

**RSPO PRINCIPLE AND CRITERIA
3rd Annual Surveillance Assessment (ASA3)
Public Summary Report**

TDM Plantation Sdn Bhd
Head Office: Level 3, Bangunan UMNO Terengganu Lot 3224, Jalan Masjid Abidin 20100 Kuala Terengganu Terengganu, Malaysia
Sungai Tong Palm Oil Mill Lot 7663, Batu 23, Jalan Kuala Terengganu – Kota Bharu 21500 Setiu, Terengganu Malaysia

TABLE of CONTENTS	Page No
Section 1: Scope of the Certification Assessment.....	3
1. Company Details	3
2. Certification Information	3
3. Location(s) of Mill & Supply Bases	3
4. Description of Supply Base	4
5. Plantings & Cycle.....	4
6. Certified Tonnage of FFB (Own Certified Scope)	5
7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable	5
8. Certified Tonnage	5
Section 2: Assessment Process	6
1. Assessment Program	7
Section 3: Assessment Findings	9
3.1 Details of audit results	9
3.2 Progress against Time Bound Plan.....	9
3.3 Details of findings	11
3.3.1 Status of Nonconformities Previously Identified and Observations	17
3.3.2 Summary of the Nonconformities and Status.....	18
Assessment Conclusion and Recommendation:	19
Appendix A: Summary of Findings	20
Appendix B: Approved Time Bound Plan.....	54
Appendix C: Certification Unit RSPO Certificate Details.....	56
Appendix D: Assessment Plan.....	57
Appendix E: Stakeholders Contacted	59
Appendix F: CPO Mill Supply Chain Assessment Report (Module E - CPO Mills: Mass Balance)	60
Appendix G: Location Map of Sungai Tong Palm Oil Mill and Supply bases.....	63
Appendix H: Fikri Estate Field Map.....	64
Appendix I: Pelung Estate Field Map	65
Appendix J: List of Smallholder Sampled	66
Appendix K: List of Abbreviations Used.....	67

Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	1-0095-11-000-00	Date	Member since: 28 February 2011
Company Name	TDM Plantation Sdn Bhd		
Address	Aras 1-5, Bangunan UMNO Terengganu, Lot 3224, Jalan Masjid Abidin 20100 Kuala Terengganu, Terengganu, Malaysia Certification unit : Sungai Tong Palm Oil Mill, Lot 7663, Batu 23, Jalan Kuala Terengganu –Kota Bharu 21500 Setiu, Terengganu, Malaysia		
Subsidiary of (if applicable)	-		
Contact Name	Tn Haji Hassan Bin Osman		
Website	www.tdemberhad.com.my	E-mail	Hassan.tdmp@tdemberhad.com.my
Telephone	09 – 620 4802 (Head Office) 09 – 824 7299 (Mill)	Facsimile	09 – 620 4803 (Head Office) 09 – 824 7298 (Mill)

2. Certification Information			
Certificate Number	RSPO 595564	Certificate Issued Date	27/12/2013
		Expiry Date	26/12/2018
Scope of Certification	Palm Oil and Palm Kernel Production from Sungai Tong Palm Oil Mill and Supply Base (Jaya Estate, Fikri Estate, Tayor Estate, Palong Estate, Jeranggau Estate dan Pinang Emas Estate)		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
CoP/ET/0021-1 (Pinang Emas Estate)	Code of Good Agricultural Practice for Oil Palm Estates and Smallholdings	MPOB	18/3/2018
CoP/ET/0027-1 (Jaya Estate)	Code of Good Agricultural Practice for Oil Palm Estates and Smallholdings	MPOB	17/12/2017

3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Sungai Tong Palm Oil Mill	Lot 7663, Batu 23, Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia.	102.9105	5.3083
Jaya Estate	Ladang Jaya, Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia.	102.8840	5.3962

RSPO Public Summary Report
Revision 4 (November /2016)

Fikri Estate	Ladang Fikri, Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia.	102.8990	5.3218
Tayor Estate	Ladang Tayor, Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia.	102.8905	5.2660
Pelung Estate	Ladang Pelung, Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia.	102.8332	5.2821
Jerangau Estate	Ladang Jerangau, Jalan Jerangau, 21810 Ajil, Hulu Terengganu, Terengganu, Malaysia.	103.1630	4.9610
Pinang Emas Estate	Ladang Pinang Emas, Bukit Besi, 23000 Dungun, Terengganu, Malaysia.	103.1301	4.4610

4. Description of Supply Base

Estate	Mature (ha)	Immature (ha)	Infras & Other* (ha)	HCV (ha)	Total Planted (ha)	Total Hectarage	% of Planted
Jaya Estate	3,365.50	-	90.29	-	3,365.50	3,455.79	97.39
Fikri Estate	3,184.58	-	460.52	-	3,184.58	3,645.10	87.37
Tayor Estate	2,155.07	-	127.27	4.00	2,155.07	2,286.34	94.26
Pelung Estate	1,480.49	-	1,536.71	-	1,480.49	3,017.20	49.07
Jerangau Estate	1,417.19	36.15	27.59	-	1,453.34	1,480.93	98.14
Pinang Emas Estate	2,951.10	67.70	596.39	-	3,018.80	3,615.19	83.50
TOTAL	14,553.93	103.85	2,838.77	4.00	14,657.78	17,500.55	83.76

Note: Infras = infrastructure; *Other area including conserved (abandoned) area due to water log & steep

5. Plantings & Cycle

Estate	Age (Years)					Tonnage / Year		
	0 - 3*	4 - 10*	11 - 20	21 - 25	26-30	Estimated (Nov 2015-Oct 2016)	Actual (Nov 2015-Oct 2016)	Forecast (Nov 2016-Oct 2017)
Jaya Estate	-	-	3,250.20	115.30	-	70,500	62,160.25	84,150
Fikri Estate	-	15.11	2,356.15	630.28	183.04	65,300	51,099.33	78,000
Tayor Estate	-	70.00	1,510.27	511.30	63.50	42,076	39,887.47	55,100
Pelung Estate	-	-	322.93	1,157.56	-	23,800	14,248.94	20,500
Jerangau Estate	36.15	443.46	76.49	897.24	-	22,150	24,313.23	32,300
Pinang Emas Estate	67.70	110.72	1,894.47	777.31	168.60	52,700	38,940.70	49,800
Total	103.85	639.29	9410.51	4088.99	415.14	276,526	230,649.92	319,850

RSPO Public Summary Report
Revision 4 (November / 2016)

6. Certified Tonnage of FFB (Own Certified Scope)			
Estate	Tonnage / year		
	Estimated (Nov 2015-Oct 2016)	Actual (Nov 2015-Oct 2016)	Forecast (Nov 2016-Oct 2017)
Jaya Estate	70,500	62,160.25	84,150
Fikri Estate	65,300	51,099.33	78,000
Taylor Estate	42,076	39,887.47	55,100
Pelung Estate	23,800	14,248.94	20,500
Jerangau Estate	22,150	24,313.23	32,300
Pinang Emas Estate	52,700	38,940.70	49,800
Total	276,526	230,649.92	319,850

7. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable									
Independent FFB Supplier	Tonnage / year								
	Estimated (Nov 2015-Oct 2016)			Actual (Nov 2015-Oct 2016)			Forecast* (Nov 2016-Oct 2017)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Other adjacent estates	4,000	820	220	3,036.04	567.86	146.90	-	-	-

* No forecast for non-certified tonnage of FFB since Sg. Tong POM expected to convert to IP and no longer processing OCP

8. Certified Tonnage									
Mill	Estimated (ASA3) Nov 2015-Oct 2016			Actual (ASA3) Nov 2015-Oct 2016			Forecast (ASA4) Nov 2016-Oct 2017		
	FFB	CPO OER %	PK KER %	FFB	CPO OER %	PK KER %	FFB	CPO OER %	PK KER %
Sungai Tong POM	276,526	56,688	14,932	230,649.92	44,455.78	11,507.12	319,850	65,569	16,632

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: RSPO-ACC-19)
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel +603 2242 4211 Fax +603 2242 4218
Nicholas Cheong: Nicholas.Cheong@bsigroup.com
www.bsigroup.com

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (RSPO-ACC-19) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia. BSI is accredited for RSPO Supply Chain Certification Systems (SCCS) and Principles & Criteria for Sustainable Palm Oil Production (P&C, Single Site & Group) certification Worldwide.

Assessment Methodology, Programme, Site Visits

This on-site annual surveillance assessment was conducted from 18 - 20 October 2016. 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 (Fikri Estate & Pelung Estate). 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 (RSPO P&C MYNI-2014) and RSPO Supply Chain Certification Standard 2014 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 estates sample were determined based on formula $N = 0.8\sqrt{y}$ where y is the number of estates while when applicable, the smallholders sample were determined following the RSPO Certification Requirement for Group Certification Standard 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.

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

**RSPO Public Summary Report
Revision 4 (November /2016)**

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 Appendix E.

All the previous nonconformities are remains closed. The assessment findings for the 2nd Annual Surveillance Assessment are detailed in Section 3.3.

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.

This report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

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

1. Assessment Program					
Name (Mill / Supply Base)	Initial Certification (2013)	ASA1 (2014)	ASA2 (2015)	ASA3 (2016)	ASA4 (2017)
Sungai Tong Palm Oil Mill	✓	✓	✓	✓	✓
Jaya Estate			✓		
Fikri Estate	✓			✓	
Tayor Estate		✓			✓
Pelung Estate	✓			✓	
Jerangau Estate		✓			✓
Pinang Emas Estate			✓		

Tentative Date of Next Visit: August 8, 2017 – August 10, 2017

Total No. of Mandays: 9 mandays

BSI Assessment Team:

Hafriazhar Mohd Mokhtar – Lead Auditor

Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea, Solomon Islands and Gabon. During assessment, he covered the mill and estate best practices, legal issues, social issues, workers consultation, stakeholder consultation, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

**RSPO Public Summary Report
Revision 4 (November /2016)****Mohd Hafiz Bin Mat Hussain – Team Member**

He holds Bachelor Degree in Plantation Technology and Management, graduated from University Technology Mara (UiTM) on 2009. He has 4 years working experience in oil palm plantation industry. He also has the experiences as an 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 2013, Endorsed RSPO P&C Lead Auditor Course in 2014 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since May 2013 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, estate best practices, safety and health, environmental and workers and stakeholders consultation.

Hu Ning Shing- Team Member

She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in his previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social. She is fluent in Bahasa Malaysia and English languages.

Accompanying Persons: Daniel Francis (Observer)

Section 3: Assessment Findings

3.1 Details of audit results

This assessment has been assessed using the following RSPO normative requirements. The assessment details are provided in Appendix A.

- TDM Plantations Sdn Bhd Time Bound Plan
- RSPO Group Certification Standard 2016 Checklist
- RSPO P&C for Smallholders TH-WG 2012 Checklist
- RSPO P&C GN-NIWG 2010 Checklist
- RSPO P&C INA-NIWG 2016 Checklist
- RSPO P&C PNG-NIWG 2016 Checklist
- RSPO P&C SI-NIWG 2010 Checklist
- RSPO P&C MY-NIWG 2014 Checklist
- RSPO P&C TH-WG 2011 Checklist
- RSPO Supply Chain Certification Checklist November 2014
- RSPO P&C 2013 Generic Checklist

3.2 Progress against Time Bound Plan

TDM Plantation owns two palm oil mills (certification units) located in Kemaman District and Terengganu District, State of Terengganu, Peninsular Malaysia. TDM Plantation has achieved RSPO Certification for the two certification units in 2013. TDM Plantation Sdn Bhd has completed its time bound plan to certify both certification units that exist during this assessment. The time bound plan for the existing mills has been completed.

TDM plantation Sdn Bhd currently owned less than 50% ownership and no longer manage PT Rafi Kamajaya Abadi (PT Rafi). PT Rafi is independently managed by its own management team. Therefore, PT Rafi is no longer included in TDM Plantation Sdn Bhd TBP. For PT Sawit (PT Sawit) Rezki Abadi, the land acquiring process was no longer continue since TDDM Plantation Sdn Bhd currently owned less than 50% ownership has no longer manage PT Sawit.

Time Bound Plan		
Requirement	Remarks	Compliance
Summary of the Time Bound Plan		
Does the plan include all subsidiaries, estates and mills?	Yes	Yes
Is the time bound plan challenging? <ul style="list-style-type: none"> • Age of plantations. • Location. • POM development • Infrastructure. • Compliance with applicable law. 	Based on the age of plantations, location, POM development and infrastructure as well as compliance with applicable law, the time bound plan was deemed to be challenging for TDM plantation Sdn. Bhd.	Yes
Have there been any changes since the last audit? Are they	Yes. Justified based on evidence of records of company's ownership in Indonesian plantation.	Yes

**RSPO Public Summary Report
Revision 4 (November /2016)**

justified?		
If there have been changes, what circumstances have occurred?	TDM plantation Sdn Bhd currently owned less than 50% ownership and no longer manage PT Rafi Kamajaya Abadi (PT Rafi). PT Rafi is independently managed by its own management team. Therefore, PT Rafi is no longer included in TDM Plantation Sdn Bhd TBP. For PT Sawit (PT Sawit) Rezki Abadi, the land acquiring process was no longer continue since TDDM Plantation Sdn Bhd currently owned less than 50% ownership has no longer manage PT Sawit.	Yes
Have there been any stakeholder comments?	No	Yes
Have there been any newly acquired subsidiaries?	No	N/A
Have there been any isolated lapses in implementation of the plan?	No	N/A
Un-Certified Units or Holdings		
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	N/A	N/A
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	N/A	N/A
Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	N/A	N/A
Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	N/A	N/A
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	N/A	N/A

**RSPO Public Summary Report
Revision 4 (November /2016)**

Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	N/A	N/A
Any Legal non- compliance is being resolved in accordance with the legal requirements, with reference to RSPO criteria 2.1 and 2.2.	N/A	N/A

