 14/8/2019 -13/8/2020 5. Air Compressor, SB PMT 1235, valid from 8.4.2019 – 7.7.2020 6. Fuel Permit ref. KPDNKK.LDT.900.3/21(16/2008) P (validity period 16/10/2019 – 15/10/2020) Quantity: Petrol 500 liter, Diesel: 18,000Liter 7. DOE Approved Scheduled Waste collector – Wawasan Oil Recycle Sdn Bhd for movement, transfer, placement or deposit of wastes in accordance with Section 18 (1A) Licence no.:003518 valid 30/4/2019 – 30/04/2020 8. MPOB License No. 502246302000, validity until 31/07/2020 9. Diesel & Petrol Storage Permit, S/N#P: S000872, valid until 15/10/20 <p>The Melewar Palm Oil Mill and estates visited continued to comply with applicable legal requirements it has identified. The list of legal requirements has been registered in Legal Document Master List. The list was last reviewed</p>	
--	--	---	--

Criterion / Indicator		Assessment Findings	Compliance
		and circulated to all Operating Units on 3.9.201 that include Departure Levy (Act 813 and P.U.A 213/216)	
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	Documented system on legal requirements is available under Guidelines Register Part E (Legal, Employment, Welfare, Communication & Consultation). It comprised of: <ul style="list-style-type: none"> SOP for identifying legal and customary rights and identifying people entitled to compensation, Doc. No. E/002-05/2019 effective 12/8/2019. SOP on mechanisms to trace changes in legal requirements, Doc. No. E/005-07/2017 effective 06/01/2017 <p>Evaluation of legal requirements and compliance status with legal requirement is monitored by each Operating Unit and HQ Internal Control Team. Latest legal evaluation was carried out during internal in mid-September 2019 Melewar Production Unit.</p>	Complied
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	Review for legal compliance rests with Overall Group Senior Manager who later cascade downwards the information for implementation to appointed PIC at each Operating Unit. <p>The mechanism for ensuring compliance was based on monitoring register for legal compliance (Detail of Licenses/Permits & Insurances) conducted by appointed Assistant Manager of each Operating Unit and yearly audit by HQ Internal Control Team. The latest update/evaluation was done accordingly:</p> <ol style="list-style-type: none"> Melewar POM – 30/10/2019 Melewar Estate – 1/8/2019 Pahang Oil Palm Estate 2 – 2/6/2019 	Complied
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	JC Chang tracked changes by subscribing to Lawnet (since 2008), visiting websites belonging to MAPA, EMPA (East Malaysia Plantation Association), and MEO (Malaysian Estate Owner Association).	Complied

Criterion / Indicator	Assessment Findings	Compliance
Criterion 2.2: The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.		

<p>2.2.1</p>	<p>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -</p>	<p>Melewar Palm Oil Mill (POM) located within Melewar Estate 1 area. Sighted copy of Melewar Estate 1 title # Country Lease (CL) Title No. 095310400; Date: 6/12/1977; Owner: Melewar Properties Sdn. Bhd.; Lease period: 1/1/1979 – 31/12/2077; Total area: 4938.0 acres (1998.338 ha).</p> <p>Melewar Estate Division 1: Sighted i) Country Lease Land Title No. 095310400, Owner: Melewar Properties Sdn Bhd, Lease Period: 1/1/1979-31/12/2077, Total area: 4938.0 acres (1998.338 ha) Type of land use: Cultivation of agricultural crop of economic value. ii) Country Lease Land Title No. 095311185, Owner: Kemajuan Perusahaan Kayu Sarawak (KPK) Sdn Bhd, Total area: 802.50 acres (324.80 ha) Type of land use: Cultivation of agricultural crop of economic value.</p> <p>Pahang Oil Palm Estate 2: Sighted 5 country lease land title: 1. CL Title No. 095317285 under Pahang Enterprise S/B (01/1/1989 to 31/12/2087) for total of 4047 Ha. Type of land use: Cultivation of oil palm, cocoa and/or an agricultural crop of economic value. 2. CL Title No. 095317490 under Malaha Sdn Bhd (01/1/1990 to 31/12/2088) for total of 199.4 Ha. Type of land use: The cultivation of oil palm and/or agricultural crop of economic value. (Transferred to Pahang Enterprise Sdn Bhd on 13.10.92). 3. CL Title No. 095317516 under Espanin Sdn Bhd (01/1/1990 to 31/12/2088) for total of 199.80 Ha. Type of land use: Cultivation of oil palm and agricultural crop of economic value. (Transferred to Pahang Enterprise Sdn Bhd on 13.10.92). 4. CL Title No. 095317507 under Syt Sepilok Sdn Bhd (01/1/1990 to 31/12/2088) for total of 194.90 Ha. Type of land use: The cultivation of oil palm and/or agricultural crop of economic value. (Transferred to Pahang Enterprise Sdn Bhd on 27.10.92).</p>	<p>Complied</p>
--------------	--	--	-----------------

Criterion / Indicator		Assessment Findings	Compliance
		5. CL Title No. 095321421 under Lawas Maju Sdn Bhd (01/1/1993 to 31/12/2091) for total of 80.98 ha. Type of land use: The cultivation of oil palm and/or agricultural crop of economic value.	
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	Legal boundaries are clearly demarcated and visibly maintained. Observed during site visit at Melewar Estate Division 1: physical boundary was maintained at block PM14A/5 with the boundary with the neighbouring land using planting the Jati trees and constructing trenches.	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 -	No dispute presence within the Melewar Certification Units.	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	No dispute presence within the Melewar Certification Units.	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	No dispute presence within the Melewar Certification Units.	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	No dispute presence within the Melewar Certification Units.	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 2.3: 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.			
2.3.1	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). - Major compliance -	Maps available as per sample sighted for Melewar Estate 1: Boundary Map shown boundary to few surrounding neighbours as per sample: Tamaco Estate (N 05° 16' 20.2836", E 118° 05' 27.2724"), Teck Guan Estate S/B (Kokoratus Estate) (N 05° 15' 11.2212", E 118° 07' 3.2484"). In Pahang Estate 2: Boundary Map available and sighted the neighbouring estate/villagers were Meran Kebaco Sdn Bhd (N 5.361098, E 118.126100) and Kampung Koyah B smallholder (N 5.326377, E 118.119357).	Complied
2.3.2	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: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land. - Minor compliance -	There is no land dispute in the MPOM complex at the time of audit. The land belongs to JC Chang and land ownership documents verified. Company has the FPIC Procedure in Doc Ref No: E/004-07/2015 dated 08.09.2015 as well as referring to SOP for Identifying Legal and Customary Rights and Identifying People Entitled to Compensation Doc Ref No: E/002-04/2017 dated 28/12/2017.	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 MPOM complex at the time of audit. The land belongs to JC Chang and land ownership documents verified.	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 MPOM complex at the time of audit. The land belongs to JC Chang and land ownership documents verified.	Complied
Principle 3: Commitment to long-term economic and financial viability			
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.			
3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Melewar Production Unit had established a management plan with 3-year projection plan (FY20/21 and FY21/22, FY22/23). The palm oil mill budget includes the projected FFB processed, CPO and PK production, OER and KER, production cost, training, insurance, environment conservation. Melewar Estate Division 1 & Pahang Oil Palm Estate 2: : Estate the management plan for FY19/20 with 3 year projection plan (FY20/21, FY2021/22 and FY22/23) which include on staff medicals, staff welfare, electricity supply, waste management cost and water supply.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>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>	<p>Long range replanting programme was established for JC Chang Group Estates, 24 years plan until 2042. The group has updated the Guideline On Group’s Long Term Replanting Planning, doc ref: A/016-06/2019 dated 16/05/2019.</p> <p>Melewar Estate Division 1: Sighted the replanting program for the next 5 financial years as follows: 2020: 206 ha 2021: 218 ha 2022: 0 ha 2023: 0 ha 2024: 0 ha</p> <p>Pahang Oil Palm Estate 2: Sighted the replanting program for the next 5 financial years as follows: 2020: 172 ha 2021: 208 ha 2022: 178 ha 2023: 264 ha 2024: 182 ha</p>	<p>Complied</p>
<p>Principle 4: Use of appropriate best practices by growers and millers</p>		
<p>Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.</p>		

Criterion / Indicator	Assessment Findings	Compliance
<p>4.1.1</p> <p>Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -</p>	<p>Estates and POM 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.</p> <p>The Standard Operation Procedure (SOP) for Melewar POM contains the procedures for all activities as below: 1) Reception Station (Q/040-03/2015) 2) Grading Station (Q/041-03/2015) 3) Fruit Handling Station (Q/042-02/2015) 4) Sterilizer Station (Q/043-02/2015) 5) Threshing Station (Q/045-03/2015) 6) Press Station (Q/046-03/2015) 7) Clarification Station (Q/047-02/2015) 8) Depericarper Station (Q/048-02/2015) 9) Nut & Kernel Station (Q/049-02/2015) 10) Boiler Station (Q/050-02/2015) 11) Engine Room Station (Q/051-06/2015) 12) Water Treatment Plant (Q/052-02/2015) 13) Turner Station (compost plant) (Q/060-01/2014) 14) Digestion Station (Biogas Plant) (Q/202-01/2016)</p> <p>Estates have adequate SOP documented. Sampled Estate SOP Manual/procedures category for the following operations: a) Guidelines on Estate Vehicle Maintenance (G/001-01/2018) b) Guidelines on Fertilizer Receipts, Management and Application (H/001-03/2016) c) Buffalo Management (K/001-01/2008) d) Guidelines on Integrated Pest and Disease Management of Oil Palm (L/001-06/2017) e) Rat control and baiting (L/002-07/2016)</p>	<p>Complied</p>

<p>4.1.2</p>	<p>A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -</p>	<p>Company has mechanism to check the implementation of procedure through routine inspection by Mill Director Visit twice a year. Mill and Plantation Director/VSM/GM Visit Report were verified. The Internal Control Assessment visit was conducted by Internal Control team covering the RSPO/MSPO P&C, SCC, and ISCC. The inspection/internal audit was covered all activities related to palm oil mill and oil palm agriculture practices.</p> <p>Melewar POM: Internal Control Assessment visit was conducted by Internal Control team. Latest audit was conducted on 01/08/19-03/08/2018. The audit covers all RSPO/MSPO P&C, SCC, and ISCC.</p> <p>Melewar Estate Division 1: Internal Control Assessment visit was conducted by Internal Control team. Latest audit was conducted on 15/10/2019. The audit covers all RSPO/MSPO P&C, SCC, and ISCC.</p> <p>Pahang Oil Palm Estate 2: Internal Control Assessment visit was conducted by Internal Control team. Latest audit was conducted on 11/09/19-14/09/2019. The audit covers all RSPO/MSPO P&C, SCC, and ISCC.</p> <p>1) Melewar POM: First aid kit inspection and First aid case investigation process was not adequately addressed according to internal procedure requirements: - a) First Aid cases (minor cut) dated 29/6/19, 10/7/19 and 20/10/19 recorded in the First Aid Log Book at Laboratory. However, no evidence available that the first aid injury cases has been investigated and reviewed accordingly in the OSH Meeting dated 11/10/19 & 12/7/19.</p> <p>b) First Aid Kit inspection sampled at Guard House and Grader Room found that the first aid kit was inspected on quarterly basis with sampled dated 1/6/19 & 14/9/19 respectively. However, according to JC Chang Group</p>	<p>Minor non-conformance</p>
--------------	--	---	------------------------------

Criterion / Indicator		Assessment Findings	Compliance
		Guidelines of First Aid in the Workplace, Doc. No. M/025-02/2014, the frequency of the first aid kit inspection should be on monthly basis. Thus, a Minor NC been raised.	
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	<p>Melewar POM:</p> <p>Internal Control Assessment visit was conducted by Internal Control team. Latest audit was conducted on 01/08/19-03/08/19. The mill management was progressively closing the findings raised during the audit with taking appropriate corrective action plan to address the NC raised. Audit report available for review.</p> <p>Melewar Estate Division 1:</p> <p>Internal Control Assessment visit was conducted by Internal Control team. Latest audit was conducted on 15/10/19. The estate was progressively closing the findings raised during the audit with taking appropriate corrective action plan to address the NC raised. Audit report available for review.</p> <p>Pahang Oil Palm Estate 2:</p> <p>Internal Control Assessment visit was conducted by Internal Control team. Latest audit was conducted on 11/09/19-14/09/2019. The estate was progressively closing the findings raised during the audit with taking appropriate corrective action plan to address the NC raised. Audit report available for review.</p>	Complied

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 -	<p>The mill records the origins of all third-party sourced Fresh Fruit Bunches (FFB). The records are maintained beginning at the weigh bridge tickets and delivery notes. All non-certified FFB will be stamped as non-sustainable FFB.</p> <p>Sample of 3rd party supplier checked: i) Mohd Sharif Bin Tahir, MPOB License No: 458348-301000 valid until 31/10/2020. ii) Rasmi Binti Zulkifli, MPOB License No: 578918-701000 valid until 31/03/2022 iii) Linda Binti Zainuddin, MPOB License No: 277846601000 valid until 30/6/2024</p> <p>List of third party supplier is available and verified under list of MPOB license outsiders. The FFB supplier contract requires the supplier to declare the origin of FFB. Sample of sale and purchase agreement for: i) Mohd Sharif bin Tahir dated 1/06/17 ii) Rasmi Binti Zulkifli dated 1/04/17, iii) Linda Binti Zainuddin dated 1/05/2017.</p>	Complied
Criterion 4.2:			
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	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. Both estates operate in accordance with the Agriculture Manual and standard operating procedures. The practices consistently monitored by estate operation management and plantation director. The recommendations for improvements are given to maintain the sustainable practices.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	<p>Fertilizer application program is based on the recommendation by Agronomist and documented in Fertilizer Program. The estate maintains the fertiliser application records as per recommendation. Sighted the fertiliser programme and application records for the FY 2019/20 at the estate visited.</p> <p>Melewar Estate Division 1: Observed application records as per agronomist recommendation: Month program: Sept-19 to Nov-19 Block No: C1 Block Ha: 26.99 ha Type: PMg Mix (14/13) Rate/palm: 2.5 kg/palm Month applied: 17/10/2019</p> <p>Pahang Oil Palm Estate 2: Observed application records as per agronomist recommendation: Month program: Sept-19 to Nov-19 Type: NK Mix (11.6/27), PMg Mix (14/13) & 12-4-22-3+0.5B Total Tonnes: 573.6</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	<p>Melewar Estate Division 1:</p> <p>Leaf sampling and soil sampling was conducted by the agronomist team and send to KDC Laboratory for analysis. Latest leaf sampling was conducted 11/2/19. Leaf analysis show the nutrient level was used as the guidance for the recommendation. Refer leaf analysis result no. R19/2/155 dated 23/2/2019. Latest soil sampling was conducted on 11/2/19. Refer soil analysis result report no. R19/3/41 dated 18/3/2019.</p> <p>Pahang Oil Palm Estate 2:</p> <p>Leaf sampling and soil sampling was conducted by the agronomist team and send to KDC Laboratory for analysis. Latest leaf sampling was conducted 25/2/19. Leaf analysis show the nutrient level was used as the guidance for the recommendation. Refer leaf analysis result no. R19/3/32 dated 6/3/2019. Latest soil sampling was conducted on 25/2/19. Refer soil analysis result report no. R19/3/46 dated 8/4/2019.</p>	Complied

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 -	<p>The compost application was carried out in JC Chang’s Estate and the records were available during the audit. Procedure for Semi decomposts application (B/020-01/2016) and compost application (B/019-01/2016) was sighted.</p> <p>Compost application was applied at the rate of 200 kg/palm (mature) on selected area.</p> <p>Sighted the application records at Melewar Estate Division 1 as follows:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Tonnage</th> <th>Hectare</th> </tr> </thead> <tbody> <tr> <td>Jul-19</td> <td>332.93</td> <td>12.24</td> </tr> <tr> <td>Aug-19</td> <td>214.03</td> <td>7.86</td> </tr> <tr> <td>Sept-19</td> <td>104.82</td> <td>3.85</td> </tr> </tbody> </table> <p>Sighted the application records at Pahang Oil Palm Estate 2:as follows:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Tonnage</th> <th>Hectare</th> </tr> </thead> <tbody> <tr> <td>Aug-19</td> <td>304.46</td> <td>14.37</td> </tr> <tr> <td>Aug-19</td> <td>430.20</td> <td>19.99</td> </tr> <tr> <td>Sept-19</td> <td>117.24</td> <td>5.43</td> </tr> </tbody> </table>	Month	Tonnage	Hectare	Jul-19	332.93	12.24	Aug-19	214.03	7.86	Sept-19	104.82	3.85	Month	Tonnage	Hectare	Aug-19	304.46	14.37	Aug-19	430.20	19.99	Sept-19	117.24	5.43	Complied
Month	Tonnage	Hectare																									
Jul-19	332.93	12.24																									
Aug-19	214.03	7.86																									
Sept-19	104.82	3.85																									
Month	Tonnage	Hectare																									
Aug-19	304.46	14.37																									
Aug-19	430.20	19.99																									
Sept-19	117.24	5.43																									
<p>Criterion 4.3: Practices minimise and control erosion and degradation of soils.</p>																											

