

**RSPO PRINCIPLE AND CRITERIA –
2nd ANNUAL SURVEILLANCE ASSESSMENT (ASA1_2)
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: Asia Palm Oil Mill and supply base (Asia Production Unit) Location of Certification Unit: KM 45, Off Jalan Lahad Datu 91100 Sandakan Sabah, Malaysia

TABLE of CONTENTS

Page No

Section 1: Scope of the Certification Assessment.....	2
1. Company Details	2
2. Certification Information	2
3. Other Certifications	2
4. Location(s) of Mill & Supply Bases	2
5. Description of Supply Base	2
6. Plantings & Cycle	2
7. Certified Tonnage of FFB (Own Certified Scope)	2
8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *	2
9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable	2
10. Certified Tonnage	2
11. Actual Sold Volume (CPO)	2
12. Actual Sold Volume (PK)	2
13. Actual Group certification Claims	2
Section 2: Assessment Process	2
2.1 Assessment Methodology, Programme, Site Visits	2
2.2 BSI Assessment Team:	2
2.3 Assessment Plan	2
Section 3: Assessment Findings	2
3.1 Normative requirement applied for this assessment:	2
3.2 Time Bound Plan progress for multiple management units	2
3.3 Progress of scheme smallholders and/or outgrowers (if applicable to this assessment)	2
3.4 Details of findings	2
3.4.1 Status of Nonconformities Previously Identified and Observations	2
3.4.2 Summary of the Nonconformities and Status	2
Formal Signing-off of Assessment Conclusion and Recommendation	2
Appendix A: Summary of Findings	2
Appendix B: Approved Time Bound Plan	109
Appendix C: GHG Reporting Executive Summary	113
Appendix D: General Chain of Custody Requirements for the Supply Chain	114
Appendix E : CPO Mill Supply Chain Assessment Report (Module E- CPO Mills: Mass Balance)	130
Supply Chain Declaration (<i>Applicable For Appendix E</i>)	134

RSPO Public Summary Report
Revision 8 (Mar /2019)

Appendix F: Location Map of Asia Palm Oil Mill and Supply bases	136
Appendix G: Asia Oil Palm Estate Div. 2 Field Map.....	491368863
Appendix H: Melewar Estate Div. 2 Field Map	491368863
Appendix I: Hwa Li Estate Div. 3 Field Map.....	491368863
Appendix J: List of Smallholder Sampled (<i>If applicable – scheme/associated/group certification</i>)	491368863
Appendix J: List of Abbreviations	491368863

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)	Asia Palm Oil Mill (Asia Production Unit)		
Address	KM 45, Off Jalan Lahad Datu 91100 Sandakan, 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 651278	Date of First Certification	31/01/2013
		Certificate Start Date	31/01/2018
		Certificate Expiry Date	30/01/2023
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
50450207 MSPO4	MS2530-4:2013 MSPO Part 4: General Principles for Palm Oil Mills	DQS Certification (M) Sdn Bhd	29/12/2021
50450133 MSPO3	MS2530-3:2013 MSPO Part 3: General Principles for Oil Palm Plantations and Organized Smallholders		29/12/2021
EU-ISCC-Cert-DE101-16450207	ISCC	DQS Certification (M) Sdn Bhd	20/12/2019

RSPO Public Summary Report
Revision 8 (Mar /2019)

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS Coordinates	
		Latitude	Longitude
Asia Palm Oil Mill	KM 45 Off Jalan Lahad Datu – Sandakan, 91100 Lahad Datu, Sabah	5° 17' 34.01" N	118° 12' 24.54" E
Asia Oil Palm Estate Div.2	Sungai Tenegang, CL 095317383, Tenegang / Koyah, Kinabatangan, Sabah, Malaysia	5° 18' 16.63" N	118° 11' 56.53" E
Melewar Estate Div.2	Sungai Tenegang, CL 095311201, Tenegang / Koyah, Kinabatangan, Sabah, Malaysia	5° 15' 58.24" N	118° 9' 35.11" E
Hwa Li Estate Div.3	Sungai Tenegang, CL95327138 & CL95327138, Tenegang / Koyah, Kinabatangan, Sabah, Malaysia	5° 20' 41.59" N	118° 18' 19.33" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Asia Oil Palm Estate Div.2	2,715.22	0	303.28	3,018.5	90
Melewar Estate Div.2	1,770.41	0	252.99	2,023.4	87
Hwa Li Estate Div.3	3,851.56	0	426.04	4,277.6	90
Total	8,337.19	0	982.31	9,319.5	89

**Total area reduce due to re-survey during replanting*

6. Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Asia Oil Palm Estate Div.2	951.07	263.65	22.32	800.33	677.85	1,764.15	951.07
Melewar Estate Div.2	360.72	0	0	1,409.69	0	1,409.69	360.72
Hwa Li Estate Div.3	0	0	441.24	3,410.32	0	3,851.56	0
Total	1,311.79	263.65	463.56	5,620.34	677.85	7,025.4	1,311.79

RSPO Public Summary Report
Revision 8 (Mar /2019)

7. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Jan 2019-Dec 2019)	Actual (Nov 2018 - Oct 2019)	Forecast (Jan 2020-Dec 2020)
Asia Oil Palm Estate Div. 2	40,146.33	40,575.57	40,701.24
Melewar Estate Div. 2	33,144.44	41,545.95	31,300.59
Hwa Li Estate Div. 3	81,027.00	86,433.70	88,834.19
Total	154,317.77	168,555.22	160,836.02

8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *			
Estate	Tonnage / year		
	Estimated (Jan 2019-Dec 2019)	Actual (Nov 2018 - Oct 2019)	Forecast (Jan 2020-Dec 2020)
Pahang Oil Palm Estate 2	N/A	709.18	N/A
Pahang Oil Palm Estate 3		6,899.90	
Total		7,609.08	

9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (Jan 2019-Dec 2019)	Actual (Nov 2018 - Oct 2019)	Forecast (Jan 2020-Dec 2020)
Independent FFB Supplier/outgrowers	N/A	16,594.09	N/A
Total		16,594.09	

RSPO Public Summary Report
Revision 8 (Mar /2019)

10. Certified Tonnage			
Mill Capacity: 60 MT/hr SCC Model: MB	Estimated (Jan 2019-Dec 2019)	Actual (Nov 2018 - Oct 2019)	Forecast (Jan 2020-Dec 2020)
	FFB	FFB	FFB
	154,317.77	176,164.3	160,836.02
	CPO (OER: 21.67%)	CPO (OER: 19.57%)	CPO (OER: 20.11 %)
	33,440.66	34,476.562	32,344.12
	PK (KER:5.92 %)	PK (KER: 5.13 %)	PK (KER: 5.43 %)
	9,135.61	9,036.876	8,733.40

**FFB estimated is based on license period (January 2019 - December 2019). From January 2019 to October 2019; actual FFB: 140,589.29 mt, CPO: 27,632.61and PK: 7,252.57 (still within estimated volume)*

11. Actual Sold Volume (CPO)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
CPO (MT)	6,239.75	25,405.10	0	1,766.79	33,411.64

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)	8,168.52	0	0	772.57	8,941.09

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 29.1, Level 29
The Gardens North Tower, Mid Valley City
Linkaran Syed Putra 59200 Kuala Lumpur
Tel +603 9212 9638 Fax +603 9212 9639
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 methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. RSPO Principles & Criteria 2013 (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 the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

RSPO Public Summary Report
Revision 8 (Mar /2019)

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)
Asia Palm Oil Mill	✓	✓	✓	✓	✓
Asia Oil Palm Estate Div.2	✓	✓	✓	✓	✓
Melewar Estate Div.2	✓	✓	✓	✓	✓
Hwa Li Estate Div.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>
Mohamed Hidhir Zainal Abidin	Team Leader	He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS

RSPO Public Summary Report
Revision 8 (Mar /2019)

		Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers and stakeholders consultation.
Mohamad Razin Bakal	Team Member	Graduate in Degree of Accountancy with University Putra Malaysia. Having 17 years of working experience in various field in Malaysia, Africa and Indonesia. Have enough knowledge and experiences in oil palm estate operation inclusive of estate administrative, budget preparation, jungle clearing, new planting, nursery establishment and management, harvesting, field upkeep and maintenance, safety and health, vehicle running and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in MSPO auditing since 2018. Qualified as Lead Auditor/Auditor for MSPO 2530:2013, ISO 14001:2015 and ISO 9001:2015 from Sirim Berhad. Member of BSI MSPO audit team. Able to speak and understand Bahasa Malaysia and English. During this assessment, he assessed on the aspects of Mill best practices, Estate best practices, workers welfare, stakeholder consultation, social, long-term economic viability.
Rahayu Zulkifli	Team Member	Holds a Degree in LLB (Hon), she was a practicing lawyer before joining WWF-Malaysia and RSPO as a Dispute Settlement Facility Manager. She is now working as a freelance RSPO auditor. In this assessment, the focus element includes social aspects, legal requirements, employees welfare and stakeholders consultations. She is able to communicate in Bahasa Malaysia and English.
Nicholas Cheong	Team Member	He holds Master of Environmental Management from the University Putra Malaysia in year 2008 and Bachelor of Science (Food Science) from Charles Sturt University Australian year 2014. He has more than 5 years of working experience in sustainability auditing and carbon emissions accounting. He has also 2 years of working experience in wastewater treatment construction and operations. He has completed the ISO9001, ISO14001, RSPO P&C Lead Auditor and RSPO SCC Lead Auditor course and MSPO Awareness Training. In his previous certification body experience, he was the Lead Assessor for Clean Development Mechanism, World Commission of Dam and ISCC. The CDM and WCD assessment focuses on social accountability. He had been involved in Sustainable Palm Oil auditing for more than 2 years. Able to speak in English.

Accompanying Persons:

No.	Name	Role
	Nil	

2.3 Assessment Plan

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

RSPO Public Summary Report
Revision 8 (Mar /2019)

PRELIMINARY AGENDA						
Date	Time	Subjects	MH	RZ	RB	NC
Sunday 3/11/2019	PM	Audit team travel to Kota Kinabalu via MH 2606, ETD 1900	√	√	-	
Monday 4/11/2019	AM	Arrival at LDU airport via MH3010 ETA 0705. Audit team travel to Hwa Li Estate Div.3	√	√	√	
Hwa Li Estate Div.3	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 				
	09.00 – 13.00	Hwa Li Estate Div.3 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.	√	√	√	
	13.00 – 14.00	Lunch	√	√	√	
	14.00 – 16.30	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).	√	√	√	
	16.30-17.00	Interim Closing briefing	√	√	√	
	Tuesday 5/11/2019	08.30 – 13.00	Melewar Div.2 Estate 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.	√	√	√
Melewar Div.2 Estate	10.00 – 12.00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-	
	13.00 – 14.00	Lunch	√	√	√	
	14.00 – 16.30	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).	√	√	√	

RSPO Public Summary Report
Revision 8 (Mar /2019)

PRELIMINARY AGENDA						
Date	Time	Subjects	MH	RZ	RB	NC
	16.30-17.00	Interim Closing Briefing	√	√	√	
Wednesday 6/11/2019	8.30 – 13.00	Asia Oil Palm Estate Div. 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.	√	√	√	
	10.00 – 13.00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-	
	13.00 – 14.00	Lunch	√	√	√	
	14.00 – 16.30	Continue with unfinished elements 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).	√	√	√	
	16.30-17.00	Interim Closing Briefing and end of day 3	√	√	√	
Thursday 7/11/2019	08.30 –13.00	Asia Palm Oil Mill Inspection: 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.	√	√	√	
	0830 – 13.00	RSPO SCCS audit - General chain of custody - RSPO rules of communication and claims				√
	13.00 – 14.00	Lunch	√	√	√	
	14.00 – 16.00	Asia 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.	√	√	√	
	14.00 – 16.00	Module D: Mass balance - Mass balance accounting - Overproduction - Deliveries and palm trace transaction - Book and Claim @ credit sales (if any)				√

PRELIMINARY AGENDA						
Date	Time	Subjects	MH	RZ	RB	NC
	16.00 – 17.00	Audit team discussion and closing meeting	√	√	√	√
Friday 8/11/19	AM	Audit team travelling back to KL via AK5193 ETD 935	√	√	-	√

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?	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. Latest update 04.01.2020 on the land conflict issue, as requested by HO, Mr. Nesron Bin Alat (Secretary of 42 land claimants committe) and Sipar Bin Una-Una (Chairman of 42 land claimants committe) 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)	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

RSPO Public Summary Report
Revision 8 (Mar /2019)

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 changes of time-bound plan since the last audit.	Yes
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	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 development reported since 1 st July 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 as part of positive assurance statement and based on RSPO approval for HCV compensation plan for Takon Production Unit.	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
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification? 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.	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 2nd annual surveillance assessment there were one (1) Minor nonconformity raised. The Asia 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.

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1845883-201911-N1	Clause & Category (Major / Minor)	Indicator 4.7.5 Minor
Date Issued	07/11/2019	Due Date	Next annual surveillance assessment
Closed (Yes / No)	No	Date of nonconformity Closure	"Open"
Statement of Nonconformity:	Accident and emergency procedures was not effectively implemented.		
Requirement Reference:	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.		
Objective Evidence:	Asia Oil Palm Estate Div.2 i) ERP for poisonous and venomous for animal/insect was not properly documented. Evidence of training was not available for the relevant personnel to prepare for any unforeseen circumstances in the future. Refer to accident case date 7/2/19, workers ID, AT688583. ii) Expired and incomplete first aid case found i.e eye pad (20/4/19).		

RSPO Public Summary Report
Revision 8 (Mar /2019)

	iii) Readiness of ERP equipment at point of emergency. Hose was not equipped with nozzle and pump to be properly attached/installed at the portable water tank.
Corrections:	<p>Issue 1: The existing practices is transformed into the written procedure as per ERP template. Communication will be carried out through formal training where all the records will be kept and maintained as per group practice. The objective of the training is to ensure all level of workforce are well educated pertaining on ERP for poisonous and venomous for animal/insect.</p> <p>Issue 2: The expiry date of items (if any) will be tabulated and included in the first aid checklist. The management had purchased and replaced all expired eye pads.</p> <p>Issue 3: Nozzle was installed properly to the extinguishing hose. Verbal communication was given to the personnel that working in that areas not to relocate any of the equipment's to avoid misplace which could interrupt the readiness of ERP equipment at point of emergenc</p>
Root Cause Analysis:	<p>Issue 1: Mechanism to handle such case was implemented accordingly as to handle the mentioned case (Refer to accident case date 7/2/19, workers ID, AT688583) however it was not captured in ERP format. Communication through briefing was given to the related personnel; but it was not documented in training form.</p> <p>Issue 2: Present first aid checklist does not capture the expiry date of items available (if any) inside the first aid box, hence; monitoring on the re-stocking of items before expire date was not carried out accordingly.</p> <p>Issue 3: The readiness of ERP equipment's was not captured inside any of the monitoring checklist pertaining on emergency purpos</p>
Corrective Actions:	<p>Issue 1: Training related to the ERP for poisonous and venomous for animal/insect will be captured in the annual training program. All records of training will be kept and maintained properly.</p> <p>Issue 2: Inspections will be perform using the revised first aid checklist template will be carried out on monthly basis as per Group practice.</p> <p>Issue 3: Monthly inspections using established checklist will be performed to check on the readiness of the ERP equipment.</p>
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verfofed in the next audit.

Opportunity for Improvements	
OFI #	Description
OFI 1	<p><u>1845883-201911-I1</u></p> <p><u>Indicator 6.5.3</u> Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible</p> <p><u>Details:</u> The Estates and Mill provide housing which conform to the standard set under the Workers' Minimum Standard of Housing and Amenities Act 1990. This includes free electricity and constant water supply,</p>

RSPO Public Summary Report
Revision 8 (Mar /2019)

	football fields, takraw courts, sundry shops and free medical treatment at the estate and mill clinics. The frequency of the monthly visits by Visiting Medical Officer can be improved by making it fortnightly
--	--

Positive Findings	
PF #	Description
PF 1	Top Management of JC Chang Group, Asia Production Unit (APU) have shown a good dedication to implement and sustained all the RSPO principles's and criteria's under the respective production unit.
PF 2	During site visit and interview with worker in the field, they able to demonstrate the level of understanding toward the RSPO concept during the audit assessment

3.4.1 Status of Nonconformities Previously Identified and Observations

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1706395-201811-M1	Clause & Category (Major / Minor)	Indicator 2.1.1 Major
Closed (Yes / No)	Yes	Date of nonconformity Closure	8/2/2019
Statement of Nonconformity:	The compliance of certain legal requirements was not adequately demonstrated.		
Requirement Reference:	Evidence of compliance with relevant legal requirements shall be available.		
Objective Evidence:	<p><u>Hwa Li Estate Division 3</u> The salary deduction on Buffalo Security (RM35.00/month) made on Worker ID: HL01686 on April, July and October 2018 pay slips are not complying with the Permit Potongan Daripada Gaji Pekerja Seksyen 113(4), Ordinan Buruh (Sabah Bab 67), dated 11.04.2018 until 11.04.2020 No siri: 600-1/2/13/136(11/KBN/2018-087) from JTK.</p> <p><u>Asia POM</u> CHRA for Asia Palm Oil mill had been conducted on 18 Feb 2016. However, it was found that the newly registered chemicals such as MCHM CT 360, CT 201 and CT 105 in chemical register [last updated on 7/8/2018], have yet to be included in the CHRA report by the CHRA assessor as per USECHH Regulation 2000.</p>		
Corrective Actions:	<p><u>Hwa Li Estate Division 3</u></p> <p>1. To retrain person in-charge on law changes and tracking as per requirements of SOP On Mechanism to Trace Changes in Legal Requirements [E005-07/2017 dated on 06/01/2017] with objective of the training is to ensure, she will review the term and condition of the latest approval permit and call the management for a discussion to identify the best implementation on the changes if any, to ensure the compliance according to the approval obtain.</p> <p>2. All the approval license and permit will be reviewed by Ms. Adrianti binti Nahrud to ensure the compliance are according to the latest approval. If there is any variation from the previous approval, she will be responsible to communicate the detail of variation to the estate manager for his acknowledgment and further action.</p>		

RSPO Public Summary Report
Revision 8 (Mar /2019)

	<p><u>Asia POM</u></p> <p>1. To retrain Person in Charge on Law Changes and Tracking as per requirements of E005-07/2017 dated on 06/01/2017 with objective of the training is to ensure he will review and notify the management on the requirement of new law or law changes received from HQ and call the management for discussion to ensure the law compliance are implemented accordingly.</p> <p>2. To retrain the appointed personnel who is responsible to perform his/her duty according to the requirement of H005-02/2015 dated on 03/08/2015, so that in future, his/her will notify the management to conduct chemical hazard risk assessment for the new chemical required to be used.</p> <p>3. Purchasing of chemical will be performed as per H005-02/2015 requirement. Personnel who involved with the chemical purchases are responsible to inform the mill manager to engage with CHRA assessor if there is any requirement to use any new chemical.</p> <p>4. Updating chemical hazard to health register as per actual chemical used in the mill from time to time will be performed by Mr. Jaini and if new chemical is present, he will responsible to inform the mill manager on the requirement to engage authorized assessor for conducting CHRA for the new chemical.</p> <p>5. All chemical inventory will be monitored by using a chemical checklist which the duty will be perform by Mr. Jaini.</p>
<p>Assessment Conclusion:</p>	<p>ASA1_2 verification:</p> <p>Hwa Li Estate Div 3: No buffalo security payments of RM35 has been made for worker No. 01686 from December 2018 to September 2019 based on the payslips sighted for the same period. Consistent implementation was also observed for the following:</p> <ul style="list-style-type: none"> a. Melewar Estate 2: Workers No. 02229 and No. MLT 1591 b. Hwa Li Div 3 Estate: Workers No. HE300507 and No. HL 02229 <p><i>Permit potongan daripada gaji, seksyen 113(4), Ordinan Buruh (Sabah Bab 67) for bayaran potongan pembelian kerbau, serial no. 600-1/2/13/138 (11/KBN/2018-0285) valid until 5/9/20. Verified deduction in the latest pay slip (September 2019) for gang R03_HA1.</i></p> <p>Person in charge for tracking of law changes is administration officer/estate clerk. Compliance towards legal and other requirement effectively demonstrated in the license and permit checklist dated 26/10/19.</p> <p>Latest list of applicable law changes dated 18/9/19 was sighted. The new Pesticides Order 2019 (amendment of first schedule) was included in the list.</p>

Summary of Total Number of Nonconformity			
Nonconformity			
NCR Ref #	1706395-201811-N1	Clause & Category (Major / Minor)	Indicator 2.1.3 Minor
Closed (Yes / No)	Yes	Date of nonconformity Closure	07/11/2019

RSPO Public Summary Report
Revision 8 (Mar /2019)

Statement of Nonconformity:	A sampled worker was found to be paid below the Malaysian’s Minimum Wage Order 2016.
Requirement Reference:	A mechanism for ensuring compliance shall be implemented.
Objective Evidence:	At Hwa Li Estate, based on verification of pay slips, it was found that a worker (ID: HE300901) had have salaries below the minimum wage i.e. RM920/month or RM 35.38/day according to Minimum Wage Order 2016, for the month of April, July and October 2018.
Corrective Actions:	<ol style="list-style-type: none"> 1. Written procedure of mechanism for monitoring worker’s minimum wages and communicated to all level of workforce for effective implementation 2. Assistant manager will responsible to monitor the worker productivity in daily basis based on worker check roll book. 3. Minimum wages analysis will be performed by Ms. Adrianti binti Nahrud in monthly basis and she will responsible to highlight to the manager on the analysis result for his further instruction. 4. Motivation section will be carried out to the worker who fail to maintain their productivity to identify the actual root course of the low performance. Remediation action will be performed upon agreed by worker and management during the section. Person in-charge 5. Mr. Paul Chong Boon Piu 6. Mr. Raja Ismail bin Raja Deraman 7. Mr. Bidin bin Mohd Arif 8. Mr. Riduan bin Alias 9. Mr. Tony Tiwon 10. Mr. Helddy bin Jakaria 11. Mr. Albario Valentine 12. Ms. Adrianti binti Nahrud <p>Time Frame 27 November 2018</p>
Assessment Conclusion:	<p>ASA1_2 verification:</p> <p>Based on the payslips of Worker No. HE300901, wages paid for Nov 2018 was RM906.34 and for Dec 2019 was RM669.28. This is still below the Minimum Wages (Amendment) Order 2018. There is evidence that the worker was given additional task to do circle racking to enable the worker to achieve minimum wage. Despite this, the worker's productivity remained low. Warning letters were issued to the worker dated 10 November 2018, 8 December 2018 and 20 Dec 2018. Worker No. HE 300901 tendered resigned on 1 Jan 2019 as evidence by letter dated the same date.</p> <p>Evidence is available that other workers doing the same job were paid in accordance with the Minimum Wages (Amendment) Order 2018 as follows:</p> <p>Workers No: HL00809, HE300921, HE00718, HL00717. The corrective action has been effectively implemented, thus the minor NC is close on 7/11/19. Continuous implementation will be further verified in the next audit.</p>

Opportunity for Improvements	
OFI #	Description
OFI 1	1706395-201811-I1

	<p><u>Indicator 2.1.1</u></p> <p>Details :</p> <ul style="list-style-type: none"> • The implementation of Environmental Compliance Report (ECR) for the approved replanting Proposal for Mitigation Measure (PMM) could be further improve by conducting it in timely manner. • The information in the MPOB License of Hwa Li Estate Div. 3 can be further improved by ensuring the registered estate’s area is reflected from its land title. <p><u>ASA1 2 status:</u> ECR monitoring was done as per schedule according to the plan. Continous follow up and communication with EPD consultant will be done to vaoid delay. Registration of MPOB license is based on total area or planted area based on consultation with MPOB</p>
<p>OFI 2</p>	<p>1706395-201811-12</p> <p><u>Indicator 4.4.2</u></p> <p>Details: The management of leachate at the shredded EFB stock pile can be further improved by ensuring it does not flow into the nearby monsoon drain.</p> <p><u>ASA1 2 status:</u> Based on site review, leachate from shredded EFB has been properly channelled to system drain. No evidence of water pollution sighted.</p>
<p>OFI 3</p>	<p>1706395-201811-13</p> <p><u>Indicator 5.6.3</u></p> <p>Details: The reporting of GHG emission in the RSPO Palm GHG Calculator can be further improved by ensuring the accuracy of the input data.</p> <p><u>ASA1 2 status:</u> Verification on GHG input data for 2018 (FY July 2018 – June 2019) and GHG report output was found to be tally and consistent.</p>
<p>OFI 4</p>	<p>1706395-201811-14</p> <p><u>Indicator 6.5.2</u></p> <p>Details: The description of deduction in the workers' payslips can be further improved by making it properly describe what is exactly being deducted. For e.g. deduction for "Tanggungang Passport" was described as "Tabungan".</p> <p><u>ASA1 2 status:</u> Reference of the deduction has been correctky reflected in payslip.</p>

3.4.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1554102-201709-M1	Major	5.3.3	09/11/2017	Closed on 08/01/2018
1554102-201709-N1	Minor	4.1.3	09/11/2017	Closed out on 16/11/2018
1706395-201811-M1	Major	2.1.1	16/11/2018	Closed out on 08/02/2019
1706395-201811-N1	Minor	2.1.2	16/11/2018	Closed out on 07/11/2019
1845883-201911-N1	Minor	4.7.5	07/11/2019	"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 Asia 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.