3.3 Details of findings

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

During the 3rd Annual Surveillance Assessment there were three (3) Major nonconformities raised. The Sungai Tong 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 Actions for the Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1393358M1	<p>Requirements Indicator 6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>Evidence of Nonconformity Fikri and Pelung Estate: The offer letter signed by the workers were in old version where the public holiday entitlement was 12 days instead of 13 days. Sampled offer letters as below: a) Employee No.: FK1600974 b) Employee No.: FK1100660 c) Employee No.: FK1600975 d) Employee No.: 04235 (Pelung Estate) e) Employee No.: 00213 (Pelung Estate) f) Employee No.: 00078 (Pelung Estate) g) Employee No.: 4839 (Pelung Estate)</p> <p>Pelung Estate: A sampled offer letter for worker with Employee No.: PL1100821 had found with public holiday entitlement of 14 days instead of 13 days.</p>	Major

**RSPO Public Summary Report
Revision 4 (November /2016)**

	<p>Fikri Estate: According to MAPA/NUPW Circular No. 22/2015 dated 4/8/2015, the employer required to fully subsidize RM 3.00 per month for each of the members of NUPW as premium towards NUPW/AIA Personal Accident Group Scheme. However, the management has yet to subsidize and deducted RM 11.00 from sampled workers below: a) Employee No.: FK1300722 b) Employee No.: FK1400839 c) Employee No.: FK1100626 d) Employee No.: FK1500892</p>	
	<p>Statement of Nonconformity 1) Worker's offer letter 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.) were not implemented effectively. 2) The management did not comply with the MAPA/NUPW Circular No. 22/2015.</p>	
	<p>Corrective Action 1. All workers concerned has been identified and new offer letter were issued. 2. Human Resource Department (HR) to prepare relevant Standard Operating Procedure (SOP). 1. Deduction will only be made for RM 8.00/worker/month as per MAPA/NUPW Circular No. 22/2015. TDM has been subsidizing RM 3.00/worker/month since enforcement date. Starting October 2016 deduction of RM 8.00/worker/month will take effect.</p>	
	<p>Assessment Conclusion 1. New offer letter to identified workers were provided as evidence. 2. The SOP were distributed to all estate / mill for immediate execution. Copy of payslip were provided as evidence. Major nonconformity has been closed on 4/11/2016 as per evidence provided.</p>	

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1393358M2	<p>Requirements Indicator 2.1.1 Evidence of compliance with relevant legal requirements shall be available. 1) Workers' Minimum Standards of Housing and Amenities Act 1990, section 23 sub-section (2) "It shall be the duty of the employer to ensure that all buildings used for the housing of workers, nurseries or community halls are visited and inspected weekly by an estate hospital assistant registered under the Estate Hospital Assistants (Registration) Act 1965 [Act 435] or any other responsible person authorized by the employer..." 2) Workers' Minimum Standards of Housing and Amenities Act 1990, section 23 sub-section (3) "The findings of thdxee estate hospital assistant or any other</p>	Major

**RSPO Public Summary Report
Revision 4 (November /2016)**

	<p>authorized person shall be recorded in a book kept at the place of employment and be made available to the Director General or Medical Officer of Health for inspection.”</p> <p>3) FACTORIES AND MACHINERY (NOISE EXPOSURE) REGULATIONS 1989 Regulation 23. Retest.</p> <p>If the registered medical practitioner, after reviewing the annual and baseline audiograms of the employe and after taking into consideration the effect of temporary threshold shift, is of an opinion that a standard threshold shift has occurred, he shall notify the occupier and the occupier shall retest the employee within three months from the date of the last audiometric test.</p> <p>Evidence of Nonconformity Pelung Estate: 1) Linesite inspection was carried out on monthly basis where it did not comply with the requirement. Fikri Estate: 2) Through interview with Hospital Assistant found that he has carried out linesite inspection. However, documented evidence was not available. Sungai Tong POM: 3) Annual audiometric testing was conducted on 6/3/2016 by OHD, HQ/08/DOC/00/272 under SI Energy Enterprise. However the repeat test for 11 workers (Temporary Standard Threshold Shift) was not carried out accordingly as per recommendation by competent assessor.</p> <p>Statement of Nonconformity 1) and 2) The management has yet to comply with the Workers’ Minimum Standards of Housing and Amenities Act 1990. 3) Repeat audiometric for workers who get TSTS (Temporary Standard Threshold Shift) was not conducted accordingly as per recommendation by competent assessor.</p> <p>Corrective Action 1. Inspection roster were produced. 2. The inspection were recorded weekly and checked by supervisor. Audiometric retest for 11 workers were conducted as recommended by competent assessor.</p> <p>Assessment Conclusion Inspection roster and record book were provided as evidence. Audiometric test was done on 20/10/2016 for 11 workers concerned. Evidence of test were provided. Major nonconformity has been closed on 4/11/2016 as per evidence provided.</p>	
--	---	--

Non-Conformity		
NCR #	Description	Category (Major / Minor)

1393358M3	Requirements Indicator 4.7.4 The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.	Major
	Evidence of Nonconformity Safety & Health committee meeting minutes 1. Fikri Estate dated 25/9/2016, 23/06/2016 and 23/03/2016 2. Pelung Estate dated 14/9/2016, 13/7/2016 and 7/3/2016	
	Statement of Nonconformity The coverage discussed during Safety Committee Meeting was not sufficient. Issue related to workplace inspection, accident investigation and training related to OSH were not discussed	
	Corrective Action TDMP Safety Health Officer (SHO), provided a standardized format/agendas for the OSH quarterly meeting.	
	Assessment Conclusion Minutes of meeting were provided as evidence. Major nonconformity has been closed on 4/11/2016 as per evidence provided.	

Observation	
OBS #	Description
Nil	Nil

Positive Findings	
PF #	Description
1	Good commitment present from management and all personnel involved were very cooperative during the assessment process
2	Good commitment and participation from stakeholders
3	Good continuous improvement program – new workers housing etc.

Issues raised by Stakeholders
Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Sungai Tong 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. These have been incorporated into the assessment findings.

**RSPO Public Summary Report
Revision 4 (November /2016)**

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 Kin 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 Appendix E.