Criterion / Indicator		Assessment Findings	Compliance
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	<p>Estates visited has established soil map for the estate.</p> <p>Melewar Estate Division 1: No fragile soil identified at the estate visited. Main soil series in the association Kinabatangan, Lungmanis and Kretam. Soil series map available. No other soil categorised as problematic or fragile soil. The type of parent materials and main soil units available.</p> <p>Pahang Oil Palm Estate 2: No fragile soil identified at the estate visited. Main soil series in the association Kilas, Sapi, Kinabatangan, Lungmanis, Rumidi and Kretam. Soil series map available. No other soil categorised as problematic or fragile soil. The type of parent materials and main soil units available.</p>	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 -	<p>The Guidelines on managing steep areas planted with oil palms (C/005-01/2008 dated 26/12/2008) was established.</p> <p>Melewar Estate Division 1: There was no areas >25 degree slope at the estate.</p> <p>Pahang Oil Palm Estate 2: There was areas > 25 degree slope at the estate (49.91Ha) but the area was unplanted.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	<p>Melewar Estate Division 1:</p> <p>Road, bridges and culverts maintenance programme for 2019/2020 was established and monitored on monthly basis by the estates management. Budget were allocated for grading, resurfacing, compacting for each selected field for the whole financial year. Example of programme checked for September 2019 road grading for at PM14A – 5143.89meters was done accordingly as per plan.</p> <p>Pahang Oil Palm Estate 2:</p> <p>Road, bridges and culverts maintenance programme for 2019/2020 was established and monitored on monthly basis by the estates management. Budget were allocated for grading, resurfacing, compacting for each selected field for the whole financial year. Example of programme checked for September 2019 road grading for at PM14A (262.06Ha) was done accordingly as per plan.</p>	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 -	No peat soil at the visited estates.	Complied
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 -	No peat soil at 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 -	No peat soil at the visited estates.	Complied
<p>Criterion 4.4: Practices maintain the quality and availability of surface and ground water.</p>			

<p>4.4.1</p>	<p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p>Melewar POM , JC Chang Group has established Guidelines on Water Management Plan - Sabah, Reference document no. C/004-01/2008 dated 12/11/2008.</p> <p>The management plan is available at Melewar Production Unit and is reviewed annually in November. At Melewar POM sighted its Water Management Plan. The management plan aspect considers the following:</p> <ul style="list-style-type: none"> i) Efficiency of usage ii)Renewability of sources iii)Impact of water used iv) Surface and ground water availability v) Outgoing water analysis vi) Monitoring of rainfall vii) Water drainage viii) Plantation activities ix) Construction <p>Also, noticed the mill water management plan implementation as follows:</p> <ol style="list-style-type: none"> 1. To maintain the rainfall data records for 7 years. Sighted the records for FY 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20. 2. Comply with DOE <i>Jadual Pematuhan</i> on the identification of upstream and downstream river water sampling point. 3. Mill waste water will be treated to comply with DOE <i>Jadual Pematuhan</i> at Effluent Treatment Plant before discharge through land irrigation. 4. Review and compare results of river water analysis done by KL Kepong KDC Lab with Nation Standard for Drinking Water Quality, Revised January 2004 Engineering Services Division, Ministry of Health, Malaysia. <p>For estates the common Water Management Plan are enumerated below:</p>	<p>Complied</p>
--------------	--	---	-----------------

		Aspect	Impact	Action plan	
		Waterway/water source	<ol style="list-style-type: none"> 1. Excessive use of water from upstream activity thus affecting downstream users 2. Contamination of surface and ground water through run-off of soil nutrient or chemicals 	<ol style="list-style-type: none"> 1 identification of water source area in estate was marked in the map 2. Water sampling point has been identified, marked and installed with signboard for natural waterways. 3. River water analysis has taken once a year as per requirement and result properly documented. 	
		Operational activities and water for household consumption	1. Water wastage and increase of chemical usage	1. Flowmeter has been installed and record of consumption was documented properly	
			2. Water shortage reduce reliable and consumption of water source	1. All houses has been supplied with two tanks as one tank is used to harvest rainwater. Water tank inspection to carry out and documented.	
			3. Deterioration in water quality and availability	1. Domestic water quality analysis has been carried out once a year and result show follow the Water Quality Standard based on National Standard for Drinking Water Quality 2 nd	

Criterion / Indicator		Assessment Findings			Compliance
				<p>version, January 2004, by Engineering Services Division Ministry of Health</p> <p>2. Training has been given to the attendant and record of training are documented properly</p> <p>3. Water treatment maintenance carried out but maintenance for sedimentation tank yet to be carried out.</p>	
		Waste water for operation activities (chemicals)	Plantation activities releasing hazardous waste to environment	<p>1. Waterways from the triple rinse are collected and mix together with the pre-mix</p> <p>2. Chemicals surplus are reuse and record of monitoring are documented properly.</p>	
		Rainfall	Operational plan disruption increase	<p>1. Person in charge has been identified and daily record are documented properly</p>	

<p>4.4.2</p>	<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. - Major compliance -</p>	<p>The Group also has established Guidelines on Establishment of Riparian Buffer Zone, Document No C/001-03/2019 dated 27/04/19 and is being implemented. The estates belonging to Melewar Production Unit continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways.</p> <p>Sighted during site visit at Sg. Koyah and Sg. Tenegang the following:</p> <ul style="list-style-type: none"> • buffer zone was demarcated with red color poles; • no spraying activity along the river buffer zone; • vegetation along buffer zone well preserved; • warning signboard erected showing No hunting, No fishing, No swimming, No construction of building, No cultivation, No open burning, No waste disposal, No felling. Noted, oil palm trees has not been planted in the buffer zone since 2004. Buffer zone rehabilitation was on-going. <p>In addition to the above, DID Guideline and Sabah Enactment were yes with. The buffer zones established are as follows:</p> <table border="1" data-bbox="1048 959 1756 1358"> <thead> <tr> <th>River width (m)</th> <th>Buffer zone (m)</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td><3</td> <td>5</td> <td>DID Guideline No. 1 (2000)</td> </tr> <tr> <td>>3 -< 20</td> <td>20</td> <td>Section 40, Sabah Water Source Enactment 1998</td> </tr> <tr> <td>20 - 40</td> <td>40</td> <td>DID Guideline No. 1 (2000)</td> </tr> <tr> <td>➤ 40</td> <td>50</td> <td>DID Guideline No. 1 (2000)</td> </tr> </tbody> </table>	River width (m)	Buffer zone (m)	Remarks	<3	5	DID Guideline No. 1 (2000)	>3 -< 20	20	Section 40, Sabah Water Source Enactment 1998	20 - 40	40	DID Guideline No. 1 (2000)	➤ 40	50	DID Guideline No. 1 (2000)	<p>Complied</p>
River width (m)	Buffer zone (m)	Remarks																
<3	5	DID Guideline No. 1 (2000)																
>3 -< 20	20	Section 40, Sabah Water Source Enactment 1998																
20 - 40	40	DID Guideline No. 1 (2000)																
➤ 40	50	DID Guideline No. 1 (2000)																

Criterion / Indicator		Assessment Findings	Compliance
		The estates had conducted pond/river water sampling once a year as per guidelines. Sighted the river water sampling results dated 11.9.2019 analysed by KL Kepong KDC Laboratory conform with NWQI class II.	
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	The mill analyzed the quality of effluent final discharge on monthly basis and submitted the results on quarterly basis to DOE. Analysis was done by independent third party laboratory, Dynakey Laboratories Sdn Bhd, Sandakan. Result for random month 2019 were verified and found all parameters analyzed were within limits of NWQI class II, thus yes to legal requirements. Monthly graph plotted for BOD Discharge at Melewar POM showed that the BOD Value is well below 20 ppm as allowed in the DOE <i>Jadual Pematuhan</i> , thus comply to DOE regulations.	Complied
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	The mill monitors its water consumption on daily basis. For FY 2018/19 water consumption /mt CPO produced = 7.79 while for FY2019/20 (YTD Aug) water consumption /mt CPO produced = 5.26.	Complied
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.			
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	The guidelines on Integrated Pest and Management of oil palm (L/001-07/2019, dated 13/08/2019) was established. IPM Plan was established to include the planting of beneficial plants and control of damage by rodents. Beneficial plants such as Tunera subulata, and Cassia were grown in the estates. Records of planting of new areas and maintenance of existing areas of beneficial plants and location maps are available (beneficial plant planting map). For Pest & Disease (P&D), census was carried out for rat damage on annual basis. Latest census results as follows: i) June-19: Rat Damage: 2.50% at field PM 15B/B5 (Melewar Estate Division 1) ii) Aug-19: Rat Damage: 2.08% at field PM 90C-C1 (Pahang Oil Palm Estate 2)	Complied

Criterion / Indicator		Assessment Findings	Compliance															
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	Training records for staff and workers on IPM implementation were demonstrated. Verified training record at visited estates: Melewar Estate Division 1: a) Rat Baiting Training dated 23/4/19 b) Safety Data Sheet Understanding and Chemical Store Handling dated 16/4/19 Pahang Oil Palm Estate 2: a) Integrated Pest Management Training dated 27/5/19	Complied															
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment																		
4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	Justification for all pesticides used was stated in the SOP for Pest and disease management and also in the IPM plan (Justifications for Pesticide Usage under IPM (Insecticide, Fungicide & Rodenticide) (B/008-15/2019) dated 2/8/19 and Justifications for Pesticide Usage under IPM (Weedicides) (B/009-13/2019) dated 24/10/19. The use of pesticide is specific to the target pest, weed and disease. Justification takes consideration to minimize effect on non-target species.	Complied															
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 sighted for Sept -19 as follow: <table border="1" data-bbox="972 1109 1859 1311"> <thead> <tr> <th>Weedicide</th> <th>Melewar Estate Division 1</th> <th>Pahang Oil Palm Estate 2</th> </tr> </thead> <tbody> <tr> <td>Ally 20DF</td> <td>0.90</td> <td>5.83</td> </tr> <tr> <td>Ammo Supre</td> <td>0.11</td> <td>0.0</td> </tr> <tr> <td>Sentry</td> <td>0.37</td> <td>0.36</td> </tr> <tr> <td>Monex</td> <td>0.20</td> <td>0.62</td> </tr> </tbody> </table>	Weedicide	Melewar Estate Division 1	Pahang Oil Palm Estate 2	Ally 20DF	0.90	5.83	Ammo Supre	0.11	0.0	Sentry	0.37	0.36	Monex	0.20	0.62	Complied
Weedicide	Melewar Estate Division 1	Pahang Oil Palm Estate 2																
Ally 20DF	0.90	5.83																
Ammo Supre	0.11	0.0																
Sentry	0.37	0.36																
Monex	0.20	0.62																

Criterion / Indicator		Assessment Findings	Compliance
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 SOP operation.	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 -	No class 1 chemical was used at Melewar Estate Division 1 and Pahang Oil Palm Estate 2	Complied
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 -	Pesticides were handled, used or applied by trained workers applied in accordance with the product label. Latest training for pesticides handler was conducted as follow: Melewar Estate Division 1: a) Safe work procedure training for sprayers dated 23/4/19 Pahang Oil Palm Estate 2: a) SOP Training for Sprayers, PPE for Sprayers and Safety Data Sheet Training dated 19/10/19	Complied
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.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 – Guidelines in integrated pest and disease management of oil palm (L/001-07/2019) dated 13/8/19. The implementation in the field is consistent with the SOP.	Complied
4.6.8	Pesticides shall be applied aurally 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 was done at Melewar Production Unit.	Complied
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 -	There is no associated smallholder at Melewar Production Unit. Training records for staff and workers on chemical handling was made available as follow: Safe work procedure training for sprayers dated 23/4/19 at Melewar Estate Division 1 and SOP Training for Sprayers, PPE for Sprayers and Safety Data Sheet Training dated 19/10/19 at Pahang Oil Palm Estate 2.	Complied
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 -	Sighted the records of domestic waste collection at both estate visited. The domestic waste collected twice a week and dumped in the designated landfill. Melewar Estate Division 1: Seen the latest disposal record dated 4/11/19 at landfill No. 71 open date 4/11/19 @ PM94A. Pahang Oil Palm Estate 2: Seen the latest disposal record dated 4/11/19 at landfill No. 90C Block 6.	Complied

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.</p> <p>- Major compliance -</p>	<p>Annual medical surveillance for sprayers and pesticide operators were demonstrated.</p> <p>Melewar Estate Division 1: Medical examination programme established for 48 workers (sprayers and pesticide operators) which was conducted by Mabello Group of Clinics (HQ/13/DOC/00/315) on 5/8/19. Overall results indicate all 48 workers were fit to work.</p> <p>Pahang Oil Palm Estate 2: Medical examination programme established for 43 workers (sprayers and pesticide operators) which was conducted by Mabello Group of Clinics (HQ/13/DOC/00/315) on 20/8/19. Overall results indicates all 43 workers were fit to work.</p>

Criterion / Indicator	Assessment Findings	Compliance	
4.6.12	<p>No work with pesticides shall be undertaken by pregnant or breast-feeding women.</p> <p>- Major compliance -</p>	<p>The monitoring for female worker-pregnancy examination was done on monthly basis.</p> <p>Melewar Estate Division 1: The latest record was sighted for the sprayers dated 30/10/19. Overall result indicates negative pregnancy result for 39 female workers.</p> <p>Pahang Oil Palm Estate 2: The latest record was sighted for the sprayers dated 2/11/19. Overall result indicates negative pregnancy result for 33 female workers.</p> <p>Based on interview with female workers confirmed knowledge of the policy of transfer to alternative duties if they wished to continue working when pregnancy was confirmed or breast-feeding.</p>	Complied
<p>Criterion 4.7: 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 Mill Director dated 15th January 2018. 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 & Health Policy Briefing. Safety and Health (OSH) Plan and Improvement for Mill and Estates was established dated 20/1/2019 (MPOM). Seen the OSH Policy communication record to workers and employees dated 3/9/2019 at Melewar POM, dated 16/02/2019 at Melewar Estate Division 1 and dated 8/9/19 at Pahang Oil Palm Estate 2.</p> <p><u>Chemical Health Risk Assessment (CHRA)</u> Melewar POM - CHRA conducted on 11/12/2016 by registered assessor JKKP HIE/127/171-2(289). Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been progressively implemented based on recommendation by assessor. Melewar Estate Division 1: CHRA conducted on 25/08/2018 by registered assessor JKKP KIM 127/453/6/(30). Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been progressively implemented based on recommendation by assessor.</p> <p><u>Pahang Oil Palm Estate 2:</u> CHRA conducted on 01/09/2019 by registered assessor JKKP KIM 127/453/6/(30). Relevant work units were assessed and related recommendation report under from F of the report. All necessary action has been progressively implemented based on recommendation by assessor.</p> <p><u>Medical Surveillance Program</u> Melewar POM-Medical surveillance was done on 3/09/2019 to those workers who expose to N-Hexane, Mineral Oil and Manganese. The test was done by Klinik Mabelo (Paris) Sdn Bhd (HQ/16/DOC/00/557). All the workers 67</p>	<p>Complied</p>
--------------	---	--	-----------------

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator	Assessment Findings	Compliance
	<p>workers were concluded found fit to work as per the Summary Results report letter dated 29/10/19.</p> <p><u>Annual Audiometric Testing</u> Melewar POM – Annual Audiometric testing was conducted on 3/9/2019 by Clinic Mabello Kunak for relevant workers exposed to noise. Verified that the test results were still pending from the clinic. The mill is following up closely on the status to ensure compliance made.</p> <p><u>Local Exhaust Ventilation Inspection and Testing</u> Melewar POM - LEV inspection and testing was conducted on 15/10/2019 by registered assessor, JKPP HIE 127/171-3/2(144) and HQ/13/JHII/00/187. From the report, the monitoring was successfully conducted and the effectiveness of the LEV systems were satisfactory with some actions needed as per recommended in the report.</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>Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), Doc. No. U/029-01/2019, dated 17/7/19.</p> <p>Melewar Production Unit had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. Appropriate control measure has been determined and revised in the HIRARC register.</p> <p>Melewar POM - HIRARC was reviewed whenever there is a change in process, or accident. The latest HIRARC review was done on 9/10/2019 and approved by the Sr. Ast. Manager. The HIRARC for Mill activities was identified and risk assessed with respect to office, FFB grading, FFB loading ramp, sterilizer, threshing station, pressing station, empty bunch press station, depericarper station, nut plant, winnowing plant, kernel plant, clarification station, laboratory, water treatment plant, boiler, biogas plant, solvent plant.</p> <p>Pahang Oil Palm Estate 2: At the estate, among the HIRARC carried out covered activities like chemical mixing, replanting, spraying, manuring, chemical/ fertilizer/ POL storage, harvesting and FFB collection, pruning, nursery, FFB Transport, working at height, and workshop. The latest review was done on 12/2/18 (annual review) at Pahang Oil Palm Estate 2.</p> <p>The hazard identification, risk rating and risk control measures details in certain HIRARC operations was not adequately addressed.</p> <p>Melewar POM: Fire Hazard was not captured on following sampled HIRARC operations: a) Diesel Gen-Set b) Water Treatment Plant c) Boiler House d) Biogas Engine Plant</p>	<p>Major non-conformance</p>
--------------	--	---	------------------------------