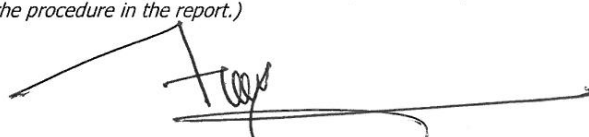
Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their 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 JCC representative Gender committee General workers</p>	<p>Union/Contractors/Local Communities</p> <p>Shop attendant Manpower agency (Hollywood Sdn Bhd) Manpower agency (MNK) Village head, Kg Koyah B FFB transporter</p>
<p>Government Departments</p> <p>Headmaster, SK Kg Paris Labour office, Kinabatangan</p>	<p>NGO</p> <p>Nil</p>

IS #	Description
------	-------------

RSPO Public Summary Report
Revision 8 (Mar /2019)

1	<p>Feedbacks: All stakeholders interviewed confirmed having a good relationship and communication with the Estates and Mill under the Asia Production Unit. They are invited to attend stakeholder meetings, and are aware of the grievance channels open them.</p>
	<p>Management Responses: Management maintains a good communication channel with all stakeholders.</p>
	<p>Audit Team Findings: Verified during audit that the Asia Production Unit maintains a good relationship via formal and informal meetings with the stakeholders.</p>
2	<p>Feedbacks: Interviews conducted with the government agencies such as Labour Department and the Immigration Department confirmed that there have been no breaches of any laws and regulations by the Asia Production Unit. Labour Department states that the Workers’ Minimum Standard of Housing and Amenities Act 1990 is not yet gazetted by the Sabah government. However, if there is any non-compliances with the provisions of the Act, the company would be advised to take steps to comply, but no fines or penalties will be imposed for non-compliances.</p>
	<p>Management Responses: The Management of Asia Production Unit ensures strict compliance with all laws and regulations related to labour and immigration issues that have been gazetted in Sabah.</p>
	<p>Audit Team Findings: It was verified during the audit that all migrant workers sampled had valid passports and work permit. No unauthorised workers’ salary deductions was observed. Any other salary deductions were in compliance with the permit from the Labour Office and permission from the affected workers.</p>
3	<p>Feedbacks: FFB transporter and FFB suppliers interviewed confirmed that they understand the written contracts entered into with the Mill. Payments terms and mechanism of calculation are stated in the contracts and clearly understood. Payments are received within the agreed stipulated time.</p>
	<p>Management Responses: Payments are facilitated by Head Office and are processed once all documents (delivery order, invoice) are in order.</p>
	<p>Audit Team Findings: Based on documentation review, it was verified that the contracts are valid, fair and transparent, and payments are made in a timely manner.</p>
4	<p>Feedbacks: The Village Head from Kg Koyah B confirmed that the boundary between the village and the estates are clearly demarcated by wooden pegs. There is no land disputes between the villagers and any of the Estates under the Asia Production Unit. Both parties exist harmoniously. Village head has attended stakeholder meetings with the Asia Production Unit.</p>
	<p>Management Responses: Management confirms that there is no land dispute with the villagers of Kg Koyah B.</p>
	<p>Audit Team Findings: Based on interviews and documentation review, there are no land rights issues between any of the Estates and Mill under Asia Production Unit.</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 Asia 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 Asia Palm Oil Mill is approved and continued.</p>	
Report prepared by	Acceptance of Assessment Conclusion
Name: Mohamed Hidhir Zainal Abidin	Name: Seow Chee Chiang.
Company Name: BSI Services Malaysia Sdn Bhd	Company Name: Carolina / J. C. Chang Group.
Title: Lead Auditor	Title: Sr. 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: 31 st January 2020	Date: 07/02/2020.

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	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Evidence is available that the Asia Palm Oil Mill and Supply Base provide adequate information on environmental, social and/legal issues to its relevant stakeholders. At Melewar Estate Div 2, the Labour Department wanted specific information before a permit is issued allowing the Estate to make salary deductions. A letter was sent to JTK on 18 Dec 2018 (Ref: ME2/A306/201819-03/DM/niv) providing information such details of business licence, list of workers whose salaries would be deducted for purposes of buffalo payments, as well as letters from the workers agreeing to have the deductions made from their salary. Similarly at Hwa Li Estate Div 3, details of newly-recruited workers (names, passport numbers, temporary working pass number and expiry date, social security PERKESO number, wages and date of commencement).	Complied

Criterion / Indicator		Assessment Findings	Compliance
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	Records of request for such information and copies of the responses are being maintained in the relevant files, and verified during the audit. This included correspondences between Hwa Li 3 estate and the Labour Office: <ul style="list-style-type: none"> - A letter dated 5 Dec 2018 (Ref: ME2/A306/201819-03/DM/niv) seeking permission to deduct workers' salary for 'buffalo deposit'. - The response from the Labour Office dated 14 Dec 2018 (JTK.H.KBN.600-14/70) was sighted which requested business license, list of workers whose salary would be deducted, letter from workers agreeing to the deduction, and confirmation that the deduction would not be more than 50% of workers' salary. - Hwa Li Estate's reply dated 18 Dec 2018 giving all the requested information. 	Complied
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.			

Criterion / Indicator	Assessment Findings	Compliance
<p>1.2.1 Publicly available documents shall include, but are not necessary limited to:</p> <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). <p>- Major compliance –</p>	<p>There is evidence that the Company makes public information relating to land titles, safety and health plans, Good Agricultural Practices, SOP on Mechanism for Communication and Consultation, SOP For Identifying Legal And Customary Rights and Identifying People Entitled to Compensation, HCV documentation, pollution prevention plans, SEIA report, details of complaints and grievances, negotiation procedures, continuous improvement plans, public summary of RSPO audit reports, human rights policy. Some of these are available on the notice boards such as the human rights policy, grievance procedures, and the rest are available and accessible at the office.</p> <p>This follows the Guidelines on Mechanism for Information Requests by Stakeholders (Doc. Ref. No. E/006-08/2019) dated 18 August 2019. This document identifies stakeholders eligible for information as those listed in the list of stakeholders. The Guidelines also lists the information that can be requested which include environmental (Soil and water conservation, riparian zone management, HCV) social information (social impacts and improvement, safety, health and welfare, details of complaints and grievance, consultation and communication procedure, JCC and gender committee meeting minutes, etc) legal information (licenses and permits, land rights, estate map, continuous improvement plan, policies, public summary of certification assessment reports). The Guidelines also identifies restricted documents such as data that affects personal privacy, records of account, revenue, legal documents, yield data, and ongoing disputes where disclosure would result in potential negative outcomes.</p> <p>All the above information is also available on the Company’s website www.carotino.com</p>	<p>Complied</p>
<p>Criteria 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>		

Criterion / Indicator	Assessment Findings	Compliance
<p>1.3.1</p>	<p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. -Minor compliance</p> <p>All the Mill and Estates subscribe to JC Chang’s written policy on Corruption Prevention Policy. This Policy prevents corruption and applies to all entities within the company including contracted third parties and consultants in relation to their work with/for the group. This Policy was signed by the Mill Director on 4 September 2015 and is available in English and Malay language. Awareness on this Policy are being held for all newly-recruited employees where they acknowledged their understanding of the briefing by appending their thumbprints on the documents. Records of these were available and verified at all the Estates and Mill. Additionally, workers are also given refresher trainings during morning muster.</p> <p>At Hwa Li Estate Div 3, an awareness refresher briefing was given by the Estate Manager on 29 July 2019. At Melewar Div 2 Estate, records were sighted of newly recruited workers (Workers No MLT 1590, 1584, 1537, 1606, 1588) being trained on all company policies including the Corruption Prevention Policy.</p>	<p>Complied</p>
<p>Principle 2: Compliance with applicable laws and regulations</p>		
<p>Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.</p>		

<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p>Asia POM has obtained and renewed license and permits as required by the law. Amongst the licenses or permit viewed were:</p> <ul style="list-style-type: none"> a) MPOB license: 500143104000 (validity period 1/12/2018 - 30/11/2019) for 330,000MT b) DOE License/Jadual Pematuhan: JPKKS/12/003557 (validity period 1/7/19-30/6/20) for 80 MT/hr and method of POME discharge is land application and composting. BOD limit is < 20 mg/l. c) Approval's condition for Contravene of License (CL), licese no. 005143, ref: JPLP/PBU/12/005143 validity period (29/8/19 - 29/8/20) - Limit of particulate emission < 400 mg/m³ - Opacity < 20 @ Ringellman 2. d) <i>Lesen Menggaji Pekerja Bukan Pemastautin, Seksyen 118, Ordinan Buruh (Sabah Bab 67)</i>, Indonesian: 101, valid until 28/12/19 e) <i>Permit potongan daripada gaji, seksyen 113(4), Ordinan Buruh (Sabah Bab 67) for GROWARISAN, Perubatan, Pinjaman Peribadi and store item</i>; serial no. 600-1/2/13/13(11/KBN/2018-057) valid until 14/3/20. f) <i>Permit Sekatan Wanita Bekerja Malam Seksyen 75, Ordinan Buruh (Sabah Bab 67)</i>, serial no. 600-1/2/13/13(05/TWU/2019-0089) g) Poison License, Permit to purchase, store and use of sodium hydroxide, permit# 000688, register# CC0088/2019. Valid until December 2019. h) Diesel permit, Serial# S000551, Diesel: 24,000 litre, expired on 21/5/20. Ref number; PPDNKK.SDK.07/2018(SK) <p>Sighted the Certificate of Fitness for machineries:</p> <table border="1" data-bbox="972 1332 1825 1394"> <thead> <tr> <th>CF No</th> <th>Expiry</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>SB PMD 2799</td> <td>27/11/20</td> <td>Water Tube Boiler #2</td> </tr> </tbody> </table>	CF No	Expiry	Remark	SB PMD 2799	27/11/20	Water Tube Boiler #2	<p>Complied</p>
CF No	Expiry	Remark							
SB PMD 2799	27/11/20	Water Tube Boiler #2							

RSPO Public Summary Report
Revision 8 (Mar /2019)

		<table border="1"> <tr> <td>PMD 10235</td> <td>22/10/20</td> <td>Water Tube Boiler #1</td> </tr> <tr> <td>SB PMT 13107</td> <td>27/11/20</td> <td>Vertical Sterilizer no.8</td> </tr> <tr> <td>SB PMT 13103</td> <td>27/11/20</td> <td>Vertical Sterilizer no.5</td> </tr> <tr> <td>SB PMT 13103</td> <td>27/11/20</td> <td>Vertical Sterilizer no.6</td> </tr> <tr> <td>SB PMT 13105</td> <td>27/11/20</td> <td>Vertical Sterilizer no.7</td> </tr> <tr> <td>SB PMT 12261</td> <td>22/10/20</td> <td>Economiser Flash Evaporator</td> </tr> <tr> <td>SB PMT 12266</td> <td>22/10/20</td> <td>Distillation Conditioner</td> </tr> </table> <p>Last UPV and SB inspection was carried out on 28/8/19. Generally, no major issues highlighted by DOSH inspector. One (1) NOI notice for improvement issued by DOSH, serial no. 300674 dated 28/8/19, closed on 10/9/19.</p> <p>Competent Person</p> <table border="1"> <thead> <tr> <th>Competency</th> <th>Validity</th> </tr> </thead> <tbody> <tr> <td>CePSWaM/198392</td> <td>30/9/19-29/09/20</td> </tr> <tr> <td>CePPOME/184538</td> <td>15/8/18-15/8/19, submitted on October 2019</td> </tr> <tr> <td>1st Grade Steam Engineer</td> <td>008/2017</td> </tr> <tr> <td>1st Grade Engine Driver/ Boiler man</td> <td>SB/11/EIS/01560</td> </tr> <tr> <td>Competent electrical engineer/Visiting Engineer</td> <td>JK-T-5-B-0172-1995</td> </tr> <tr> <td>Electrical Charge man</td> <td>PJ-T-2-B-0351-2006 In progress for A4 upgrade</td> </tr> </tbody> </table> <p><u>Melewar Div 2 Estate</u></p> <p>i) <i>Permit potongan daripada gaji, seksyen 113(4), Ordinan Buruh (Sabah Bab 67) for bayaran potongan pembelian kerbau, GROWARISAN, Perubatan,</i></p>	PMD 10235	22/10/20	Water Tube Boiler #1	SB PMT 13107	27/11/20	Vertical Sterilizer no.8	SB PMT 13103	27/11/20	Vertical Sterilizer no.5	SB PMT 13103	27/11/20	Vertical Sterilizer no.6	SB PMT 13105	27/11/20	Vertical Sterilizer no.7	SB PMT 12261	22/10/20	Economiser Flash Evaporator	SB PMT 12266	22/10/20	Distillation Conditioner	Competency	Validity	CePSWaM/198392	30/9/19-29/09/20	CePPOME/184538	15/8/18-15/8/19, submitted on October 2019	1 st Grade Steam Engineer	008/2017	1 st Grade Engine Driver/ Boiler man	SB/11/EIS/01560	Competent electrical engineer/Visiting Engineer	JK-T-5-B-0172-1995	Electrical Charge man	PJ-T-2-B-0351-2006 In progress for A4 upgrade		
PMD 10235	22/10/20	Water Tube Boiler #1																																					
SB PMT 13107	27/11/20	Vertical Sterilizer no.8																																					
SB PMT 13103	27/11/20	Vertical Sterilizer no.5																																					
SB PMT 13103	27/11/20	Vertical Sterilizer no.6																																					
SB PMT 13105	27/11/20	Vertical Sterilizer no.7																																					
SB PMT 12261	22/10/20	Economiser Flash Evaporator																																					
SB PMT 12266	22/10/20	Distillation Conditioner																																					
Competency	Validity																																						
CePSWaM/198392	30/9/19-29/09/20																																						
CePPOME/184538	15/8/18-15/8/19, submitted on October 2019																																						
1 st Grade Steam Engineer	008/2017																																						
1 st Grade Engine Driver/ Boiler man	SB/11/EIS/01560																																						
Competent electrical engineer/Visiting Engineer	JK-T-5-B-0172-1995																																						
Electrical Charge man	PJ-T-2-B-0351-2006 In progress for A4 upgrade																																						

		<p><i>Pinjaman Peribadi , Tabung Surau</i>; serial no. 600-1/2/13/138 (11/KBN/2018-0285) valid until 5/9/20.</p> <p>ii) Diesel permit, Serial# Q 000010(LDT), Diesel: 18,000 litre petrol: 600 litre, expired on 21/2/20. Ref number; KPDNHEP.LDT.900.3/1(22/2009)P</p> <p>iii) <i>Lesen Menggaji Pekerja Bukan Pemastautin, Seksyen 118, Ordinan Buruh (Sabah Bab 67)</i>, Indonesian: 197, valid until 4/12/19.</p> <p>iv) Energy commission license; license no.:2019/02021; serial no.: 38348 (validity period 8/8/2019 – 7/8/2020) for 125 kW installation capacity.</p> <p>v) Certificate of fitness (CF) for air compressor, SB PMT 1239 valid until 29/10/19. Inspection was done on 28/8/19 and pending for CF issuance from DOSH.</p> <p>vi) MPOB license: 502932802000 (validity period 1/10/2019 - 30/9/2020) for selling and transporting of FFB (area: 2,023.4 ha)</p> <p><u>Hwa Li Estate Div 3</u></p> <p>i) <i>Permit potongan daripada gaji, seksyen 113(4), Ordinan Buruh (Sabah Bab 67) for bayaran potongan pembelian kerbau, GROWARISAN, Perubatan, Pinjaman Peribadi , Tabung Surau etc. ;</i>serial no. 600-1/2/13/136 (11/KBN/2018-087) valid until 11/4/20.</p> <p>ii) Diesel permit, Serial#S011977, Diesel: 40,000 litre expired on 18/12/2019. Ref number; KPDNHEP.LDT.900.3/1(17/2004)PK</p> <p>iii) <i>Lesen Menggaji Pekerja Bukan Pemastautin, Seksyen 118, Ordinan Buruh (Sabah Bab 67)</i>, Indonesian: 475, Philippines: 3 valid until 26/11/19.</p> <p>iv) Energy commission license; license no.:2019/01276; serial no.: 36710 (validity period 25/5/19 – 24/05/20) for 112 kW installation capacity.</p> <p>v) Certificate of fitness (CF) for air compressor, SB PMT 1240 valid until 8/1/20.</p> <p>vi) MPOB license: 503266302000 (validity period 26/11/18 – 30/11/19) for selling and transporting of FFB (area: 4,277.6 ha)</p> <p><u>Asia Oil Palm Estate Div.2</u></p> <p>i) <i>Permit potongan daripada gaji, seksyen 113(4), Ordinan Buruh (Sabah</i></p>	
--	--	--	--

Criterion / Indicator		Assessment Findings	Compliance
		<p><i>Bab 67) for bayaran potongan pembelian kerbau, GROWARISAN, Perubatan, Pinjaman Peribadi, Tabung Surau ; serial no. 600-1/2/13/13 (11/KBN/2018-0128) valid until 19/4/20.</i></p> <p>ii) Diesel permit, Serial#S011826, Diesel: 18,000 litre, Petrol: 400 litre expired on 17/10/2019. Renewal of license is still in progress based on BLESS submission dated 25/9/19, ref:BL22019038156</p> <p>iii) <i>Lesen Menggaji Pekerja Bukan Pemastautin, Seksyen 118, Ordinan Buruh (Sabah Bab 67), Indonesian: 208, Philippines: 7 valid until 2/8/20. Additional labour demand approved on 22/10/19 with additional of 29 Indonesian workers.</i></p> <p>iv) Certificate of fitness (CF) for air compressor, SB PMT 1238 valid until 22/10/20.</p> <p>v) MPOB license: 502330302000 (validity period 1/7/19 – 20/6/19) for selling and transporting of FFB (area: 3,024 ha)</p>	
2.1.2	<p>A documented system, which includes written information on legal requirements, shall be maintained.</p> <p>- Minor compliance -</p>	<p>A list and copies of legal documents and international treaties and agreements were available for verification. Changes in law was normally tracked through www.lawnet.com.my. The person responsible for monitoring compliance to laws and regulations is formally identified in the guidelines. The Unit maintain copy of relevant laws and legislation relevant to palm oil mill and the plantation operation as per listed in the standard</p>	Complied
2.1.3	<p>A mechanism for ensuring compliance shall be implemented.</p> <p>- Minor compliance -</p>	<p>Based on the SOP on Mechanism to Trace Changes in Legal Requirements (Doc. Ref. No.: E/005-06/2016; Subject Trace chages in legal requirements; Doc. date: 29/3/2016) through the Law Changes Register (Softcopy).</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	A list and copies of legal documents and international treaties and agreements were available for verification. Changes in law was normally tracked through www.lawnet.com.my . The person responsible for monitoring compliance to laws and regulations is formally identified in the guidelines. The Unit maintain copy of relevant laws and legislation relevant to palm oil mill and the plantation operation as per listed in the standard. New Noise Exposure Regulation 2019 has been updated in the register.	Complied
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.			

Criterion / Indicator		Assessment Findings					Compliance	
2.2.1	Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -	The copy of land titles are kept in the estate's office and were sighted during the audit. All the visited estates and POM were able to demonstrate their rights to use the land by possessing their land titles;					Complied	
		Estate	Lot No	Ha	Expiry Date	Owner Ship		Express Condition
		Melewar Div. 2	CL095311201	2023.40	31.12.2077	Melewar Properties Sdn. Bhd.		Cocoa and/or Agricultural crop of economic value
		Hwa Li Div. 3	CL95324502	4047.00	31.12.2092	Syt Keratong Sdn. Bhd		For Cultivation of an agricultural crop of economic value
			CL095327138	230.60	31.12.2097			For Cultivation of oil palm
		Asia Oil Palm Div. 2	CL095317383	3024.00	31.12.2088	Asia Oil Palm Sdn.Bhd	For Oil Palm, Cocoa and/or an agricultural crop of economic value	
		Asia Palm Oil Mill	The POM area was built in the own land of Asia Oil Palm Div.2 (CL 095317383)					

Criterion / Indicator		Assessment Findings	Compliance												
2.2.2	Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	<p>Legal boundaries were clearly demarcated with a few methods such as planting teak trees along the boundary and using GI Pipe painted with red and white color. This was confirmed through site visit at the boundaries between the visited estates and some of the other oil palm companies.</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Longitude</th> <th>Latitude</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>5°17' 16.1664"N</td> <td>118°10'42.5532"E</td> </tr> <tr> <td>Hwa Li Div. 3</td> <td>5°23'37.4676"N</td> <td>118°20'9.366"E</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>5°19'24.5"N</td> <td>118°11'43.2"E</td> </tr> </tbody> </table>	Estate	Longitude	Latitude	Melewar Div. 2	5°17' 16.1664"N	118°10'42.5532"E	Hwa Li Div. 3	5°23'37.4676"N	118°20'9.366"E	Asia Oil Palm Div. 2	5°19'24.5"N	118°11'43.2"E	Complied
Estate	Longitude	Latitude													
Melewar Div. 2	5°17' 16.1664"N	118°10'42.5532"E													
Hwa Li Div. 3	5°23'37.4676"N	118°20'9.366"E													
Asia Oil Palm Div. 2	5°19'24.5"N	118°11'43.2"E													
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 -	<p>As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019.</p> <p>As such, there is no requirement for payment of any compensation to any third parties.</p>	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	<p>As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019.</p>	Complied												

Criterion / Indicator		Assessment Findings	Compliance
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	As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019.	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	As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019.	Complied
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 -	As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019. As such, there is no requirement for any map showing extent of recognised legal, customary or user rights done in a participatory way with any affected parties.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>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:</p> <ul style="list-style-type: none"> 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. <p>- Minor compliance -</p>	<p>As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019.</p> <p>As such, no consultation and discussion had been held with any affected groups, no negotiated agreements detailing any FPIC process is available. And no negotiated agreements detailing any FPIC process is available.</p>	<p>Complied</p>
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>-Minor compliance</p>	<p>As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019.</p> <p>As such, no relevant information is available for any affected parties.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
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	As observed during the audit, there are no records of any dispute involving units within the Estates and Mill with any third parties. This was further confirmed during consultations with the local communities from Kg Koyah B, neighbouring plantations and when reviewing minutes of stakeholder meeting between the Asia Production Unit and its stakeholders dated 19 July 2019. As such, no evidence to show any communities being represented by their own representatives.	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 -	Asia Production Unit continued its commitment to long term sustainability and improvements through a capital expenditure programme. Asia Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year. OPEX projected for 3 years until 2021. For example CAPEX for 2019 allocated for operational as such: i) Plant and Machinery – EFB shredder + hopper ii) Power Generation – Steam receiver iii) Special budget – ESP for pollution control system (APCS)	Complied
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 -	Long Range Replanting programme for (APU) for FY 2019 – 2042 was made available for verification. Next year programme as per the following: Hwa Li Div.3 – 2020: 96 ha Melewar Estate Div 2 – 2020: 223 ha Asia Oil Plam Estate Div.2 – 2020 – 216 ha	Complied
Principle 4: Use of appropriate best practices by growers and millers			

Criterion / Indicator	Assessment Findings	Compliance
Criterion 4.1: Operating procedures are appropriately documented, consistently implemented and monitored.		