IS #	Description
1	<p>Issues: BOMBA officer – He informed that the management has good commitment on the programmes and trainings conducted by BOMBA. TDMP management is one of the member of Emergency Response Team by BOMBA. No open burning issue at TDMP is reported.</p> <p>Management Responses: The management will continue to give full co-operation and commitment to BOMBA.</p> <p>Audit Team Findings: No further issue.</p>
2	<p>Issues: Police officer – No security issue is reported. TDMP has good relationship with the police to prevent any security or criminal issue.</p> <p>Management Responses: The management will monitor if there is any criminal or security case happened.</p> <p>Audit Team Findings: No further issue.</p>
3	<p>Issues: Forestry Department officer – No any conflict of land between the management and forest reserved. He also informed that no encroachment is sighted for illegal cutting of trees.</p> <p>Management Responses: The management will ensure no encroachment of forest by the workers for any illegal activities.</p> <p>Audit Team Findings: No other issue.</p>
4	<p>Issues: Contractors and suppliers – They were signed an agreement with the management and payment was made according to the agreement. No any complain on the payment term.</p> <p>Management Responses: Payment is made as per the agreed terms.</p> <p>Audit Team Findings: No other issue.</p>
5	<p>Issues: MPOB officer – The officer informed that the mill and estate has complied with the requirements of MPOB. However, he reported that the quality of FFB was unsatisfied where black bunches were found during grading.</p> <p>Management Responses: The management informed that refresher training has been given to the harvesters immediately after inspection from MPOB.</p> <p>Audit Team Findings: Document reviewed on the training record found that training was conducted on 17/8/2016 by MPOB. Evidence of photos and attendance list were sighted.</p>
6	<p>Issues: DOSH officer – The officer reported that the mill has complied with the legal requirement. No accident reported from mill and estate so far.</p> <p>Management Responses:</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

	<p>The management will continue to comply with the legal requirements and will immediately report to DOSH if there is any accident happened.</p> <p>Audit Team Findings: No further issue.</p>
7	<p>Issues: School representatives – The management has good relationship with the school. Contribution has been made to the school whenever requested.</p> <p>Management Responses: The management will continue to support and give contribution whenever necessary.</p> <p>Audit Team Findings: Document reviewed found that contribution has been made to the school.</p>
8	<p>Issues: Workers representatives - No issue regarding pay and condition of work. The representative highlighted that they are treated equally. All foreign workers have access to all facilities similar to local workers.</p> <p>Management Responses: The management will treat all the employees equally with no discrimination.</p> <p>Audit Team Findings: Document review of payslip found that the workers have achieve the minimum wages.</p>
9	<p>Issues: Village Heads - Management always assist whenever requested for assistance. The relationship is good. No other issues.</p> <p>Management Responses: Management will assist whenever needed.</p> <p>Audit Team Findings: No further issue.</p>
10	<p>Issues: Wildlife Department officer – They have good relationship with the management. They will have meeting with the management 3 times/ year. No hunting activities has reported.</p> <p>Management Responses: The management will ensure that no hunting is allowed by the workers.</p> <p>Audit Team Findings: No other issue.</p>
11	<p>Issues: MAPA, Chairman of Kuala Terengganu – No issue related to pay and conditions, housing and etc has been reported by the workers. MAPA always conducted briefing to the workers and Sungai Tong management regarding the agreement.</p> <p>Management Responses: The management will comply with the agreement and treated workers equally.</p> <p>Audit Team Findings: Document verified of payslip and site visit to the linesite found that no issue.</p>
12	<p>Issues: Syarikat Air Terengganu officer – No river pollution by the mill has sighted. Good relationship with the management.</p> <p>Management Responses: The management will ensure no river pollution from the mill.</p> <p>Audit Team Findings: No further issue.</p>
13	<p>Issues: CIMB Bank officer – The management has good relationship with the bank. The management was</p>

	<p>planning to pay employees' checkroll through banking instead of cash. They were in the midst of discussion.</p> <p>Management Responses: The management will assist whenever needed.</p> <p>Audit Team Findings: No further issue.</p>
14	<p>Issues: Gender Committee member – No sexual harassment or violence case reported.</p> <p>Management Responses: The management will monitor and assist whenever there is sexual harassment case reported.</p> <p>Audit Team Findings: Document reviewed of the meeting minutes found that no case of sexual harassment has been reported.</p>
15	<p>Issues: Crèche Attendant: She was satisfied with the management on the pay and condition as well as the welfare that provided by the management.</p> <p>Management Responses: The management will continue to take care of their welfare and pay and conditions.</p> <p>Audit Team Findings: Document reviewed confirmed that the pay was achieved minimum wage. No other issues need to verify.</p>

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major / Minor)
1243852M1	<p>Requirements Indicator 6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the worker or explained carefully to them by a management official.</p> <p>Evidence of Nonconformity Extended contract of foreign workers who extended their services was not available. Sample checked at Jaya estate: Employee Passport No.: A3723195, A3722411 and A3428314 expired on 22/1/2015.</p> <p>Statement of Nonconformity All operating units: Extended contract of foreign workers who extended their services was not available.</p> <p>Corrective Action Sungai Tong management units have identified that there were no proper guideline for the foreign workers contract extension. The management units had a meeting with TDM Human Resources department on the 25/10/2015 to discuss and address the issue. It was decided to issue separate extension contract for foreign workers when they extend their service of employment after expiry of the initial contact period and revised SOP for foreign workers recruitment and extension has been finalized. "Perjanjian Kerja (Lanjutan)" Extended employment contract of the</p>	Major

**RSPO Public Summary Report
Revision 4 (November /2016)**

	<p>sampled workers (Passport No.: A3723195, A3722411 and A3428314) valid from 20/1/2015 – 19/1/2016 were submitted to the audit team. The audit team reviewed and accepted the evidence. Major NC was closed on 23/11/2015.</p>	
	<p>Assessment Conclusion <u>Fikri Estate and Pelung Estate:</u></p> <p>SOP for Contract of Worker and Contract of Extension has been documented in the sampled estates. Extension employment contracts have been sighted for the workers who had service for more than 2 years. Sampled workers as below:</p> <ul style="list-style-type: none"> a) Employee No.: FK0000259 valid until 7/2/2017 b) Employee No.: FK1000502 valid until 2/11/2016 c) Employee No.: FK1400767 valid until 5/5/2017 d) Employee No.: PL1100642 valid until 14/11/2016 e) Employee No.: PL0900560 valid until 1/3/2017 f) Employee No.: PL1100764 valid until 9/5/2017 	

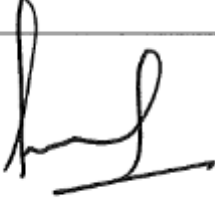
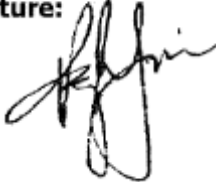
OBS #	Description
	Nil

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
924589N0	Minor	23/5/2013	Closed on 12/5/2014
924589N1	Minor	23/5/2013	Upgraded to Major (Ref: 1047142M0)
1047142M0	Major	15/5/2014	Closed on 10/7/2014
1047142N1	Minor	15/5/2014	Closed on 29/9/2015
1243852M1	Major	29/9/2015	Closed on 23/11/2015
1393358M1	Major	20/10/2016	Closed on 4/11/2016
1393358M2	Major	20/10/2016	Closed on 4/11/2016
1393358M3	Major	20/10/2016	Closed on 4/11/2016

**RSPO Public Summary Report
Revision 4 (November /2016)**

Assessment Conclusion and Recommendation:

<p>Based on the findings during the assessment Sungai Tong Palm Oil Mill Certification Unit and supply base complies with the RSPO P&C 2013 (MY-NI 2014) , and the RSPO Supply Chain Certification Standard (Nov 2014) for CPO Mill. It is recommended that the certification of Sungai Tong Palm Oil Mill Certification Unit is approved and continued.</p>	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Tn Hj Hassan Bin Osman	Name: Mr Hafriazhar Mohd Mokhtar
Company name: TDM Plantation Sdn Bhd Sungai Tong Palm Oil Mill	Company name: BSI Services Malaysia Sdn Bhd
Title: Mill Manager	Title: Lead Auditor
Signature: 	Signature: 
Date: 22/12/2016	Date: 21/12/2016

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 -	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Requests for information from the Regulatory Department such as DOSH during compliance visit were attended and no noncompliance or complaints were noted.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	Records of request from the stakeholders were documented and sighted during the audit. The management responded to the request immediately once received. Mostly the requests were from school and local communities.	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.			