Criterion / Indicator	Assessment Findings	Compliance
	<p>Melewar Estate Division 1: Harvesting operation: Hazard risk rating (likelihood x severity) on snake bite severity rating was not adequately captured as per risk rating matrix recommendation in Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), Doc. No. U/029-01/2019, dated 17/7/19.</p> <p>Pahang Oil Palm Estate 2:</p> <ul style="list-style-type: none"> a) Manuring operation: The Hazard from Insect & Snake Bite was not identified. b) Selective Weeding & Harvesting operation: The Hazard risk rating (likelihood x severity) on snake bite severity rating was not adequately captured per risk rating matrix recommendation in Guideline on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), Doc. No. U/029-01/2019, dated 17/7/19. c) Transportation risk control measures on passengers sitting safety was not adequately yes as few passengers were seen hopping behind the pickup truck during the field visit. <p>Thus, a major NC been raised.</p>	

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.3</p>	<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>Awareness and training program had been carried out. 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.</p> <p>Suitable PPE has been provided to the workers based on the information in the SDS 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>a. Melewar POM: Boiler/Engine operator – Safety Helmet, Semi leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff. Sampled PPE issuance record dated 3/11/19 for Safety Helmet – Boilerman, 31/10/19 for Cotton Glove and 22/10/19 for Face Mask – Laboratory.</p> <p>b. Melewar Estate Division 1: Field workers (sprayer, manure & harvester) – N95 respirator, anti-mist goggles, wellington boots, apron and sickle cover. Sampled PPE issuance record dated 29/09/19 – Safety Helmet (harvester), 18/8/19 for sprayer on Nitrile Glove, Apron, Safety Boot, Respirator Mask and Safety Google.</p> <p>c. Pahang Oil Palm Estate 2: Field workers (sprayer, manure & harvester) – N95 respirator, anti-mist goggles, wellington boots, apron and sickle cover. Sampled PPE issuance record - Safety Rubber Boot dated 19/08/19, Goggles dated 2/11/19, Latex Rubber Glove dated 19/8/19 and Respirator Cartridge dated 24/8/19.</p> <p>Verified that the mill & estates chemical store was found to be adequately organized, properly labelled, secured and person in charge understands the OSH procedures. Safety Date Sheet was placed at the chemical stores and is available. The person in charge understands the information written in Safety Data Sheet.</p>	<p>Complied</p>

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. - Major compliance -</p> <p>The OSH policy is well briefed to all workers. Interview with workers reveal that they understand the policy and the importance of safety at work.</p> <p>Melewar POM: OSH meeting conducted on quarterly basis. The OSH meeting minutes available and seen the meeting minutes conducted on 18/04/19, 12/07/19 & 11/10/19 has been adequately covered.</p> <p>Melewar Estate Division 1: OSH meeting conducted on quarterly basis. The OSH meeting conducted on 6/03/19, 04/6/19 & 4/9/19 and the meeting has been adequately covered. Verified that the OSH Committee Members chart and the appointment has been issued accordingly.</p> <p>Pahang Oil Palm Estate 2: OSH meeting conducted on quarterly basis. The OSH meeting conducted on 25/01/19, 17/07/19 & 22/04/2019 and the meeting has been adequately covered. Verified that the OSH Committee Members chart and the appointment letters has been issued accordingly.</p>	<p>Complied</p>

<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. - Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to employees, contractors and visitors.</p> <ol style="list-style-type: none"> 1. Melewar POM: Fire evacuation drill was last conducted on 16/02/2018 to test the state of readiness during emergency situation. The next fire evacuation drill at mill is scheduled to be done on December 2019. 2. Melewar Estate Division 1: – Fire evacuation drill was last conducted on 16/02/2019 to test the state of readiness during emergency situation. 3. Pahang Oil Palm Estate 2: – Fire evacuation drill was last conducted on 09/11/2018 to test the state of readiness during emergency situation. Year 2019 fire drill scheduled to be conducted by end Nov-19. <p>Accident and emergency procedures are in Bahasa Malaysia and this is understood by the responsible workers, staff or executives involved in the operation. Good understanding level observed among the workers.</p> <ol style="list-style-type: none"> 1. Training for First Aid is conducted in annually. Sufficient first aiders been trained. First Aid Training at Melewar POM was conducted on 1/02/19. At Melewar Estate Division 1: the first aid training was conducted on 21/08/19. As for the Pahang Oil Palm Estate 2, the First Aid Training was conducted on 28/09/19. 2. First aid equipment is available at worksites. During the site visit there is evident that First Aid Box is available at the relevant area with sufficient contents and in good condition. 3. Fire extinguisher (ABC Powder) assessed during the site observation are available and within the expiry date. 4. Portable emergency eye wash & shower facility available at chemical store, workshop, mixing area and laboratory and are in good working condition. <p>Melewar POM: 1 cases reported with JKPP 6 submission for year 2019. Seen the JKPP 6 submission report dated 26/1/19. Verified that the Incident Investigation</p>	<p>Complied</p>
--------------	---	--	-----------------

**RSPO Public Summary Report
Revision 8 (Mar /2019)**

Criterion / Indicator	Assessment Findings	Compliance
	<p>Report been raised according including review of existing HIRADC accordingly.</p> <p>JKKP 8 was sent to DOSH accordingly on 31/01/2019. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 10/10/19 with 2 Prohibition Notice been issued for Pressure Gauge PMT 89193 and PMT 105621. Verified that both Prohibition Notice has been taken appropriate corrective action and been closed by DOSH officer on 17/10/19.</p> <p>Melewar Estate Division 1: 1 cases reported with JKKP 6 submission for year 2019. Seen the JKKP 6 submission report dated 14/3/19. Verified that the Incident Investigation Report been raised according including review of existing HIRADC accordingly.</p> <p>JKKP 8 was sent to DOSH accordingly on 10/01/2019. Seen the JKKP 8 submission reference: JKKP 8/23350/2018. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 20/03/19 on the JKKP 6 incident.</p> <p>Pahang Oil Palm Estate 2: No JKKP 6 cases for year 2019 as to date. Last 1 cases reported with JKKP 6 submission was dated 4/12/18. Seen the JKKP 6 submission report dated 12/12/18. Verified that the Incident Investigation Report been raised according including review of existing HIRADC accordingly.</p> <p>JKKP 8 was sent to DOSH accordingly on 10/01/2019. DOSH visit been recorded in the DOSH log book. Seen the latest DOSH visit recorded dated 8/04/19 on the Stop Order S/N: 261055 Notice Cancelation (Closure).</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	Medical care and accident insurance is provided to all the employees. Workers are covered under SOCSO scheme. Seen the Sosco scheme payment schedule at mill/estates as follows: a) Melewar POM: Sampled Sosco Jadual Caruman for August 2019, September 2019 and October 2019. b) Melewar Estate Division 1: Sampled Sosco Jadual Caruman for September 2019 c) Pahang Oil Palm Estate 2: Sampled Sosco Jadual Caruman for September 2019 Above Sosco submission were done using the Borang 8A. Details of the Employer and worker's details been available accordingly.	Complied
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. JKPP 8 been submitted to DOSH annually as follows: Melewar POM: JKPP 8 was sent to DOSH accordingly on 31/01/2019. Melewar Estate Division 1: JKPP 8 submission reference: JKPP 8/23350/2018 Pahang Oil Palm Estate 2: JKPP 8 was sent to DOSH accordingly on 19/01/2019.	Complied
Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.			
4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	Formal training program for the year 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.	Complied

Criterion / Indicator	Assessment Findings	Compliance
4.8.2	<p>Records of training for each employee shall be maintained. - Minor compliance -</p> <p>Training records for employees available and maintained at the office. Records are verified on a sampling basis which covers all aspect of training and RSPO P&C requirement. Samples of training record as follows: Melewar POM: a) Weighbridge SOP & Safety Training dated 3/9/19 b) Loading Ramp/Grading Station Training dated 10/5/19 c) Fruit Handling Station (SOP and Safety) Training dated 22/7/19 d) Sterilization Station (SOP & Safety) Training dated 28/3/19 e) Boiler Station SOP & Training dated 15/6/19</p> <p>Melewar Estate Division 1: a) Manuring Training dated 01/10/19 b) Rat Baiting Training dated 12/9/19 c) Domestic Waste & Recycle Waste Training dated 24/8/19 d) Loose Fruit Collection Training dated 21/7/19 e) HCV on Wild Life No Hunting Training dated 15/6/19</p> <p>Pahang Oil Palm Estate 2: a) Training on Proper PPE Attire for Compost Activities of Application dated 21/10/19 b) SOP Training for Sprayers and PPE use for sprayers dated 19/10/19 c) Workshop SOP and PPE Training dated 17/10/19 d) Water Treatment Plant Operation Training dated 14/10/19 e) Tractor Operation Training dated 25/9/19</p>	Complied

Principle 5: Environmental responsibility and conservation of natural resources and biodiversity

Criterion 5.1:

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

Criterion / Indicator		Assessment Findings	Compliance
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	<p>Melewar Production Unit has established environmental impact assessment based on Initial assessment conducted by Wild Asia on 26 May 2011 Social & Environmental Impact Assessment and a 5-year Improvement Plan of Melewar Production Units (N005).</p> <p>All Operating Units has established its environmental impact assessment and documented in In Housed Environmental and Social Improvement Plan. The assessment has identified the significant aspect and impact to the environment arising from their activities.</p> <p>The assessment is subjected for review at minimum every 2 years and/or when required due to operational changes that have negative and positive impact to the environment. The EIA has been reviewed by each Operating Unit ranges from August to mid-October 2019.</p>	Complied

<p>5.1.2</p>	<p>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 -</p>	<p>Generally, the negative impacts identified are common within the Operating Units of Melewar such as those presented below. Timetable for implementation depends on the results of monitoring and varies on parameters to be monitored, some govern by legal, others by factors of interest considered. Thus, some daily, weekly, monthly, quarterly, half-yearly, yearly or upon receiving the analysis results.</p> <p>At Melewar Palm Oil Mill its Environmental & Social Improvement Plan dated 5.8.2019 had include landslide.</p> <table border="1" data-bbox="972 683 1868 1362"> <thead> <tr> <th data-bbox="972 683 1317 751">Negative impacts at estates</th> <th data-bbox="1317 683 1711 751">Mitigation</th> <th data-bbox="1711 683 1868 751">PIC</th> </tr> </thead> <tbody> <tr> <td data-bbox="972 751 1317 948">1.Encroachment of Buffer Zone.</td> <td data-bbox="1317 751 1711 948">1.Awareness training to Stakeholders. 2.Clear demarcation of and visible maintenance of buffer zones including installation of marking pegs.</td> <td data-bbox="1711 751 1868 948">Field Supervisor, Assistant Manager</td> </tr> <tr> <td data-bbox="972 948 1317 1144">2.Increase soil erosion at riparian buffer zone without vegetation affecting downstream water quality</td> <td data-bbox="1317 948 1711 1144">Rehabilitate buffer zone. Conservation land along buffer zone to be planted with Guatemala grass and various type of jungle trees and allow natural vegetation to proliferate.</td> <td data-bbox="1711 948 1868 1144">Field Supervisor, Assistant Manager</td> </tr> <tr> <td data-bbox="972 1144 1317 1273">3.Contamination of surface and ground water through run-off of soil, nutrient or chemicals.</td> <td data-bbox="1317 1144 1711 1273">Any off-spec result identified, immediate action will be taken to address the issue.</td> <td data-bbox="1711 1144 1868 1273">Assistant Manager</td> </tr> <tr> <td data-bbox="972 1273 1317 1362">4.Deterioration in water quality and availability</td> <td data-bbox="1317 1273 1711 1362">Maintenance of water treatment plant to be carried out annually.</td> <td data-bbox="1711 1273 1868 1362">Water Treatment Plant</td> </tr> </tbody> </table>	Negative impacts at estates	Mitigation	PIC	1.Encroachment of Buffer Zone.	1.Awareness training to Stakeholders. 2.Clear demarcation of and visible maintenance of buffer zones including installation of marking pegs.	Field Supervisor, Assistant Manager	2.Increase soil erosion at riparian buffer zone without vegetation affecting downstream water quality	Rehabilitate buffer zone. Conservation land along buffer zone to be planted with Guatemala grass and various type of jungle trees and allow natural vegetation to proliferate.	Field Supervisor, Assistant Manager	3.Contamination of surface and ground water through run-off of soil, nutrient or chemicals.	Any off-spec result identified, immediate action will be taken to address the issue.	Assistant Manager	4.Deterioration in water quality and availability	Maintenance of water treatment plant to be carried out annually.	Water Treatment Plant	<p>Complied</p>
Negative impacts at estates	Mitigation	PIC																
1.Encroachment of Buffer Zone.	1.Awareness training to Stakeholders. 2.Clear demarcation of and visible maintenance of buffer zones including installation of marking pegs.	Field Supervisor, Assistant Manager																
2.Increase soil erosion at riparian buffer zone without vegetation affecting downstream water quality	Rehabilitate buffer zone. Conservation land along buffer zone to be planted with Guatemala grass and various type of jungle trees and allow natural vegetation to proliferate.	Field Supervisor, Assistant Manager																
3.Contamination of surface and ground water through run-off of soil, nutrient or chemicals.	Any off-spec result identified, immediate action will be taken to address the issue.	Assistant Manager																
4.Deterioration in water quality and availability	Maintenance of water treatment plant to be carried out annually.	Water Treatment Plant																

				Operator, Assistant Manager	
		5.GHG emission cause global warming.	<ol style="list-style-type: none"> 1. Monitor consumption of diesel, fertilizer, pesticides and chemicals as well as crop volume and wastewater produced through appropriate GHG Calculator to facilitate the program of energy / chemicals campaign. 2. Awareness training on efficiency of diesel and chemicals usage. 3. Service farm vehicles and machinery based on running hours. 	Driver, Chemical Pre-Mixer, Apprentice, Foreman, Field Supervisor, Assistant Manager	
		6.Land and water pollution from spillage of chemicals, diesel, lubricants	<ol style="list-style-type: none"> 1. Build oil / chemical traps (110% of largest container volume in storage) at storage area. 2. Implement weekly sump pond checklist to ensure the pond is in good conditions and exit discharge valve is always in close position. 3. Use spill tray during vehicle maintenance. 4. Training on method of handling diesel/chemical spillage. 	Driver, Apprentice, Foreman, Storekeeper, Assistant Manager,	

		<p>7.Foul smell, spread of diseases, contamination of watercourse from overflow/leakage of sewage system.</p>	<ol style="list-style-type: none"> 1.Design correct size of septic tank to be installed for each building. 2.PIC to monitor the pipeline to ensure no leaking, broken, burst or tank overflow. 3.Conduct weekly linesite inspection by Estate Hospital Assistant. 	<p>Assistant Manager, Manager, Field Supervisor, Estate Health Assistant</p>	
		<p>8.HCV protection</p>	<ol style="list-style-type: none"> 1. Estate boundary adjacent to forest reserve or protected area to be visibly maintained. 2. Identify HCV liability area, and where applicable, work with Consultant on concept note and pay compensation. 3. Consultation with authority and adjacent stakeholders if required, to instill awareness on the need of HCV protection, including protection of RTE value and related species as part of agenda of environmental meeting. 4. Erect warning signboard at strategic areas within estate to instill awareness. 	<p>Field staff, Assistant Manager, Manager and Sustainability Team.</p>	

		Negative impacts at Melewar Oil Mill	Mitigation	PIC	
		1. Mill treated waste water at Effluent Treatment Plant exceeded DOE requirements (Jadual Pematuhan).	Any off-spec (BOD>20ppm) water before discharge through land irrigation will be pump back to the effluent pond.	ETP Operator, Laboratory In Charge, Assistant Manager	
		2. Ground water contamination from sludge or oil spillage	1. Ensure bund wall has been built for CPO tanks. 2. Check oil trap and condition of bund wall weekly. 3. Check daily spill kit is provided and in good condition. 4. Daly monitor and supervise operator when performing blowdown for oil tanks during mill process.	Operators, Supervisor	
		3. Hearing loss due to excessive noise at boiler and engine room	1. Check condition of acoustic control room to make sure the effectiveness of the room. 2. Ensure workers wear ear plug/muff provided	Workers, Supervisors, Safety Officer, Assistant Manager	
		4. Global warming from GHG emission from boiler and genset	1. Conduct stack monitoring 2x/yr per boiler.	Supervisor, Assistant Manager	