<p>4.1.1</p>	<p>Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -</p>	<p>Estates and Oil Mill have maintained and revised if required, the Documented Standard Operating Procedures file that contains both the safe operating procedures and the procedures to implement the various major field operations. For example, among others, the Estate SOP Manual has procedures category for the following operations:</p> <ol style="list-style-type: none"> 1) Road and Terrace construction for New Planting and Replanting (A/005-01/2008) 2) Nursery Establishment and Practices (A/006-01/2008) 3) Field planting (A/007-02/2011) 4) Pruning and Frond stacking (B/001-01/2008) 5) Weeding Regime & Practices ((B/004-01/2008) 6) Riparian Buffer Zone (C/001-02/2009) 8) Justifications for Pesticide Usage under IPM (Insecticide, Fungicide & Rodenticide) (B/008-14/2016) 9) Justifications for Pesticide Usage under IPM (Weedicides) (B/009-10/2015) 10) FFB Evacuation with MTG (D/003-01/2008) 11) FFB Harvesting and Evacuation (D/004-04/2015) 12) Fertiliser receipts, management and application (H/001-03/2016) 13) Integrated Pest & Disease Management (L/001-05/2014) 14) Rat control and baiting (L/002-07/2016) 15) Buffalo management – SOP on buffaloes assisted harvesting (BAH) (K/002/01/2018) <p>Standard Operation Procedure (SOP) for Asia POM contains the procedures for all activities as below:</p> <ol style="list-style-type: none"> 1) Reception Station (Q/019-05/2019) 2) Grading Station (Q/019-05/2019) 3) Threshing Station (Q/020-04/2019) 4) Press Station (Q/021-03/2016) 4) Clarification Station (Q/022-04/2019) 	<p>Complied</p>
--------------	---	--	-----------------

Criterion / Indicator		Assessment Findings	Compliance
		5) Depericarper Station (Q/023-04/2017) 6) Nut & Kernel Station (Q/024-04/2019) 7) Boiler Station (Q/025-04/2016) 8) Engine Room Station (Q/026-04/2016) 9) Water Treatment Plant (Q/027-04/2019) 10) Solvent Plant (CCP/08-02/2019-SP) 11) Compost Plant (CCP/08/02/2019-CP) 12) Biogas SOP (section 1-7) (AOM-SOP-V2-15-RSPO.doc, version:2 dated 21/6/15)	
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	The internal audit was conducted on 21-22/8/19 by Internal Control Team. There are total of 5 major, 2 minor non-conformance raised during the audit and the action plan was established and submitted to HQ. Verification was done and closed on 15/10/19 by the audit team to check on effective implementation of the action taken.	Complied
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	Internal audit was carried out on 21-22/8/19 by ICT team. Result of internal audit; 5 major, 2 minor and 25 OFIs raised. Closure and verification of NC was done on 15/10/19. All NC were satisfactorily closed. Boundary noise monitoring, ref: MABELLO/SSS/DOE –BOUNDARY-0156/19 dated 20 th September 2019 is referred to. 4 monitoring points were selected and located at each boundary point of the APOM. Results : 2 points exceeded the limit at day and night. Action plan to further reduce – noise buffer and insulation	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 -	Record of the origins of all third party sourced FFB. Sales and purchase agreement verified for the suppliers checked: i) Sentrabayu Industries Sdn Bhd – Effective date 2/2/19. MPOB license:503662602000 (selling and transporting) valid until 31/3/20 ii) KJS Resources Sdn Bhd. Effective date 2/2/19. MPOB license: 544397002000 (selling and transporting) valid until 30/11/19 iii) Tapak Jutamaju Sdn Bhd. Effective date 2/2/19. MPOB license: 548575002000 (selling and transporting) valid until 31/3/19	Complied
Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			

<p>4.2.1</p>	<p>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 -</p>	<p>JC Chang Group has established Guideline on Soil and Water Conversation, Doc. Ref. No. C/002-01/2008 dated on 10th November 2018 and Fertilizer Recommendation (APU), Doc. Ref. No. B/015-01/2013 dated on 19th July 2013. These guideline has outlined the method to ensure palm oil produce optimal and sustained yield.</p> <p>All the estates are operated in accordance with Agriculture Manual and Standard Operating Procedures (SOP). Soil analysis and foliar sampling was carried out according to the SOP and being monitor consistently by the respective estate.</p> <p>A. Monitoring of Soil Sampling</p> <table border="1" data-bbox="974 730 1601 917"> <thead> <tr> <th>Estate</th> <th>Report No</th> <th>Result Date</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>R19/3/48</td> <td>12/04/2019</td> </tr> <tr> <td>Hwa Li Div. 3</td> <td>R19/5/329</td> <td>18/06/2019</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>R19/5/130</td> <td>14/06/2019</td> </tr> </tbody> </table> <p>B. Monitoring of Foliar Sampling</p> <table border="1" data-bbox="974 997 1601 1184"> <thead> <tr> <th>Estate</th> <th>Report No</th> <th>Result Date</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>R19/3/33</td> <td>13/03/2019</td> </tr> <tr> <td>Hwa Li Div. 3</td> <td>R19/5/204</td> <td>23/05/2019</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>R19/5/125</td> <td>14/06/2019</td> </tr> </tbody> </table> <p>The recommendations for improvements are given to maintain the sustainable practices as follows;</p> <table border="1" data-bbox="974 1279 1825 1396"> <thead> <tr> <th>Estate</th> <th>Fertilizer Recommendation for FY 2019/2020 (MT)</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>1.NK Mix (11.6/27) – 1,117.10MT</td> </tr> </tbody> </table>	Estate	Report No	Result Date	Melewar Div. 2	R19/3/48	12/04/2019	Hwa Li Div. 3	R19/5/329	18/06/2019	Asia Oil Palm Div. 2	R19/5/130	14/06/2019	Estate	Report No	Result Date	Melewar Div. 2	R19/3/33	13/03/2019	Hwa Li Div. 3	R19/5/204	23/05/2019	Asia Oil Palm Div. 2	R19/5/125	14/06/2019	Estate	Fertilizer Recommendation for FY 2019/2020 (MT)	Melewar Div. 2	1.NK Mix (11.6/27) – 1,117.10MT	<p>Complied</p>
Estate	Report No	Result Date																													
Melewar Div. 2	R19/3/48	12/04/2019																													
Hwa Li Div. 3	R19/5/329	18/06/2019																													
Asia Oil Palm Div. 2	R19/5/130	14/06/2019																													
Estate	Report No	Result Date																													
Melewar Div. 2	R19/3/33	13/03/2019																													
Hwa Li Div. 3	R19/5/204	23/05/2019																													
Asia Oil Palm Div. 2	R19/5/125	14/06/2019																													
Estate	Fertilizer Recommendation for FY 2019/2020 (MT)																														
Melewar Div. 2	1.NK Mix (11.6/27) – 1,117.10MT																														

Criterion / Indicator		Assessment Findings		Compliance
			2. PMg Mix (14/3) – 337.80MT 3. 18-8-17-2.5+0.34B – 240.90MT 4. BRP – 96.30MT 5. BRP (for LCC) – 74.40MT	
		Hwa Li Div. 3	1.NK Mix (11.6/27) – 3,541.90MT 2. PMg Mix (14/3) – 1,154.80MT 3. MOP – 17.20MT	
		Asia Oil Palm Div. 2	1.NK Mix (11.6/27) – 2,074.80MT 2. PMg Mix (14/3) – 638.30MT 3. 12-4-22-3+0.50B – 421.30MT 4. 14-8-18-2.5+0.40B – 103.60MT 5. ERP – 29.60MT 6. ERP (for LCC) – 45.70MT	

4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	<p>Fertilizers were applied as per agronomist recommendation. The records have the information about application date, filed number, dosage applied per palm, type of fertilizer and number of applicators. Types of fertilizer applied were of straight and mixture. The dosage/palm/year generally was around 11kg.</p> <p>Fertilizer Program from Agronomist for Mature area:</p> <p>1. Estate : Melewar Div. 2</p> <table border="1" data-bbox="974 651 1870 986"> <thead> <tr> <th>No of round</th> <th>Round 1</th> <th>Round 2</th> <th>Round 3</th> <th>Round 4</th> </tr> </thead> <tbody> <tr> <td>Month</td> <td>Jul – Sept 2019</td> <td>Sept – Nov 2019</td> <td>Feb – April 2020</td> <td>April – Jun 2020</td> </tr> <tr> <td>Type of fertilizer</td> <td>NK Mix (11.6/27)</td> <td>PMg Mix (14/13)</td> <td>NK Mix (11.6/27)</td> <td>NK Mix (11.6/27)</td> </tr> <tr> <td>Dossage per Palm</td> <td>2.50 – 2.70</td> <td>2.50</td> <td>2.75 – 3.00</td> <td>2.75 – 3.00</td> </tr> <tr> <td>Progress</td> <td>Done</td> <td>Still in progress</td> <td>Not yet due</td> <td>Not yet due</td> </tr> </tbody> </table> <p>2. Estate : Hwa Li Div. 3</p> <table border="1" data-bbox="974 1050 1870 1361"> <thead> <tr> <th>No of round</th> <th>Round 1</th> <th>Round 2</th> <th>Round 3</th> <th>Round 4</th> </tr> </thead> <tbody> <tr> <td>Month</td> <td>Jul – Sept 2019</td> <td>Sept – Nov 2019</td> <td>Feb – April 2020</td> <td>April – Jun 2020</td> </tr> <tr> <td>Type of fertilizer</td> <td>NK Mix (11.6/27)</td> <td>PMg Mix (14/13)</td> <td>NK Mix (11.6/27)</td> <td>NK Mix (11.6/27)</td> </tr> <tr> <td>Dossage per Palm</td> <td>2.50 – 3.00</td> <td>2.5 – 2.75</td> <td>2.50 – 3.00</td> <td>2.50 – 3.00</td> </tr> <tr> <td>Progress</td> <td>Completed</td> <td>In progress</td> <td>Not yet due</td> <td>Not yet due</td> </tr> </tbody> </table>	No of round	Round 1	Round 2	Round 3	Round 4	Month	Jul – Sept 2019	Sept – Nov 2019	Feb – April 2020	April – Jun 2020	Type of fertilizer	NK Mix (11.6/27)	PMg Mix (14/13)	NK Mix (11.6/27)	NK Mix (11.6/27)	Dossage per Palm	2.50 – 2.70	2.50	2.75 – 3.00	2.75 – 3.00	Progress	Done	Still in progress	Not yet due	Not yet due	No of round	Round 1	Round 2	Round 3	Round 4	Month	Jul – Sept 2019	Sept – Nov 2019	Feb – April 2020	April – Jun 2020	Type of fertilizer	NK Mix (11.6/27)	PMg Mix (14/13)	NK Mix (11.6/27)	NK Mix (11.6/27)	Dossage per Palm	2.50 – 3.00	2.5 – 2.75	2.50 – 3.00	2.50 – 3.00	Progress	Completed	In progress	Not yet due	Not yet due	Complied
No of round	Round 1	Round 2	Round 3	Round 4																																																	
Month	Jul – Sept 2019	Sept – Nov 2019	Feb – April 2020	April – Jun 2020																																																	
Type of fertilizer	NK Mix (11.6/27)	PMg Mix (14/13)	NK Mix (11.6/27)	NK Mix (11.6/27)																																																	
Dossage per Palm	2.50 – 2.70	2.50	2.75 – 3.00	2.75 – 3.00																																																	
Progress	Done	Still in progress	Not yet due	Not yet due																																																	
No of round	Round 1	Round 2	Round 3	Round 4																																																	
Month	Jul – Sept 2019	Sept – Nov 2019	Feb – April 2020	April – Jun 2020																																																	
Type of fertilizer	NK Mix (11.6/27)	PMg Mix (14/13)	NK Mix (11.6/27)	NK Mix (11.6/27)																																																	
Dossage per Palm	2.50 – 3.00	2.5 – 2.75	2.50 – 3.00	2.50 – 3.00																																																	
Progress	Completed	In progress	Not yet due	Not yet due																																																	

Criterion / Indicator	Assessment Findings					Compliance																									
	<p>Remarks : Sighted the Fertilizer Program for financial year 2019/2020, Stock Cards for NK Mix (11.6/27) and Issuance Chit No. 10436,10438 & 10440. The input of fertilisers records were found correct as per agronomist recommendation.</p> <p>3. Estate : Asia Oil Palm Div. 2</p> <table border="1" data-bbox="972 571 1870 887"> <thead> <tr> <th>No of round</th> <th>Round 1</th> <th>Round 2</th> <th>Round 3</th> <th>Round 4</th> </tr> </thead> <tbody> <tr> <td>Month</td> <td>Jul – Sept 2019</td> <td>Sept – Nov 2019</td> <td>Feb – April 2020</td> <td>April – Jun 2020</td> </tr> <tr> <td>Type of fertilizer</td> <td>NK Mix (11.6/27)</td> <td>PMg Mix (14/13)</td> <td>NK Mix (11.6/27)</td> <td>NK Mix (11.6/27)</td> </tr> <tr> <td>Dossage per Palm</td> <td>2.50 – 2.75</td> <td>2.50</td> <td>2.75 – 3.00</td> <td>2.50 – 3.00</td> </tr> <tr> <td>Progress</td> <td>Completed</td> <td>In progress</td> <td>Not yet due</td> <td>Not yet due</td> </tr> </tbody> </table> <p>Remarks : Sighted the Fertilizer Program for financial year 2019/2020, Stock Cards for NK Mix (11.6/27) and Issuance Chit No. 087014, 087017 & 087017. The input of fertilisers records were found correct as per agronomist recommendation.</p>					No of round	Round 1	Round 2	Round 3	Round 4	Month	Jul – Sept 2019	Sept – Nov 2019	Feb – April 2020	April – Jun 2020	Type of fertilizer	NK Mix (11.6/27)	PMg Mix (14/13)	NK Mix (11.6/27)	NK Mix (11.6/27)	Dossage per Palm	2.50 – 2.75	2.50	2.75 – 3.00	2.50 – 3.00	Progress	Completed	In progress	Not yet due	Not yet due	
No of round	Round 1	Round 2	Round 3	Round 4																											
Month	Jul – Sept 2019	Sept – Nov 2019	Feb – April 2020	April – Jun 2020																											
Type of fertilizer	NK Mix (11.6/27)	PMg Mix (14/13)	NK Mix (11.6/27)	NK Mix (11.6/27)																											
Dossage per Palm	2.50 – 2.75	2.50	2.75 – 3.00	2.50 – 3.00																											
Progress	Completed	In progress	Not yet due	Not yet due																											

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>JC Chang Group has established Guideline on Guideline for Foliar Sampling, Doc. Ref. No. C/026-01/2017 dated on 31st May 2017. The objective of this guideline is to determine the nutritional status of leaflets of frond no. 9 on immature palms and frond no. 17 on mature palms to assist with the preparation of annual fertilizer program</p> <p>Leaf and soil nutrient analysis are commonly used in the diagnosis of fertilizer requirements in oil palms. The frequency for soil analysis and leaf sampling is conducted annually. The foliar sampling and soil analysis reports by the company's agronomist were available at the estates.</p> <p>Sighted the foliar test report as listed below;</p> <table border="1"> <thead> <tr> <th>No</th> <th>Estate</th> <th>Report Date</th> <th>Tested by</th> <th>Block No</th> <th>Nutrient Test %</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Melewar Div. 2</td> <td>28.02.2019</td> <td>KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/3/33</td> <td>All blocks</td> <td>N, P, K, Ca, Mg & B</td> </tr> <tr> <td>2</td> <td>Hwa Li Div. 3</td> <td>23.05.2019</td> <td>KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/5/204</td> <td>All blocks</td> <td>N, P, K, Ca, Mg & B</td> </tr> <tr> <td>3</td> <td>Asia Oil Palm Div. 2</td> <td>18.05.2019</td> <td>KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/5/204</td> <td>All blocks</td> <td>N, P, K, Ca, Mg & B</td> </tr> </tbody> </table>	No	Estate	Report Date	Tested by	Block No	Nutrient Test %	1	Melewar Div. 2	28.02.2019	KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/3/33	All blocks	N, P, K, Ca, Mg & B	2	Hwa Li Div. 3	23.05.2019	KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/5/204	All blocks	N, P, K, Ca, Mg & B	3	Asia Oil Palm Div. 2	18.05.2019	KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/5/204	All blocks	N, P, K, Ca, Mg & B	Complied
No	Estate	Report Date	Tested by	Block No	Nutrient Test %																						
1	Melewar Div. 2	28.02.2019	KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/3/33	All blocks	N, P, K, Ca, Mg & B																						
2	Hwa Li Div. 3	23.05.2019	KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/5/204	All blocks	N, P, K, Ca, Mg & B																						
3	Asia Oil Palm Div. 2	18.05.2019	KL Kepong (Sabah) Sdn. Bhd. (KDC Laboratory), Report No : R19/5/204	All blocks	N, P, K, Ca, Mg & B																						

Criterion / Indicator	Assessment Findings	Compliance																								
<p>4.2.4</p> <p>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.</p> <p>- Minor compliance -</p>	<p>JC Chang Group has established Guideline Semi-Decomposed EFB Application, Doc. Ref. No. B/023-01/2016 dated on 28th October 2016 and Guideline for Compost Application, Doc. Ref. No. B/022-01/2016 dated on 28th October 2016.</p> <p>EFB application is in practice as part of nutrient recycling strategy as per company guideline. All EFB were sourced from compost plant of Asia POM, where the EFB had been mixed with POME to produce compost. The record of EFB and Compost application were available for verification.</p> <p>A. Record of EFB and Compost Application as below:</p> <table border="1" data-bbox="976 735 1861 999"> <thead> <tr> <th>Estate</th> <th>Compost Application</th> <th>EFB Application</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>95C4 – 23.44MT 95D6 – 252.49MT 95D1 – 130.29MT</td> <td>-</td> </tr> <tr> <td>Hwa Li Div 3</td> <td>97C3 – 902.00MT 97C2 - 69.49MT</td> <td>97C2 – 823.40MT</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>96F14 – 139.52MT</td> <td>PRC6 – 224.33</td> </tr> </tbody> </table> <p>B. EFB and Compost delivery from July to October 2019 to the respective units as below:</p> <table border="1" data-bbox="976 1098 1861 1233"> <thead> <tr> <th>Estate</th> <th>Compost Application</th> <th>EFB Application</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>446.06MT</td> <td>1,318.21MT</td> </tr> <tr> <td>Hwa Li Div 3</td> <td>292.36MT</td> <td>2,222.79MT</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>588.80MT</td> <td>1,092.28MT</td> </tr> </tbody> </table>	Estate	Compost Application	EFB Application	Melewar Div. 2	95C4 – 23.44MT 95D6 – 252.49MT 95D1 – 130.29MT	-	Hwa Li Div 3	97C3 – 902.00MT 97C2 - 69.49MT	97C2 – 823.40MT	Asia Oil Palm Div. 2	96F14 – 139.52MT	PRC6 – 224.33	Estate	Compost Application	EFB Application	Melewar Div. 2	446.06MT	1,318.21MT	Hwa Li Div 3	292.36MT	2,222.79MT	Asia Oil Palm Div. 2	588.80MT	1,092.28MT	<p>Complied</p>
Estate	Compost Application	EFB Application																								
Melewar Div. 2	95C4 – 23.44MT 95D6 – 252.49MT 95D1 – 130.29MT	-																								
Hwa Li Div 3	97C3 – 902.00MT 97C2 - 69.49MT	97C2 – 823.40MT																								
Asia Oil Palm Div. 2	96F14 – 139.52MT	PRC6 – 224.33																								
Estate	Compost Application	EFB Application																								
Melewar Div. 2	446.06MT	1,318.21MT																								
Hwa Li Div 3	292.36MT	2,222.79MT																								
Asia Oil Palm Div. 2	588.80MT	1,092.28MT																								
<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>Soil maps for each estates were available for verification, which source from British Government’s Overseas Development Administration (Land Resources Division) United Kingdom, 1974, for the Sabah Governments. Based on the map, some of the soil series of the visited estates are as follows:</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Soil Association</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>Lungmanis – 54.8%, Kertam – 26.2%, Bidu-Bidu – 9.52% Rumidi – 7.10%, Sapi – 2.38%</td> </tr> <tr> <td>Hwa Li Div 3</td> <td>Lungmanis – 4.90%, Kertam – 32.18%, Rumidi – 34.77% Sapi – 1.85%, Kinabatangan – 26.38%</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>Kinabatangan & Sapi – 28.64%, Lungmanis & Rumidi – 41.21%, Kertam – 30.15%</td> </tr> </tbody> </table>	Estate	Soil Association	Melewar Div. 2	Lungmanis – 54.8%, Kertam – 26.2%, Bidu-Bidu – 9.52% Rumidi – 7.10%, Sapi – 2.38%	Hwa Li Div 3	Lungmanis – 4.90%, Kertam – 32.18%, Rumidi – 34.77% Sapi – 1.85%, Kinabatangan – 26.38%	Asia Oil Palm Div. 2	Kinabatangan & Sapi – 28.64%, Lungmanis & Rumidi – 41.21%, Kertam – 30.15%	Complied
Estate	Soil Association										
Melewar Div. 2	Lungmanis – 54.8%, Kertam – 26.2%, Bidu-Bidu – 9.52% Rumidi – 7.10%, Sapi – 2.38%										
Hwa Li Div 3	Lungmanis – 4.90%, Kertam – 32.18%, Rumidi – 34.77% Sapi – 1.85%, Kinabatangan – 26.38%										
Asia Oil Palm Div. 2	Kinabatangan & Sapi – 28.64%, Lungmanis & Rumidi – 41.21%, Kertam – 30.15%										
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>JC Chang Group has established Guideline Managing Steep Areas Planted with Oil Palms, Doc. Ref. No. C/005-01/2008 dated on 26th December 2008.</p> <p>In order to minimize erosion from planting activities in slopes, the estates practice were to construct terraces and establishment of cover crop such as Mucuna sp. This was sighted during the field visit at all the sampled estates.</p>	Complied								

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator		Assessment Findings	Compliance												
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	<p>Road maintenance program and implementation for the current financial year 2019/2020 was available for all the visited estates. The activities for the road maintenance are grading & compacting and resurfacing, patching. Based on account expenditure report, the progress to-date was in-line with the programme.</p> <p>Progress of Road Work as below;</p> <table border="1"> <thead> <tr> <th>Estates</th> <th>Grading and Re-Surfacing (Work Done)</th> <th>Field Road Upkeep (Work Done)</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>July – 7809 meter September – 6075 meter</td> <td>July – 5,414 meter August – 2,261 meter September – 5,470 meter</td> </tr> <tr> <td>Hwa Li Div 3</td> <td>August – 24,023 meter September – 66,681 meter</td> <td>July – 6,840 meter August – 1,040 meter</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>July – 34,635 meter Aug – 18,000 meter Sep – 3,019 meter Oct – 27,699 meter</td> <td>-</td> </tr> </tbody> </table>	Estates	Grading and Re-Surfacing (Work Done)	Field Road Upkeep (Work Done)	Melewar Div. 2	July – 7809 meter September – 6075 meter	July – 5,414 meter August – 2,261 meter September – 5,470 meter	Hwa Li Div 3	August – 24,023 meter September – 66,681 meter	July – 6,840 meter August – 1,040 meter	Asia Oil Palm Div. 2	July – 34,635 meter Aug – 18,000 meter Sep – 3,019 meter Oct – 27,699 meter	-	Complied
Estates	Grading and Re-Surfacing (Work Done)	Field Road Upkeep (Work Done)													
Melewar Div. 2	July – 7809 meter September – 6075 meter	July – 5,414 meter August – 2,261 meter September – 5,470 meter													
Hwa Li Div 3	August – 24,023 meter September – 66,681 meter	July – 6,840 meter August – 1,040 meter													
Asia Oil Palm Div. 2	July – 34,635 meter Aug – 18,000 meter Sep – 3,019 meter Oct – 27,699 meter	-													
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There was no peat soil at all of the visited estates.	Complied												
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	There was no peat soil at all of the visited estates.	Complied												

Criterion / Indicator		Assessment Findings	Compliance
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There was no fragile or problem soils at all of the visited estates.	Complied
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.			

<p>4.4.1</p>	<p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p>JC Chang Group has established Guideline on Water Management Plan - Sabah, Doc. Ref. No. C/004-01/2008 dated on 12th November 2008. The objective of this guideline is to aim for better water conservation, utilization and control of water pollution in the estate.</p> <p>SOP of Water Management Plan – Sabah covers;</p> <ol style="list-style-type: none"> 1. Riparian Buffer Zone 2. Demarcation of Wetland Area 3. Soil and Water Conservation Measures 4. No Construction of Bunds / Weirs / Dams Across Main Rivers 5. Monitoring of Water in Main River 6. Monitoring of Water for Household Consumption <p>Latest Water Management Plan is incorporated with Environmental and Social Improvement Plan – Sabah. The plan and implementation record are kept in the respective estates for reference.</p> <p>A. The improvement plan for all estate are highlighted below;</p> <table border="1" data-bbox="972 895 1861 1248"> <thead> <tr> <th data-bbox="972 895 1312 930">Aspect Identified</th> <th data-bbox="1312 895 1861 930">Action Plan Review</th> </tr> </thead> <tbody> <tr> <td data-bbox="972 930 1312 1248">Waterway / Water source</td> <td data-bbox="1312 930 1861 1248"> <ol style="list-style-type: none"> 1. Estate do not constructed any Dams / weirs or other structures that may reduce significantly on water availability for downstream users. 2. The map point for the sampling point and proper documented upon requested 3. Leachate from the site are prevented by installed proper preventive measures. Such as, perimeter drain, storm pond and pump back system. </td> </tr> </tbody> </table>	Aspect Identified	Action Plan Review	Waterway / Water source	<ol style="list-style-type: none"> 1. Estate do not constructed any Dams / weirs or other structures that may reduce significantly on water availability for downstream users. 2. The map point for the sampling point and proper documented upon requested 3. Leachate from the site are prevented by installed proper preventive measures. Such as, perimeter drain, storm pond and pump back system. 	<p>Complied</p>
Aspect Identified	Action Plan Review						
Waterway / Water source	<ol style="list-style-type: none"> 1. Estate do not constructed any Dams / weirs or other structures that may reduce significantly on water availability for downstream users. 2. The map point for the sampling point and proper documented upon requested 3. Leachate from the site are prevented by installed proper preventive measures. Such as, perimeter drain, storm pond and pump back system. 						