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance	
<p>1.2.1</p> <p>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 was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>Access to these documents is made available upon request. Information relating to land titles, safety and health plans, pollution prevention plans was made available at all operating units. Procedure for complaints and grievances were available at notice boards. The company is in the progress to make available the documents on the company's website in the future.</p> <p>Among the documents that were made available for viewing are:</p> <ul style="list-style-type: none"> • Good Agricultural Practices • Social Enhancement • Sustainability Management Programmes • Complaint and Grievances procedure. • Environmental Conservation <p>These documents highlight current TDM Plantations Sdn Bhd practices and their continual improvement plans. Besides the above document TDM Plantations Sdn Bhd policy on the followings are also available:</p> <ol style="list-style-type: none"> 1) Social 2) Quality 3) Freedom of Association 4) Occupational Safety, Health and Environment 5) Environment & Biodiversity 6) Protection of Children 7) Gender <p>The policies were displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view.</p>	<p>Complied</p>	
<p>Criteria 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>			
<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.</p> <p>-Minor compliance</p>	<p>TDMP has established a code of ethical conduct policy dated 18/9/2016. The policy has been briefed to the workers on 12/10/2016 and displayed at the notice board at the compound.</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>			

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available. - Major compliance -</p>	<p><u>Sungai Tong POM:</u></p> <ul style="list-style-type: none"> • MPOB license: 500042704000 (validity period 1/4/2016 - 31/3/2017) for 300,000MT • DOE Licence/ <i>Jadual Pematuhan</i> : JPKKS 002385 (validity period 1/7/2016 - 30/6/2017) for 60 MT/hr and method of POME discharge is water course with BOD final discharge limit <100mg/l; TSS <400mg/l; O&G <50mg/l; AN <150mg/l; TN <200mg/l; 5<pH<9; T <45°C • Quarterly statement form A.S.4 as per EQ (Prescribed Premises) (CPO) Reg. 1977 and license requirements latest submitted to DOE Terengganu for 2nd quarter ref.: KL-KKS/3/05/022 dated 9/7/2015 • Energy commission license no.: 2016/00088; serial no.: 14688 (validity period 19/1/2016 – 18/1/2017) for installation capacity limit <3545KW • Schedule controlled item permit (Diesel) ref. no.: KPPDNKK.BST.800-1/8/23/14(SK/D); serial no.: T012315 (validity period 31/5/2016 – 30/5/2017) for storage capacity of <20,000liters • Poison license (NaOH) Reg. no.: TC019/2016; validity period 1/1/2016-31/12/2016 for purchase of <3042kg NaOH • Steam Engineer JKJ 19 acknowledgement no.: 028/97 (1st grade steam engineer) reg. no.: JKKP IS127/438/2/1302 • Steam Engine Driver JKJ 18 acknowledgement no.: T.08/94 (2nd grade steam engine driver) • Electrical chargin man A4 acknowledgement no.: PJ-T-4-H-0615-2001 (low voltage installation) ref. no.: 038970 • Annual audiometric testing was conducted on 6/3/2016 by OHD, HQ/08/DOC/00/272 under SI Energy Enterprise. However the repeat test for 11 workers (Temporary Standard Threshold Shift) was not carried out accordingly as per recommendation by competent assessor ### <p><u>Fikri Estate:</u></p> <ul style="list-style-type: none"> • MPOB license: 543218011000 valid until 31/10/15 • Air compressor permit: No.: TG PMT 5172 expired on 17/9/2015. Request letter for renewal to DOSH dated 13/9/2015 (ref. No.: TDMP/JKKP/15.03) was sighted. Pending for DOSH inspection. • Diesel permit: KPDNKK/BST.800-1/5/09/13 (SK/D&P), capacity 8,190 litres valid until 31/3/16 • Through interview with Hospital Assistant found that he has carried out linesite inspection. However, documented evidence was not available ### • According to Workers’ Minimum Standards of Housing and Amenities Act 1990, section 23 sub-section (3) “The findings of the estate hospital assistant or any other authorized person shall be recorded in a book kept at the place of employment and be made available to the Director General or Medical Officer of Health for inspection.” Through interview with Hospital Assistant found that he has carried out linesite inspection. However, documented evidence was not available. 	<p>Major nonconformance</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
	<p><u>Pelung Estate:</u></p> <ul style="list-style-type: none"> • Air compressor permit: No.: TG PMT 5152 valid until 12/6/2017. • Diesel permit: KPDNKK.BST.800-1/8/10/14 (SK/D), capacity 8,190 litres valid until 28/8/2017 • MPOB oil pam estate license: 502826702000 valid until 31/3/2017 • MPOB oil pam nursery license: 613577111000 valid until 31/3/2017 • Linesite inspection was carried out on monthly basis where it did not comply with the requirement to be inspected on weekly basis ### • According to Workers' Minimum Standards of Housing and Amenities Act 1990, section 23 sub-section (2) "It shall be the duty of the employer to ensure that all buildings used for the housing of workers, nurseries or community halls are visited and inspected weekly by an estate hospital assistant registered under the Estate Hospital Assistants (Registration) Act 1965 [Act 435] or any other responsible person authorized by the employer...". However, the inspection was carried out on monthly basis where it did not comply with the requirement. <p>Thus, major non-conformance was raised.</p>	