Criterion / Indicator		Assessment Findings			Compliance
			<ul style="list-style-type: none"> 2. Check CEMS function properly and well maintained. 3. Carry out routine service of gensets. 		
		5. Schedule waste – risk to human life and environmental damage	<ul style="list-style-type: none"> 1. Store waste at designated Scheduled Waste Store. 2. Manage waste as per Guideline. 	Laboratory Assistant, Supervisor, Assistant Manager	
		6. Landslide at line site	<ul style="list-style-type: none"> 1. Plant Vertiver grass on slope. 2. Place boulders and disused farm tractor tyres firmly at foot of hill. 3. Install guardrails at top of hill to disallow parking of vehicle at edge of slope to prevent soil movement. 	Site Supervisor, Assistant Manager, Manager	

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>Procedure Doc. Ref. No. N/009-01/2018 Environmental and Social Improvement Plan dated 17.8.2018 was referred.</p> <p>Each Operating Unit has established its environmental management/improvement plan based on the environmental impact assessment conducted. The plan is then documented in the Environmental and Social Improvement Plan. The management plan incorporated monitoring protocol to monitor the effectiveness of the mitigation measures, time frame and person responsible. The plan is subjected for review as a minimum every 2 years or when require to reflect the result of monitoring and where there are operational changes that may have positive and negative impacts to environmental and social.</p>	Complied
<p>Criterion 5.2: 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>			

Criterion / Indicator	Assessment Findings	Compliance
<p>5.2.1</p> <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>The company continued to use the initial Social & Environmental Impact Assessment conducted by Wild Asia in 2011. Based on the assessment conducted it was concluded that “there is limited HCV found within the site” as stated in the report item 3.7 Conclusion on page 26.</p> <p>Water pond is available whose intake for Melewar POM to process into drinking water is taken from pond located in PM12A1 Melewar Estate Division 1. This pond on most occasion serves the interest of nearby stakeholders, villagers from Kg. Paris 3, that obtained free flow treated water from Melewar POM. It thus has been identified as HCV 5.</p> <p>Warning signs prohibiting fishing, spraying, swimming in addition to present of crocodile was erected at the pond. No spraying activity was seen at the pond. Likewise, found ‘No Hunting’ and ‘No fishing’ signs erected at the gates of the estates as well at some of the boundaries in the individual estates.</p> <p>Also sighted during site visit at Melewar Estate Division 1 Sg. Tenegang and Sg. Koyah, the buffer zones were demarcated with red color stick. There was no spraying activity along the river buffer zone and the vegetation along it were well preserved.</p>	<p>Complied</p>
<p>5.2.2</p> <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>No RTE species was present. The Wild Asia study included a section known as ‘Biodiversity Report’. Birds were the principal biodiversity indicators used in the assessment, with supplementary data provided from the species of mammals and reptiles observed and reported.</p> <p>List of animals (Species recorded during update site survey) is available and conservation areas are clearly stated. Management has a plan to enhance the conservation and protection of the species identified.</p> <p>In areas where there is HCV riparian zone they are adequately maintained. Enhance is by vegetative regrowth and zero disturbance.</p>	<p>Complied</p>

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 -	The company continuously provide awareness to the employee regarding the status of RTE species and discourage them to conduct any illegal or inappropriate hunting, fishing or collecting activities. The awareness was given through training and frequent reminders during muster briefing. At Melewar Estate Div. 1, RTE/HCV training was conducted on 15.6.2019 for 178 workers and 21 staff. Participants were informed that any violation is immediate employment termination as per latest Environmental Policy displayed on website which subject workers if found capture, harm, collect, threat, possess or kill to stringent disciplinary action. At Pahang Oil Palm Plantation 2, Environmental Policy and HCV area Awareness Training was given by Estate Manager on 16.10.2019, attended by all workers and staff at Muster Ground.	Complied
5.2.4 Where a management plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	As mentioned in indicator 5.2.2 no RTE Species are present in Melewar production Unit. Nonetheless birds and other animal species are monitored and recorded as Management has plan to enhance the conservation and protection of the species identified. In areas where there is HCV riparian zone they are adequately maintained. Enhance is by vegetative regrowth and zero disturbance.	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 -	There is no HCV set aside with existing rights of local communities present at this Certification Unit.	Complied

Criterion / Indicator		Assessment Findings	Compliance
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			
5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	<p>The JC Chang Group has established Guidelines on Wastes and Waste Products Identification and Disposal Plan for Estate and Mills, document ref. no F/007-06/2016 dated 22/12/2016. The guideline stated the area where waste was generated, waste category, handling methods and disposal plan for the identified waste.</p> <p>The mill/estates visited has also identified the waste and documented in the Environmental and Social Improvement Plan under waste section. The waste category identified as Recycle Waste, Non- Recycle waste and Scheduled waste.</p>	Complied

<p>5.3.2</p>	<p>All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>The disposal of chemicals and their containers were done as per above Guidelines on Wastes and Waste Products Identification and Disposal Plan for Estate and Mills.</p> <p>All scheduled wastes were stored at designated store and been disposed before reaching the maximum allowable storage period of 180 days or storage quantity of 20 MT as per Environmental Quality (Schedule Waste) Regulations 2005. The inventory was recorded in SW inventory book. The data were reported to DOE through E-SWISS. Sighted the disposal records of waste at Operating Unit visited as follows:</p> <table border="1" data-bbox="972 699 1877 1351"> <thead> <tr> <th>Site</th> <th>Date disposed</th> <th>DOE contractor</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Melewar Estate Div. 1</td> <td>28.8.2019</td> <td rowspan="2">Wawasan Oil Recycle Sdn Bhd</td> <td>SW305 (0.70mt), SW410 (0.057mt)</td> </tr> <tr> <td>13.9.2019</td> <td>*SW 409 (3.86mt),</td> </tr> <tr> <td>2.11.2019</td> <td>Newgate</td> <td>Non- Schedule Waste: 80 kg of Empty triple rinse chemical container + 30 kg recycle drinking water plastic bottle</td> </tr> <tr> <td rowspan="3">Pahang Oil Palm Plantation 2</td> <td rowspan="2">4.9.2019</td> <td rowspan="2">Wawasan Oil Recycle Sdn Bhd</td> <td>SW 305 (0.80mt), SW 306 (0.20mt), *SW409 (0.192mt), *SW410 (0.052mt), **SW 410 (0.015mt), ***SW 410 (0.002mt)</td> </tr> <tr> <td>27.4.2019</td> <td>**SW409 (3.4210mt),</td> </tr> <tr> <td>2.11.2019</td> <td>Newgate</td> <td>Triple rinse empty chemical container, 50 kg</td> </tr> </tbody> </table>	Site	Date disposed	DOE contractor	Details	Melewar Estate Div. 1	28.8.2019	Wawasan Oil Recycle Sdn Bhd	SW305 (0.70mt), SW410 (0.057mt)	13.9.2019	*SW 409 (3.86mt),	2.11.2019	Newgate	Non- Schedule Waste: 80 kg of Empty triple rinse chemical container + 30 kg recycle drinking water plastic bottle	Pahang Oil Palm Plantation 2	4.9.2019	Wawasan Oil Recycle Sdn Bhd	SW 305 (0.80mt), SW 306 (0.20mt), *SW409 (0.192mt), *SW410 (0.052mt), **SW 410 (0.015mt), ***SW 410 (0.002mt)	27.4.2019	**SW409 (3.4210mt),	2.11.2019	Newgate	Triple rinse empty chemical container, 50 kg	<p>Complied</p>
Site	Date disposed	DOE contractor	Details																						
Melewar Estate Div. 1	28.8.2019	Wawasan Oil Recycle Sdn Bhd	SW305 (0.70mt), SW410 (0.057mt)																						
	13.9.2019		*SW 409 (3.86mt),																						
	2.11.2019	Newgate	Non- Schedule Waste: 80 kg of Empty triple rinse chemical container + 30 kg recycle drinking water plastic bottle																						
Pahang Oil Palm Plantation 2	4.9.2019	Wawasan Oil Recycle Sdn Bhd	SW 305 (0.80mt), SW 306 (0.20mt), *SW409 (0.192mt), *SW410 (0.052mt), **SW 410 (0.015mt), ***SW 410 (0.002mt)																						
			27.4.2019	**SW409 (3.4210mt),																					
	2.11.2019	Newgate	Triple rinse empty chemical container, 50 kg																						

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator		Assessment Findings			Compliance
				+ 80 kg recycle drinking water plastic bottle	
		Melewar POM	9.8.2019,	Wawasan Oil Recycle Sdn Bhd SW 305 (2.8mt), *SW409 (0.32mt), *SW410 (0.139mt), ***SW410 (0.048mt)	
		SW 102	Waste of lead acid batteries	*SW 409 Contaminated drum	
		SW 109	Fluorescent tube	**SW 409 Used fertilizer bag	
		SW 305	Used lubricant oil	*SW 410 Used filter	
		SW 306	Used hydraulic oil	**SW 410 Used hose	
				***SW 410 Used contaminated rag	
		Empty chemical containers from the mill is generally lubricant containers and chemical for boiler water treatment. All of the containers are disposed as scheduled waste.			

Criterion / Indicator		Assessment Findings	Compliance
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	<p>Melewar Production Unit has established and documented its waste management plan in Environmental and Social Improvement Plan. Disposal of all waste were conducted as per Doc. Ref. No. F/007-06/2016, Wastes and Waste Products Identification and Disposal Plan for Estates and Mills 22/12/2106 while pollution are managed as per Doc. Ref. No. F/008-01/2009, Pollution Mitigation Plan for Estates dated 27/07/2009 and Doc. Ref. No. F/019-02/2018, Pollution Mitigation Plan for Mills dated 08/01/2018. The plan is review at a minimum every 2 years.</p> <p>The Melewar Production Unit practised the following in disposing wastes</p> <ul style="list-style-type: none"> • No open burning as per Policy on Zero Burning’ • 3R program at source wastes were generated and disposed to Registered Waste Collector • Domestic waste after segregation to be buried at landfill. Collection frequency from office and line site for disposal is 2x or 3x per week depending on line site population density. • Scheduled Waste disposed in accordance to EQ (Scheduled Wastes) Regulations 2005 and via DOE Registered Contractor. • Scrap iron sold to scrap iron dealer • Dead buffalo as per Doc. Ref. No. F/005-01/2010, Guidelines on disposal of dead buffalo, dated 04/02/2010 	Complied
<p>Criterion 5.4: 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 -	<p>Monthly record on energy consumption for renewable energy sources were kept and documented at mill and estates assessed. It is monitored to optimize use of renewable energy for comparison and improvement.</p> <p>At Melewar Palm Oil Mill, biomass (shell and fibre) are being used as feed to boiler to generate electricity through operation of steam turbines. Additionally, with the installation of biogas plant methane gas is captured and metered to operate the biogas engine. Data on biomass and methane consumed are available and have been used to optimise renewable energy generated and also as basis for improving machine efficiency.</p> <p>All vehicles and machineries at mill and estates such as shovel, farm tractors and generator sets are maintained as per schedule to ensure their efficiency, the aim being to reduce diesel consumption.</p> <p>At Melewar Estate Div. 1, diesel usage Jan –Dec 2018 = 152,656 liters (12,721 l/mo) while for Jan – Sep 2019 = 122,168 liters (13,574 l/mo), the increase due to road maintenance (motor grader) up to community village.</p> <p>At Pahang Oil Palm Plantation Div.2 diesel usage Jan –Dec 2018= 410,383 liters (34,199 l/mo) while for Jan – Sep 2019 = 285,059 liters (31,673 l/mo) decrease due to completion of delayed replanting at Block 3 & 4/PM17A</p>	Complied
Criterion 5.5:			
Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.			
5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	There was no land preparation by burning. Melewar Production Unit has committed to Zero Burning compliance as spelt out in the JC Chang Group Environmental Policy dated 01/01/2008. This confirm during field visit as no mark of burning was observed. Furthermore, replanting program is planned at Melewar Estate Div. 1 in March 2020 and at Pahang Oil Palm Plantation Div. 2 in 2021.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 -	There was no land preparation by burning as explained in above indicator 5.5.1.	Complied
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			

<p>5.6.1</p>	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -</p>	<p>Means to monitor polluting activities has been conducted as per Pollution Mitigation Plans for Mill and Estate. It included the effluent analysis, stack monitoring and river water monitoring.</p> <p>At Mill, monitoring of mill gas emissions is via online using the Continuous Emissions Monitoring System (CEMS) and supported by the Ringelman Smoke Chart. Sighted the stack monitoring records whose results for boilers used for FY 2018 and 2019 as follows:</p> <table border="1" data-bbox="972 619 1861 823"> <thead> <tr> <th>Test date</th> <th>Boiler No.2</th> <th>Boiler No.2</th> </tr> </thead> <tbody> <tr> <td>November 2018</td> <td>217.8 mg/m³</td> <td>-</td> </tr> <tr> <td>March 2019</td> <td>252 mg/m³</td> <td>-</td> </tr> <tr> <td>September 2018</td> <td>-</td> <td>299 mg/m³</td> </tr> <tr> <td>March 2019</td> <td>-</td> <td>Not in use</td> </tr> <tr> <td>September 2019</td> <td>-</td> <td>128 mg/m³</td> </tr> </tbody> </table> <p>The above readings showed particulate emission is lower than the permissible limit of 0.4 gm/Nm³ stipulated under the Environmental Quality (Clean Air) Regulations, 1978, hence the mill yes.</p> <p>Smoke density monitoring system Certificate of calibration for Boiler no. 2 and 3 was done by ST Tech Engineering Sdn Bhd. Calibration date 28/08/2019.</p> <p>Domestic drinking water analysis was undertaken Dynakey Laboratory Sdn Bhd. The monthly samples taken were from (a) entrance manifold at line site and (b) exit of treated water concrete pond. All results sighted randomly over the last three months showed the water was safe for consumption.</p> <p>Likewise, mill effluent and river water analysis were carried out as discussed in indicator 4.4.1 and 4.4.2. Their results of parameters tested were below the permissible limits and thus yes with the legal requirements.</p>	Test date	Boiler No.2	Boiler No.2	November 2018	217.8 mg/m ³	-	March 2019	252 mg/m ³	-	September 2018	-	299 mg/m ³	March 2019	-	Not in use	September 2019	-	128 mg/m ³	<p>Complied</p>
Test date	Boiler No.2	Boiler No.2																			
November 2018	217.8 mg/m ³	-																			
March 2019	252 mg/m ³	-																			
September 2018	-	299 mg/m ³																			
March 2019	-	Not in use																			
September 2019	-	128 mg/m ³																			

Criterion / Indicator		Assessment Findings	Compliance
5.6.2	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>- Major compliance</p>	<p>Significant pollutants and greenhouse gas (GHG) emissions had been identified. They included methane from effluent ponds, smoke from vehicles and boiler and fertilizer usage in the estates have been adequately documented. It was noted that the Sustainability Team have established plans for implementation and monitoring of GHG emissions, such as:</p> <ul style="list-style-type: none"> • recycle /reuse of palm biomass as feed to boiler and nutrient for oil palm in the estates. • apply chemical fertilizer as recommended by agronomist. • on-time service of mill shovel, farm tractors, gensets. • operation of biogas plant - reduction in GHG (methane) into the atmosphere • Polishing plant – to comply to reduce BOD to 20 ppm for water discharge. • Effluent pond system – to remove solid content in cooling pond under desludging program • Installation of Electrostatic Precipitator to reduce pollutant from boiler stack. 	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
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 -	Tools and systems used to monitor significant pollutants includes those discussed above in indicator 5.6.2. Others include monitoring POME results after treatment at anaerobic and aerobic ponds or biological treatment system. Effluent waste-water samples were taken as per DOE requirement and quarterly reports sent to DOE via the latest "OER" @ Online Environmental Reporting Monitoring of the GHG quantity was done through RSPO PalmGHG Calculator Version 3.0.1 is used and the management opted for full version was applied. These GHG calculations were done as per certification unit basics including 5 estate and mill. Summary emissions FY2018/19: i. Emission/ mt CPO= 0.72 tCO ₂ e/mt CPO ii. Emission/ mt PK= 17.18 tCO ₂ e/mt PK	Complied
Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.			
Criterion 6.1: Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.			
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	Initial Social & Environmental Impact Assessment including a Preliminary Management Review for JC Chang's Melewar and Asia Business Units, Sabah, Malaysia on 26 may 2011 by Wild Asia. Annually, Environmental and Social Improvement Plan Sabah was Established-Date: 05/08/2019; Aspects identified as following: - Pay & Living Condition: Recruitment, Payment - Communication & Consultation: Communication procedure, social conflict, land claim and conflicts - Fair Pricing: Internal, External - Training - Compliance to law regulation	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	Based on the records of minutes of meeting, i.e. Minit mesyuarat Bersama Pihak-pihak berkepentingan/stakeholder (Stakeholder consultation meeting for Melewar Production Unit); Date: 09/10/2019; Venue: Pejabat Melewar Estate Division 1 Estate Office; the participation of affected parties in the assessment was evident (attended by 97 stakeholders). The stakeholder's meeting was conducted together with all the estates within Melewar Complex.	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 -	Plans were established from the In-house Environmental and Social Improvement Plan Sabah was Established-Date: 05/08/2019 (Melewar POM), 22/10/2019 (Melewar Estate 1) 17/08/2018 (Pahang Estate 2); The improved design plan was based on the result of evaluation process on the effects and/or practicable action or series of actions implemented undertaken by the management operating unit as per 5 years' improvement plan of Melewar Production Unit (N005). The plan supersedes the documents with reference # C/019, C/021, F008, F/009, F/019, N/005, N/006 and N/008.	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 -	Based on the previous records of assessment, the plan was consistently reviewed every 2 years during the stakeholder consultation meeting as above.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	No smallholder schemes included within the certified Melewar Production Unit	Not applicable
Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			