Criterion / Indicator		Assessment Findings		Compliance
		Operational activities and water for household consumption	<ol style="list-style-type: none"> 1. PIC provided training about water saving 2. The issue relate to operation has to conduct in JCC meeting if there is any issue 3. Each house was installed with a rain water storage tank where rain water is directed into tank via rain gutters. This practise can reduce the waste of using chemical treated water for cleaning and agriculture purpose. 4. All record have monitoring and proper documented the implementation 	
		Rainfall	<ol style="list-style-type: none"> 1. Rainfall date from rain gauge collected daily 2. To reduce water supply to domestic while maximizing collected rain water. 	
		<p>B. The improvement plan for ASIA POM are highlighted below;</p> <ol style="list-style-type: none"> 1. Water flow meter installed at boiler station to quantify water usage 2. Water flow meters installed at water treatment plant to quantify water supplied to POM factory, POM domestic and estate domestic 3. Fully recycling sterilizer condensate for press dilution and re-processing into oil room system. 4. Rain gauge place outside the POM office to monitor rainfall 5. Awareness on daily weather forecast 6. Overall replacement on old and leaking water piping system to mil housing. 		

Criterion / Indicator		Assessment Findings	Compliance												
4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -	<p>JC Chang Group has established Guideline on Water Management Plan - Sabah, Doc. Ref. No. C/004-01/2008 dated on 12th November 2008. The objective of this guideline is to aim for better water conservation, utilization and control of water pollution in the estate.</p> <p>Inlet and outlet point of river crossing the estates were sampled and tested once a year to determine the level of water quality. Sighted sample of water test as below;</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Report No</th> <th>Date of Report</th> <th>Result</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>R18/9/94</td> <td>12.09.2018</td> <td>Clean</td> </tr> <tr> <td>Hwa Li Div 3</td> <td>R19/8/87</td> <td>13.08.2019</td> <td>Clean</td> </tr> </tbody> </table>	Estate	Report No	Date of Report	Result	Melewar Div. 2	R18/9/94	12.09.2018	Clean	Hwa Li Div 3	R19/8/87	13.08.2019	Clean	Complied
Estate	Report No	Date of Report	Result												
Melewar Div. 2	R18/9/94	12.09.2018	Clean												
Hwa Li Div 3	R19/8/87	13.08.2019	Clean												

<p>4.4.3</p>	<p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -</p>	<p>JC Chang Group has established the following Guideline for treatment of POM effluent as below:</p> <ol style="list-style-type: none"> 1. Guideline POME Sampling Procedure, Doc. Ref. No. AOM-SOP-V3-16_RSPO dated on 12/02/2016. 2. Guideline Settling pond and Raw Effluent dated on 12th May 2010. <p>The POM applies the biological system with multiple ponds in series for its treatment of effluent. The quality of discharged effluent was analyzed every month and the parameters are T, pH, BOD, COD, TS, SS, O&G, AN and TN.</p> <p>Sighted the Certification of analysis carry out by DYNAKEY LABORATOREIS SDN. BHD. dated on 22.10.2019</p> <table border="1" data-bbox="974 766 1861 1378"> <thead> <tr> <th>No</th> <th>Location</th> <th>Result</th> <th>Standard Limit as per Company Guideline</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>A. Upstream (Anak Sg. Tenegang) B. Down Stream (Anak Sg Tenegang) C. Final Discharge</td> <td>Final discharge of BOD at 14.40ppm and safe to discharge to land irrigation</td> <td>If BOD lower than 20PPM : the result shows that POM POME is works efficiently</td> </tr> <tr> <td>2</td> <td>Setteling Pond</td> <td>pH – 8.6@25C BOD – 44.70</td> <td>i. pH Value – above 7.0 ii BOD - < 100mg mg/ltr</td> </tr> <tr> <td>3</td> <td>RAW Effluent</td> <td>pH : 4.6 BOD : 27,700</td> <td>i. pH Value : 4 -5 ii. BOD 30,000 – 40,000</td> </tr> </tbody> </table>	No	Location	Result	Standard Limit as per Company Guideline	1	A. Upstream (Anak Sg. Tenegang) B. Down Stream (Anak Sg Tenegang) C. Final Discharge	Final discharge of BOD at 14.40ppm and safe to discharge to land irrigation	If BOD lower than 20PPM : the result shows that POM POME is works efficiently	2	Setteling Pond	pH – 8.6@25C BOD – 44.70	i. pH Value – above 7.0 ii BOD - < 100mg mg/ltr	3	RAW Effluent	pH : 4.6 BOD : 27,700	i. pH Value : 4 -5 ii. BOD 30,000 – 40,000	<p>Complied</p>
No	Location	Result	Standard Limit as per Company Guideline																
1	A. Upstream (Anak Sg. Tenegang) B. Down Stream (Anak Sg Tenegang) C. Final Discharge	Final discharge of BOD at 14.40ppm and safe to discharge to land irrigation	If BOD lower than 20PPM : the result shows that POM POME is works efficiently																
2	Setteling Pond	pH – 8.6@25C BOD – 44.70	i. pH Value – above 7.0 ii BOD - < 100mg mg/ltr																
3	RAW Effluent	pH : 4.6 BOD : 27,700	i. pH Value : 4 -5 ii. BOD 30,000 – 40,000																

Criterion / Indicator		Assessment Findings	Compliance
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	Water was sourced from nearby Tenegang River, pumped into a catchment pond, treated and used by the POM. The consumption was measured by flowmeter and recorded in " ASIA Palm OIL Mill Water Usage 2019/2020" Base on the records, current FY 2019/2020 water consumption was 1.54 liter/FFB against 1.76 liter/FFB for last FY 2018/2019. Reason for low water consumption against last year is : 1. Change of water usage less cleaning, 2. Regular inspection of pipe leakages. (Leakages Management)	Complied
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.			

4.5.1	<p>Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -</p>	<p>JC Chang Group has established Guideline on Integrated Pest and Disease Management of Oil Palm, Doc. Ref. No. L/001-07/2019 dated on 13th August 2019. The objective of this guideline is to ensure success in IPM practice, a good understanding of the pest biology and ecology for making the right choice of physical, cultural, chemical and biological control method. SOP of Integrated Pest and Disease Management of Oil Palm covered the following;</p> <ol style="list-style-type: none"> 1. IPM of Leaf Eating Caterpillars 2. IPM of Rhinoceros Beetle 3. IPM of rats 4 IPM of Ganoderma Basal Stem Rot <p>The Integrated Pest Management Plan was established as per below; Estate : Melewar Div. 2</p>	Complied																
		<table border="1"> <thead> <tr> <th>List of possible Pest Outbreaks</th> <th>Action Plan</th> <th>Time Frame</th> <th>Treatment</th> </tr> </thead> <tbody> <tr> <td>1. Rat attack</td> <td>Census was carry out every 6 months to determine degree of fresh damage</td> <td>Every 6 months</td> <td>Baiting was carried out in April 2019</td> </tr> <tr> <td>2. Leaf eating caterpillar</td> <td>Census was carry out every 6 months</td> <td>Every 6 months</td> <td>Action is not required as census showed threshold below 5%. Prorogation of predator host plant was planted as prevention of outbreak</td> </tr> <tr> <td>3. Ganoderma</td> <td>Yearly census every palms stand.</td> <td>Yearly</td> <td>No action is required as census</td> </tr> </tbody> </table>		List of possible Pest Outbreaks	Action Plan	Time Frame	Treatment	1. Rat attack	Census was carry out every 6 months to determine degree of fresh damage	Every 6 months	Baiting was carried out in April 2019	2. Leaf eating caterpillar	Census was carry out every 6 months	Every 6 months	Action is not required as census showed threshold below 5%. Prorogation of predator host plant was planted as prevention of outbreak	3. Ganoderma	Yearly census every palms stand.	Yearly	No action is required as census
List of possible Pest Outbreaks	Action Plan	Time Frame		Treatment															
1. Rat attack	Census was carry out every 6 months to determine degree of fresh damage	Every 6 months		Baiting was carried out in April 2019															
2. Leaf eating caterpillar	Census was carry out every 6 months	Every 6 months	Action is not required as census showed threshold below 5%. Prorogation of predator host plant was planted as prevention of outbreak																
3. Ganoderma	Yearly census every palms stand.	Yearly	No action is required as census																

			Threshold level 20%		result shown 14.74%
		4. Rhinoceros Oryctes Attack	For Immature Palm – Monthly census on 10% of palm when fresh attack are detected	Visual monitoring	Continue observation
Estate : Hwa Li Div. 3.					
		List of possible Pest Outbreaks	Action Plan	Time Frame	Treatment
		Ganoderma	Census and monitoring will be done to record the affected palm	Aug'19 – Aug'20	Census was conducted to monitor the damaged palms
		Rat	Census will be carried out and treatment application will be conducted if the damage level meet threshold level	Aug'19 – Aug'20	Census was carried out. Rat baiting was carried out for field with damage above threshold level
		Catterpillar & Bagwormq	1. Biological measure will be carried out by planting predator host plant such as <i>Cassia Cobenensis</i> ,	Aug'19 – Aug'20	1. <i>Cassia Cobenensis</i> and <i>Tunera Subulata</i> were maintain in the field to attract predator insects

Criterion / Indicator		Assessment Findings			Compliance
		<p><i>Tunera Subulata</i> and etc</p> <p>2. Census will be conducted and treatment will be applied if only the damage level meets threshold level</p> <p>3. Hunting of jungle Owl will be discouraged to maintain their population for biological control</p> <p>4. No prophylactic spraying to eradicate the pest to minimise the usage of chemical pesticides</p>		<p>2. Census was carried out on August 2018. However, the damage level was below the threshold level. Therefore, chemical treatment was not carried out</p> <p>3. Briefing was carried out during muster from time to time. Signage were installed to instill awareness among workers</p> <p>4. Spraying was not conducted as the damage level was below threshold level. Only biological measure was implemented</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	All Estates have established training program for IPM implementation. Training was conducted by the respective estate to their workforce. Record of training such as training materials, attendance and photographs was kept for further reference. Sighted training conducted at Hwa Li Div. 3 regard of "Bancian Ganoderma / Bancian Ulat Bungkus dan Beluncas / Bancian & Pengumpanan Racun Tikus" dated on 6 th June 2019 attended by 13 persons.	Complied
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment			

4.6.1	<p>Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>- Major compliance -</p>	<p>Justification for all pesticides used was stated in the SOP for Justifications for Pesticide Usage under IPM (Insecticide, Fungicide & Rodenticide) (B/008-15/2019) and Justification for Weedicides Usage (B/009-13/2019). The use of pesticide is specific to the target pest, weed and disease. Justification takes consideration to minimize effect on non-target species. Example of the method and application as follow:</p> <table border="1" data-bbox="972 555 1863 1394"> <thead> <tr> <th data-bbox="972 555 1272 628">Method and type of control</th> <th data-bbox="1272 555 1525 628">Ai of Chemical</th> <th data-bbox="1525 555 1863 628">Rate and application</th> </tr> </thead> <tbody> <tr> <td data-bbox="972 628 1272 807">Foliar spray on leaf eating insect (immature)</td> <td data-bbox="1272 628 1525 807">Cypermethrin</td> <td data-bbox="1525 628 1863 807">i)Knapsack or power spray ii)0.05% (10ml/lit) solution of the chemical</td> </tr> <tr> <td data-bbox="972 807 1272 970">Trunk injection against leaf eating insects (mature palm above 8 years)</td> <td data-bbox="1272 807 1525 970">Monocrotophos (55% w/w) or Methamidophos</td> <td data-bbox="1525 807 1863 970">i) Inject 8 – 10 ml per palm by drilling a 15-20 cm hole on the trunk at 0.5-1.0 m above ground at 45° angle.</td> </tr> <tr> <td data-bbox="972 970 1272 1066">Fungicide spray on nursery stage</td> <td data-bbox="1272 970 1525 1066">Thiram 80%</td> <td data-bbox="1525 970 1863 1066">32-64 gm per 16 -18 lt of "Conventional Knapsack Spray" @ CKS</td> </tr> <tr> <td data-bbox="972 1066 1272 1200">Foliar spray on larvae of leaf eating insects for immature palms aged from 1-6 years</td> <td data-bbox="1272 1066 1525 1200">Bacillus Thuringiensis @ BT (biological control)</td> <td data-bbox="1525 1066 1863 1200">i) Knapsack spray of power spray at manufacturer's recommended rate.</td> </tr> <tr> <td data-bbox="972 1200 1272 1267">Circle for immature palms</td> <td data-bbox="1272 1200 1525 1267">Glufosinate ammonium 13.5%</td> <td data-bbox="1525 1200 1863 1267">i) 120 ml per 16-18 litre CKS</td> </tr> <tr> <td data-bbox="972 1267 1272 1394">Selective for broadleaves soft woodies, wild yam, will banana</td> <td data-bbox="1272 1267 1525 1394">Metsulfuron Methyl 20% + adjuvant</td> <td data-bbox="1525 1267 1863 1394">i) 16-18 litre CKS (60 ml + 3 gm + 15 ml) ii) 10 litre CDA (400 ml + 20 gm + 100 ml)</td> </tr> </tbody> </table>	Method and type of control	Ai of Chemical	Rate and application	Foliar spray on leaf eating insect (immature)	Cypermethrin	i)Knapsack or power spray ii)0.05% (10ml/lit) solution of the chemical	Trunk injection against leaf eating insects (mature palm above 8 years)	Monocrotophos (55% w/w) or Methamidophos	i) Inject 8 – 10 ml per palm by drilling a 15-20 cm hole on the trunk at 0.5-1.0 m above ground at 45° angle.	Fungicide spray on nursery stage	Thiram 80%	32-64 gm per 16 -18 lt of "Conventional Knapsack Spray" @ CKS	Foliar spray on larvae of leaf eating insects for immature palms aged from 1-6 years	Bacillus Thuringiensis @ BT (biological control)	i) Knapsack spray of power spray at manufacturer's recommended rate.	Circle for immature palms	Glufosinate ammonium 13.5%	i) 120 ml per 16-18 litre CKS	Selective for broadleaves soft woodies, wild yam, will banana	Metsulfuron Methyl 20% + adjuvant	i) 16-18 litre CKS (60 ml + 3 gm + 15 ml) ii) 10 litre CDA (400 ml + 20 gm + 100 ml)	Complied
Method and type of control	Ai of Chemical	Rate and application																						
Foliar spray on leaf eating insect (immature)	Cypermethrin	i)Knapsack or power spray ii)0.05% (10ml/lit) solution of the chemical																						
Trunk injection against leaf eating insects (mature palm above 8 years)	Monocrotophos (55% w/w) or Methamidophos	i) Inject 8 – 10 ml per palm by drilling a 15-20 cm hole on the trunk at 0.5-1.0 m above ground at 45° angle.																						
Fungicide spray on nursery stage	Thiram 80%	32-64 gm per 16 -18 lt of "Conventional Knapsack Spray" @ CKS																						
Foliar spray on larvae of leaf eating insects for immature palms aged from 1-6 years	Bacillus Thuringiensis @ BT (biological control)	i) Knapsack spray of power spray at manufacturer's recommended rate.																						
Circle for immature palms	Glufosinate ammonium 13.5%	i) 120 ml per 16-18 litre CKS																						
Selective for broadleaves soft woodies, wild yam, will banana	Metsulfuron Methyl 20% + adjuvant	i) 16-18 litre CKS (60 ml + 3 gm + 15 ml) ii) 10 litre CDA (400 ml + 20 gm + 100 ml)																						

Criterion / Indicator		Assessment Findings			Compliance
		Selective for VOPs	Imazapyr isopropylammonium 11.9% + Glyphosate isopropylamine 41%	16-18 liter CKS (200ml + 400 ml)	
		Blanket or selective for rottboellia, cochichinensis etc.	Glyphosate iso- propylamine 41%	70-90 ml + 4-5 ml	

Criterion / Indicator		Assessment Findings	Compliance																										
4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	<p>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.</p> <table border="1"> <tr> <td></td> <td>FY19/20 (To date July – Oct 2019)</td> </tr> <tr> <td>Melewar Estate</td> <td>Ai/ha</td> </tr> <tr> <td>Metsulfuron Methyl (Ally 20F)</td> <td>7.11</td> </tr> <tr> <td>Glyphosate Isopropyl amine</td> <td>0.174</td> </tr> <tr> <td>Triclopyr 2-Butoxy Ethyl Esther</td> <td>0.058</td> </tr> <tr> <td>Thiram (dimethyldithiocarbamate)</td> <td>0.082</td> </tr> <tr> <td>Hwa Li Estate Div. 2</td> <td>Ai/ha</td> </tr> <tr> <td>Metsulfuron Methyl (Ally 20 DF)</td> <td>0.029</td> </tr> <tr> <td>Glyphosate Isopropyl amine</td> <td>0.64</td> </tr> <tr> <td>Triclopyr Butoxy Ethyl Esther</td> <td>0.011</td> </tr> <tr> <td>Asia Oil Palm Estate Div. 2</td> <td>Ai/ha</td> </tr> <tr> <td>Metsulfuron Methyl (Ally 20 DF)</td> <td>0.0035</td> </tr> <tr> <td>Glyphosate Isopropyl amine</td> <td>0.24</td> </tr> </table>		FY19/20 (To date July – Oct 2019)	Melewar Estate	Ai/ha	Metsulfuron Methyl (Ally 20F)	7.11	Glyphosate Isopropyl amine	0.174	Triclopyr 2-Butoxy Ethyl Esther	0.058	Thiram (dimethyldithiocarbamate)	0.082	Hwa Li Estate Div. 2	Ai/ha	Metsulfuron Methyl (Ally 20 DF)	0.029	Glyphosate Isopropyl amine	0.64	Triclopyr Butoxy Ethyl Esther	0.011	Asia Oil Palm Estate Div. 2	Ai/ha	Metsulfuron Methyl (Ally 20 DF)	0.0035	Glyphosate Isopropyl amine	0.24	Complied
	FY19/20 (To date July – Oct 2019)																												
Melewar Estate	Ai/ha																												
Metsulfuron Methyl (Ally 20F)	7.11																												
Glyphosate Isopropyl amine	0.174																												
Triclopyr 2-Butoxy Ethyl Esther	0.058																												
Thiram (dimethyldithiocarbamate)	0.082																												
Hwa Li Estate Div. 2	Ai/ha																												
Metsulfuron Methyl (Ally 20 DF)	0.029																												
Glyphosate Isopropyl amine	0.64																												
Triclopyr Butoxy Ethyl Esther	0.011																												
Asia Oil Palm Estate Div. 2	Ai/ha																												
Metsulfuron Methyl (Ally 20 DF)	0.0035																												
Glyphosate Isopropyl amine	0.24																												
4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	The management encourage establishing biological control as per IPM plan. The implementation in the field is consistent with the JC Chang’s Group SOP. No prophylactic use of pesticides found at visited operating units.	Complied																										

Criterion / Indicator		Assessment Findings	Compliance																				
4.6.4	<p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p> <p>- Minor compliance -</p>	<p>There are no Class 1A and Class1B at the Asia Production Unit's estates during this assessment. The used of Paraquat was totally banned and replaced with systemic chemical.</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Register date</th> </tr> </thead> <tbody> <tr> <td>Melewar Div 3 estate</td> <td>1/11/19 (only chemical class III and IV used)</td> </tr> <tr> <td>Hwa Li Div.3 estate</td> <td>10/8/19 (only chemical class III and IV used)</td> </tr> <tr> <td>Asia Oil Palm Estate Div.2</td> <td>1/3/19 (only class III and IV used)</td> </tr> </tbody> </table>	Estate	Register date	Melewar Div 3 estate	1/11/19 (only chemical class III and IV used)	Hwa Li Div.3 estate	10/8/19 (only chemical class III and IV used)	Asia Oil Palm Estate Div.2	1/3/19 (only class III and IV used)	Complied												
Estate	Register date																						
Melewar Div 3 estate	1/11/19 (only chemical class III and IV used)																						
Hwa Li Div.3 estate	10/8/19 (only chemical class III and IV used)																						
Asia Oil Palm Estate Div.2	1/3/19 (only class III and IV used)																						
4.6.5	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p>- Major compliance -</p>	<p>Pesticides were handled, used or applied by trained workers applied in accordance with the product label. Latest training for pesticides handler was conducted on 14/5/19. Appropriate safety and application equipment were provided and used, i.e 3M 3200/3200F, anti-fog goggles, apron and wellington boots based on CHRA assessor's recommendation. Sample of chemical safety data sheet (SDS) checked and available during site visit:</p> <table border="1"> <thead> <tr> <th>Chemical/trade name</th> <th>Active ingredient</th> <th>Chemical Class</th> <th>Revision</th> </tr> </thead> <tbody> <tr> <td>Thiram 80%</td> <td>Dimethyldithiocarbamate</td> <td>III</td> <td>20/10/15</td> </tr> <tr> <td>DECIS 250</td> <td>Deltametrin</td> <td>III</td> <td>1/1/17</td> </tr> <tr> <td>Cypermethrin 5.5%</td> <td>Cypermethrin</td> <td>III</td> <td>1/1/18</td> </tr> <tr> <td>Nufarm Glyphosate</td> <td>Glyphosate Isopropyl ammonium</td> <td>III</td> <td>1/12/16</td> </tr> </tbody> </table> <p>All precautions attached to the products (SDS, notice board etc) were properly observed, applied, and understood by workers based on the interview with staff and workers at visited estates.</p>	Chemical/trade name	Active ingredient	Chemical Class	Revision	Thiram 80%	Dimethyldithiocarbamate	III	20/10/15	DECIS 250	Deltametrin	III	1/1/17	Cypermethrin 5.5%	Cypermethrin	III	1/1/18	Nufarm Glyphosate	Glyphosate Isopropyl ammonium	III	1/12/16	Complied
Chemical/trade name	Active ingredient	Chemical Class	Revision																				
Thiram 80%	Dimethyldithiocarbamate	III	20/10/15																				
DECIS 250	Deltametrin	III	1/1/17																				
Cypermethrin 5.5%	Cypermethrin	III	1/1/18																				
Nufarm Glyphosate	Glyphosate Isopropyl ammonium	III	1/12/16																				

Criterion / Indicator		Assessment Findings	Compliance									
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation. Based on CHRA assessor's store assessment recommendation, the below action was taken for improvement as such; i) Ventilation system for adequate air flow ii) No workstation placed in the chemical storage iii) DOSH approved PPE is recommended.	Complied									
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in the SOP –Guidelines in integrated pest and disease management of oil palm (L/001-05/2014). The implementation in the field is consistent with the SOP. As todate, there was no outbreak of pest and disease.	Complied									
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerial spray was carried out at Asia 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 Asia Production Unit. Training records for staff and workers on chemical application and IPM implementation were available and verified during on-site assessment. Sample of training checked: <table border="1" data-bbox="972 1174 1868 1342"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>27/11/17</td> <td>Chemical usage and spraying training</td> <td>Asia Oil Palm Estate Div.2</td> </tr> <tr> <td>18/10/17</td> <td>IPM training (bagworm and rat baiting)</td> <td></td> </tr> </tbody> </table>	Date	Training Topic	Estate	27/11/17	Chemical usage and spraying training	Asia Oil Palm Estate Div.2	18/10/17	IPM training (bagworm and rat baiting)		Complied
Date	Training Topic	Estate										
27/11/17	Chemical usage and spraying training	Asia Oil Palm Estate Div.2										
18/10/17	IPM training (bagworm and rat baiting)											