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>2.1.2</p> <p>A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -</p>	<p>Documented procedure has been established and implemented, TDM/STPOM/01 Revision STPOM-01/2012 dated 1/5/2012, the procedure for Legal and Other Requirements. List of applicable legal and other requirements was made available during the assessment.</p> <p>The LORR was include:</p> <ol style="list-style-type: none"> 1. OSHA 1994 2. OSH (NADOOPOD) Regulations 2004 3. OSH (SHC) Regulations 1996 4. OSH (CLASS) Regulation 2014 5. OSH (SHO) Regulations 1997 6. OSH (USECHH) Regulations 2000 7. FMA 1967 8. FM (Fencing of Machinery and Safety) Reg 1970 9. FM (Notification, Certification of Fitness and inspection) Regulation 2004 10. FM(Person In Charge) Regulations 2014 11. FM (Noise Exposure) Reg 1989 12. FM (Steam Boiler and unfired pressure vessel) Regulation 13. Electrical Supply Act 1990 14. Fire Services Act 1988 15. Fire Services (Fire Certificate)Regulation 2001 16. EQA 1974 17. EQ (Sewage and Industrial Effluent) Regulations 1979 18. EQ (Clean Air) Regulations 2014 19. EQ (Scheduled Waste) Regulations 2005 20. Code of practice for safe working in a confined space, 2001 21. Akta Kerja 1955 <p>The legal register was reviewed and updated on 2/1/2016 by Assistant Manager and approved by Manager. The review was included the Minimum Wages Order 2016.</p>	<p>Complied</p>
<p>2.1.3</p> <p>A mechanism for ensuring compliance shall be implemented. - Minor compliance -</p>	<p>A mechanism to ensure compliance to legal and other requirement has been documented in TDM/KPOM/01 dated 1/5/11. TDM Compliance Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p>	<p>Complied</p>
<p>2.1.4</p> <p>A system for tracking any changes in the law shall be implemented. - Minor compliance -</p>	<p>A system for tracking changes as per documented procedure has been implemented at all respective operating units. Group Legal Department, Plantation Coordinator and Plantation Advisor will notify new requirements if there are any changes of law as to date.</p>	<p>Complied</p>
<p>Criterion 2.2: The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.</p>		

**RSPO Public Summary Report
Revision 4 (November /2016)**

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 Estates and Mill are on government lease land and they hold copies of Land Titles. The oil palm operations are consistent with the land title for agricultural purposes. Sungai Tong Mill: Land title No. 6521 (Ownership no. 110504GRN00006521; Ver. 3; dated 26/8/2009). Fikri Estate: Holds a total of 23 land titles as sampled sighted available (No.: 9309, 6001, 6005 and etc.). Pelung estate: Holds 2 land titles sighted available (No.: HSD 1235 & HSD 1285).	Complied
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	It was sighted during the field visit in both Fikri and Pelung estates that legal boundaries are clearly demarcated and visibly maintained as per company's guidelines.	Complied
2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	TDM did not acquire land from landowners, but owned it or leased it directly from the government. There were no issues of land disputes noted during the stakeholder interview and documents check.	Complied
2.2.4 There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	There is no land dispute in the Sungai Tong Certification units at the time of audit. The land belongs to TDM and land ownership documents verified.	Complied
2.2.5 For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	There is no land dispute in the Sungai Tong units at the time of audit. The land belongs to TDM and land ownership documents verified.	Complied
2.2.6 To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	There is no land dispute in the Sungai Tong certification units at the time of audit. The land belongs to TDM and land ownership documents verified.	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 -	There is no land dispute in the Sungai Tong operating units at the time of audit. The land belongs to TDM and land ownership documents verified.	Complied

RSP0 Public Summary Report
Revision 4 (November /2016)

Criterion / Indicator	Assessment Findings	Compliance
2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include: a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making; b) Evidence that the company has respected communities’ decisions to give or withhold their consent to the operation at the time that this decision was taken; c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company’s title, concession or lease on the land. - Minor compliance -	There is no land dispute in the Sungai Tong operating units at the time of audit. The land belongs to TDM and land ownership documents verified.	Complied
2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	There is no land dispute in the Sungai Tong operating units at the time of audit. The land belongs to TDM and land ownership documents verified.	Complied
2.3.4 Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	There is no land dispute in the Sungai Tong operating units at the time of audit. The land belongs to TDM and land ownership documents verified.	Complied
Principle 3: Commitment to long-term economic and financial viability		
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.		
3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	TDM has continued its commitment to long term sustainability and improvements through a capital expenditure programme. 5 years management plan (2015 - 2019) was verified during the audit. Sungai Tong Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year.	Complied

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator		Assessment Findings	Compliance																																							
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	<p>The replanting programme was established for both estate visited.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Estate</th> <th>Ha</th> </tr> </thead> <tbody> <tr><td>2016</td><td rowspan="10">FE</td><td>-</td></tr> <tr><td>2017</td><td>-</td></tr> <tr><td>2018</td><td>225.7</td></tr> <tr><td>2019</td><td>17.66</td></tr> <tr><td>2020</td><td>-</td></tr> <tr><td>2021</td><td>-</td></tr> <tr><td>2022</td><td>-</td></tr> <tr><td>2023</td><td>-</td></tr> <tr><td>2024</td><td>225.32</td></tr> <tr><td>2017</td><td rowspan="8">PE</td><td>-</td></tr> <tr><td>2018</td><td>-</td></tr> <tr><td>2019</td><td>-</td></tr> <tr><td>2020</td><td>178.51</td></tr> <tr><td>2021</td><td>370.69</td></tr> <tr><td>2022</td><td>365.70</td></tr> <tr><td>2023</td><td>-</td></tr> <tr><td>2024</td><td>-</td></tr> </tbody> </table>	Year	Estate	Ha	2016	FE	-	2017	-	2018	225.7	2019	17.66	2020	-	2021	-	2022	-	2023	-	2024	225.32	2017	PE	-	2018	-	2019	-	2020	178.51	2021	370.69	2022	365.70	2023	-	2024	-	Complied
Year	Estate	Ha																																								
2016	FE	-																																								
2017		-																																								
2018		225.7																																								
2019		17.66																																								
2020		-																																								
2021		-																																								
2022		-																																								
2023		-																																								
2024		225.32																																								
2017		PE	-																																							
2018	-																																									
2019	-																																									
2020	178.51																																									
2021	370.69																																									
2022	365.70																																									
2023	-																																									
2024	-																																									
Principle 4: Use of appropriate best practices by growers and millers																																										
Criterion 4.1:																																										
Operating procedures are appropriately documented, consistently implemented and monitored.																																										
4.1.1	Standard Operating Procedures (SOPs) for estates and mills are documented - Major compliance -	TDM has prepared Agriculture Policy Standard Operating Procedures (SOPs) for mills and estate covering all the relevant operations. There is a separate SOP on safe working practices for mill and estates. The safe operating procedure for the estates includes pesticide application. Sungai Tong Palm Oil Mill has its own SOP for safe working practices covering all the work stations. SOP dated 1/5/2011, edition TDM/OSH/STPOM/01. There is a SOP covering spraying management at the riparian area and cover crops. Inspection to the field and mill confirm that the SOPs are implemented. Assistant Managers and staff monitor the implementation. At mill, SOP dated 1/5/2011 edition TDM/STPOM/01 Revision – 01/2011 covering all work station is displayed at each work station in Bahasa Malaysia.	Complied																																							
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	Mill advisor and Planting Advisor make annual visit to evaluate the performance of the mill and estates. Latest planting advisor visit was in June 2015. Issues highlighted were rectified by the estate management. All operating units maintain DOSH and DOE Visit Records as well. There were no major issues.	Complied																																							
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	<p>External PA visited on 27-28/2/2016 (Report No.: PA Report No. 1)</p> <p>External Agronomist visit: 26/6/16 (2016 Fertilizer recommendation)</p> <p>External PA visited on 20/9/2016 (Report No.: PA Report No. 1)</p>	Complied																																							