Criterion / Indicator		Assessment Findings	Compliance
6.2.1	<p>Consultation and communication procedures shall be documented.</p> <p>- Major compliance -</p>	<p>The management has implemented SOP on Mechanism for Communication and Consultation (Doc. Ref. No. E/004 07/2015) dated 08/09/2015 for the reference of consultation with employees and relevant stakeholders. There are 3 types of communication are designed as such:</p> <ul style="list-style-type: none"> - Consultation with employees and other stakeholders – JCC, Complaints and Grievance Procedure and Suggestion Box - Gender group (female) consultation - Free prior informed consent <p>Based on SOP Mechanism for Complaints and Grievances; Doc. Ref. No.: E/001-06/2017; Doc. date 06/01/2017, the procedure specifies the mechanism of complaints and grievances. Company also has the flow chart of Complaints & Grievances Procedure according to level of complaints which is within 27 days. Book for complaint & grievance record was maintained but so far, no complaint received.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Nominations made as per samples sighted: - Surat Perlantikan Jawatan Sebagai Orang Yang Bertanggungjawab Mengendalikan Kemampanan; Date: 2/7/2018; Muhammad Arzani Bin Mazelie (Admin Officer) in Melewar POM. - Letter of Appointment as Management Officer Responsible for Handling Consultation and Communication (Management Official); Date: 14/1/2014; Mr. Chan Chor Laup (Senior Mill Manager); Alternate Official (Mill Level) Philip V. Ating (Sr. Asst. Mill Manager) in Melewar POM. - Surat Perlantikan Jawatan Sebagai Orang Yang Bertanggungjawab Mengendali Isu-Isu Kemampanan; Date: 08/01/2018; Mr. Liew Chun Yik in Melewar Estate 1. - Alternate Official Letter to A. Muhammad Arif Bin Mustamin, Senior Asst. Manager for responsible for all issues relating to communication and consultation in the absence of the Manager. Also, Estate Manager was the overall person in charge and Management Official as per SOP on Mechanisms for Communication and Consultation (Doc No: E/004-08/2019 dated 12/08/2019.	Complied
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 -	A list of stakeholders updated 23/09/2019 (MPOM), 01/09/2019 (Melewar Estate 1) and 07/10/2019 (Pahang Estate 2), records of communication including confirmation receipt and actions were maintained at individual operating units as verified.	Complied
Criterion 6.3:			
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 -	The system was based on SOP Mechanism for Complaints and Grievances; Doc. Ref. No.: E/001-06/2017; Doc. date 06/01/2017 which found effective, timely, appropriate and open to any affected parties. The complaint and grievances is open to affected parties including internal and external stakeholders	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	Melewar POM and the estates have implemented Complaints and Grievances form and the management will transfer the complaint into the logbook. No any pending issue were found. The management has taken action to resolve all the complaints and requests from the stakeholders within the timeframe.	Complied
Criterion 6.4: Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	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 indicator 6.4.1 above.	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

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 6.5: Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.			
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	Documents of pay and conditions sighted available for January, July and September 2019 as following samples: Melewar Palm Oil Mill: 1. Employee ID: G0453 (Andrea S.Villegas) 2. Employee ID: G0244 (Samsudin Bin Pakasi) 3. Employee ID: G0125 (Asmah Binti Samire) 4. Employee ID: G0087 (Ronnie Laroco Domondo) 5. Employee ID: G0102 (Lucricia Daquado Tubio) Melewar Estate 1: 1. Employee ID: ME10925 (Rudi Nurdin) 2. Employee ID: ME10838 (Jasman Bin Abdul Rahman) 3. Employee ID: ME10114 (Julia Binti Karbo) 4. Employee ID: ME10210 (Rosmina Binti Abu Bakar) 5. Employee ID: ME10925 (Rudi Nurdin) Pahang Estate 2: 1. Employee ID: PTO0890 (Rosrina Rappe) 2. Employee ID: PTO2154 (Francisca Sudirman) 3. Employee ID: PTO1705 (Mudjasan Hajid Mala) 4. Employee ID: PTO2669 (Ahmad Bin Makal) 5. Employee ID: PTO2296 (Alnajil Bin Juak)	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>Employment contract is available and signed by both employee and employer. Sighted the employment contract as below:</p> <p>Melewar Palm Oil Mill:</p> <ol style="list-style-type: none"> 1. Employee ID: G0453 (Andrea S.Villegas) 2. Employee ID: G0244 (Samsudin Bin Pakasi) 3. Employee ID: G0125 (Asmah Binti Samire) 4. Employee ID: G0087 (Ronnie Laroco Domondo) 5. Employee ID: G0102 (Lucricia Daquado Tubio) <p>Melewar Estate 1:</p> <ol style="list-style-type: none"> 1. Employee ID: ME10925 (Rudi Nurdin) 2. Employee ID: ME10838 (Jasman Bin Abdul Rahman) 3. Employee ID: ME10114 (Julia Binti Karbo) 4. Employee ID: ME10210 (Rosmina Binti Abu Bakar) 5. Employee ID: ME10925 (Rudi Nurdin) <p>Pahang Estate 2:</p> <ol style="list-style-type: none"> 1. Employee ID: PTO0890 (Rosrina Rappe) 2. Employee ID: PTO2154 (Francisca Sudirman) 3. Employee ID: PTO1705 (Mudjasaan Hajid Mala) 4. Employee ID: PTO2669 (Ahmad Bin Makal) 5. Employee ID: PTO2296 (Alnajil Bin Juak) 	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –	The workers were provided with housing, free water and electricity supply, medical and education assistance such as HUMANA & CLC. The workers were provided with two water tanks where one tank was contained treated water and another tank to harvest rain water. Grass cutting and fogging was conducted at the linesite. Hospital Assistant/Admin Officer has conducted linesite inspection on weekly basis and the records were sighted. Humana & CLC school available for foreign worker’s children. Housing inspection been conducted during the site visit and the housing complexes are satisfactorily clean.	Complied
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food. - Minor compliance –	There is grocery shop in nearby the mill and estate and workers freely to buy and report to management if they found the price unfair. During the site visit, it was found that the price is displayed publicly.	Complied
Criterion 6.6: The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	JC Chang Group has established Social and Human Rights Policy dated 15/01/2018 signed by the Mill Director for the mill and by Plantation Director for the estates. The policy has a statement where the management is respect the right of employees to join any association freely. The policy has been briefed to the employees on 3 Sept 2019 at Mill to 160 workers and during weekly assembly at mill or daily muster at estate (20/01/2019 at Melewar Estate 1 and 08/09/2019 at Pahang Estate 2) as per records and attendance list sighted. The policy was also displayed at the notice board outside the office.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	Minutes of meetings sighted available documented as per sample as following: - Mill: 18/01/2019, 18/04/2019, 12/07/2019 and 01/10/2019. - Melewar Estate 1: 06/03/2019, 04/06/2019 and 04/09/2019. - Pahang Estate 2: 15/01/2019, 17/07/2019 and 16/10/2019.	Complied
Criterion 6.7: Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	JC Chang Group has established Social and Human Rights Policy dated 15/01/2018 signed by the Mill Director for the mill and by Plantation Director for the estates. The policy has a statement where the management will not employ children or worker underage. Reviewed documents of the workers' list found that the management did not employ workers less than 18 years old.	Complied
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	JC Chang Group has established Equal Opportunities Policy dated 1/7/2012 signed by the Mill Director for the mill and by Plantation Director for the estates. All the employees will be given equal opportunities to participate in relevant development programs. The policy was displayed at the notice board outside the office. The policy has been briefed to the employees during the induction training prior to work and during the muster call. In Melewar Mill, sighted the policy briefing has been conducted on 03 September 2019 to 160 workers, in Melewar Estate 1, the policy was communicated on 30/01/2018 and 08/09/2019 at Pahang Estate 2.	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 -	No discrimination against on the benefits and job descriptions based on races, gender, caste, national origin and etc. All are treated equal and fair. They have the same basic daily wages, similar allowance given, same working hours and etc.	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 company has established a JC Chang Group has established Social and Human Rights Policy dated 15/01/2018 signed by the Mill Director for the mill and by Plantation Director for the estates which publicly available indicates that no discrimination being practice. Through interviewed with few workers, they understand about the equal opportunities and they explained that there is no discrimination happened on job distribution, benefits, wages and etc.	Complied
Criterion 6.9: 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 Mill Director for the mill and by Plantation Director for the estates. The policy is to promote a workplace that is free of sexual harassment. The policy has been briefed to the employees during the induction training prior to work and during the muster call. In Melewar Mill, sighted the policy briefing has been conducted on 03 September 2019 to 160 workers, in Melewar Estate 1, the policy was communicated on 16/02/2019 to 178 workers while in Pahang Estate 2, the policy was communicated on 27/08/2019 to 236 workers.	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 Guideline on Reproductive Rights with Doc. Ref. No. E/015-02/2015 dated 5/11/2015. 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 during the induction training prior to work and during the muster call. In Melewar Mill, sighted the policy briefing has been conducted on 03 September 2019 to 160 workers, in Melewar Estate 1, the policy was communicated on 19/02/2019 to 178 workers while in Pahang Estate 2, the policy was communicated on 08/09/2019 to 229 workers.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	The managements have established a Gender Committee which consists of employer's representatives, employee's representatives and dependent's representatives. Meeting was conducted as following: - Mill: Minit Mesyuarat Jawatankuasa Hal Ehwal Wanita (Kali Ke- 19 & 20); Date: 23/03/2019 and 30/09/2019. - Melewar Estate 1: Minit Mesyuarat Jawatankuasa Hal Ehwal Wanita (Kali Ke-20); 19/06/2019. Pahang Estate 2: Minit Mesyuarat Jawatankuasa Hal Ehwal Wanita (Kali Ke-16 & 17); 25/02/2019 and 29/08/2019. Meeting minutes and attendant lists were sighted. Issues raised during the meeting were resolved and no pending issues. There is no any sexual harassment case reported through interview and document review.	Complied
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	Melewar POM has established Sales and Purchase Agreement as the mechanism on FFB pricing. FFB pricing is based on Malaysian Palm Oil Board (MPOB) published prices updated regularly (monthly basis) and displayed at the weighbridge location. MPOM maintains records of FFB prices, including the payment.	Complied
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	Pricing mechanism was documented under Second Schedule where the formula for FFB price determination was explained to the FFB supplier during they signed on the agreement. The mechanism has included current month average CPO price with the discount price for Sabah CPO price, MPOB price, average OER of the mill and etc. The formula for FFB price determination: $FFB\ price\ [(A-B) \times C] + [(D-E) \times F] - G.$	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Evidence available as per following samples of FFB Sales and Purchase Agreement: 1. Supplier: Azis Bin Sahanu; Date: 23/01/2017; MPOB License; 277585-801000 Validity: 01/01/2017 – 31/12/2021. 2. Supplier: Alimin Bin Mansur; Date: 01/05/2017; MPOB License; 404407-801000 Validity: 01/04/2017 – 31/03/2022.	Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Evidence of timely payment available as per following samples of FFB Purchase Payment (FFB Final Payment A/C Code TJ003): 1. Payment Voucher: PV1019-030 (Azis Bin Sahanu) date 11/10/2019, quantity: 3.66 MT, amount: RM1350.54. 2. Payment Voucher: PV1019-029 (Alimin Bin Mansur) date: 11/10/2019, quantity: 11.76 MT, amount: RM4,339.44	Complied
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.			

Criterion / Indicator	Assessment Findings	Compliance	
6.11.1	<p>Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.</p> <p>- Minor compliance –</p>	<p>The managements have made contribution to the society such as donation as below:</p> <p>Melewar POM:</p> <ol style="list-style-type: none"> 1. Donation to husband (Mohd Faizal bin Ab Hassan CP Operator Who was Sick) for RM500 on 12/01/2019. 2. Donation for MSPO programme at Kinabatangan for RM500 on 22/04/2019. 3. Proportion donation for the repair of roofing for RM 446.95 on 02/08/2019. Evidence reviewed: Debit Advice No: POP2-DN0819-02 dated 31.08.2019 for RM 446.95. <p>Melewar Estate 1:</p> <ol style="list-style-type: none"> 1. Chronology OD the donation to IPD Kinabatangan Bukit Garam Sabah for RM 1500 on 02/08/2019. Invoice no: CV0819-01. 2. Contribution of black soil to SK Paris 3 for SERASI project on 08/10/2019. <p>Pahang Estate 2:</p> <ol style="list-style-type: none"> 1. Children allowance (RM100/month) for staff’s child up to 4 children. 2. Donation for Balai Polis Kinabatangan RM500 (payment voucher: CV0919-01 dated 11/09/2019). 	Complied
6.11.2	<p>Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity.</p> <p>- Minor compliance –</p>	<p>There is no scheme smallholder involved in the certification unit.</p>	Not applicable
<p>Criterion 6.12: No forms of forced or trafficked labour are used.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	The company has established a JC Chang Group has established Social and Human Rights Policy dated 15/01/2018 signed by the Mill Director for the mill and by Plantation Director for the estates. The policy has a statement where the management will not practice forced or trafficked labour. The policy was displayed at the notice board outside the office. Some workers have signed on a consent letter to tender the passport voluntarily to the management for safety issue while some prefers to hold their passport on their own.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	As per employment contract reviewed in clause 6.5.3 and based on the interview session conducted with workers, there is no contract substitution 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 -	Company has the Guidelines on Terms & Conditions of Employment for Sabah Mill Workers, Ref No: E/013-04/2018 dated 16-11-2018 stated the employment, contract agreement & minimum wages policy, wages and other employment benefits, pay slip, workers’ deduction and recovery, workers’ repatriation and worker’s passport. There is also Guidelines on Workers Employment for Casual or Temporary Employee. (Doc No: E/021-01/2018) date 15/11/2018 where it mentioned: <ol style="list-style-type: none"> 1. Foreign and non-resident casual or temporary employee should be legalized, process of legalization should be promptly as per management’s recruitment commitment; where possible, the process of legalization shouldn’t be more than 6 months unless delay from authority or approved by authority under special legalization program. 2. Employment contract is not required for casual or temporary employment. Permanent employment’s work benefits will not be entitled for casual or temporary employee, but the pay rate should be agreed by casual or temporary employee before work commence. 	Complied
Criterion 6.13: Growers and millers respect human rights.			