Criterion / Indicator		Assessment Findings	Compliance
4.6.10	<p>Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3).</p> <p>- Minor compliance -</p>	<p>The management dispose the empty containers per schedule waste regulation.</p> <p>Proper disposal of waste material in accordance to company procedures and understood by workers and managers. Interview with management team and employees reveal that proper disposal of waste material is understood. There is no any issue of burning of waste materials observed at visited line sites (Asia Oil Palm Estate Div.2 and Hwa Li Div.3 estate). Waste recycling programme (3R) and recyclable and domestic waste promoted by the management.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.11 Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -</p>	<p><u>Melewar Div 2 Estate</u> Annual medical surveillance for sprayers and pesticide operators were conducted by registered OHD, HQ/16/DOC/00/557 under Mabello Group of Clinic Bhd on 28/8/19. Based on USECHH 3 and USECHH 4, all workers were found fit to work with no detrimental of health.</p> <p><u>Hwa Li Estate Div 3</u> Annual medical surveillance for sprayers and pesticide operators were conducted by registered OHD, HQ/16/DOC/00/557 under Mabello Group of Clinic Bhd on 22/8/19. Based on USECHH 3 and USECHH 4, all workers were found fit to work with no detrimental of health.</p> <p><u>Hwa Li Estate Div 3</u> Annual medical surveillance for sprayers and pesticide operators were conducted by registered OHD, HQ/16/DOC/00/557 under Mabello Group of Clinic Bhd on 6/4/19. Based on USECHH 3 and USECHH 4, all workers were found fit to work with no detrimental of health.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance																											
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	<p>There are women works with pesticides at all visited estates. For those who were still within reproductive age, urine pregnancy test (UPT) was conducted by EHA to confirm and check the pregnancy status for those who exposed to chemical i.e store keeper, chemical mixer and sprayer etc. Refer to summary of medical check-up as at November 2019 as per the following:</p> <table border="1"> <thead> <tr> <th>Employee/passport number</th> <th>Health Status</th> <th>Pregnancy Status</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>AS251019</td> <td>Fit</td> <td>UPT-negative</td> <td rowspan="4">Melewar Div2 Estate</td> </tr> <tr> <td>AS251010</td> <td>Fit</td> <td>UPT-negative</td> </tr> <tr> <td>AT251083</td> <td>Fit</td> <td>UPT-negative</td> </tr> <tr> <td>AT250995</td> <td>Fit</td> <td>UPT-negative</td> </tr> <tr> <td>AU293067</td> <td>Fit</td> <td>UPT-negative</td> <td rowspan="3">Asia Oil Palm Estate Div.2</td> </tr> <tr> <td>AU421190</td> <td>Fit</td> <td>UPT-negative</td> </tr> <tr> <td>AT243476</td> <td>Fit</td> <td>UPT-negative</td> </tr> </tbody> </table>	Employee/passport number	Health Status	Pregnancy Status	Estate	AS251019	Fit	UPT-negative	Melewar Div2 Estate	AS251010	Fit	UPT-negative	AT251083	Fit	UPT-negative	AT250995	Fit	UPT-negative	AU293067	Fit	UPT-negative	Asia Oil Palm Estate Div.2	AU421190	Fit	UPT-negative	AT243476	Fit	UPT-negative	Complied
Employee/passport number	Health Status	Pregnancy Status	Estate																											
AS251019	Fit	UPT-negative	Melewar Div2 Estate																											
AS251010	Fit	UPT-negative																												
AT251083	Fit	UPT-negative																												
AT250995	Fit	UPT-negative																												
AU293067	Fit	UPT-negative	Asia Oil Palm Estate Div.2																											
AU421190	Fit	UPT-negative																												
AT243476	Fit	UPT-negative																												
<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 revised the safety and health policy signed by Mr. Tay Chwee Leong, 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. Latest session was conducted in 2/9/19. Safety and Health (OSH) Improvement Plan for Mill and Estates was established, dated 10/4/19 which includes the safety policy, safety legislation, safety committee, safe operating procedure, training, workplace inspection, safety signage, ERP, fire plan, OSH compliance monitoring and etc</p> <p>i) Chemical Health Risk Assessment (CHRA) Revisited CHRA was conducted on 19/9/19 (mill and biogas) by DOSH registered assessor, HQ/11/ASS/00/298-2019/215 under Chemclass Sdn Bhd. The OSH action plan was established to capture all the recommendation from the assessor and yet to be submitted to DOSH.</p> <p>iii) Medical Surveillance 29 operators were sent for medical surveillance on 30th August 2019 for those who are involved with chemical (for employee that exposed to Schedule II chemical (N-Hexane) under USECHH Regulation 2000). Refer to medical surveillance report by registered OHD, HQ/16/DOC/00/557 under Mabello Group of Clinic. Based on USECHH 3 and 4, all the lab operators were found fit with no detrimental of health.</p> <p>iv) Local Exhaust Ventilation (LEV) Testing & Inspection The latest LEV inspection was conducted on 25/4/19 by Chemclass Sdn Bhd by registered assessor, HQ/15/JHII/00/206-2019/026. Based on the examination and testing results, it shows that the face velocity measured for the fume cupboard complied with ACGIH specification.</p> <p>v) Noise Risk Assessment</p>	<p>Complied</p>
--------------	---	--	-----------------

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator	Assessment Findings	Compliance												
	<p>Latest noise mapping was carried out on 6-7th October 2019 to comply with the new Noise Exposure Regulation 2019. New categories of noise level summarized as per below with the numbers of representative/worker at the work area:</p> <table border="1" data-bbox="974 523 1868 858"> <thead> <tr> <th>Noise level</th> <th>Number of representative (s)/ workers</th> </tr> </thead> <tbody> <tr> <td>Below excessive noise level <82dB(A)</td> <td>10</td> </tr> <tr> <td>Above excessive noise level >82dB(A)</td> <td>11</td> </tr> <tr> <td>Above noise exposure limit > 85 dB(A)</td> <td>7</td> </tr> <tr> <td>Maximum noise 115 dB(A)</td> <td>0</td> </tr> <tr> <td>Peak noise 140 dB(A) at any time</td> <td>11</td> </tr> </tbody> </table> <p>Audiometric Testing The latest audiometric testing was last done on 30th August 2019. Total of 32 workers were undergone baseline and annual audiometric screening. 10 workers were diagnosed to have abnormal audiogram findings. Retest for standard threshold shift (STS) has been scheduled on 28/11/19. This will be further verified in the next assessment.</p>	Noise level	Number of representative (s)/ workers	Below excessive noise level <82dB(A)	10	Above excessive noise level >82dB(A)	11	Above noise exposure limit > 85 dB(A)	7	Maximum noise 115 dB(A)	0	Peak noise 140 dB(A) at any time	11	
Noise level	Number of representative (s)/ workers													
Below excessive noise level <82dB(A)	10													
Above excessive noise level >82dB(A)	11													
Above noise exposure limit > 85 dB(A)	7													
Maximum noise 115 dB(A)	0													
Peak noise 140 dB(A) at any time	11													

<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>New HIRARC risk matrix is based on the SOP; Guidelines on Hazard Assessment, Prevention and Control (Risk Management and Mitigation Plan), doc. ref. U029-01/2019 dated 15/8/19 made available all visited management units. The HIRARC for all the activities were last reviewed in the register dated 27/10/19 (Asia POM), Asia Oil Palm Estate div.2 (7/2/19) and Pahang Oil Palm Estate 1 (8/2/19) Eg: Weighbridge, Ramp, Threshing Station, Pressing Station, Clarification, Nut Cracking Station, Kernel Plant, Kernel Storage, CPO Storage, Boiler Station, Engine room, workshop, General-cleaning and others, Store, EFB Press, Laboratory, WTP, WWTP, Sterilizer, EFB Shredder, Rotating equipment (airlocks, nut cracker), Welding activity, Lab (oil extraction), biogas plant, solvent plant, spraying, chemical mixing, triple rinse , Drainage and irrigation, Harvesting, loose fruit picking Pruning and raking, nursery, roads and terrace construction, drain construction, culvert & bridge construction, selective weeding, manuring, scout harvesting, FFB internal transport and external transport, workshop etc.</p> <p>Sample of HIRARC review after accident occurrence;</p> <table border="1" data-bbox="972 975 1861 1270"> <thead> <tr> <th>Date of accident</th> <th>Accident case</th> <th>HIRARC review</th> </tr> </thead> <tbody> <tr> <td>20/12/18</td> <td>While repairing worn out sprocket at EFB conveyor Risk level: 9 (medium) Recommended risk control : provide proper tools (portable hydraulic jack)</td> <td>15/1/19</td> </tr> </tbody> </table> <p>Chemical Health Risk Assessment (CHRA)</p>	Date of accident	Accident case	HIRARC review	20/12/18	While repairing worn out sprocket at EFB conveyor Risk level: 9 (medium) Recommended risk control : provide proper tools (portable hydraulic jack)	15/1/19	<p>Complied</p>
Date of accident	Accident case	HIRARC review							
20/12/18	While repairing worn out sprocket at EFB conveyor Risk level: 9 (medium) Recommended risk control : provide proper tools (portable hydraulic jack)	15/1/19							

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

		<p>Re-assessment of CHRA for Melewar Div2 Estate was conducted on 27/8/2018 by competent DOSH assessor, JKPP KIM127/453/6 (30) for 8 specific work units. Report dated 18/10/18 was made available during assessment. Specific recommendation given by the assessor;</p> <table border="1"> <thead> <tr> <th data-bbox="972 491 1415 523">Work Unit</th> <th data-bbox="1415 491 1861 523">Recommendation</th> </tr> </thead> <tbody> <tr> <td data-bbox="972 523 1415 751">Premix/Chemical/pesticide handler</td> <td data-bbox="1415 523 1861 751"> i) PPE requirement: 3M 3200 half face respirator with 3311K-55 Nitrile glove Body apron Safety glass ii) Health surveillance </td> </tr> <tr> <td data-bbox="972 751 1415 916">Fertilizer applicator</td> <td data-bbox="1415 751 1861 916"> i) PPE requirement: 3M 3477K N95 or 3M 9210 N95 respirator Cotton/rubber glove ii) Health surveillance </td> </tr> <tr> <td data-bbox="972 916 1415 1114">Water treatment operator (WTP) and Genset Operator</td> <td data-bbox="1415 916 1861 1114"> i) PPE requirement: N95 respirator Nitrile rubber Body apron Chemical goggle ii) Health surveillance </td> </tr> </tbody> </table> <p>Re-assessment of CHRA for Hwa LI Estate Div.3 was conducted on 27/8/19 by competent DOSH assessor, JKPP KIM127/453/6 (30) for 6 specific work units. Report dated 18/10/18 was made available during assessment. Specific recommendation given by the assessor;</p> <table border="1"> <thead> <tr> <th data-bbox="972 1342 1415 1374">Work Unit</th> <th data-bbox="1415 1342 1861 1374">Recommendation</th> </tr> </thead> <tbody> </tbody> </table>	Work Unit	Recommendation	Premix/Chemical/pesticide handler	i) PPE requirement: 3M 3200 half face respirator with 3311K-55 Nitrile glove Body apron Safety glass ii) Health surveillance	Fertilizer applicator	i) PPE requirement: 3M 3477K N95 or 3M 9210 N95 respirator Cotton/rubber glove ii) Health surveillance	Water treatment operator (WTP) and Genset Operator	i) PPE requirement: N95 respirator Nitrile rubber Body apron Chemical goggle ii) Health surveillance	Work Unit	Recommendation	
Work Unit	Recommendation												
Premix/Chemical/pesticide handler	i) PPE requirement: 3M 3200 half face respirator with 3311K-55 Nitrile glove Body apron Safety glass ii) Health surveillance												
Fertilizer applicator	i) PPE requirement: 3M 3477K N95 or 3M 9210 N95 respirator Cotton/rubber glove ii) Health surveillance												
Water treatment operator (WTP) and Genset Operator	i) PPE requirement: N95 respirator Nitrile rubber Body apron Chemical goggle ii) Health surveillance												
Work Unit	Recommendation												

Criterion / Indicator		Assessment Findings		Compliance
		Premix/Chemical/pesticide handler	i) PPE requirement: 3M 3200 half face respirator with 3311K-55 Nitrile glove Body apron Safety glass ii) Health surveillance	
		Fertilizer applicator	i) PPE requirement: 3M 3477K N95 or 3M 9210 N95 respirator Cotton/rubber glove ii) Health surveillance	
		Storekeeper	i) PPE requirement: 3M 3200 half face respirator with 3744K N95 filter Nitrile rubber Body apron Chemical goggle ii) Health surveillance	
		CHRA for Asia Oil Palm Estate Div2 was carried out on 11/8/15 by DOSH registered assessor, JKPP/HIE/127/171-2(319). 5 work units were risk assessed.		

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>All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained in understanding MSDS, safe working practices and the correct use of PPE. Suitable PPE has been provided to the workers based on the information in the MSDS/CSDS and CHRA assessor’s recommendation.</p> <p>List of Personal Protective Equipment (PPE) Provided – identifies the type of PPE for the respective activities.</p> <ul style="list-style-type: none"> i) Sterilizer and boiler/power operator – Safety Helmet, Leather Hand Glove, Cotton Gloves, Safety Shoes, Safety Vest and Ear Muff ii) Lab operator – Respirator (double cartridge) Nitrile Glove (chemical resistant), safety boots, Ear plug (NRR = 24 dB) iii) Field workers (sprayer, manurer & harvester) – 3M 3200 half face respirator with 3311K-55, anti-mist goggles, wellington boots, apron and sickle cover. 	<p>Complied</p>

RSPO Public Summary Report
Revision 8 (Mar /2019)

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>OSH Committees meeting conducted quarterly and meeting minutes includes issues raised and action taken form workplace inspection report etc. The discussion on the accident review, workplace inspection, issues from workers, training has been discussed and action to be taken. There was no major issue. Minutes of meetings verified at Asia POM; #3:25/9/19, #2: 29/7/19 and #1: 30/4/19 available for review.</p> <p><u>Melewar Div.2 Estate</u> SHC organization chart for 2019/2020 i) Chairman – Estate Manager ii) Secretary – Estate Assistant (#4: 30/10/19, #3: 5/8/19, #2: 24/4/19, #1: 29/1/19)</p> <p><u>Hwa Li Estate Div.3</u> SHC organization chart for 2019/2020 i) Chairman – Estate Manager ii) Secretary – Estate Assistant (#3:18/9/19, #2: 17/6/19, #1: 18/3/19)</p> <p>Workplace inspection was carried out prior to safety committee meeting. Verified monthly workplace inspection schedule and checklist used for the inspection. Result of inspection will be used as the inputs for the quarterly safety committee meeting.</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.</p> <p>- Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to employees, contractors and visitors. Assigned operatives trained in first aid were present at visited work sites (engine room, workshop, production and biogas engine) and harvesting/spraying/manuring block. The sampled first aid equipment has been replenished and checked on monthly basis. All items were as per 4th schedule of Factory Machinery Act, Safety Health and Welfare Regulations 1970. No expired item found in the first aid box.</p> <p>Emergency response plan and procedure established for;</p> <ul style="list-style-type: none"> i) SOP and ERP for flood, doc. ref. U/007-01/2015 dated 28/1/15 ii) SOP and ERP for chemical spillage, doc. ref. U/006-01/2015 dated 28/1/15 iii) SOP and ERP for typhoon, doc. ref. U/005-01/2015 dated 28/1/15 iv) SOP and ERP for building evacuation, doc. ref. U/002-01/2015 datedn28/1/15 <p>Guidelines for accident reporting and investigation is documented under doc. ref. .no. M/015-03/2018 dated 12/12/18. Classification of accidents, investigation and reporting requirements were included in the guidelines.</p> <p>Records on all accidents kept and summary sent to Head Office. Quarterly review on accident cases carried out during OSH quarterly meeting. All operating units keeping all the JKPP 6 & 8 forms and available for viewing. Summary of JKPP 8 submission to DOSH a per below:</p> <table border="1" data-bbox="974 1173 1859 1367"> <thead> <tr> <th>Estate</th> <th>Submission record</th> </tr> </thead> <tbody> <tr> <td>Melawar Estate Div.2</td> <td>Ref: JKPP8/9055/2018 dated 15/1/19</td> </tr> <tr> <td>Hwa Li Estate Div.3</td> <td>Ref: JKPP8/38302/2018 dated 24/1/19</td> </tr> <tr> <td>Asia Oil Palm Estate Div.2</td> <td>Ref: JKPP8/15198/2018 dated 12/1/19</td> </tr> </tbody> </table>	Estate	Submission record	Melawar Estate Div.2	Ref: JKPP8/9055/2018 dated 15/1/19	Hwa Li Estate Div.3	Ref: JKPP8/38302/2018 dated 24/1/19	Asia Oil Palm Estate Div.2	Ref: JKPP8/15198/2018 dated 12/1/19	<p>Minor nonconformance</p>
Estate	Submission record										
Melawar Estate Div.2	Ref: JKPP8/9055/2018 dated 15/1/19										
Hwa Li Estate Div.3	Ref: JKPP8/38302/2018 dated 24/1/19										
Asia Oil Palm Estate Div.2	Ref: JKPP8/15198/2018 dated 12/1/19										

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator	Assessment Findings	Compliance		
	<table border="1" data-bbox="969 395 1861 432"> <tr> <td data-bbox="969 395 1240 432">Asia Palm Oil Mill</td> <td data-bbox="1240 395 1861 432">Ref:JKKP8/29123/2018 dated 19/1/19</td> </tr> </table> <p data-bbox="969 467 1861 754"> Asia Oil Palm Estate Div.2 i) ERP for poisonous and venomous for animal/insect was not properly documented. Evidence of training was not available for the relevant personnel to prepare for any unforeseen circumstances in the future. Refer to accident case date 7/2/19, workers ID, AT688583. ii) Expired and incomplete first aid case found i.e eye pad (20/4/19). iii) Readiness of ERP equipment at point of emergency. Hose was not equipped with nozzle and pump to be properly attached/installed at the portable water tank. </p> <p data-bbox="969 790 1861 818">Thus, a minor NC was raised</p>	Asia Palm Oil Mill	Ref:JKKP8/29123/2018 dated 19/1/19	
Asia Palm Oil Mill	Ref:JKKP8/29123/2018 dated 19/1/19			

Criterion / Indicator		Assessment Findings	Compliance												
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	<p>Medical care and accident insurance is provided to all the employees. Local workers are covered under SOCSO scheme while foreign workers are covered under foreign workers compensation scheme.</p> <table border="1"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>8A form (September SOCSO (356 workers)</td> <td>September 2019, employer code: F9501014V</td> <td>Hwa Li Estate Div.3</td> </tr> <tr> <td>8A form (September SOCSO (177 workers)</td> <td>September 2019, employer code: F950000039Y</td> <td>Melewar Div2 Estate</td> </tr> <tr> <td>8A form (September SOCSO (241 workers)</td> <td>September 2019, employer code: F950000039Y</td> <td>Asia Div2 Estate</td> </tr> </tbody> </table> <p>1 case is referred to permanent disability for FW (Indonesian), AT 245313. HIRARC review: 9/12/18, accident investigation on 9/12/18. Cleaning of spreader, hazard: stuck between object, risk: serious injury on finger 4th finger (lost top portion the finger), MC: 27 days JKKP 6 reported on 9/12/18 Compensation made for the workers through Labour Department; - Workmen compensation application, ref: PMP21210/2018/0071dated 17/12/19 - Total days compensated, 29 days refer to letter dated 29/2/19. - Memorandum of agreement, regulation 20 & 40 under Workmanship Compensation Act 1952.</p>	Insurance	Period	Remark	8A form (September SOCSO (356 workers)	September 2019, employer code: F9501014V	Hwa Li Estate Div.3	8A form (September SOCSO (177 workers)	September 2019, employer code: F950000039Y	Melewar Div2 Estate	8A form (September SOCSO (241 workers)	September 2019, employer code: F950000039Y	Asia Div2 Estate	Complied
Insurance	Period	Remark													
8A form (September SOCSO (356 workers)	September 2019, employer code: F9501014V	Hwa Li Estate Div.3													
8A form (September SOCSO (177 workers)	September 2019, employer code: F950000039Y	Melewar Div2 Estate													
8A form (September SOCSO (241 workers)	September 2019, employer code: F950000039Y	Asia Div2 Estate													

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator		Assessment Findings	Compliance															
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	Records on Lost Time Accident (LTA) metrics was maintained and based on JKPP 6, 7 & 8. Sample of accident statistic as shown below : <table border="1"> <thead> <tr> <th>Year</th> <th>Asia POM</th> <th>Melewar Div 2 Estate</th> <th>Hwa Li Div.3 Estate</th> <th>Asia Oil Palm Estate Div 3</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>2 cases (26 LTI)</td> <td>3 cases (21 LTI)</td> <td>2 cases (54 LTI)</td> <td>11 cases (17 TI)</td> </tr> <tr> <td>2019 to date</td> <td>4 cases (28 LTI)</td> <td>3 cases (2 LTI)</td> <td>1 case (44 days)</td> <td>8 cases (9 LTI)</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days</p>	Year	Asia POM	Melewar Div 2 Estate	Hwa Li Div.3 Estate	Asia Oil Palm Estate Div 3	2018	2 cases (26 LTI)	3 cases (21 LTI)	2 cases (54 LTI)	11 cases (17 TI)	2019 to date	4 cases (28 LTI)	3 cases (2 LTI)	1 case (44 days)	8 cases (9 LTI)	Complied
Year	Asia POM	Melewar Div 2 Estate	Hwa Li Div.3 Estate	Asia Oil Palm Estate Div 3														
2018	2 cases (26 LTI)	3 cases (21 LTI)	2 cases (54 LTI)	11 cases (17 TI)														
2019 to date	4 cases (28 LTI)	3 cases (2 LTI)	1 case (44 days)	8 cases (9 LTI)														
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 -	Training Schedule/Programme for 2018/2019 has been established. This programme covers all aspects of the RSPO Principles and Criteria based on the assessment of training need via performance appraisal, new technologies or if there is any change of company policies and procedures	Complied															
4.8.2	Records of training for each employee shall be maintained. - Minor compliance -	Records of training for each employee was maintained at all visited operating units. Sample of training carried out in 2018 and 2019 were: <table border="1"> <thead> <tr> <th>Date</th> <th>Training</th> </tr> </thead> <tbody> <tr> <td>15/1/19</td> <td>Harvesting and PPE training</td> </tr> <tr> <td>7/5/19</td> <td>First aid training</td> </tr> <tr> <td>14/5/19</td> <td>Chemical Mixing/Triple Rinse Training</td> </tr> <tr> <td>4/9/19</td> <td>Training for Buffalo Handler</td> </tr> <tr> <td>8/5/19</td> <td>Buffer zone training</td> </tr> <tr> <td>8/10/19</td> <td>ERP and fire drill training</td> </tr> </tbody> </table>	Date	Training	15/1/19	Harvesting and PPE training	7/5/19	First aid training	14/5/19	Chemical Mixing/Triple Rinse Training	4/9/19	Training for Buffalo Handler	8/5/19	Buffer zone training	8/10/19	ERP and fire drill training	Complied	
Date	Training																	
15/1/19	Harvesting and PPE training																	
7/5/19	First aid training																	
14/5/19	Chemical Mixing/Triple Rinse Training																	
4/9/19	Training for Buffalo Handler																	
8/5/19	Buffer zone training																	
8/10/19	ERP and fire drill training																	

Criterion / Indicator	Assessment Findings	Compliance
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.	