RSPO Public Summary Report
Revision 4 (November /2016)

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 -	Sungai Tong mill maintains a daily record of all FFB received. The records show the origin, weight, transporters details etc. The FFB is received from certified own supply base and external non-certified FFB from Independent smallholders.	Complied
Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	Sungai Tong Palm Oil Mill and estates operates in accordance with the TDM management systems and standard operating procedures. The practices consistently monitored by mill and plantation advisors and recommendations for improvements are given to maintain the sustainable practices.	Complied
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	Fertilizers are applied as per agronomist recommendation. Record shows application date, filed number, dosage applied per palm, type of fertilizer and number of applicators. i.e. field 00B1 applied with AC-NK3 fertilizer on 21/8/16 at the rate of 3.0kg/palm. 2016 fertilizer recommendation : 1. AC-NK1 :317.03 mt 2. AC : 807.37mt 3. MOP :705.70mt <u>Fikri Estate</u> Foliar sampling analysis was conducted, sighted Agronomist report dated 26/6/2016: Ref: TDM/AAD/02/06.2016. <u>Pelung Estate</u> Foliar sampling was conducted by external agronomist (Sime Darby Seeds & Agriculture Services Sdn Bhd) on 29/7/2015, sighted report dated 21/9/2015, Ref:AC/BO/10.84.6/0639(15).	Complied
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Internal Agronomist (report dated 26/6/2016: Ref: TDM/AAD/02/06.2016) at Fikri Estate and External Agronomist (report dated 21/9/2015, Ref:AC/BO/10.84.6/0639(15) at Pelung Estate were carry out foliar sampling prior to the fertilizer recommendation for 2016 and 2017. The visual analysis and the leaf analysis result which shows the nutrient level was used as guidance for the fertilizer recommendation. Soil sampling was carried out in 17/2/2016 for both estate visited by Internal Agronomist which the sample sent to the external lab (Mahamurni Plantations Sdn Bhd- UTCL Laboratory).	Complied
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	All palm by-products including fronds, EFB, shell and fibre are recycled. The compost fertiliser which is process from EFB is applied at the rate of 10kg/palm. At PE, the application of compost is still in progress at field 94A1 and 94A2.	Complied
Criterion 4.3: Practices minimise and control erosion and degradation of soils.			

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator		Assessment Findings	Compliance																										
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	Soil series map available for both estates visited. No other soil categorised as problematic or fragile soil. Sighted the type of soil available at FE and PE. <table border="1"> <thead> <tr> <th>No.</th> <th>Type of Soil</th> </tr> </thead> <tbody> <tr><td>1</td><td>Siri Alma</td></tr> <tr><td>2</td><td>Siri Awang</td></tr> <tr><td>3</td><td>Kesatuan Bungor-Batu Lapan</td></tr> <tr><td>4</td><td>Siri Batu Lapan</td></tr> <tr><td>5</td><td>Siri Jabil</td></tr> <tr><td>6</td><td>Siri Kg Pusu</td></tr> <tr><td>7</td><td>Siri Kerayong</td></tr> <tr><td>8</td><td>Siri Penambang</td></tr> <tr><td>9</td><td>Siri Pak Bong</td></tr> <tr><td>10</td><td>Siri Rengam</td></tr> <tr><td>11</td><td>Kesatuan Lundang-Chempaka</td></tr> <tr><td>12</td><td>Siri Bungor</td></tr> </tbody> </table>	No.	Type of Soil	1	Siri Alma	2	Siri Awang	3	Kesatuan Bungor-Batu Lapan	4	Siri Batu Lapan	5	Siri Jabil	6	Siri Kg Pusu	7	Siri Kerayong	8	Siri Penambang	9	Siri Pak Bong	10	Siri Rengam	11	Kesatuan Lundang-Chempaka	12	Siri Bungor	Complied
No.	Type of Soil																												
1	Siri Alma																												
2	Siri Awang																												
3	Kesatuan Bungor-Batu Lapan																												
4	Siri Batu Lapan																												
5	Siri Jabil																												
6	Siri Kg Pusu																												
7	Siri Kerayong																												
8	Siri Penambang																												
9	Siri Pak Bong																												
10	Siri Rengam																												
11	Kesatuan Lundang-Chempaka																												
12	Siri Bungor																												
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 -	Field inspection showed ground cover with soft grass and soft weeds. There is no significant erosion risk was noted during the field visit. Terracing, "Stops bunds" and planting Guatemala Grass have been implemented to reduce the soil erosion. There are no peat soils or soil categorised as problematic or fragile soil at both estates.	Complied																										
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Estates has implemented annual road maintenance programme for FY 2016. Example of programme checked at Fikri Estate and Pelung Estate shows the map indicating road repairs and maintenance for the whole estate roads includes grading, compacting and stone application to strengthen the road surface. As todate, at PE the total completed for road maintenance was 948.98chain.	Complied																										
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at both 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 are no peat soils or soil categorised as problematic or fragile soil at both estates.	Complied																										
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There are no peat soils or soil categorised as problematic or fragile soil at both estates.	Complied																										
Criterion 4.4: Practices maintain the quality and availability of surface and ground water.																													

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.1</p> <p>An implemented water management plan shall be in place. - Minor compliance -</p>	<p>Water management plan covers contingency during water shortage FY2016/2017 and action plan for reduction of water usage FY2016/2017 as well as monitoring.</p> <p>Water management involved monitoring of outgoing water. Monitoring done by taking water samples from streams/rivers based on revised procedure of Water Sampling (TDMP/Estate/01; Rev. Estate-01/2016; dated 1/10/2016).</p> <p>For Fikri Estate, monitoring was performed on stream from few sampling points as per following:</p> <ul style="list-style-type: none"> • W1: Upstream of Sg. Tong • W2: Downstream of Jambatan 95 • W3: Upstream of Sg. Goga • W4: Downstream of Sg. Kulim • W5: Upstream of Sg. Pok Bidin • W6: Downstream of Sg. Pok Bidin <p>Samples were analysed against the National Water Quality Standard Malaysia (NWQSM) Class IIA/IIB parameters (pH, BOD, COD, TSS, NH₃N & P) as well as Organochlorine Pesticides content. Latest sampling was done on 3/4/2016 (Report no.: ERAKT/TDM/FIKRI/16/04-08) shown that water samples from all sampling points are in compliance to the INWQS.</p> <p>Rainfall Fikri Estate 2015: 25235.83mm; Jan – Sep 2016: 1620.03mm</p> <p>For Pelung Estate, monitoring was performed on stream from few sampling points as per following:</p> <ul style="list-style-type: none"> • W1: Upstream of Sg. Tengadoh • W2: Downstream of Sg. Tualan • W3: Upstream of Sg. Dagang Besar • W4: Downstream of Sg. Dagang Besar <p>Samples were analysed against the National Water Quality Standard Malaysia (NWQSM) Class IIA/IIB parameters (pH, BOD, COD, TSS, NH₃N & P) as well as Organochlorine Pesticides content. Latest sampling was done on 30/3/2016 (Report no.: ERAKT/TDM/PELUNG/16/07-07) shown that water samples from all sampling points are in compliance to the INWQS.</p> <p>Rainfall Pelung Estate 2015: 2849.00mm; Jan – Sep 2016: 1941.00mm</p>	<p>Complied</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