Criterion / Indicator		Assessment Findings	Compliance
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 -	The company has established a JC Chang Group has established Social and Human Rights Policy dated 15/01/2018 signed by the Mill Director for the mill and by Plantation Director for the estates. Sighted the policy briefing has been conducted on 03 September 2019 to 160 workers in Melewar Mill, 18 February 2019 to 178 workers in Melewar Estate 1 and 08 September 2019 to 236 workers in Pahang Estate 2.	Complied
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.	There is a HUMANA school in the estates' compound. Parents do not need to pay any school fee. The estate donated HUMANA Society on monthly basis. Besides, the estate has provided and maintained the building. This is verified during stakeholder consultation and site visit to HUMANA.	Complied
Principle 7: Responsible development of new plantings			
Melewar 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 surveillance assessment. The immature areas are replanted area.			
Principle 8: Commitment to continual improvement in key areas of activity			
Criterion 8.1: Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			

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"> • Reduction in use of pesticides(Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); <ul style="list-style-type: none"> • Optimising the yield of the supply base. <p>- Major compliance -</p>	<p>Melewar Production Unit has implemented the following continual improvement:</p> <ul style="list-style-type: none"> • Minimize use of chemical/Monitoring use of certain pesticides • Integrated Pest Management program • Encourage compost application • River water monitoring • Riparian upkeep maintenance • Fuel efficiency plan • 3 R Program • Environmental and Waste Reduction training <p>Melewar POM had established continual improvement plan, for example:</p> <ol style="list-style-type: none"> 1. Reduce breakdown maintenance 2. Utilise the human resource 3. Practise FIFO operations and traceability 4. Effluent treatment plant for 20 ppm BOD discharge 5. Recycle mill waste and EFB 6. Reduce downtime and losses in press cake 7. Provide school bus transport subsidy 8. Provide OWA (others workers accommodation) 	<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	Asia Palm Oil Mill		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	Melewar Palm Oil Mill		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			
	iv) Melewar Estate 1	Lahad Datu, Sabah			
	v) Tye Yang Estate	Lahad Datu, Sabah			
3	Carotino Palm Oil Mill		Certified	Certified on 27/11/2010. Recertification	
	i) Maran Estate	Kuantan, Pahang			

RSPO Public Summary Report
Revision 8 (Mar /2019)

	ii) Asia Oil Palm Estate	Kuantan, Pahang		completed in 2015	
	iii) Hwa Li Estate 1	Segamat, Johor			
	iv) Hwa Li Estate 2	Segamat, Johor			
	v) Pahang Oil Palm Estate 1	Kuantan, Pahang			
4	Takon Palm Oil Mill		Pending main assessment	2018 (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, JC 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 Plantation 1 liability compensated under Asia Oil Palm Estate 1). However the concept</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			

**RSPO Public Summary Report
Revision 8 (Mar /2019)**

					<p>of additionality and knowledge-based aspects are not fulfilled with HCV status and conservation plan is very basic</p> <p>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, JC Chang have engaged Wildasia to review of documents (HCV report, RSPO comments, RSPO compensation plan</p> <p>6). On 1st June 2018 a quotation received on "Proposed Subdivision plan for CL 115398920 AT Ulu Tungku District of Lahad Datu"</p> <p>7). On 10th July 2018, The company established a committee for land dispute resolution which decided under chair person of Mr. Kiu HS (The Manager of Takon Estate). After committee selection, The Chairperson form different group of personal to perform stakeholder consultation where to meet with the 42 claimants on Takon land dispute to explained detail on Company decision and request of committee froming from claimants for further land dispute resolution. The committee from Ideal Enterprises Sdn. Bhd. managed consults 26 claimants on first day of consultation. The consultation that were conducted were</p>
--	--	--	--	--	---

**RSPO Public Summary Report
Revision 8 (Mar /2019)**

					<p>solely on informing all the claimants to form a committee among all the 42 claimants. After the forming of the committee, they should appoint their lawyer to represent them and proves of appointment should be given to The Company. The Claimants committee should identify all claimants for all respective claimed land and proves of claims should be agreed by all claimants. If there have been changes in ownership of their claimed land, proves of change in ownership of the claimed land must be confirmed, agreed and verified by all claimant's committee members.</p> <p>8). On 19th October 2018 Newsletter Vol. 2 requested respond from claimants before 15/10/18 but no responf been received till 19/10/18. Newsletter Vol. 3 been circular to request respond by 15/1/19</p> <p>9). On 14th November 2018, JC Chang submitted Compensation Plan to RSPO. Pending approval.</p>
--	--	--	--	--	---

Appendix C: GHG Reporting Executive Summary

The GHG emissions that were produced in **2018** for **Melewar POM** 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 **Melewar Palm Oil Mill** and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	0.72
PKO	0.72

Extraction	%
OER	20.72
KER	4.73

Production	t/yr
FFB Process	214,311.54
CPO Produced	44,406.382
PKO Produced	10,131.076

Land Use	Ha
OP Planted Area	23,181.26
OP Planted on peat	-
Conservation (forested)	-
Conservation (non-forested)	-
Total	23,181.26

Summary of Field Emission and Sink

	Own Crop*		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	-							
CO ₂ Emission from fertilizer	1.28	0.07	0.68	0.03	0	0	0.68	0.03
NO ₂ Emmission	1.42	0.08	0.68	0.03	0	0	0.68	0.03
Fuel Consumption	3508.25	0.02	111.35	0.02	0	0	111.35	0.02
Peat Oxidation	-	-	-	-	0	0	-	-
Sink								
Crop Sequestration	-7.14	-0.41	-8.64	-0.44	0	0	-8.64	-0.44
Conservation Sequestration	-	-	-	-	--	-	-	-
Total	3.16	0.18	2.39	0.12	0	0	2.39	0.12

*Note: Includes both estates and smallholders

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	2601.85	0.01
Fuel Consumption	827.54	0
Grid Electricity Utilisation	1768.07	0.01
Credit		
Export of Grid Electricity	-179.38	0
Sales of PKS	-4267.05	-0.02
Sales of EFB	0	0
Total	751.03	0

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO ₂ e
PK from own mill	7277.23
PK from other source	0
Fuel Consumptions	0
Total Crusher emissions	0

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	90

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	95
Divert to methane captured (flaring) (%)	5
Divert to methane captured (energy generation) (%)	95

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

5.1 Applicability of the general chain of custody requirements for the supply chain			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)
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.	Melewar POM has the physically handle the RSPO Certified Sustainable oil palm products. All trading, contract and sales are managed by Sales department at HQ.	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.	Melewar POM is not a trader or distributor.	N/A
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.	Company info available through RSPO IT Platform as following: Palm ID: RSPO_PO1000000527 RSPO Membership Number: 2-0029-06-000-00	Yes
5.1.4	Processing aids do not need to be included within an organization’s scope of certification.	No processing aids needed and included within Melewar POM scope of certification.	N/A
5.2 Supply chain model			
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 Palm Oil Mill receives and process both certified and non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified and non-certified	Yes

		FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified Products.	
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Melewar Palm Oil Mill is certified with Mass Balance Module.	Yes
5.3. Documented Procedures			
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"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. 	<p>Procedures established as following:</p> <ul style="list-style-type: none"> - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/01-06/2019-MOM; Critical Control Point 1: Reception Station; Date: 30/4/2019 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/02-05/2019-MOM; Critical Control Point 2: Grading Station; Date: 30/04/2019 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/03-04/2015-MOM; Critical Control Point 3: Extraction Station; Date: 1/7/2015 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/04-04/2015-MOM; Critical Control Point 4: Clarification Station; Date: 1/7/2015 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05-04/2015-MOM; Critical Control Point 5: Nut & Kernel Station; Date: 1/7/2015 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05A-01/2016-MOM; Critical Control Point CCP 5A: Operation Procedure; Date: 01/10/2016 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05B-01/2016-MOM; Critical Control Point CCP 5B: Operation Procedure; Date: 01/07/2016 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05C-01/2016-MOM; Critical Control Point CCP 5C: Operation Procedure; Date: 01/10/2016 	Yes

**RSPO Public Summary Report
Revision 8 (Mar /2019)**

		<p>- Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # SC/06-05/2019-MOM; Critical Control Point CCP 6: Quality Monitoring; Date: 30/04/2019</p> <p>- Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # SC/07-06/2019-MOM; Critical Control Point 7: CPO & PK Despatch; Date: 30/4/2019</p> <p>- Melewar Palm Oil Mill Procedure; Doc. Ref. # SC/MEC-05/2018-MOM; Mechanism for Receiving and Processing Certified & Non-Certified FFB; Date: 14/9/2018</p> <p>- Melewar Palm Oil Mill Procedure; Doc. Ref. # SC/MBC-06/2018-MOM;</p> <p>SOP for RSPO SCC Standard Mass Balance Calculation; Date: 14/9/2018</p>	
	<ul style="list-style-type: none"> Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). 	Complete and up to date records and reports available to demonstrate compliance with SCC requirements.	Yes
	<ul style="list-style-type: none"> 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. 	Identified person in-charge as per Letter of Appointment as Person In- Charge on Supply Chain; Name: Mohammad Arzani Mazelie (Admin Officer); Date: 02/1/2018.	Yes
5.3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization;	SOP for Internal audit namely “Guideline for Internal Auditing and Management Review of The Sustainability and Supply Chain System” (T001-03/2018) dated 3/6/2018 was established.	Yes
	<ul style="list-style-type: none"> i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii) effectively implements and maintains the standard requirements within its organization 	The internal audit was conducted on 01-03/08/2019 by Internal Control Team personnel. There were 3 NCR raised and closed accordingly.	Yes
5.4. Purchasing and goods in			

RSPO Public Summary Report
Revision 8 (Mar /2019)

<p>5.4.1</p>	<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"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment/delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number 	<p>The daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records verified during the audit as follow:</p> <p><u>RSPO Certified:</u> Pahang Oil Palm Estate 3 Date: 06/11/2019 Ticket No# FFB19021025W Field: 96C Tonnage: 13.54 mt Certificate No: RSPO651276 (Expire: 06/02/2020)</p> <p>Gerola Estate Date: 06/11/2019 Ticket No# FFB19020988W Field: 12B Tonnage: 8.18 mt Certificate No: RSPO651276 (Expire: 06/02/2020)</p> <p><u>RSPO Non-Certified:</u> Jayatas Sdn Bhd (Jaya) Date: 06/11/2019 Ticket No# FFB19020984W, Field :1992 Tonnage: 9.84 mt</p> <p>Mohd Tahir Bin Duri (Tahir) Date: 06/11/2019 Ticket No# FFB19020985W, Field :1997</p>	<p>Yes</p>
--------------	---	--	------------

		Tonnage: 3.17 mt All weighbridge ticket were stamp with either RSPO certified or non-certified.	
	<ul style="list-style-type: none"> 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). 	All the information stated in the records were found complete. Verified the weighbridge ticket, sales contract and mass balance sheet.	Yes
	<ul style="list-style-type: none"> 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. 	Mill only receive FFB certified from own estates or crop divert FFB from other certified FFB. Shipping Announcement only been made for CPO and PK sold to buyer in Palmtrace.	Yes
	<ul style="list-style-type: none"> 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 (www.rspo.org) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements. 	List of FFB suppliers is available. For RSPO certified FFBs, the suppliers are from own estate which sharing the same certificate number and validity while for crop diversion from other RSPO certified Estate, the certificate details will be checked during the delivery time.	Yes
	<ul style="list-style-type: none"> The validity of licence for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements / announcements. 	There is no traders or distributors selling FFB to mill using the traders or distributors license and this is not applicable in Palmtrace.	Yes
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	Melewar Palm Oil Mill has established SOP for handling non-conforming oil palm product. The SOP namely "Mechanism for receiving and processing certified & non-certified FFB" (SC/MEC-05/2018-MOM) dated 14/9/2018 was sighted. So far there is non-conforming product received.	Yes
5.5. Outsourcing activities			

5.5.1	<p>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.</p> <p>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).</p>	<p>Outsource only involved transportation of products, i.e. CSPO and CSPK, subjected to the buyers’ contractual requirements either ex-mill or delivered. Mostly delivered contracts involved CSPO and and ex-mill involved CSPK. Implementation was based on the procedure: Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # SC/07-06/2019-MOM; Critical Control Point 7: CPO & PK Despatch and Transportation; Date: 30/9/2019.</p>	Yes
5.5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <p>a. The site has legal ownership of all input material to be included in outsourced processes;</p>	<p>The mill trades CSPO and CSPK with its buyers among refineries and/or oleochemical plants. Based on agreements, transporter has no ownership of transported products.</p>	Yes
	<p>b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</p>	<p>Sighted the recent contract for both CSPO and CSPK were delivered, hence requiring outsource process i.e. transportation. The recent outsourcing of CSPO and CSPK transport as per following: - Palm Kernel & Crude Palm Oil Transportation Agreement between Melewar Properties Sdn. Bhd. Melewar Palm Oil Mill and Pengangkutan Dagang Tera Sdn. Bhd.; Dated 1/10/2016 (3 years). Renewal of Palm Kernel Transport Agreement on 04/09/2019 to continue the service from 01/10/2016 – 30/09/2019.</p>	Yes
	<p>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p>	<p>Documented control system established as per CCP 7. Sample MPOM Security Checklist CPO Despatch; 15/11/2018; Arif ST891E/ST412H (Pengangkutan Tera).</p>	Yes

	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.	Newly contract mentioned the new clause which is: 9.3 The company shall at all times reserve the right of the certification body to audit the outsourced contractor under Supply Chain Certification Standard (RSPO, MSPO & ISCC) and Requirement.	
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.	Names and contact details of transporters used for the physical handling of RSPO certified oil palm products were recorded and registered in the mill supplier database system and stakeholder list.	Yes
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.	Names and contact details of any new transporter used for the physical handling of RSPO certified oil palm products to be informed by mill supply chain PIC upon available.	Yes
5.6. Sales and goods out			
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"> • The name and address of the buyer; • The name and address of the seller; • The loading or shipment/ delivery date; • The date on which the documents were issued; • A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); • The quantity of the products delivered; • Any related transport documentation; • Supply chain certificate number of the seller; • A unique identification number 	<p>Minimum information of RSPO certified products available in trading contract documents as per following sample contracts agreement and delivery sample:</p> <p>Lahad Datu Edible Oils Sdn. Bhd. (Buyer) Crude Palm Oil Contract; Contract # MP/A0666/10/19; Date: Oct 2019; Commodity: RSPO CPO; Mill (Supplier): Melewar Palm Oil Mill; Quantity: 2300 mt; Sample despatch ticket: - Despatch ticket # CPORS19000214W; Date: 30/10/2019; Product Code: CPO/RSPO MB; Lorry # ST599F/ST8711J; Nett weight: 30.420 mt, RSPO certificate no: RSPO 651276, Exp: 06/02/2020. - Despatch ticket # PK19000309W; Date: 30/10/2019; Product Code: PK/RSPO MB; Lorry # ST9417F/ST871K; Nett weight: 28.510 mt, RSPO certificate no: RSPO 651276, Exp: 06/02/2020.</p>	Yes

RSPO Public Summary Report
Revision 8 (Mar /2019)

	<ul style="list-style-type: none"> 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). 	A complete and detail information were presented in the transaction documents as per sample sighted above.	Yes
	<ul style="list-style-type: none"> 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. 	Announcement registered in PalmTrace system by the HQ Sales Department personnel. Based on PalmTrace transaction report, there were multiple (as per appendix) shipping announcements of both CSPO and CSPK made since the last assessment.	Yes
5.7. Registration of transactions			
5.7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> are mills, traders, crushers and refineries and; 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 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable. 	Company has registered their mill in the PalmTrace:- Members ID – Melewar Production Unit: RSPO_PO100000527 Licence valid until 6/2/2020 Member category : Oil Mill	Yes
5.7.2	<p>The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> 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. 	<p>Sampled the shipping announcement as below:</p> <p><u>CPO</u> Buyer: Lahad Datu Edible Oils Sdn Bhd (KCP) Contract No: MP/2435/09/19 dated 9/10/2019 Quantity: 89.3 MT Product: CSPK (MB) Transaction ID: TR-7d871e7c-4697</p> <p>Buyer: Lahad Datu Edible Oils Sdn Bhd (KCP) Contract No: MP/2435/09/19 dated 9/10/2019 Quantity: 89.3 MT</p>	Yes

RSPO Public Summary Report
Revision 8 (Mar /2019)

		<p>Product: CSPK (MB) Transaction ID: TR-7d871e7c-4697</p> <p>Buyer: Lahad Datu Edible Oils Sdn Bhd Contract No: MP/A0644/01/19 dated 7/2/2019 Quantity: 1476.28 MT Product: CSPO (MB) Transaction ID: TR-20b26ca1-5524</p>	
	<ul style="list-style-type: none"> 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. 	<p>Sampled the shipping announcement as below:</p> <p><u>CPO</u> Buyer: Lahad Datu Edible Oils Sdn Bhd (KCP) Contract No: MP/2435/09/19 dated 9/10/2019 Quantity: 89.3 MT Product: CSPK (MB) Transaction ID: TR-7d871e7c-4697</p> <p>Buyer: Lahad Datu Edible Oils Sdn Bhd (KCP) Contract No: MP/2435/09/19 dated 9/10/2019 Quantity: 89.3 MT Product: CSPK (MB) Transaction ID: TR-7d871e7c-4697</p> <p>Buyer: Lahad Datu Edible Oils Sdn Bhd Contract No: MP/A0644/01/19 dated 7/2/2019 Quantity: 1476.28 MT Product: CSPO (MB) Transaction ID: TR-20b26ca1-5524</p>	<p>Yes</p>
	<ul style="list-style-type: none"> Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed. 	<p>Melewar Palm Oil Mill had sold some amount as ISCC and conventional, the amount sold for ISCC and conventional was stated in the supply chain declaration.</p>	<p>Yes</p>

RSPO Public Summary Report
Revision 8 (Mar /2019)

	<ul style="list-style-type: none"> Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 	All the sampled contract were confirmed.	Yes
5.8. Training			
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.	The training plan was include supply Chain training which has been conducted on 03-30/9/2019 (from CCP1-CCP7), attended by 9 attendants from various position such as clerk, weighbridge and graders.	Yes
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.	The training plan was include supply Chain training which has been conducted on 03-30/9/2019 (from CCP1-CCP7), attended by 9 attendants from various position such as clerk, weighbridge and graders.	Yes
5.9. Record Keeping			
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.	Melewar POM has keep the records such as SOP, training, despatch note as per RSPO SCC Standard 2017 requirement. Sampled seen as per 5.4.1, 5.6.1.	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.	The records are kept for 7 years as per own established SOP, Standard Operation Procedure for SCC Standard Mass Balance Calculation, Clause 6: Record keeping (SC/MBC-07/2019-MOM) dated 30/4/2019.	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.	The forecast volume for November (Feb 2020 – Jan 2021) is recorded in this public summary report.	Yes
5.10. Conversion factors			
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	The conversion factor used in Melewar POM from Nov 2018-Oct 2019 is OER: 20.96% and KER: 4.90%.	Yes

	consistently. Guidance on conversion rates is published on the RSPO website (www.rspo.org); 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.		
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
5.11. Claims			
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.	As per own established SOP, Standard Operation Procedure for SCC Standard Mass Balance Calculation, Clause 10: The mill should only make claims regarding the use of or support of RSPO certified oil Palm products that are in compliance with RSPO Rules on Market Communications and Claims and on the products that contains MSPO certified oil palm planted areas which have been certified for the oil palm management certification standard as being sustainably managed.	Yes
General corporate communications			
4.1	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.	Melewar POM is not using general corporate communications. Verified during the site visit and interview conducted to workers.	N/A
4.2	In corporate communications a member is allowed to: <ul style="list-style-type: none"> a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. 	Melewar POM is not using general corporate communications. Verified during the site visit and interview conducted to workers.	N/A