<p>5.1.1</p>	<p>An environmental impact assessment (EIA) shall be documented. - Major compliance -</p>	<p>Environmental Impact Assessment (EIA) has been incorporated in the Social Environmental Impact Assessment (SEIA) including a Preliminary Management Review was conducted by Wild Asia (Malaysia) dated on 13th July 2011 for JC Chang Group’s Asia and Melewar Production Units, Sabah Malaysia.</p> <p>The Environmental Impact Assessment (EIA) was conducted for ASIA Production Units (APU) and summary of key significant environmental aspects we identified as below;</p> <table border="1" data-bbox="972 619 1863 1043"> <tr> <td data-bbox="972 619 1205 879">Estate</td> <td data-bbox="1205 619 1863 879"> <ol style="list-style-type: none"> 1. Quarrying for road materials 2. Land clearing for new and replanting 3. Application of fertilizers 4. Road Construction 5. Land Development in steeps, wetlands or around waterways 6. Nursery Establishment </td> </tr> <tr> <td data-bbox="972 879 1205 1043">POM & Estate</td> <td data-bbox="1205 879 1863 1043"> <ol style="list-style-type: none"> 1. Chemical Storage 2. Landfilling Operations 3. Waste Water (sewage & grey) 4. Vehicle and machinery operations </td> </tr> </table> <p>In house Environmental and Social Improvement (EIA) Plan for all estates have been established from 18th August 2019 to 17th August 2021. The plan will be reviewed on the yearly basis to monitor the progress. The element covered under this plan are:</p> <ol style="list-style-type: none"> 1. Pay & Living Condition 2. Communication & Consultation 3. Fair Pricing 4. Soil 5. Water 6. Energy 	Estate	<ol style="list-style-type: none"> 1. Quarrying for road materials 2. Land clearing for new and replanting 3. Application of fertilizers 4. Road Construction 5. Land Development in steeps, wetlands or around waterways 6. Nursery Establishment 	POM & Estate	<ol style="list-style-type: none"> 1. Chemical Storage 2. Landfilling Operations 3. Waste Water (sewage & grey) 4. Vehicle and machinery operations 	<p>Complied</p>
Estate	<ol style="list-style-type: none"> 1. Quarrying for road materials 2. Land clearing for new and replanting 3. Application of fertilizers 4. Road Construction 5. Land Development in steeps, wetlands or around waterways 6. Nursery Establishment 						
POM & Estate	<ol style="list-style-type: none"> 1. Chemical Storage 2. Landfilling Operations 3. Waste Water (sewage & grey) 4. Vehicle and machinery operations 						

		<p>7. Operation Procedure 8. Compliance to Law Regulation 9. Local Development 10. Water Course & Wetland 11. HCV 12. Pollution 13. Waste</p> <p>Sighted the Recommendation for Mitigation Measure (RMM) Replanting work for Melewar Div. 2 Estate for 1770.00HA of replanting [ref : Akujanji signed on 18.01.2019, untuk mematuhi serta melaksanakan semua syarat yang dinyatakan dalam Perjanjian Syarat – Syarat Alam Sekitar rujukan : JPAS/PPKTN600-1/11/1/309.</p> <p>Sighted the in house Environmental Impact Assessment (EIA) conducted by the Asia POM Management as below;</p> <table border="1" data-bbox="972 879 1854 1334"> <thead> <tr> <th data-bbox="972 879 1182 946">Aspect Identified</th> <th data-bbox="1182 879 1541 946">Impact Prediction</th> <th data-bbox="1541 879 1854 946">Further Action Required</th> </tr> </thead> <tbody> <tr> <td data-bbox="972 946 1182 1142">Soil Erosion</td> <td data-bbox="1182 946 1541 1142">Slop rectification work and earthworks will cause disturbance to soil surface and increase erosion rates</td> <td data-bbox="1541 946 1854 1142">To include landslide / soil erosion as one of the aspects to be checked in housing inspection checklist for monitoring purpose</td> </tr> <tr> <td data-bbox="972 1142 1182 1334">Siltation</td> <td data-bbox="1182 1142 1541 1334">Earthy matter, fine sand, and fine mineral particles that follow the water course and leads to high concentrations of sediments at housing drain</td> <td data-bbox="1541 1142 1854 1334">Maintenance on the housing drainage will be carried out when necessary</td> </tr> </tbody> </table>	Aspect Identified	Impact Prediction	Further Action Required	Soil Erosion	Slop rectification work and earthworks will cause disturbance to soil surface and increase erosion rates	To include landslide / soil erosion as one of the aspects to be checked in housing inspection checklist for monitoring purpose	Siltation	Earthy matter, fine sand, and fine mineral particles that follow the water course and leads to high concentrations of sediments at housing drain	Maintenance on the housing drainage will be carried out when necessary	
Aspect Identified	Impact Prediction	Further Action Required										
Soil Erosion	Slop rectification work and earthworks will cause disturbance to soil surface and increase erosion rates	To include landslide / soil erosion as one of the aspects to be checked in housing inspection checklist for monitoring purpose										
Siltation	Earthy matter, fine sand, and fine mineral particles that follow the water course and leads to high concentrations of sediments at housing drain	Maintenance on the housing drainage will be carried out when necessary										

Criterion / Indicator		Assessment Findings			Compliance
		Water Disposal	Obstruct drainage and breeding ground for the mosquito	Inspection will be performed during weekly line site inspection	
		Social Economic (Transportation)	Impact of traffic volume from transportation activities is expected to be not significant, as the availability of road is limited within residential area	Speed limit signage and briefing	
		Noise	Impact on noise during the presence of construction activities is expected to be significant, as there is populated area located close to the construction area	Supervision by person in charge during the period of construction activities	
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	<p>The continuous implementation of the improvements activities were checked during the field and document audit. The environmental management plan has been established to monitor the identified significant activities that give impacts on environment. A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented.</p> <p>A specific timetable for monitoring and implementation was define clearly in the Environmental and Social Improvement (EIA) Plan from year 2019 till 2021 and it's subject to annual review by the respective estate</p>			Complied

Criterion / Indicator		Assessment Findings	Compliance
5.1.3	<p>This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts.</p> <p>- Minor compliance -</p>	<p>An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Continuous awareness training programme has been carried out by the company to its workers and other stakeholders.</p>	<p>Complied</p>
<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>			

<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). - Major compliance -</p>	<p>High Conservation Value (HCV) has been incorporated in Social Environmental Impact Assessment (SEIA) including a Preliminary Management Review was conducted by Wild Asia (Malaysia) dated on 13th July 2011 for JC Chang Group’s Asia and Melewar Production Units, Sabah Malaysia.</p> <p>Based on the assessment carried out, the findings of HCVs were recorded in HCVF Toolkit for Malaysia, 2009 as below;</p> <table border="1" data-bbox="974 603 1832 1350"> <thead> <tr> <th colspan="2">HCV Element</th> </tr> </thead> <tbody> <tr> <td>HCV 1 – Global, regionally or nationally significant concentration of biodiversity value</td> <td>HCV 1.1 – Protected Area HCV 1.2 – Threatened and Endangered species HCV 1.3 – Endemic species HCV 1.4 Critical temporal use</td> </tr> <tr> <td>HCV 2 – Globally, regionally or nationally significant large landscape level forests</td> <td>-</td> </tr> <tr> <td>HCV 3 – Forest areas that are in or contain rare, threatened or endangered ecosystem</td> <td>-</td> </tr> <tr> <td>HCV 4 – Forest areas that provides basic services of natural in critical situations</td> <td>HCV 4.1 – Forest critical to water catchments HCV 4.2 – Forest critical to erosion control HCV 4.3 – Forest providing barriers to destructive fire</td> </tr> <tr> <td>HCV 5 – Forest areas fundamental to</td> <td>-</td> </tr> </tbody> </table>	HCV Element		HCV 1 – Global, regionally or nationally significant concentration of biodiversity value	HCV 1.1 – Protected Area HCV 1.2 – Threatened and Endangered species HCV 1.3 – Endemic species HCV 1.4 Critical temporal use	HCV 2 – Globally, regionally or nationally significant large landscape level forests	-	HCV 3 – Forest areas that are in or contain rare, threatened or endangered ecosystem	-	HCV 4 – Forest areas that provides basic services of natural in critical situations	HCV 4.1 – Forest critical to water catchments HCV 4.2 – Forest critical to erosion control HCV 4.3 – Forest providing barriers to destructive fire	HCV 5 – Forest areas fundamental to	-	<p>Complied</p>
HCV Element															
HCV 1 – Global, regionally or nationally significant concentration of biodiversity value	HCV 1.1 – Protected Area HCV 1.2 – Threatened and Endangered species HCV 1.3 – Endemic species HCV 1.4 Critical temporal use														
HCV 2 – Globally, regionally or nationally significant large landscape level forests	-														
HCV 3 – Forest areas that are in or contain rare, threatened or endangered ecosystem	-														
HCV 4 – Forest areas that provides basic services of natural in critical situations	HCV 4.1 – Forest critical to water catchments HCV 4.2 – Forest critical to erosion control HCV 4.3 – Forest providing barriers to destructive fire														
HCV 5 – Forest areas fundamental to	-														

Criterion / Indicator		Assessment Findings			Compliance
		meeting basic needs of local communities			
		HCV 6 – Forest areas critical to local communities’ traditional cultureal idnefity	-		
5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	HCV Identification and 3 years management plan for all the three estates has been established and reviewed by the management as below;			Complied
		Aspect Identified	Impact Identified	Action Plan	
		HCV assessment	Loss of biodiversity values due to inappropriate operational activities	1. Estate’s physical boundaries were clearly marked and plantation activities did not encroach into forest reserved areas. All boundary marking were visibly maintained 2. Signboard observed at all sensitive locations. Signboard on ‘No Hunting, Fishing, Trapping and Collecting of Wild Species’ were installed at main entrance and other strategic spots as effort of zero activities at all HCV area	

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 -	Although there was no RTE species identified, evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities were maintained and implemented. Apart from giving education through morning briefing from time to time, signage was utilized as part of creating awareness among employees on the restriction of capturing/harming/collecting/killing the RTE species.	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 -	Although there was no area has been identified as HCV within the estates, awareness was continuously given to the employees through the methods mentioned in 5.2.3. Monitoring of river buffer zones especially in term of encroachment or sighting of wildlife has still been continued.	Complied
5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	No HCV set asides with existing rights of local communities have been identified.	Complied
Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			

Criterion / Indicator		Assessment Findings	Compliance
5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	<p>JC Chang Group has established Guideline Waste Products Identification, Doc. Ref. No. F/007-05/2016 dated on 18th August 2016.</p> <p>The documentation and identification of all the waste products such as scheduled waste, domestic waste and recyclable waste such as metal, plastic, POM waste and polluting materials e.g. used lubricants, boiler ash and empty fruit bunches were maintained and monitored at the estates and POM.</p> <p>The identification of waste products and source of pollution are cover the following area;</p> <ol style="list-style-type: none"> 1. Office 2. Dispensary 3. Store 4. Workshop 5. Generators Room 6. Water Treatment Plant 7. Laboratory 8. Estate Operation Wastes 9. POM Processing Waste 10. Canteen / Shop and Housing compound 	Complied

Criterion / Indicator		Assessment Findings	Compliance																				
5.3.2	All chemicals and their containers shall be disposed of responsibly. - Major compliance -	<p>Based on verification of the legal consignment notes, the empty chemical containers were disposed appropriately by the authorized collection agent register with Department of Environment (DOE). In all the estates, empty chemical containers were triple rinsed and punctured before sending to recyclers.</p> <p>Sighted the consignment note for disposal activities for the following estates and POM;</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Type of Schedule Waste</th> <th>Disposal Date</th> <th>Collection Agent</th> </tr> </thead> <tbody> <tr> <td>Melewar Div. 2</td> <td>SW 409 – Used Empty Drum (11 pcs)</td> <td>13.09.2019</td> <td>Lagenda Bumimas Sdn. Bhd (905265-U)</td> </tr> <tr> <td>Hwa Li Div. 3</td> <td>SW 409 – Used Empty Drum (3 pcs)</td> <td>13.09.2019</td> <td>Lagenda Bumimas Sdn. Bhd (905265-U)</td> </tr> <tr> <td>Asia Oil Palm Div. 2</td> <td>SW 409 – Used Empty Drum (1.140mt)</td> <td>18.09.2019</td> <td>Pentas Flora (Sabah) Sdn. Bhd. (1100512-A)</td> </tr> <tr> <td>Asia Palm Oil Mill</td> <td>SW409 – Used Plastic Gallon (0.003mt)</td> <td>06.11.2019</td> <td>Lagenda Bumimas Sdn. Bhd (905265-U)</td> </tr> </tbody> </table>	Estate	Type of Schedule Waste	Disposal Date	Collection Agent	Melewar Div. 2	SW 409 – Used Empty Drum (11 pcs)	13.09.2019	Lagenda Bumimas Sdn. Bhd (905265-U)	Hwa Li Div. 3	SW 409 – Used Empty Drum (3 pcs)	13.09.2019	Lagenda Bumimas Sdn. Bhd (905265-U)	Asia Oil Palm Div. 2	SW 409 – Used Empty Drum (1.140mt)	18.09.2019	Pentas Flora (Sabah) Sdn. Bhd. (1100512-A)	Asia Palm Oil Mill	SW409 – Used Plastic Gallon (0.003mt)	06.11.2019	Lagenda Bumimas Sdn. Bhd (905265-U)	Complied
Estate	Type of Schedule Waste	Disposal Date	Collection Agent																				
Melewar Div. 2	SW 409 – Used Empty Drum (11 pcs)	13.09.2019	Lagenda Bumimas Sdn. Bhd (905265-U)																				
Hwa Li Div. 3	SW 409 – Used Empty Drum (3 pcs)	13.09.2019	Lagenda Bumimas Sdn. Bhd (905265-U)																				
Asia Oil Palm Div. 2	SW 409 – Used Empty Drum (1.140mt)	18.09.2019	Pentas Flora (Sabah) Sdn. Bhd. (1100512-A)																				
Asia Palm Oil Mill	SW409 – Used Plastic Gallon (0.003mt)	06.11.2019	Lagenda Bumimas Sdn. Bhd (905265-U)																				

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>JC Chang Group has established Guideline Environmental and Social Improvement Plan - Sabah, Doc. Ref. No. N/009-01/2018 dated on 17th August 2018.</p> <p>In house Environmental and Social Improvement (EIA) Plan for all estates have been established from 18th August 2019 to 17th August 2021. The plan will be reviewed on the yearly basis to monitor the progress</p> <p>The Identification of waste has been categorised as below :</p> <table border="1"> <thead> <tr> <th>Aspect Identification</th> <th>Impact Identified</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>Recycle Waste</td> <td>Inappropriate waste recycling program will increase the volume of waste</td> <td>Operation wastes were handled as per guideline provided. Briefing was conducted to all workforce during muster call</td> </tr> <tr> <td>Non Recycle Waste</td> <td>Waste may cause environmental pollutions if not handled properly</td> <td>Landfill was managed as per guideline</td> </tr> <tr> <td>Schedule Wastage</td> <td>Risks to human health and environmental damage if not managed properly</td> <td>Scheduled waste was disposed through collector. Record of disposal was documented properly</td> </tr> </tbody> </table>	Aspect Identification	Impact Identified	Action Plan	Recycle Waste	Inappropriate waste recycling program will increase the volume of waste	Operation wastes were handled as per guideline provided. Briefing was conducted to all workforce during muster call	Non Recycle Waste	Waste may cause environmental pollutions if not handled properly	Landfill was managed as per guideline	Schedule Wastage	Risks to human health and environmental damage if not managed properly	Scheduled waste was disposed through collector. Record of disposal was documented properly	Complied
Aspect Identification	Impact Identified	Action Plan													
Recycle Waste	Inappropriate waste recycling program will increase the volume of waste	Operation wastes were handled as per guideline provided. Briefing was conducted to all workforce during muster call													
Non Recycle Waste	Waste may cause environmental pollutions if not handled properly	Landfill was managed as per guideline													
Schedule Wastage	Risks to human health and environmental damage if not managed properly	Scheduled waste was disposed through collector. Record of disposal was documented properly													
<p>Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>															

<p>5.4.1</p>	<p>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>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement.</p> <p>Based on the record kept in the respective estate and POM, to-date fossil fuel consumption for Melewar was 8.177 lt/mt FFB, Hwa Li was 7.856 lt/mt FFB, Asia Oil Palm Estate Div was 10.63 lt/mt FFB and POM was 2.17 lt/mt FFB.</p> <p>Generally the fossil fuel consumption in current financial year 2019/2020 for all estate are higher than last financial year 2018/2019 is contributed from the estate work activities such as replanting works, crop evacuation and road work repair. However for POM, the consumption is lower than last financial year due to efficiency of operational of Biogas Plant and Gas engine</p> <p>All estates have established the Energy Management Plan for FY 2019 / 2020 as below;</p> <table border="1" data-bbox="972 911 1863 1393"> <thead> <tr> <th>Aspect Identification</th> <th>Impact Identified</th> <th>Action Done</th> </tr> </thead> <tbody> <tr> <td>Consumption of fuel</td> <td>Wastages of fuel due to unnecessary electrical usage</td> <td>Lights were turned off during the day Power saving bulb were used</td> </tr> <tr> <td></td> <td>Low maintenance of vehicle for crop evacuation causing inefficiently fuel consumption</td> <td>Vehicle maintenance were update as per schedule</td> </tr> <tr> <td></td> <td>High consumption of fuel to supply water to the lineside due to</td> <td>Water tank to harvest rain was provided</td> </tr> </tbody> </table>	Aspect Identification	Impact Identified	Action Done	Consumption of fuel	Wastages of fuel due to unnecessary electrical usage	Lights were turned off during the day Power saving bulb were used		Low maintenance of vehicle for crop evacuation causing inefficiently fuel consumption	Vehicle maintenance were update as per schedule		High consumption of fuel to supply water to the lineside due to	Water tank to harvest rain was provided	<p>Complied</p>
Aspect Identification	Impact Identified	Action Done													
Consumption of fuel	Wastages of fuel due to unnecessary electrical usage	Lights were turned off during the day Power saving bulb were used													
	Low maintenance of vehicle for crop evacuation causing inefficiently fuel consumption	Vehicle maintenance were update as per schedule													
	High consumption of fuel to supply water to the lineside due to	Water tank to harvest rain was provided													

Criterion / Indicator		Assessment Findings			Compliance										
			dependency on treated water from the water catchment												
		Field Mechanization	Increase GHG emission and fuel consumption when facilitate the crop evacuation	BAH (Buffalo Assisted Harvesting) was implemented and it's the main system of crop evacuation in the field											
		Improper road and drain maintenance	Long distance of travel due to bad road and drain condition during crop evacuation especially during monsoon season	Road and drain was carried out only when and where necessary											
<p>Asia Palm Oil Mill – Monitoring of Direct fossil fuel use& kW/Tonne CPO & PK (FY2019 – 2020) – Plan for Improvement of fossil fuel as below;</p> <table border="1"> <thead> <tr> <th>NO</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Biogas Plan to reduce 50% diesel saving</td> </tr> <tr> <td>2</td> <td>Proper planning on work to reduce diesel</td> </tr> <tr> <td>3</td> <td>Optimize use of fiber for combustion</td> </tr> <tr> <td>4</td> <td>Biogas point to energy reduce GHG effect</td> </tr> </tbody> </table>						NO	Action Plan	1	Biogas Plan to reduce 50% diesel saving	2	Proper planning on work to reduce diesel	3	Optimize use of fiber for combustion	4	Biogas point to energy reduce GHG effect
NO	Action Plan														
1	Biogas Plan to reduce 50% diesel saving														
2	Proper planning on work to reduce diesel														
3	Optimize use of fiber for combustion														
4	Biogas point to energy reduce GHG effect														

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.

Criterion / Indicator		Assessment Findings	Compliance
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 -	Under the Group Policy, using fire for land preparation is not allowed. Based on site visit at replanting areas, there was no trace of open burning observed.	Complied
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	Fire was not used for preparing land for replanting at the estate.	Complied
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			

Criterion / Indicator	Assessment Findings	Compliance
5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	The Mill and estates had reviewed the environmental impact assessment on potential pollution to water, gaseous emissions to air and contamination on land. Monitoring of mill gas emissions is being done online using the Continuous Emissions Monitoring System (CEMS) and supported by the Ringelman Smoke Chart. POME treatment, monitoring and land application is monitored, maintained and adhered to DOE regulations. Result of stack sampling for boiler no.1 as per below: 1 st half : 10/3/19 – 0.259 g/Nm ³ at 12% CO ₂ , report ref: MS/ASIA POM/2019/BOILER no.1 (S1) – 1 st half 2 nd half : 19/9/19 – 0.146 g/Nm ³ at 12% CO ₂ , report ref: MS/ASIA POM/2019/BOILER no. 1 (S1) – 2 nd half Result of stack sampling for boiler no.2 as per below: 1 st half : 15/5/19 – 0.168 g/Nm ³ at 12% CO ₂ , report ref: MS/ASIA POM/2019/BOILER no.2 (S2) – 1 st half 2 nd half : 15/5/19 – 0.227 g/Nm ³ at 12% CO ₂ , report ref: MS/ASIA POM/2019/BOILER no.2 (S2) – 2 nd half	Complied
5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Identification of significant pollutants and greenhouse gas (GHG) emissions has been done e.g. POME, methane gas, diesel / fuel and fertilizer. Their usage have been recorded and documented at each of the operating units. Approved GHG calculator, Palm GHG was used for the calculation during implementation period. A bio-gas plant which was commissioned in 2015 has been contributing in reducing the GHG emission	Complied
5.6.3 A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. - Minor compliance -	Monitoring of the GHG quantity was done through RSPO approved calculator Palm GHG. Annual quantification of all GHG sources was input into the calculator. These calculations were done in HQ level where GHG calculations were done as per certification unit basics.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 -	A Social & Environmental Impact Assessment including a Preliminary Management Review report dated 26 May 2011 was prepared by Wild Asia (Malaysia). The assessment was conducted from 3 – 9 April 2011 and documented in Report Ref No: 26-May-11/Draft_P112_2011_Carotino_SEIA_26th May 2011. The final report dated 13 July 2011/P112_2011_JCC Group_SEIA_Final Report was also available and verified. Records of meetings and consultations held in April 2011 during the assessment were documented were compiled in the SEIA Report and were sighted and verified during the audit. Those consulted included internal staff (male, female, local, foreign), contract workers, contractors and suppliers, etc.	Complied
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	Evidence is available that the assessment was done with affected parties such as workers, contractors, suppliers, neighbouring plantation, local communities, as shown by the meeting records appended to the SEIA Report.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 -	<p>The plans for avoidance or mitigation of negative impacts are available and updated on an annual basis. At Melewar Div 2 Estate, the latest action plan was reviewed on 18 August 2019, and the previous review done in July 2018. All the Action Plans for other Estates and Mill under Asia Production Unit are timetabled with issues raised, impact, solution, method, and action required, time frame and person in charge.</p> <p>The action plan identifies both the negative and positive impacts. For example, the negative impact identified was the previous practice of keeping the workers' passports. The positive impact identified is that the Group now has given the option to all its workers either to keep their own passports, or to have them kept at the Estate/Mill offices. Another positive impact identified was the price of food sold at the canteen is now comparable to the price of the items sold in shops outside the Estates/Mill after price monitoring was carried out. Other issues include those raised during the Joint Consultative Committee meetings. At Asia 2 Estate, issues raised included request for educational rights of the children of foreign workers. Prior to this, only HUMANA schools are available. Children from HUMANA schools are not able to be absorbed into the Indonesian educational system. The action taken by the Company was to provide a Community Learning Centre (CLC) for the Indonesian children so that they are able to use the Indonesian curriculum and can continue their studies in Indonesia.</p>	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 -	The action plans are being reviewed on an annual basis. For example at Melewar Div 2 Estate, the latest action plan was reviewed on 18 August 2019, and the previous review done in July 2018. It is planned that the next review be held in August 2021. At Asia Oil Palm Estate Div 2, a session was held on 17 July 2019 with the workers to brief them and discuss about the replanting activities. The workers were informed that they would be given a different harvesting area i.e. where there is lack of harvesters.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	There is no smallholder schemes at Asia and its supply base and therefore, this Indicator is not applicable.	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.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	The consultation and communication procedure available for the JC Chang Group is the SOP on Mechanism for Communication and Consultation (Doc. Ref. No. E/004-08/2019) dated 12 August 2019. This procedure specifies the mechanism of communication and consultation with all its stakeholders. There are three methods of communication and consultations; i.e. via the Joint Consultative Meeting (for workers), verbal or written complaints and using the complaint box located outside the office of each unit (for all stakeholders including all employees, neighbouring estates, smallholders, NGOs, business associates, NGOs, etc).	Complied

Criterion / Indicator		Assessment Findings	Compliance															
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	<p>Each unit within the Asia Production Unit has its own management official responsible for social issues are as follows:</p> <table border="1"> <thead> <tr> <th>Name of unit</th> <th>Management official responsible</th> <th>Letter of appointment</th> </tr> </thead> <tbody> <tr> <td>Melewar Estate Div 2</td> <td>Assitant Manager</td> <td>2 Jan 2015</td> </tr> <tr> <td>Hwa Li Estate 3</td> <td>Assistant Manager and Senior Assistant Manager</td> <td>1 June 2016 19 June 2018</td> </tr> <tr> <td>Asia Oil Palm Estate 2</td> <td>Assistant Manager</td> <td>14 Jan 2019</td> </tr> <tr> <td>Asia Palm Oil Mill</td> <td>Technical Assistant</td> <td>2 Sept 2019</td> </tr> </tbody> </table> <p>Interview with the management official responsible at the Asia Palm Oil Mill and Asia Oil Palm Div Estate 2 confirmed their understanding of their roles and responsibilities.</p>	Name of unit	Management official responsible	Letter of appointment	Melewar Estate Div 2	Assitant Manager	2 Jan 2015	Hwa Li Estate 3	Assistant Manager and Senior Assistant Manager	1 June 2016 19 June 2018	Asia Oil Palm Estate 2	Assistant Manager	14 Jan 2019	Asia Palm Oil Mill	Technical Assistant	2 Sept 2019	Complied
Name of unit	Management official responsible	Letter of appointment																
Melewar Estate Div 2	Assitant Manager	2 Jan 2015																
Hwa Li Estate 3	Assistant Manager and Senior Assistant Manager	1 June 2016 19 June 2018																
Asia Oil Palm Estate 2	Assistant Manager	14 Jan 2019																
Asia Palm Oil Mill	Technical Assistant	2 Sept 2019																

Criterion / Indicator		Assessment Findings	Compliance
6.2.3	<p>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.</p> <p>- Minor compliance -</p>	<p>Each unit within the Asia Production Unit has its own list of stakeholders which are being updated regularly and when necessary. For Melewar Estate Div 2 the stakeholder list was last updated on 30 Aug 2019, and Asia Oil Palm Estate 2 updated its list on 25 Sept 2019.</p> <p>The lists comprise stakeholders e.g. surrounding plantations such as Lam Soon Plantation Sdn Bhd, Genting Plantation Sdn Bhd, Immigration Department, Labour Office, PERKESO, Department of Environment, nearby schools such as SMK Paris, SRK Paris, local community of Kg Koyah B, the Borneo Child Aid-Humana Child Aid Society, the Indonesian Consulates in Tawau & Kota Kinabalu, contractors and suppliers, panel clinic, district hospitals, etc.</p> <p>Evidence is available of efforts made to ensure stakeholders' understanding as evidenced during stakeholder meeting held on 19 July 2019 which was attended by 74 external stakeholders. The stakeholders were briefed about safety requirements, company policies, complaints procedure, etc. This was further confirmed by the stakeholders during audit interviews.</p>	Complied
<p>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.</p>			
6.3.1	<p>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.</p> <p>- Major compliance -</p>	<p>The Asia Production Unit subscribes to JC Chang's SOP on Mechanism for Complaints and Grievances; (Doc. Ref. No. E/001-07/2019) dated 12 August 2019. The complaint and grievances is open to effected parties including internal and external stakeholders. This SOP specifies the mechanism of complaints and grievances, the timely manner within which actions must be taken via a flowchart. Complaints books for recording complaints & grievances are being maintained but so far, no complaint has been received by any of the Estates and Mill under Asia Production Unit.</p>	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 –	Documentation available showed a complaint on 23 October 2019 by an external stakeholder at Melewar 2 Estate on the placing of slippers outside the office toilet to indicate that it is being used. Evidence is available that immediate action was taken by Melewar 2 Estate by ensuring slippers are duly placed outside the toilet as requested by the stakeholder.	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 -	The SOP is available for Identifying Legal and Customary Rights and Identifying People Entitled to Compensation (Ref No. E/002-03/2015) dated 8 September 2015. FPIC Procedure is available in Doc Ref No: E/004-07/2015 dated 9 September 2015 as well as Resolution and Compensation Procedure Ref. E/002-02/2012 dated 11 September 2012. Based on documents and interviews conducted with the Village Head of Kg Koyah B and the neighbouring plantations, there are no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders observed during the audit.	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 -	The SOP is available for Identifying Legal and Customary Rights and Identifying People Entitled to Compensation (Ref No. E/002-03/2015) dated 8 September 2015. FPIC Procedure is available in Doc Ref No: E/004-07/2015 dated 9 September 2015 as well as Resolution and Compensation Procedure Ref. E/002-02/2012 dated 11 September 2012. Based on documents and interviews conducted with the Village Head of Kg Koyah B and the neighbouring plantations, there are no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders observed during the audit.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	Based on documents and interviews conducted neighbouring plantations and local community from Kg Koyah B, there are no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders observed during the audit.	Complied
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.			

Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.1 Documentation of pay and conditions shall be available. - Major compliance -</p>	<p>Documentation of pay and conditions are available in the form of payslips and employment contracts (for foreign workers) and employment letters (for local employees). For those who have signed employment contracts prior to the coming into force of the Minimum Wages (Amendment) Order 2018, a separate document was signed where both parties acknowledged that the minimum wages have increased to RM1100 per month, or RM42.31 per day. Payroll checks confirm that correct remuneration was paid for standard hours as well as for any overtime hours worked. Interviews conducted with both foreign and local workers confirmed that they understand the details contained in the payslips. There is also evidence that workers are being briefed on minimum wages and hours of work. At Hwa Li 3 Estate, records of briefings on 9 March 2019, 11 September 2019 and 29 October 2019 were sighted.</p> <p>Each payslip contains information on month of pay, workers' identity, pay according to weight of FFB harvested, allowances paid, e.g. productivity allowance, allowance for harvesting tall palms, public holiday pay, and deductions if any. Sighted during the audit were payslips for the months of Jan, May, August 2019 for the following workers: Hwa Li 3 Estate: HL00717, HE300405, HL 01686, HL02229 Melewar Estate 2: MLT1591, MLT1062, MLT 1473, MLT1579 Asia Oil Palm Estate: ATO0680, ATO0238, AE200498, AE200296 Asia Palm Oil Mill: G156, G364, G365, G020 It was verified that workers are being paid in accordance with the Minimum Wages (Amendment) Order 2018.</p>	<p>Complied</p>

<p>6.5.2</p>	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official. - Major compliance -</p>	<p>All employees have signed employment contracts (for foreigners), and employment letters (for locals) Each document is dated and contains provisions related to duration of contract, job scope, place of work, roles and responsibilities of employers and employees, wages, allowances, working hours, mutual termination notice, holidays, paid annual leave, medical leave, other benefits, deductions, etc. These documents were prepared in Bahasa Malaysia, a language which is understood by all workers from Malaysia, Indonesia and Philippines. Any changes to the provisions of the contract e.g. change in minimum wages, are inserted in another mutually agreed document i.e. Details of Changes on Terms and Conditions of Employment dated 1 Jan 2019.</p> <p>Among the employment contracts sampled were:</p> <table border="1" data-bbox="974 783 1861 1342"> <thead> <tr> <th>Estate</th> <th>Worker No</th> <th>Date of signing</th> <th>Contract duration</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Hwa Li Div 3</td> <td>HL02229</td> <td>15 Sept 2015</td> <td>5 years</td> </tr> <tr> <td>HE300507</td> <td>15 Sept 2015</td> <td>5 years</td> </tr> <tr> <td>HL350718</td> <td>10 March 2017</td> <td>5 years</td> </tr> <tr> <td rowspan="4">Melewar 2</td> <td>MLT 1473</td> <td>1 Mat 2017</td> <td>5 years</td> </tr> <tr> <td>LT 1062</td> <td>1 Jan 2013, 1 Jan 2014 1 Jan 2015</td> <td>Until terminated or resigns</td> </tr> <tr> <td>MLT 1590</td> <td>31 Jan 2019</td> <td>5 years</td> </tr> <tr> <td>MLT 1610</td> <td>2 June 2019</td> <td>5 years</td> </tr> <tr> <td rowspan="3">Asia Palm Oil Mill</td> <td>G156</td> <td>15 March 2017, 15 March 2019</td> <td>Until terminated or resigns</td> </tr> <tr> <td>G020</td> <td>2 Jan 2019</td> <td>2 years</td> </tr> <tr> <td>G364</td> <td>5 June 2017 5 June 2019</td> <td>Until terminated or resigns</td> </tr> </tbody> </table>	Estate	Worker No	Date of signing	Contract duration	Hwa Li Div 3	HL02229	15 Sept 2015	5 years	HE300507	15 Sept 2015	5 years	HL350718	10 March 2017	5 years	Melewar 2	MLT 1473	1 Mat 2017	5 years	LT 1062	1 Jan 2013, 1 Jan 2014 1 Jan 2015	Until terminated or resigns	MLT 1590	31 Jan 2019	5 years	MLT 1610	2 June 2019	5 years	Asia Palm Oil Mill	G156	15 March 2017, 15 March 2019	Until terminated or resigns	G020	2 Jan 2019	2 years	G364	5 June 2017 5 June 2019	Until terminated or resigns	<p>Complied</p>
Estate	Worker No	Date of signing	Contract duration																																					
Hwa Li Div 3	HL02229	15 Sept 2015	5 years																																					
	HE300507	15 Sept 2015	5 years																																					
	HL350718	10 March 2017	5 years																																					
Melewar 2	MLT 1473	1 Mat 2017	5 years																																					
	LT 1062	1 Jan 2013, 1 Jan 2014 1 Jan 2015	Until terminated or resigns																																					
	MLT 1590	31 Jan 2019	5 years																																					
	MLT 1610	2 June 2019	5 years																																					
Asia Palm Oil Mill	G156	15 March 2017, 15 March 2019	Until terminated or resigns																																					
	G020	2 Jan 2019	2 years																																					
	G364	5 June 2017 5 June 2019	Until terminated or resigns																																					

		G365	5 June 2017 5 June 2019	Until terminated or resigns
	Asia Oil Palm Estate 2	AT0 0680	1 July 2016 1 July 2018	Until terminated or resigns
		ATO0238	1 July 2016 1 July 2018	Until terminated or resigns
		AE200498	1 April 2018	2 years
		ATO0822	1 July 2018	2 years

Based on the employment contract, workers are required to work 8 hours a day, 6 days a week. Any overtime work is subject to overtime pay as stipulated under clause 7 of the employment contract. No worker was observed working beyond 104 hours overtime limit imposed by the Sabah Labour Ordinance. These were verified from documentation review and interviews held with the workers.

Salary deductions are made for keeping buffalo, contributions to mosque fund, and sports club membership. Sighted were the following workers' consent for salary deductions:

- a. Worker No. HL01976 consented on 1 Sept 2018 to have salary deductions for surau, sport club fee and keeping buffalo.
- b. Worker No. ATO0238 consented on 31 July 2019 to have salary deductions for mosque fund and cost of passport renewal.
- c. Worker No. AE200296 consented on 31 July 2019 to have salary deductions for mosque funds, purchase of items at the store.

Also sighted were permit letters from the Labour Office as follows:

- Asia 2 Estate: Labour Office letter dated 20 April 2018 (Serial No. 600-1/2/13/13(11/KBN/2018-0128) valid from 20 April 2018 to 19 April 2020;

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> - Hwa Li 3 Hwa Li 3 Estate: Labour Office letter (Serial No. 600-1/2/13/136(11/KBN/2018-087) dated 11 April 2018 valid from 11 April 2018 – 11 April 2020 	

<p>6.5.3</p>	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –</p>	<p>Based on interviews with workers, observations from visits made to the linesites, there is evidence that all workers of the Asia Production Unit are being accorded with adequate housing, water supplies, medical and welfare amenities in accordance with the national standards. Each house is provided free and occupants have access to free treated water and electricity. Water quality samplings are carried out once a year by Dynakey Laboratories Sdn Bhd in accordance with the Company's SOP on water quality sampling. The houses are well-kept, grasses are mowed regularly and perimeter drains are flowing and clear of debris. Generally, the houses at the linesite well maintained.</p> <p>At Melewar Estate 2, it was observed that following water quality sampling carried out by the Health Office (Pejabat Kesihatan) Kawasan Kinabatangan on 20 March 2018, an analysis report dated 13 July 2018 was sent by the Health Office Kinabatangan to Manager, Melewar 2 Estate. The analysis report confirmed that total coliform was present in the samples taken from Kolam Melewar 2 (raw water), TPO 2 (treated water), and workers' housing Melewar 2 (treated water). The Health Office has instructed Melewar 2 Estate to take appropriate steps to rectify the situation. According to the Company's SOP, further tests need to be carried out within 6 months. Melewar 2 Estate sent numerous letters to the Health Officer, Kinabatangan to take water samples for analysis after intervention action was taken (letters dated 9 Oct 2018, 17 Nov 2018, 21 Dec 2018, 29 Jan 2019, 11 March 2019, and 23 April 2019). The Estate finally engaged Dynarkey Laboratories Sdn Bhd to undertake the water quality sampling on 31 July 2019. Via analysis report dated 7 Sept 2019, E.coli and total coliform is not detected in the drinking water sampled.</p> <p>Each Estate and Mill has its own clinic which are managed by a Health Assistant. The Visiting Medical Officer visits all the clinics once a month to guide the HAs, attend to patients, carry out linesite and creche inspections, advice on medicines, etc. Although the Workers' Minimum Standard of Housing and Amenities Act 1990 requires VMOs to visit the estate clinics once</p>	<p>Complied</p>
--------------	--	--	-----------------

Criterion / Indicator		Assessment Findings	Compliance
		a fortnight, visits are only done once a month. However, as confirmed by the Labour Office, this regulation is only advisable and not enforceable in Sabah. Other amenities available include football fields, mosques, sundry shops, creche, HUMANA school and CLCs for the education of foreign workers' children.	
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 evidence of efforts made to monitor and improve workers' access to adequate, sufficient and affordable food within the Asia Production Unit. Visits made to the estate sundry shops reveal that items are reasonable priced. Among the things sold include essentials such as rice, cooking oil, eggs, frozen chicken and fish, tea, coffee, sugar, flour, cooking gas, etc. All items sold are clearly displayed, and are within their validity period. Interviews conducted with workers from all Estates and Mill also confirmed that the prices sold at the sundry shops are reasonable.	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 -	All the Estates and Mill within the Asia Production Unit subscribe to JC Chang's Social & Human Rights Policy dated 15 January 2018 and signed by Tay Chwee Leong (Mill Director) and Tee Swee Kee (Plantation Director). This Policy respects the rights to associate and join unions and is displayed on the main notice boards throughout the Asia Production Units.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	<p>There is no trade union in Sabah, and so workers within the Asia Production Unit are represented at the respective Joint Consultative Committees (JCC). The JCC is usually chaired by the Manager, and comprise employer and employee representatives. Workers nominate who they wish to represent them in the JCC. Sighted at Melewar 2 Estate was the nomination records of JCC members.</p> <p>JCC meetings at Melewar 2 Estate were held on 24 April 2019 and 5 August 2019.</p> <p>At Asia Oil Palm Estate Div 2, the JCC meetings were held on 12 March 2019, 12 June 2019 and 11 Sept 2019. Among the issues discussed included cleanliness of linesite, setting up on the Community Learning Centre for older children of foreign workers.</p> <p>At Hwa Li 3 Estate, JCC meetings were held on 18 March 2019, 17 June 2019 and 18 Sept 2019. Among the issues raised during the JCC meetings include quality of water supply and cleaning of water treatment plant, repair of houses to be done in stages, prohibition against illegal wiring at the linesite, disposal of clinical waste, monitoring of prices at the shop and 1% commission payable to the respective sundry shop owners when workers cash their cheques. However when interviewed, the workers confirmed their consent to the 1% commission as the cost of having to go to town would be higher.</p>	Complied
<p>Criterion 6.7: Children are not employed or exploited.</p>			

RSPO Public Summary Report
Revision 8 (Mar /2019)

Criterion / Indicator		Assessment Findings	Compliance
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	Documentary evidence is available that workers employed by all Estates and Mill under the Asia Production Unit are over 18 years. All employees have to provide their ICs or passports before being hired. Based on the checkroll list which contains the names and birth dates of all workers, the youngest worker is 18 years old, born on 2 September 2000 and joined Hwa Li Oil Palm Estate Div 3 on 21 September 2018. Observations made in the field also confirmed that no worker below 18 is employed and that all workers confirmed the understanding of JC Chang's Policy on hiring of workers under 18 years.	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 -	An Equal Opportunities Policy dated 1 July 2012 was established and signed by the Mill Director, Mr. Tay Chwee Leong. For Estates, the Policy was signed by Plantation Director, Mr. Tee Swee Kee. The Policy is available in both Malay and English languages.	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 -	Based on interviews held with foreign and local mill workers, harvesters, loose fruit collectors, mandores, and local communities from Kg Koyah B, there is no evidence that they have been discriminated against. All workers interviewed confirmed that they receive equal pay and all benefits such as housing, medical facilities, and use of all amenities, irrespective of race, gender, nationality.	Complied
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 -	Evidence is available that recruitment selection and hiring are based on skills, capabilities, qualities, and medical fitness suitable for the job. Sighted was the employment process of Worker No. G304 where upon availability of position, an application form and resume was sent to the Mill. The candidate was interviewed and records of interview was sighted. Letter of Offer was issued on 13 November 2017 when it was confirmed that the candidate was suitable for the job applied and required to go for medical examination.	Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.			

Criterion / Indicator		Assessment Findings	Compliance
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 -	<p>The Estates and Mill under Asia Production Unit subscribe to the Company's Sexual Harassment Policy signed on 1 July 2012 by Mill Director, Mr. Tay Chwee Leong and for the estates, the policy dated was signed by Plantation Director, Mr. Tee Swee Kee. This Policy is being continuously communicated to all levels of workforce via Gender Committee Meetings and during morning musters. At Hwa Li, awareness on the Policy was given on 29 July 2019. At Asia Oil Palm Estate Div 2, briefing was given during morning muster on 21 August 2019. At Asia Palm Oil Mill, briefing was done on 27 June 2019 and 2 Jan 2019.</p> <p>The Gender Committee meetings of Asia Oil Palm Estate Div 2 held on 20 Feb 2019 and 21 Aug 2019 also briefed members of prevention of sexual harassment.</p>	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 -	<p>The Estates and Mill under Asia Production Unit subscribe to the Company's Policy of Reproductive Rights (Doc. No. E/015/-02/2015) dated 08 September 2015 as well as the Social & Human Rights Policy established on 15 January 2018. This Policy respects and protects employees' reproductive rights. This Policy is continuously communicated to all levels of workforce as evidenced from briefings during morning muster at Asia Oil Palm Estate Div 2 on 30 October 2019. The Asia Oil Palm Mill had its morning muster briefing on 2 January 2019 and 2 September 2019.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.9.3	<p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p> <p>The Company has established an SOP on Mechanism for the Prevention and Eradication of Sexual Harassment and Violence in the Workplace (Doc No: E/003=01/2008) dated 01 August 2018. This SOP lays down the guidelines for Handling Complaints on Sexual Harassment.</p> <p>At Melewar 2 Estate, this SOP was communicated during morning muster on 16 Oct 2019. The Gender Committee meetings of Asia Oil Palm Estate Div 2 held on 20 Feb 2019 and 21 Aug 2019 also briefed members on the procedures for lodging a complaint on sexual harassment.</p>	Complied
<p>Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.</p>		
6.10.1	<p>Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>- Minor compliance -</p> <p>There is evidence that Asia Palm Oil publicly displays at the weighbridge, the prices of FFB from 4 – 7 Nov 2019. FFB pricing is based on Malaysian Palm Oil Board (MPOB) published prices updated regularly (monthly basis).</p>	Complied
6.10.2	<p>Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation).</p> <p>- Major compliance -</p> <p>Evidence is available that the Asia Palm Oil Mill enters into contracts with FFB suppliers and transporters. These contracts specify clearly the price mechanism for FFB transportation. Sighted was contract between the Mill and KJS Resources Sdn Bhd 2 Feb 2019 and with Smart Foremost Sdn Bhd and Tapak Juta Sdn Bhd. The contracts specify the quality of FFB, price calculation, payment methods, insurance, etc. The 2nd schedule to the contract explains price determination formulae.</p>	Complied
6.10.3	<p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>- Minor compliance -</p> <p>Based on interviews held with Tapak Juta Sdn Bhd, Smart Foremost Sdn and KJS Resources Sdn Bhd, all parties understand the agreements they entered into with the Mill. The contracts were drafted in English with a Bahasa translation and the contractors confirmed that the contents are fair, legal and transparent.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Based on interviews held with Tapak Juta Sdn Bhd, Smart Foremost Sdn and KJS Resources Sdn Bhd, all parties confirmed that payments are made in a timely manner. Sighted during the audit was payment voucher made to FFB supplier PV/1910-27 dated 11 October 2019 for RM44,157.54 for invoice in September.	Complied
Criterion 6.11: Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance -	There is evidence that contributions to local development were made based on consultations with the local communities. Donation made to the IPD Kinabatangan was based on request made by the IPD Kinabatangan on 19 July 2019 (Ref 35/26) for fund of RM4,200 to improve the building of IPD Kinabatangan. This amount was shared out among 10 estates under JC Chang, including Melewar 2, Asia Oil Palm Estate Div 2, Hwa Li Estate Div 3, and Asia Palm Oil Mill at RM446.95 each. This was evidenced by debit note (POP2-DN0819-03) dated 31 Aug 2019. Additional contributions to local development was made pursuant to letter from the Malaysian Education Ministry dated 16 October 2019 requesting to sponsor a rugby tournament. The Mill contributed by giving RM500 on 17 Oct 2019 via BV1019-54 dated 17 Oct 2019.	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance -	There is no scheme smallholders within the Asia Production Unit and so this indicator is not applicable.	Not applicable
Criterion 6.12: No forms of forced or trafficked labour are used.			

Criterion / Indicator		Assessment Findings	Compliance
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	Based on documentation review, interviews conducted and observations, there is no evidence of any form of forced or trafficked labour within the Asia Production Unit. All workers are free to move about and leave the premises if they wish. Foreign workers are given the option to either keep their passports at the office, or to keep the passports themselves. Sighted was a memorandum dated 11 May 2019 issued by the Manager of Hwa Li 3 Estate informing that the management agrees that workers hold their pwn passports. The memo also mentions that employee are given a choice of whether to keep their own passport. Briefing during muster on 11 May 2019 also explained the memo. Sighted at Hwa Li were letters from the following workers who agreed to have their passports kept at the estate office: <ul style="list-style-type: none"> - Saripuddin Patudangi dated 2 September 2019 - Rusman Talibo dated 15 sept 2015 - Kame Bolong dated 2 September 2019 	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	Based on documentation review, interviews conducted and observations, there is no evidence that contract substitution has occurred. All foreign workers interviewed confirmed that the job being offered at Asia Production Unit is the same that was represented to them while they were still in their home country.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	Sighted during the audit was a Guidelines on Terms and Conditions of Employment for Sabah Estate Workers (Doc E/009-06/2018) dated 16 Nov 2018. This document covers legalization of foreign workers, no contract substitution, no discrimination, payment of minimum wages, provision of post-arrival orientation on language, safety, laws, regulations. Record of orientation held for new foreign worker was sighted for one worker (Saripuddin Patudangi) after he arrived on 10 March 2017. The briefing included topics on introduction to the estate, employment contract, terms and conditions of employment, distribution of PPE, briefing on company policies, grievance mechanism and OSH induction.	Complied
Criterion 6.13: Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	The Asia Production Unit subscribes to J.C.Chang Group’s Social & Human Rights Policy which was established on 15 January 2018, signed by Mill Director, Mr. Tay Chwee Leong. This Policy was communicated to all level of workforce at the Asia Palm Oil Mill on 2 January 2019 and 2 September 2019 during morning muster. At Hwa Li Estate Div 3, the Policy was communicated during morning muster on 29 July 2019. Additionally, the Social and Human Rights Policy is displayed on all notice boards throughout the Asia Production Unit.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.13.2	<p>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.</p> <p>The Asia Production Unit provides and pays for HUMANA schools throughout the complex. An interview conducted with the HUMANA teachers informed that the age range from 7 to 16 years old and the subjects taught include Bahasa Malaysia, English, Mathematics and Religious Studies. The following payment vouchers to Humana Child Aid Society Sabah were sighted:</p> <ul style="list-style-type: none"> - Invoice No. 1909/050 for Sept 2019 (RM1,250) - Invoice No. 1908/051 for Aug 2019 (RM1250) - Invoice No. 1907/050 for July 2019 (RM1250). <p>At Asia Oil Palm Estate, the Konsulat Jeneral Republik Indonesia had approved the setting up on a Community Learning Centre via letter dated 21 Oct 2019 (Ref 01301.52/KP/10/2019/13/06).</p>	Complied
<p>Principle 7: Responsible development of new plantings</p>		
<p>Asia 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.</p>		
<p>Principle 8: Commitment to continual improvement in key areas of activity</p>		
<p>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.</p>		

<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>JC Chang Group has established Guideline Continuous Improvement Plans for estates, Doc. Ref. No. N/002-03/2008 dated on 27th June 2013. The objective of this guideline is to comply with requirements under sustainability requirements.</p> <p>The estates and POM management has developed an improvement plan under the business plan for three year from FY2019-2020 till FY 2022/23 which covered Aspect of Social, Safety and Environmental. The budget has been approved by the JC Chang Group and being monitor on monthly basis by the respective estate and POM.</p> <p>The Continues Improvement Plan expenditure for all estate and POM have been covered the following aspect;</p> <p>A. Estate : Melewar Div.2 , Hwa Li Div.3 and Asia Oil Palm Div. 2</p> <table border="1" data-bbox="972 863 1861 1321"> <thead> <tr> <th colspan="2">Continues Improvement Plan (CIP)</th> </tr> </thead> <tbody> <tr> <td>Social</td> <td>Medial to Staff / Worker Staff Accommodation Labour Line VMO and Clinic items Worker Medical Checkup Worker Welfare (Humana) Donation to Public Funds</td> </tr> <tr> <td>Safety</td> <td>Safety Training Personal Protective Wearing and Material</td> </tr> <tr> <td>Environmental</td> <td>Waste Management Establishment of IPM Riparian Conservation Soil and Water Conservation</td> </tr> </tbody> </table> <p>Asia Oil Palm Mill</p>	Continues Improvement Plan (CIP)		Social	Medial to Staff / Worker Staff Accommodation Labour Line VMO and Clinic items Worker Medical Checkup Worker Welfare (Humana) Donation to Public Funds	Safety	Safety Training Personal Protective Wearing and Material	Environmental	Waste Management Establishment of IPM Riparian Conservation Soil and Water Conservation	<p>Complied</p>
Continues Improvement Plan (CIP)											
Social	Medial to Staff / Worker Staff Accommodation Labour Line VMO and Clinic items Worker Medical Checkup Worker Welfare (Humana) Donation to Public Funds										
Safety	Safety Training Personal Protective Wearing and Material										
Environmental	Waste Management Establishment of IPM Riparian Conservation Soil and Water Conservation										

Criterion / Indicator		Assessment Findings	Compliance						
		<p>Continues Improvement Plan (CIP)</p> <table border="1"> <tr> <td>Social</td> <td> <ol style="list-style-type: none"> 1. Additional 2 units of water pump for stand unit in case of any emergency for existing units 2. Continuous cleaning of water concrete pond. 3. To replace the existing unit which is unreliable during operation hour to the reliable unit 4. Replace the old and defect ceiling fan with new unit (10 units) </td> </tr> <tr> <td>Safety</td> <td> <ol style="list-style-type: none"> 1. Preventive measure at the turbine to ensure the operation is at the normal condition. </td> </tr> <tr> <td>Environmental</td> <td> <ol style="list-style-type: none"> 1. Upgrading EFB Shredder to increase the POM capacity throughput for shredder empty bunch fiber. 2. Replace the capacity of pump from monopump to KEW Pump to improve the capacity of land application. 3. Change old unit of diesel pump in order to eliminate the leakage pump </td> </tr> </table>	Social	<ol style="list-style-type: none"> 1. Additional 2 units of water pump for stand unit in case of any emergency for existing units 2. Continuous cleaning of water concrete pond. 3. To replace the existing unit which is unreliable during operation hour to the reliable unit 4. Replace the old and defect ceiling fan with new unit (10 units) 	Safety	<ol style="list-style-type: none"> 1. Preventive measure at the turbine to ensure the operation is at the normal condition. 	Environmental	<ol style="list-style-type: none"> 1. Upgrading EFB Shredder to increase the POM capacity throughput for shredder empty bunch fiber. 2. Replace the capacity of pump from monopump to KEW Pump to improve the capacity of land application. 3. Change old unit of diesel pump in order to eliminate the leakage pump 	
Social	<ol style="list-style-type: none"> 1. Additional 2 units of water pump for stand unit in case of any emergency for existing units 2. Continuous cleaning of water concrete pond. 3. To replace the existing unit which is unreliable during operation hour to the reliable unit 4. Replace the old and defect ceiling fan with new unit (10 units) 								
Safety	<ol style="list-style-type: none"> 1. Preventive measure at the turbine to ensure the operation is at the normal condition. 								
Environmental	<ol style="list-style-type: none"> 1. Upgrading EFB Shredder to increase the POM capacity throughput for shredder empty bunch fiber. 2. Replace the capacity of pump from monopump to KEW Pump to improve the capacity of land application. 3. Change old unit of diesel pump in order to eliminate the leakage pump 								