	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.		
4.3	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.	Melewar POM is not using general corporate communications. Verified during the site visit and interview conducted to workers.	N/A
4.4	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.	Melewar POM is not using general corporate communications. Verified during the site visit and interview conducted to workers.	N/A
4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	Melewar POM is not using general corporate communications. Verified during the site visit and interview conducted to workers.	N/A
Business to business communications			
5.1	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.	Melewar POM is not using business to business corporate communications. Verified during the site visit and interview conducted to workers.	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.	Melewar POM is not using business to business corporate communications. Verified during the site visit and interview conducted to workers.	N/A
5.3	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: 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	Melewar POM is not using business to business corporate communications. Verified during the site visit and interview conducted to workers.	N/A

	<p>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>		
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>	<p>Melewar POM is not using business to business corporate communications. Verified during the site visit and interview conducted to workers.</p>	N/A
Business to consumer communication			
6.1	<p>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.</p>	<p>Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.</p>	N/A
6.2	<p>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.</p>	<p>Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.</p>	N/A
6.3	<p>When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.</p>	<p>Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.</p>	N/A
6.4	<p>Business to consumer communication shall not include information about the claimant's RSPO membership status.</p>	<p>Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.</p>	N/A

6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.	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.	Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.	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.	Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.	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 (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 www.rsपो.org .	Melewar POM is not using business to consumer corporate communications. Verified during the site visit and interview conducted to workers.	N/A
MODULE A – IDENTITY PRESERVED & SEGREGATED SPECIFIC RULES			
Certified oil palm content (IP)			
	For IP, 95% or above of the oil palm content must be RSPO IP-certified.	Not applicable as Melewar POM is using Mass Balance.	N/A

	For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.	Not applicable as Melewar POM is using Mass Balance.	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 volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.	Not applicable as Melewar POM is using Mass Balance.	N/A
Labelling and trademark (IP)			
	Members are allowed to use the RSPO label in one of the following ways: a. RSPO trademark which includes the tag 'CERTIFIED' or b. 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.	Not applicable as Melewar POM is using Mass Balance.	N/A
Messaging (IP)			
	Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements: <ul style="list-style-type: none"> • The oil palm products contained in this product have been certified to come from RSPO sources. www.rspo.org • By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: www.rspo.org • RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. www.rspo.org 	Not applicable as Melewar POM is using Mass Balance.	N/A

	<ul style="list-style-type: none"> • Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. www.rspo.org • The entire supply chain is monitored by independent, RSPO-accredited auditors. www.rspo.org • RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. www.rspo.org • References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records. 		
MODULE B – MASS BALANCE SPECIFIC RULES			
Minimum Mass Balance content (MB)			
	95% or above of the oil palm content must be RSPO MB-certified.	The CPO & PK produced from Melewar POM is 100% RSPO MB certified.	Yes
	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.	The CPO & PK produced from Melewar POM is 100% RSPO MB certified.	Yes
Labelling and trademark (MB)			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> • Surrounded by the text: 'Certified sustainable palm oil'. • 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. 	Melewar POM is not using or claim RSPO Label and Trademark for MB.	N/A

	<ul style="list-style-type: none"> • The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'. • Wherever the 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 4 pt (1.4 mm or 0.06 inch). • 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 & Claims document. 		
Messaging (MB)			
	<p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> • [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. • 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. • 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>Melewar POM is not using or claim RSPO Label and Trademark for MB.</p>	<p>N/A</p>
	<p>Messaging NOT ALLOWED 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>	<p>Melewar POM is not using or claim RSPO Label and Trademark for MB.</p>	<p>N/A</p>
MODULE C – PARTIAL PRODUCT CLAIMS			

	<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 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"> • 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. • At least 50% of the oil palm content has been supplied through an RSPO certified supply chain as IP, SG or MB. • The remainder of the oil palm content that is not RSPO-certified is covered by the purchase of RSPO Credits to an equivalent volume. • The product-specific claim is limited to only the following phrase: 'This product contributes to the production of certified sustainable palm oil'. • 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>Melewar POM is not using the partial product claims.</p>	<p>N/A</p>
MODULE D – COMBINED SUPPLY CHAIN MODELS SPECIFIC RULES			
	<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 => 95% SG claim is made 65% SG + 30% MB => 95% MB claim is made 55% MB + 40% B&C => 95% partial product claim can be made 45% SG + 55% B&C < 50% B&C claim can be made</p>	<p>Melewar POM is not using the combined supply chain model.</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>Melewar POM is not using the combined supply chain model.</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		
5.12. Complaints			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	Melewar POM has established SOP on Mechanism for complaints and grievances (E/001-06/2017), dated 6/1/2017 which covered complaints element. As todate, no complaint received by the customers/buyer.	Yes
5.13. Management Review			
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.	Melewar POM has established SOP for Management Review namely "Guideline for Internal Auditing and Management Review of The Sustainability and Supply Chain System" (T/001-03/2018), Dated 3/6/2018 which covered management review, which need to be conducted on annually at planned intervals. The management review for Melewar POM was conducted on 27/09/2019, chaired by the General Manager.	Yes
5.13.2	The input to management review shall include information on: <ul style="list-style-type: none"> • Results of internal audits covering RSPO Supply Chain Certification Standard. • Customer feedback. • Status of preventive and corrective actions. • Follow-up actions from management reviews. • Changes that could affect the management system. • Recommendations for improvement. 	The management review for Melewar POM was conducted on 27/09/2019, chaired by the General Manager. All the inputs have been discussed accordingly, eg: Results of internal audits covering RSPO Supply Chain Certification Standard, Customer feedback, Status of preventive and corrective actions, Follow-up actions from management reviews, Changes that could affect the management system, Recommendations for improvement.	Yes
5.13.3	The output from the management review shall include any decisions and actions related to:	The management review for Melewar POM was conducted on 27/09/2019, chaired by the General Manager. All the outputs have been discussed accordingly, for example the discussion on new technology and information	Yes

	<ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. 		
--	---	--	--

Appendix E : CPO Mill Supply Chain Assessment Report (Module E- CPO Mills: Mass Balance)

E.1 Definition			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)
E.1.1	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	Melewar palm oil mill received certified FFB and uncertified FFB. Therefore qualifies for the Mass Balance 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
E.2 Explanation			
E.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. 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.	Yes

E.2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).	Company has registered their mill in the PalmTrace:- Members ID – Melewar Production Unit: RSPO_PO1000000527 Licence valid until 6/2/2020 Member category : Oil Mill	Yes
E.3 Documented procedures			
E.3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a. Complete and up to date procedures covering the implementation of all the elements in these requirements;	Procedures established as following: - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/01-06/2019-MOM; Critical Control Point 1: Reception Station; Date: 30/4/2019 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/02-05/2019-MOM; Critical Control Point 2: Grading Station; Date: 30/04/2019 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/03-04/2015-MOM; Critical Control Point 3: Extraction Station; Date: 1/7/2015 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/04-04/2015-MOM; Critical Control Point 4: Clarification Station; Date: 1/7/2015 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05-04/2015-MOM; Critical Control Point 5: Nut & Kernel Station; Date: 1/7/2015 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05A-01/2016-MOM; Critical Control Point CCP 5A: Operation Procedure; Date: 01/10/2016 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05B-01/2016-MOM; Critical Control Point CCP 5B: Operation Procedure; Date: 01/07/2016 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # CCP/05C-01/2016-MOM; Critical Control Point CCP 5C: Operation Procedure; Date: 01/10/2016	Yes

RSPO Public Summary Report
Revision 8 (Mar /2019)

		<ul style="list-style-type: none"> - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # SC/06-05/2019-MOM; Critical Control Point CCP 6: Quality Monitoring; Date: 30/04/2019 - Melewar Palm Oil Mill Standard Operation Procedure; Doc. Ref. # SC/07-06/2019-MOM; Critical Control Point 7: CPO & PK Despatch; Date: 30/4/2019 - Melewar Palm Oil Mill Procedure; Doc. Ref. # SC/MEC-05/2018-MOM; Mechanism for Receiving and Processing Certified & Non-Certified FFB; Date: 14/9/2018 - Melewar Palm Oil Mill Procedure; Doc. Ref. # SC/MBC-06/2018-MOM; SOP for RSPO SCC Standard Mass Balance Calculation; Date: 14/9/2018 	
	b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard.	Identified person in-charge as per Letter of Appointment as Person In-Charge on Announcement of Palmtrace; Name: Mohammad Arzani Mazelie (Admin Officer); Date: 5/1/2018.	Yes
E.3.2	The site shall have documented procedures for receiving and processing certifies an non-certified FFBs.	Procedure available as per documented, Melewar Palm Oil Mill Procedure; SC/MEC-05/2018-MOM; Mechanism for Receiving and Processing Certified & Non-Certified FFB; Date: 14/9/2018.	Yes
E.4 Purchasing and goods in			
E.4.1	The site shall verify and document the volumes of certified and non-certified FFBs received.	<p>The daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified FFB. Records verified during the audit as follow:</p> <p><u>RSPO Certified:</u> Pahang Oil Palm Estate 3</p>	Yes

**RSPO Public Summary Report
Revision 8 (Mar /2019)**

		<p>Date: 06/11/2019 Ticket No# FFB19021025W Field: 96C Tonnage: 13.54 mt Certificate No: RSPO651276 (Expire: 06/02/2020)</p> <p>Gerola Estate Date: 06/11/2019 Ticket No# FFB19020988W Field: 12B Tonnage: 8.18 mt Certificate No: RSPO651276 (Expire: 06/02/2020)</p> <p><u>RSPO Non-Certified:</u> Jayatas Sdn Bhd (Jaya) Date: 06/11/2019 Ticket No# FFB19020984W, Field :1992 Tonnage: 9.84 mt</p> <p>Mohd Tahir Bin Duri (Tahir) Date: 06/11/2019 Ticket No# FFB19020985W, Field :1997 Tonnage: 3.17 mt</p> <p>All weighbridge ticket were stamp with either RSPO certified or non-certified.</p>	
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	They aware on the overproduction as per stated in the procedure. As todате, no overproduction for Melewar POM.	Yes

E.5 Record keeping			
E.5.1	a. The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis by RSPO.	a) All the records and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK were recorded in the mass balance report. The report was summarize on monthly basis.	Yes
	b. All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated	b) Computerized system in place with the delivery deducted accordingly.	
	c. The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short. (i.e. product can be sold before it is in stock.) For further details refer to Module C.	c) The Mill aware that only positive stock can be delivered. No short selling.	

RSPO Public Summary Report
Revision 8 (Mar /2019)

Supply Chain Declaration *(Applicable For Appendix E)*

A. Monthly Records of Certified and Uncertified FFB Received (Nov 2018-Oct 2019)				
No.	Month - Year	Volume of FFB from certified supply bases (mt)	Volume of FFB from uncertified supply bases (mt)	Total FFB/Month (mt)
1	November 2018	16,855.49	1,494.47	18,349.96
2	December 2018	17,953.41	1,534.04	19,487.45
3	January 2019	19,995.12	1,548.38	21,543.50
4	February 2019	16,272.51	1,248.28	17,520.79
5	March 2019	17,294.19	3,201.06	20,495.25
6	April 2019	14,452.93	1,583.69	16,036.62
7	May 2019	16,139.84	1,501.37	17,641.21
8	June 2019	13,547.49	1,451.41	14,998.90
9	July 2019	11,858.14	1,408.84	13,266.98
10	August 2019	14,548.68	1,536.40	16,085.08
11	September 2019	14,318.03	1,604.81	15,922.84
12	October 2019	14,864.95	1758.12	16,623.07
Total		188,100.78	19,870.87	207,971.65

Notes: Total certified tonnage of FFB from other certified unit is 4073.34 Mt is also included in Table A.

B. Monthly Records of Certified CPO & PK since the last audit (Nov 2018-Oct 2019)			
No.	Month - Year	Certified CPO (mt)	Certified PK (mt)
1	November 2018	3551.295	784.069
2	December 2018	3664.752	803.997
3	January 2019	3956.27	1016.240
4	February 2019	3296.688	849.402
5	March 2019	3576.969	936.428
6	April 2019	3039.790	668.798
7	May 2019	3355.361	754.214
8	June 2019	2763.037	635.412
9	July 2019	2499.238	513.072
10	August 2019	3214.661	694.398
11	September 2019	3315.845	762.748
12	October 2019	3158.663	717.330
Total		39392.57	9136.11

RSPO Public Summary Report
Revision 8 (Mar /2019)

C. Records of Certified CPO & PK Sold under PalmTrace to Buyers since the last audit (if any) (Nov 2018-Oct 2019)					
No.	Month - Year	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1.	Nov 2018	XXX	TR-476c8421-543b TR-fa29b67b-a91c		229.86 430.46
2.	Dec 2018	XXX	TR-28bbca23-e8ab		369.54
3.	Jan 2019	XXX	TR-0f5521f9-4e7c TR-737498b6-7e4b	1,476.28	466.65 133.35
4.	Feb 2019	XXX	TR-d3ec0d25-af0e TR-a82c2930-88f7	2,841.64	678.75 21.25
5.	Mar 2019	XXX	TR-065cab08-fa80 TR-f127ce22-86c5 TR-f8c7ffa2-fb36	789.11	774.78 25.22 1,036.03
6.	Apr 2019	XXX			
7.	May 2019	XXX	TR-39f2bd83-0d1a TR-2fac8277-6e84 TR-46f1a627-ea65 TR-66efdf7b-f15a		492.99 163.97 507.01 291.31
8.	Jun 2019	XXX	TR-b3b2af56-0f1e TR-79feca9c-b472		208.69 296.79
9.	Jul 2019	XXX	TR-ef00c7d2-5847 TR-c6077152-6d3c		203.21 372.67
10.	Aug 2019	XXX	TR-fdb9a140-9090		427.33
11.	Sep 2019	XXX	TR-56182b04-f97c TR-47c6b9d4-c98a		221.38 128.62
12.	Oct 2019	XXX	TR-5f538867-6333	2,205.85	660.7
13	Oct 2019*	XXX	TR-7d871e7c-4697 TR-4462b30a-62aa TR-18775d23-7eea	2,205.85	89.3 685.1
Total				7,312.88	8,914.96

RSPO Public Summary Report
Revision 8 (Mar /2019)

D. Records of CPO & PK Sold under other schemes to Buyers since the last audit (if any) (Nov 2018-Oct 2019)				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
1	XXX	ISCC	2,495.72	-
2	XXX	ISCC	4,670.84	-
3	XXX	ISCC	798.86	-
4	XXX	ISCC	31.43	-
5	XXX	ISCC	3,688.60	-
6	XXX	ISCC	4,134.54	-
7	XXX	ISCC	3,104.35	-
8	XXX	ISCC	3,104.45	-
9	XXX	ISCC	2,297.55	-
10	XXX	ISCC	2,922.58	-
11	XXX	ISCC	3,125.35	-
12	XXX	ISCC	1217.49	-
Total			31,591.76	-