RSPO Public Summary Report
Revision 8 (Mar /2019)

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 completed in 2015	
	i) Maran Estate	Kuantan, Pahang			
	ii) Asia Oil Palm Estate	Kuantan, Pahang			
	iii) Hwa Li Estate 1	Segamat, Johor			
	iv) Hwa Li Estate 2	Segamat, Johor			
	v) Pahang Oil Palm Estate 1	Kuantan, Pahang			
4	Takon Palm Oil Mill		Main assessment conducted on Nov 2019.	2018 (Exact period will depend on RSPO approval on the HCV disclosure)	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
	i) Pelita Estate	Lahad Datu, Sabah			
	ii) Muis Melewar Plantation 1	Tawau, Sabah			
	iii) Muis Melewar Plantation 2	Lahad Datu, Sabah			

RSPO Public Summary Report
Revision 8 (Mar /2019)

	iv) Takon Estate	Lahad Datu, Sabah			<p>approval on HCV Disclosure by RSPO. Updates on JC CHANG GROUP HCV compensation concept note</p> <p>i) On 22/9/2016, J C Chang Group submitted his "Reporting template for disclosure of areas cleared without prior HCV assessment since November 2005.</p> <p>ii) No social liability for the loss of HCVs 4, 5 and 6</p> <p>iii) Total 9.79ha of raw non-complaint land clearing are reported based on LUCA submitted.</p> <p>2). Disclosure template mentioned approved by RSPO and J C Chang Group follow up with RaCp Concept note and conservation plan</p> <p>3). Concept note approved by RSPO on area to area compensation (Muis Melewar Plantation 1 liability compensated under Asia Oil Palm Estate 1). However the concept of additionality and knowledge-based aspects are not fulfilled with HCV status and conservation plan is very basic</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</p>
--	------------------	----------------------	--	--	---

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

					<p>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 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> <p>HCV compensation plan approved by RSPO and recommeded for certification. Takon Production Unit was audited in November 2019 and</p>
--	--	--	--	--	--

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

					waiting for certification decision by CB.
--	--	--	--	--	---

RSPO Public Summary Report
Revision 8 (Mar /2019)

Emission per product	tCO ₂ e/tProduct
CPO	0.82
PK	0.82

Extraction	%
OER	19.59
KER	5.00

Production	t/yr
FFB Process	182,333.09
CPO Produced	35,721.37
PK Produced	9,116.30

Land Use	Ha
OP Planted Area	13,107.8
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	286.76
Total	13,394.56

	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	79,518.65	0.48	1,857.89	0.29	0	0	81,376.54	0.77
CO ₂ Emission from fertilizer	7961.26	0.98	287.53	0.05	0	0	8,248.79	1.03
NO ₂ Emmision	8,171.71	0.05	220.04	0.04	0	0	8,391.75	0.09
Fuel Consumption	2,443.82	0.3	150.35	0.05	0	0	2,594.17	0.35
Peat Oxidation	0	0	0	0	0	0	0	0
Sink								
Crop Sequestration	-67,790.69	-0.41	-1916.7	-0.39	0	0	-69,707.39	-0.8
Conservation Sequestration	-1745	-0.01	-4.32	-0.03	0	0	-1,749.32	-0.04
Total	28,559.75	0.17	576.79	0.01	0	0	29,136.54	0.18

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	3,907.75	0.02
Fuel Consumption	1,279.54	0.01
Grid Electricity Utilisation	0	0
Credit		
Export of Grid Electricity	-519.02	0
Sales of PKS	0	0
Sales of EFB	0	0

RSPO Public Summary Report
Revision 8 (Mar /2019)

Total	4,668.27	0
--------------	-----------------	----------

Emissions	tCO₂e
PK from own mill	7,436.3
PK from other source	0
Fuel Consumptions	0
Total Crusher emissions	0

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	6
Divert to anaerobic diversion (%)	94

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	0
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	100

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.	Asia POM takes the legal ownership and physically handles RSPO certified and non-certified FFB from the estates and produce CPO and PK.	Yes
5.1.2	Traders and distributors require a licence obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Asia POM is not a trader nor 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.	The Palmtrace ID for Carotino / JC Chang Group – Asia Production Unit (APU): RSPO_PO1000000524	Yes
5.1.4	Processing aids do not need to be included within an organization’s scope of certification.	There is not production aid used for the crude palm oil production.	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.	APU is receiving crop from its owned estates and outside smallholders. As the smallholders are not certified, the supplies to the mill is not 100% RSPO certified material. Hence the applied model is Mass Balance.	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	There is no combine supply chain model for APU. APU only applies Mass Balance model	Yes
5.3. Documented Procedures			

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

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>Written procedures are established to ensure implementation of RSPO Supply Chain Certification Standards includes:</p> <ol style="list-style-type: none"> 1. Procedure for supply chain has been established entitled SOP for SCC Standard Mass Balance Calculation (Doc No: SC MBC-05/2019-AOM) dated 15/04/2019. The supply chain requirements documented includes: <ul style="list-style-type: none"> • Mass Balance Calculation • Definition of periodical boundary • Purchasing and goods in • Record Keeping • Sales and goods out • Training • Claims • Outsourcing activities • Complaint mechanism 2. The mechanism for handling non-conforming product entitled Mechanism for Handling oil palm products and/or documents (Doc No: SC-MEC-05/2019-AOM) dated 02/09/2019. <p>Procedure for dispatch has been established entitled SPO – CPO & PK Dispatch (Doc No: CCP/07-06/2019-AOM) dated 21/05/2019.</p>	Yes
	<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). 	<p>All the sampled records related to the movements of RSPO certified materials and products; internal audits; 3-monthly mass balance; despatch notes and transaction records are accessible.</p>	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 	<p>The responsible person for the overall implementation of the SCC changed from Mr Ang Jen Ken (Mill Manager) to Mr Mohd Faisal Awang Amit. The appointment was on 02/09/2019. Mr</p>	Yes

	to demonstrate awareness of the organization’s procedures for the implementation of this standard.	Mohd Faisal Awang Amit is also responsible for the PalmTrace management.	
5.3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.	The procedure for internal audit is documented in the Guideline for Internal auditing and management review of the sustainability and supply chain system (Doc No: T/001-03/2018) dated 03/06/2018. The internal audit checklist (Doc No: T/010-03/2018) was established and it has included the elements of RSPO Market Communications and Claims Documents.	Yes
	ii) effectively implements and maintains the standard requirements within its organization	The internal audit for supply chain was conducted on 13/08/2019–14/08/2019 by Stearonthia Riting @ Sirin, Carl’s Ewis Julius and Edwerd Berian@Florian. The audit was conducted in combination with RSPO P&C and MSPO.The NCR based on verification of corrective action evidence, the NCRs have been satisfactorily closed out and reported in the management review conducted on 31/0.	Yes
5.4. Purchasing and goods in			
5.4.1	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: <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); 	For any FFB delivered to the mill, Delivery Note/Despatch Note are received together with the material. APU will receive certified FFB from own supply base and other production unit under JC Chang group. APU does not received certified FFB from outside other than JC Chang group, while receiving uncertified FFB from surrounding out growers. For FFB received from Asia’s own supply base, sample of despatch note was verified to have the following details: 1. Despatch from Melewar Estate 2: Name of estate: MEE2 - Melewar Estate 2 Mill: Asia Palm Oil Mill, Lahad Datu Sabah Date: 30/05/2019	Yes

	<ul style="list-style-type: none"> • The quantity of the products delivered; • Any related transport documentation; • Supply Chain certificate number of the seller; • A unique identification number 	<p>Description: FFB Mass Balance Quantity: 12,350kg Supply chain certificate number: Not applicable as it is APU supply base. Unique identification number: FFBMB19001146W (ticket number)</p> <p>2. Despatch from Pahang Oil Palm Estate 3 (other JC Chang Production Unit supply base): Name of estate: POP3 - Pahang Oil Palm Estate 3 Mill: Asia Palm Oil Mill Date: 28/20/2019 Description: FFB/MB Quantity: 14,410kg Supply chain certificate number: RSPO 651276 Unique identification number: PE3FB19007055W (ticket number)</p>	
	<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). 	<p>The information was available in various documents such as despatch note (estate's weighbridge tickets) and mill weighbridge tickets.</p>	<p>Yes</p>
	<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. 	<p>APU is receiving FFB. No announcement/confirmation is required.</p>	<p>Yes</p>
	<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 	<p>APU is receiving certified FFB from APU's supply base or other Production Units under JC Chang Group. Internal monitoring of</p>	<p>Yes</p>

	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.	the certificate validity is managed by Head Office in Johor Baru by Mr Seow. However, procedures are in place (SOP for SCC Standard Mass Balance Calculation (Doc No: SC MBC-05/2019-AOM) dated 15/04/2019) to check for validity if there is any purchase of outside RSPO certified FFB.	
	<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. 	APU does not purchase certified material from traders or distributors.	Yes
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	The mechanism to handle non-conforming product is documented in Mechanism for Handling oil palm products and/or documents (Doc No: SC-MEC-05/2019-AOM) dated 02/09/2019. There is no non-conforming product for the reporting period.	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 independement 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>	Mill is not allowed to outsource its milling activities. The only outsource activity of the mill is transportation of CPO and PK. Contract has been established with Pengangkutan Dagang Tera Sdn Bhd on 01/07/2017 and valid until 01/07/2020.	Yes

5.5.2	Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following: a. The site has legal ownership of all input material to be included in outsourced processes;	Mill is not allowed to outsource its milling activities. The only outsource activity of the mill is transportation which is not within the scope of the certificate.	Yes
	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.	The outsource activity is only restricted to transportation. There is no any form of physical changes. Furthermore, the outsource activity is not within the scope of the certificate.	Yes
	c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.	The outsource activity is only restricted to transportation. There is no any form of physical changes. Furthermore, the outsource activity is not within the scope of the certificate.	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.	The outsource activity is only restricted to transportation. There is no any form of physical changes. Furthermore, the outsource activity is not within the scope of the certificate.	
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.	Details of the transporter are kept appropriately. The details are also provided in the 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.	Details of the transporter are kept appropriately. The details are also provided in the stakeholder list.	Yes
5.6. Sales and goods out			
5.6.1	The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form. <ul style="list-style-type: none"> The name and address of the buyer; 	At the time of the assessment APU only deliver the CPO and PK to Lahad Datu Edible Oil Sdn Bhd for refining and crushing respectively.	Yes

RSPO Public Summary Report
Revision 8 (Mar /2019)

	<ul style="list-style-type: none"> • 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>Sample of document set reviewed:</p> <p>Sample 1: Name of buyer: Lahad Datu Edible Oil Sdn Bhd Name of seller: Asia Palm Oil Mill Sdn Bhd Date: 01/02/2019 Description: Crude Oil Palm RSPO Quantity: 31.690MT Supply chain certificate number: RSPO 651278 Unique identification number: CPORS19000071W (ticket number)</p> <p>Sample 2: Name of buyer: Lahad Datu Edible Oil Sdn Bhd Name of seller: Asia Palm Oil Mill Sdn Bhd Date: 09/01/2019 Description: Palm Kernel RSPO MB Quantity: 27.930MT Supply chain certificate number: RSPO 651278 Unique identification number: PKRS19000009W (ticket number)</p>	
	<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). 	<p>Information is complete and available in various documents such as despatch slip, mill's delivery note, job consignment note and receiving note from Lahad Datu Edible Oil Sdn Bhd.</p>	<p>Yes</p>
	<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. 	<p>Verification of transaction summary extracted from PalmTrace confirmed that all announcements for CSPO and CSPK were in order</p>	<p>Yes</p>

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. 	<p>The registration of PalmTrace is carried out locally at APU by Mr Mohd Faisal.</p>	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>Shipping announcement is done on monthly basis. Sample of announcement verified:</p> <ol style="list-style-type: none"> For contract AOP/A0386/01/19 – announcement was made in Jan 2019 and Feb 2019. For contract AOP/2401/06/19 – announcement was made in June 2019 and July 2019. <p>The monthly shipping announcements print out from PalmTrace are retained. The details of the announcement was crossed checked with the LintraMax Mill Director to confirm the volume announce are consistent.</p>	Yes
	<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>Tracing is not applicable for palm oil mill</p>	N/A
	<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>There was not report of wrong announcement for the reporting period. Hence no removal. Mr Mohd Faisal understood the meaning of removal.</p>	Yes
	<ul style="list-style-type: none"> Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements. 	<p>No confirmation for APU as there is no announcement for FFB. Confirmation from buyer shown in PalmTrace for the reporting</p>	Yes

		period has been completed. Mr Mohd Faisal will ensure confirmation is done.	
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.	Training plan for 2017-2020 is available which training for RSPO Supply Chain has been conducted individually by critical control point category.	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.	Training related to weighbridge was conducted on 12/02/2019 for weighbridge operators. Training records was retained.	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.	All the sampled records related to the movements of RSPO certified materials and products; internal audits; 3-monthly mass balance; despatch notes and transaction records are accessible.	Yes
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	SOP for SCC Standard Mass Balance Calculation (Doc No: SC MBC-05/2019-AOM) dated 15/04/2019 clause 5.2 stated that the retention time is 7 years. The records are retractable up to 2013.	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 mill have records of the production of CPO and PK. However this requirement is not no applicable for mill as CPO and PK is a raw material.	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	As per SOP for RSPO SCC Standard Mass Balance Calculation dated 15/04/2019, Conversion factor of CPO and PK production is defined by below formula:	N/A

	which shall be based upon past experience, documented and applied 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.	P(%) = O/I*100 P: Conversion Factor/% OER or % KER I: Amount of the process input material/FFB O: Amount of output yielded/CPO or PK	
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	The facility is updating the actual rate in monthly based on own estate theoretical extraction ratio table. The OER and KER provided in the report is average of the reporting period. Sample of OER / KER reviewed: 1. March 2019 – 20.047% / 5.656% 2. December 2018 – 19.180% / 5.000% August 2019 – 19.780% / 5.226%	N/A
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.	The procedure for claims is stated in SOP for SCC Standard Mass Balance Calculation (Doc No: SC MBC-05/2019-AOM) dated 15/04/2019.	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.	The following was communicate in the group website - http://www.carotino.com/default.aspx Carotino is a subsidiary of the JC Chang group of companies and is a fully integrated RSPO (Roundtable for Sustainable Palm Oil) certified company from plantation to the finished product and we are committed to maintaining the highest international standards in every aspect of our business.	N/A
4.2	In corporate communications a member is allowed to: a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org)	The communication in http://www.carotino.com/default.aspx states that all production unit of JC Chang group is RSPO certified.	N/A

	<p>c. State that the member supports the work of the RSPO</p> <p>d. State the member’s history with regard to the RSPO.</p> <p>e. Use the RSPO trademark to promote its membership of the RSPO.</p> <p>Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text ‘Check our progress at www.rspo.org’ where the link must lead to the member’s profile page.</p>		
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.	The communication in http://www.carotino.com/default.aspx does not show that the APU or Carotino as a member means all material sold are RSPO certified.	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.	The communication in http://www.carotino.com/default.aspx does not show that the APU or Carotino as a member means all material sold are RSPO certified.	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.	No logo used has been observed in the website, official documents or t-shirts.	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.	The only business to business communication is through the delivery documents with Lahad Datu Edible Oil Sdn Bhd. However the communication is mainly of the RSPO certificate number and product description. There is no trademark used.	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.	The only business to business communication is through the delivery documents with Lahad Datu Edible Oil Sdn Bhd. However the communication is mainly of the RSPO certificate number and product description. There is no trademark used.	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:	APU is not a distributor or wholesaler.	N/A

	<p>a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer's SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation.</p> <p>b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.</p>		
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>APU is producing CPO and PK. The communication provided in the delivery documents has provided clear description of the products.</p> <p>There is no product labelling.</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>There is no business to consumer communication as this is an upstream activity certification.</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>There is no business to consumer communication as this is an upstream activity certification.</p>	N/A

6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	There is no business to consumer communication as this is an upstream activity certification.	N/A
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	There is no business to consumer communication as this is an upstream activity certification.	N/A
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	There is no business to consumer communication as this is an upstream activity certification.	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.	There is no business to consumer communication as this is an upstream activity certification.	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.	There is no business to consumer communication as this is an upstream activity certification.	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.rspo.org .	There is no business to consumer communication as this is an upstream activity certification.	N/A

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 MB volume that can be sold is only the volume requested in the PalmTrace. Hence the CPO volume sold under MB model is considered 100% content.	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 MB volume that can be sold is only the volume requested in the PalmTrace. Hence the CPO volume sold under MB model is considered 100% content.	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. • 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 	There is no product partial claims	N/A

	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. 	There is no product partial claims	N/A
	<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>	There is no product partial claims	N/A
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. 	There is no product partial claims	N/A

	<ul style="list-style-type: none"> • 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. 		
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>	There is no product partial claims	N/A
	<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>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</p>	There is no product partial claims	N/A
5.12. Complaints			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	The complaint mechanism is documented in SOP for SCC Standard Mass Balance Calculation (Doc No: SC MBC-05/2019-AOM) dated 15/04/2019. There is no complaint received on the supply chain element.	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.	Management review is conducted annually after the internal audit is conducted. During the current year management review, it will review the findings raised during the current year's internal audit and propose actions plans. Since the management review is only reviewing the action plans, the corrective action implementation will only be reviewed in the following year. This practice is being observed in management review dated 23/08/2019 had reviewed the actions plan implementation for audit conducted on 02-04/05/2018.	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 agenda of the management review includes: <ol style="list-style-type: none"> 1. Results on internal audit based on internal control checklist. 2. External audit findings 3. Customer feedback 4. Process performance and product conformity 5. Preventive and corrective actions and follow-up actions from management reviews. 6. Changes of management system and recommendation for improvement. 	Yes
5.13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> • Improvement of the effectiveness of the management system and its processes. • Resource needs. 	The output of the management review on 23/08/2019 identified training required for respective workforce on changes and clearly written in appointment letter.	Yes
E.1 Definition			
	Requirement	Evidence For any N/A raised, justification is required.	Compliance (Yes / No or N/A)

RSPO Public Summary Report
Revision 8 (Mar /2019)

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.	APU receives and process about 91% certified and 9% non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During this assessment, the assessment team verified the volumes and sources of certified and non-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. The estimated tonnage is calculated based on the supply base forecast.	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).	APU has the PalmTrace Members ID: RSPO_PO1000000524.	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;	Procedure for supply chain has been established entitled SOP for SCC Standard Mass Balance Calculation (Doc No: SC MBC-05/2019-AOM) dated 15/04/2019 to cover the implementation of the supply chain requirements. The supply chain requirements documented includes: • Mass Balance Calculation	Yes

	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.	<ul style="list-style-type: none"> • Definition of periodical boundary • Purchasing and goods in • Record Keeping • Sales and goods out • Training • Claims • Outsourcing activities • Complaint mechanism <p>The responsible person for the overall implementation of the SCC changed from Mr Ang Jen Ken (Mill Manager) to Mr Mohd Faisal Awang Amit. The appointment was on 02/09/2019. Mr Mohd Faisal Awang Amit is also responsible for the PalmTrace management.</p>	Yes
E.3.2	The site shall have documented procedures for receiving and processing certifies an non-certified FFBS.	There was no overproduction projected. Nonetheless, the facility is aware to this requirement.	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 FFB received are recorded daily and reconcile monthly and quarterly. The "Summary CPO Monthly balance sheet" recorded the suppliers of the certified and non-certified FFB.</p> <p>Non-certified FFB source includes Benar Waras S/B; Jiang Sun Plan S/B; Kebaco S/B; KJS Resources S/B; Sentrabayu; Tapak Jutamaju S/B; Smart Foremost S/B and Meran S/B while certified FFB source are APU supply base and other Production Unit of JC Chang Group.</p>	Yes
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	There is no overproduction from the start of the license period of 01/05/2019 until the assessment date.	Yes
E.5 Record keeping			

E.5.1	<p>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.</p>	<p>The materials are being balance on 3-monthly. Since the last assessment, there are no negative stock. Sample reviewed:</p> <p>1. Mass Balance for Jan 19-Mar 19 Total sustainable CPO available – 11,153.28MT Total sold as RSPO – 4,686.09MT Total sold as ISCC – 2,635.27MT Total sold as non RSPO/ISCC – 1,425.171MT</p> <p>2. Mass Balance for Apr 19 – Jun 19 Total sustainable CPO available – 10,231.29MT Total sold as RSPO – 32.610MT Total sold as ISCC – 7,688.47MT Total sold as non RSPO/ISCC – 113.851MT</p>	Yes
	<p>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</p>	<p>The mill is using actual OER and KER for its conversion ratio for CPO and PK. Based on the "Monthly Mass Balance Sheet", the deduction of both CPO and PK stocks were made correctly.</p>	
	<p>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.</p>	<p>There is no sell short observed in APU. APU have unwritten policy for not selling short. Stock has been physically removed to be sold as RSPO at the end of the license period. Last license period ends on 30/04/2019. There was no RSPO certified CPO sold in May 2019 and June 2019.</p>	

RSPO Public Summary Report
Revision 8 (Mar /2019)

A. Monthly Records of Certified and Uncertified FFB Received since the last audit				
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	17,164.300	1,386.030	18,550.330
2	December 2018	18,410.710	1,507.400	19,918.110
3	January 2019	17,004.390	1,482.120	18,486.510
4	February 2019	16,657.090	1,467.960	18,125.050
5	March 2019	15,517.540	1,303.950	16,821.490
6	April 2019	13,572.250	1,174.350	14,746.600
7	May 2019	13,128.210	1,259.980	14,388.190
8	June 2019	12,411.570	1,147.790	13,559.360
9	July 2019	12,707.010	1,189.910	13,896.920
10	August 2019	10,691.440	1,338.880	12,030.320
11	September 2019	14,144.300	1,708.210	15,852.510
12	October 2019	14,755.49	1,627.51	16,383.00
Total		176,164.3	16,594.09	192,758.39

B. Monthly Records of Certified CPO & PK since the last audit			
No.	Month - Year	Certified CPO (mt)	Certified PK (mt)
1	November 2018	3,312.796	863.727
2	December 2018	3,531.159	920.568
3	January 2019	3,205.547	880.572
4	February 2019	3,161.784	871.185
5	March 2019	3,110.874	877.642
6	April 2019	2,764.500	732.140
7	May 2019	2,637.940	651.458
8	June 2019	2,422.100	604.117
9	July 2019	2,455.116	550.902
10	August 2019	2,114.818	558.777
11	September 2019	2,873.186	741.777
12	October 2019	2,886.742	784.002
Total		34,476.562	9,036.867

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)					
No.	Month - Year	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1.	November 2018 – October 2018	XYX	TR-ec1c4240-b073, TR-7c2a0988-5def, TR-d647d946-a49c, TR-d6e8f223-362c, TR-1eab92e6-1543, TR-9c599915-8d28, TR-1304f77c-2b0f, TR-f693ee82-f696, TR-ce53cc1b-5fc9, TR-e2b5eb8b-0752, TR-abc961f-42fc, TR-f90d0c1c-a7f6, TR-278ecada-49a8, TR-30ed1505-104e, TR-5008aa48-a88a, TR-d05d75d7-5e25, TR-b02e9007-2b72, TR-75f48ba6-7006, TR-29e79ef3-98e1, TR-d97d06ad-0494, TR-45227faa-b53f, TR-4826b7f7-2874, TR-390885fd-cab7, TR-88f6e7ca-ed52	6,239.75	-
2.			XYZ	TR-dc6786d3-4bdf TR-b0a5c8bf-8f2d TR-b405b781-73db TR-a0e00a1c-7573 TR-8f7cda1b-1701 TR-c8b5c9c2-7481	-
Total				6,239.75	8,168.52

D. Records of CPO & PK Sold under other schemes to Buyers since the last audit (if any)				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
1	XYZ	ISCC	25,405.10	-
Total			25,405.10	-

E. Records of CPO & PK Sold as conventional to Buyers since the last audit (if any)			
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1	XYZ	1,766.79	772.57
Total		1,766.79	772.57

RSP0 Public Summary Report
Revision 8 (Mar /2019)

F. Records of Certified CPO Sold under RSP0 Credits to Buyers since the last audit (if any)			
No.	Buyers Name	PalmTrace Trading License Number	RSP0 Credits of Certified CPO Sold (mt)
Nil			