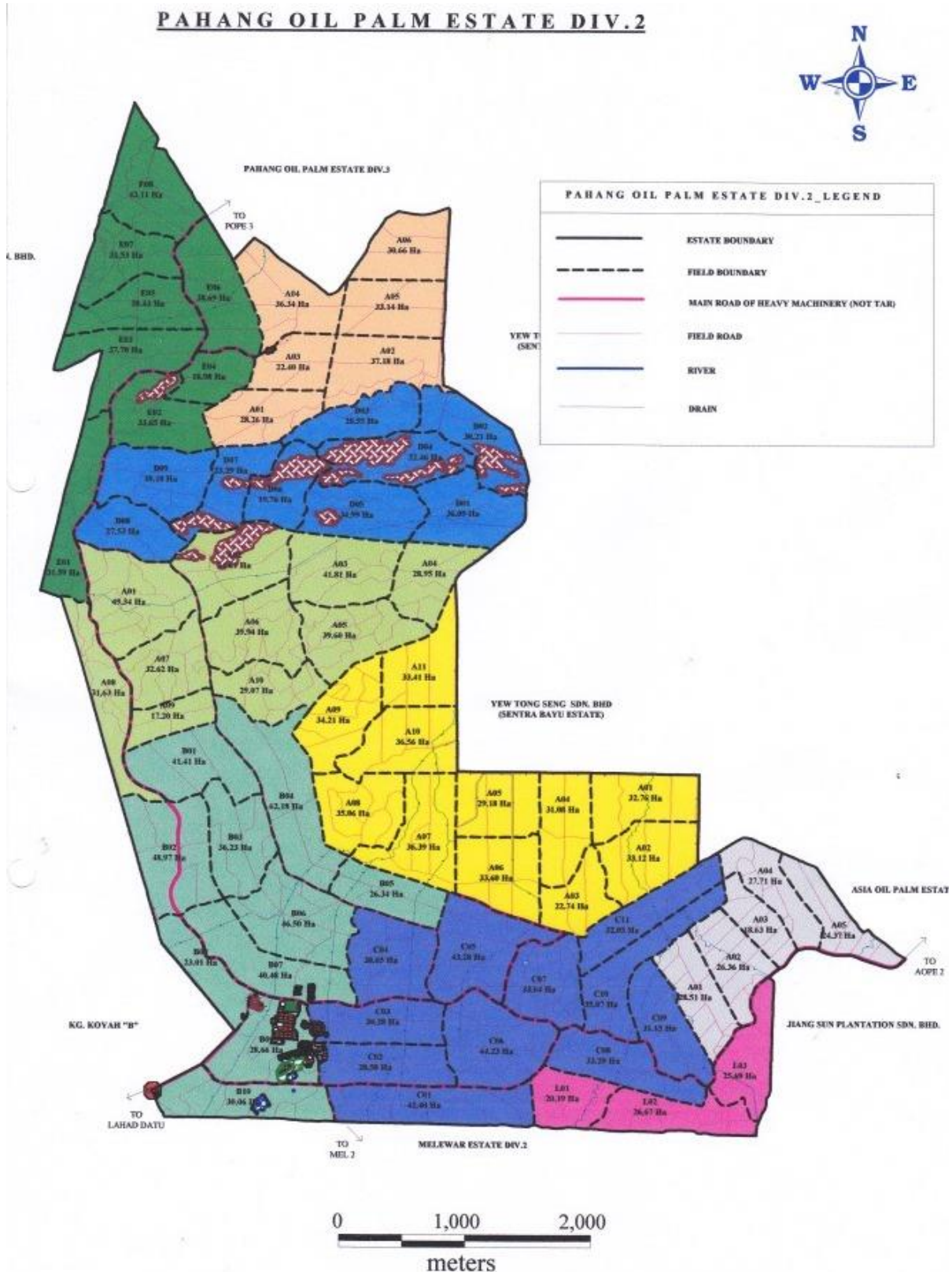
E. Records of CPO & PK Sold as conventional to Buyers since the last audit (if any) (Nov 2018-Oct 2019)			
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1	-	-	-
2			
3			
Total			

F. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any) (Nov 2018-Oct 2019)			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
Nil			

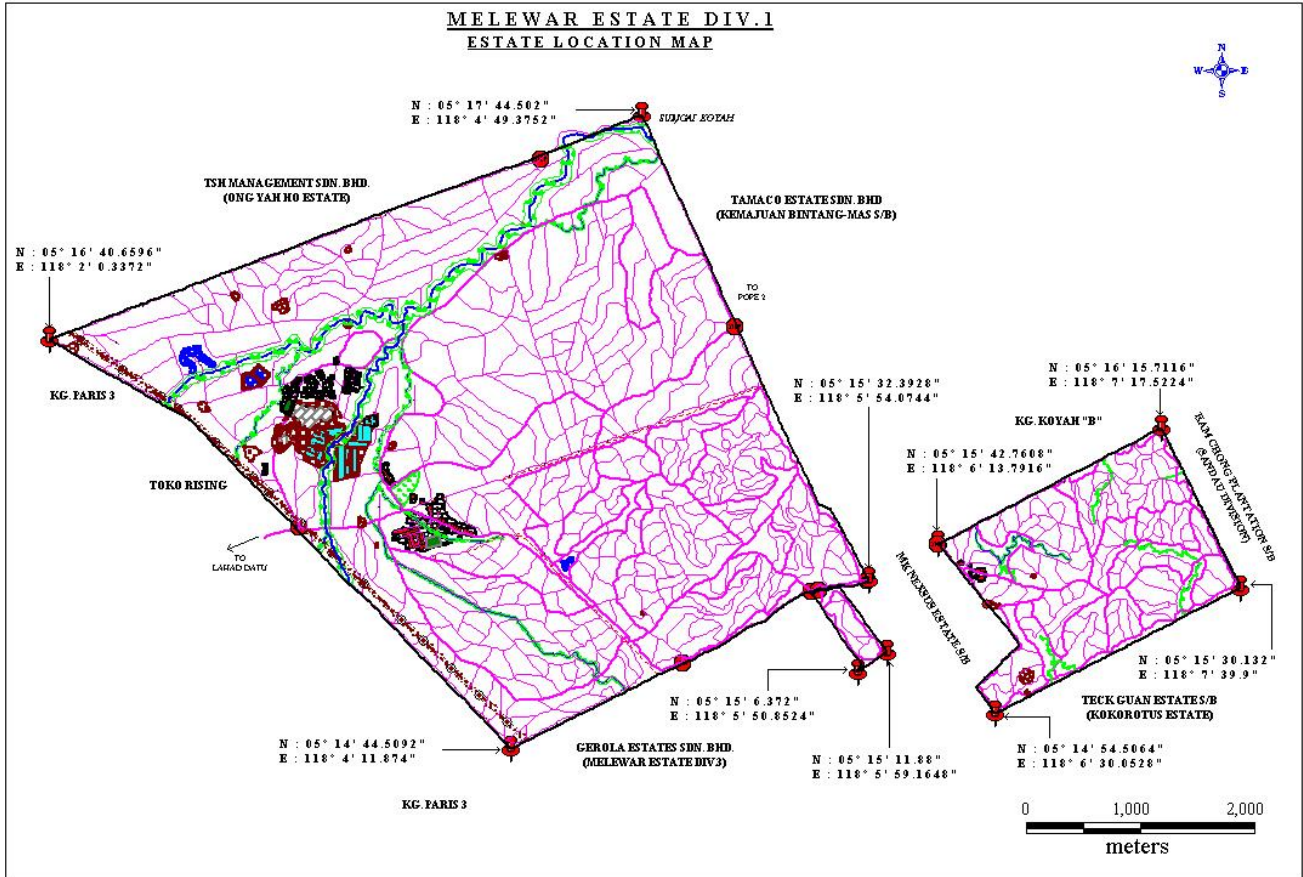
Appendix F: Location Map of Melewar Palm Oil Mill and Supply bases



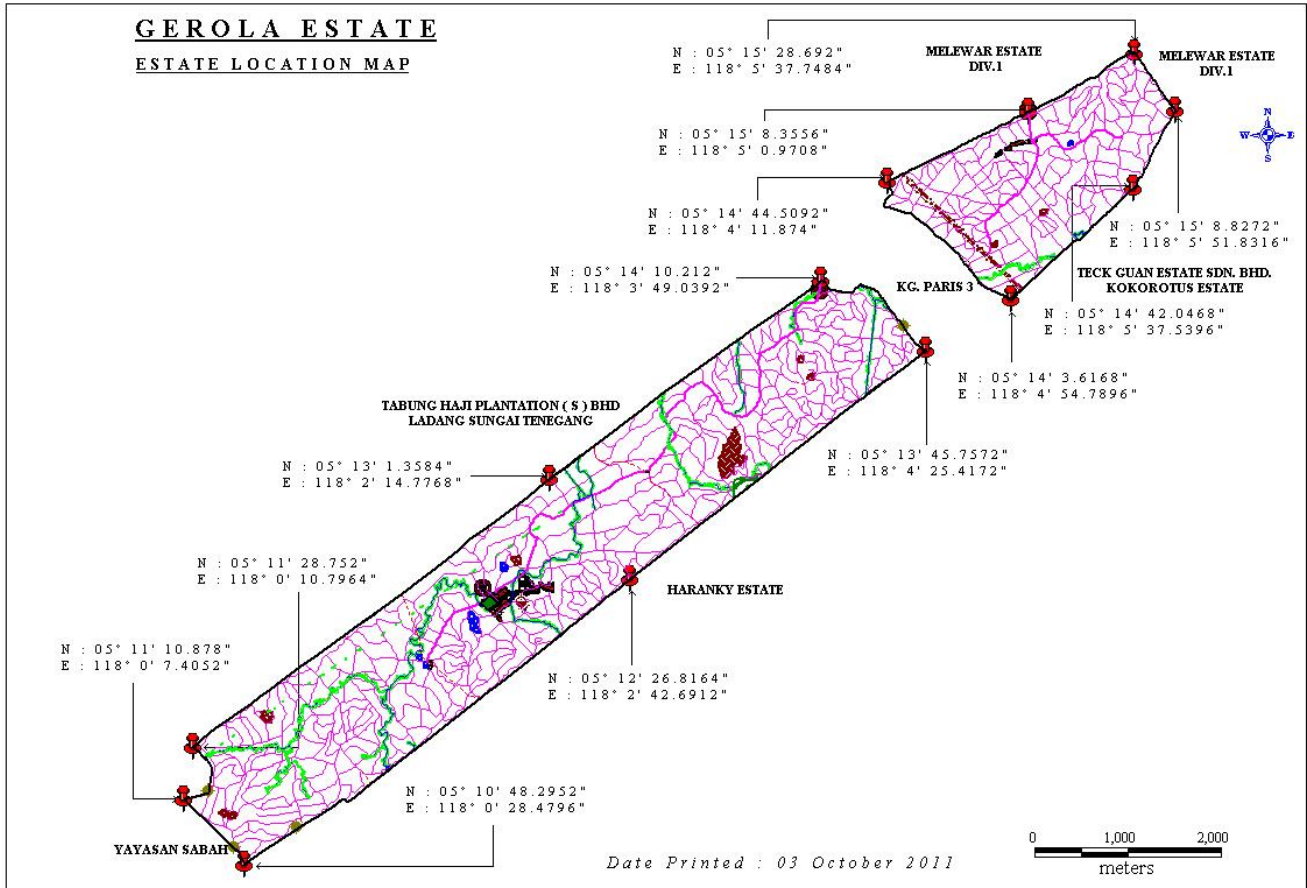
Appendix H: Pahang Estate 2 Field Map



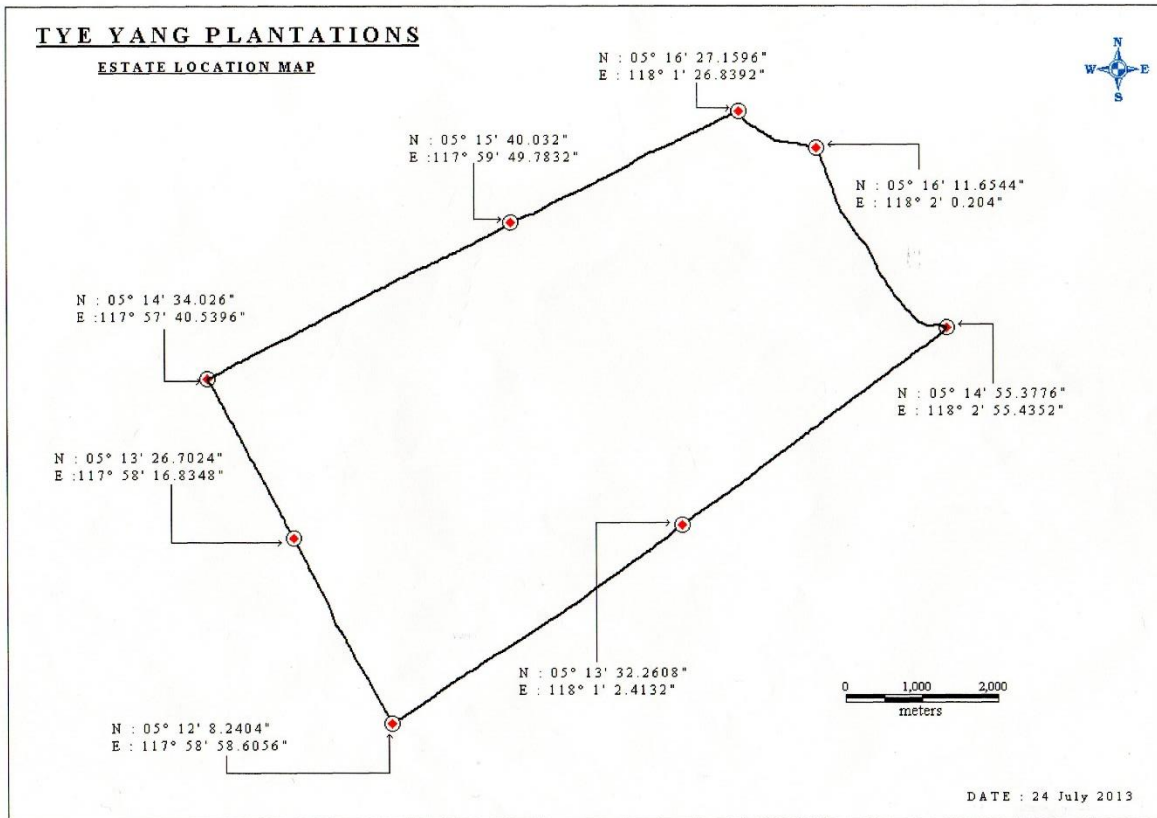
Appendix I: Melewar Estate 2 Field Map



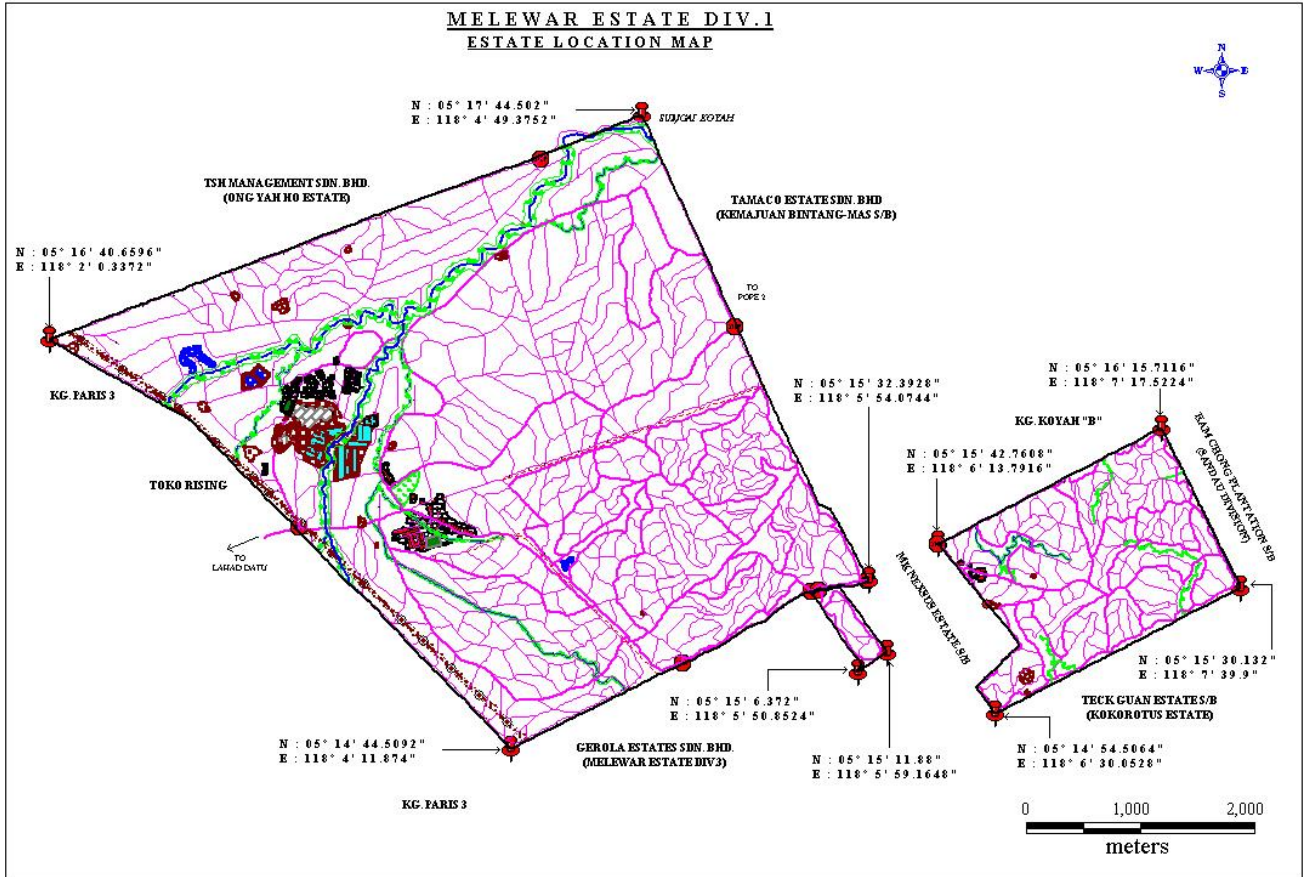
Appendix J: Gerola Estate Field Map



Appendix K: Tye Yang Estate Field Map



Appendix L: Melewar Estate 1 Field Map



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

Not applicable

Appendix N: 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