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 -	Documented as a Slope Protection & River Buffer Zone Policy (Signed by CEO TDM Plantation, dated 18/9/2016) established as following: <table border="1"> <thead> <tr> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>< 5 meters</td> <td>5 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>> 40 meters</td> <td>50 meters</td> </tr> </tbody> </table>	River width	Buffer zone	< 5 meters	5 meters	5 to 10 meters	10 meters	10 to 20 meters	20 meters	20 to 40 meters	40 meters	> 40 meters	50 meters	Complied
River width	Buffer zone														
< 5 meters	5 meters														
5 to 10 meters	10 meters														
10 to 20 meters	20 meters														
20 to 40 meters	40 meters														
> 40 meters	50 meters														
4.4.3	Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	Sg. Tong POM implemented outgoing water monitoring. Sampled effluent monitoring records: Monthly Effluent Sample Report ref. 16/09/W696 dated 23/9/2016 for sample taken on 15/9/2016, analyzed by ERALab (KT) Sdn. Bhd., Kuala Terengganu; parameters monitored-: pH, BOD, TSS, AN (NH ₃ N), TN (TKN), O&G. Other sampled records of BOD Analysis for the month of July, June, May and April 2016 shown that the mill effluents were in compliance with license regulations.	Complied												
4.4.4	Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	STPOM monitored its water consumption on monthly basis for the source of water supply for its mill process usage. Average water consumed for the period from Jan to December 2015 was 2.4m ³ /mt FFB processed. Current water usage todate for the period from Jan to Sep 2016 was 2.2m ³ /mt FFB processed.	Complied												
Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.															
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	IPM Plan includes the planting of beneficial plants and control of damage by rodents. Beneficial plants such as Tunera subulata and Casia are grown in the estates. Records of planting of new areas and maintenance of existing areas of beneficial plants and location maps are available. Records of rat baiting and barn owl census are available. Barn owl box occupancy rate, Aug 2016-13.43% (FE) and 47% (PE).	Complied												
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	Training records for staff on IPM implementation were available and verified to be satisfactory during on-site assessment. <table border="1"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>4/10/16</td> <td>IPM training</td> <td>Fikri Estate</td> </tr> <tr> <td>4/4/16</td> <td>IPM training-Rat</td> <td>Pelung Estate</td> </tr> <tr> <td>17/1/16</td> <td>IPM training-Beneficial Plant</td> <td>Pelung Estate</td> </tr> </tbody> </table>	Date	Training Topic	Remarks	4/10/16	IPM training	Fikri Estate	4/4/16	IPM training-Rat	Pelung Estate	17/1/16	IPM training-Beneficial Plant	Pelung Estate	Complied
Date	Training Topic	Remarks													
4/10/16	IPM training	Fikri Estate													
4/4/16	IPM training-Rat	Pelung Estate													
17/1/16	IPM training-Beneficial Plant	Pelung Estate													
Criterion 4.6: Pesticides are used in ways that do not endanger health or the environment															

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance										
4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	Justification of pesticides applied is available in the TDM agriculture policy. Refer to agriculture policy no 05.0205.03 weed control for immature & mature oil palm. For pest and disease control, refer to 09-01 – 09-08. The use of pesticide is specific to the target pest, weed and disease. Justification takes consideration to minimize effect on non-target species.	Complied									
4.6.2	Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -	Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate for a minimum of 5 years (2010 to 2015). Verified that records of monitoring were satisfactorily. <table border="1" data-bbox="660 763 1299 904"> <thead> <tr> <th></th> <th>Sept 16</th> <th>Todate 2016</th> </tr> </thead> <tbody> <tr> <td>Fikri Estate</td> <td>0.081 a.i/Ha</td> <td>0.818 a.i/Ha</td> </tr> <tr> <td>Pelung Estate</td> <td>0.043 a.i/ha</td> <td>0.371 a.i/Ha</td> </tr> </tbody> </table>		Sept 16	Todate 2016	Fikri Estate	0.081 a.i/Ha	0.818 a.i/Ha	Pelung Estate	0.043 a.i/ha	0.371 a.i/Ha	Complied
	Sept 16	Todate 2016										
Fikri Estate	0.081 a.i/Ha	0.818 a.i/Ha										
Pelung Estate	0.043 a.i/ha	0.371 a.i/Ha										
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 quantity of agrochemicals required for various field conditions are documented and justified in TDM agriculture policy 09-01 to 09-08. The implementation in the field is consistent with the TDM agriculture policy.	Complied									
4.6.4	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. - Minor compliance -	Noted that there are no pesticides that are categorised as Class 1A and 1B.	Complied									
4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	There is no outbreak of pesticide at Fikri Estate and Pelung Estate. However the sprayer operators given training on the safe handling and application of the herbicide. Suitable personal protective equipment's and application equipment provided to the operators. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with workers.	Complied									
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During site visit, it was noted that all the remaining pesticides are kept in the store and securely locked and comply with regulation.	Complied									

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator		Assessment Findings	Compliance												
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	The quantity of agrochemicals required for various field conditions are documented and justified in TDM Plantation Agriculture Manual. The implementation in the field is consistent with the Agriculture Manual.	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 spraying at Sg Tong Certification 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, however for the TDM employee, the training was conducted accordingly. <table border="1" data-bbox="662 828 1252 981"> <thead> <tr> <th>Date</th> <th>Training Topic</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>4/10/16</td> <td>IPM training</td> <td>Fikri Estate</td> </tr> <tr> <td>4/4/16</td> <td>IPM training-Rat</td> <td>Pelung Estate</td> </tr> <tr> <td>17/1/16</td> <td>IPM training-Beneficial Plant</td> <td>Pelung Estate</td> </tr> </tbody> </table>	Date	Training Topic	Remarks	4/10/16	IPM training	Fikri Estate	4/4/16	IPM training-Rat	Pelung Estate	17/1/16	IPM training-Beneficial Plant	Pelung Estate	Complied
Date	Training Topic	Remarks													
4/10/16	IPM training	Fikri Estate													
4/4/16	IPM training-Rat	Pelung Estate													
17/1/16	IPM training-Beneficial Plant	Pelung Estate													
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers. Workers interview reveal that they are aware of the zero burning policy including domestic waste are not allowed to be burned. Management disposes waste material as per regulation for schedule waste and domestic waste.	Complied												
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	<u>Pelung Estate</u> 4 sprayers from Pelung Estate were sent for medical surveillance on 3/3/16. Sighted medical report by registered OHD, Klinik Bestari Sdn Bhd (HQ/08/DOC/00/352), all the sprayers were found fit. <u>Fikri Estate</u> 2 sprayers were sent for medical surveillance on 28/3/2016, refer to medical surveillance report by registered OHD, HQ/08/DOC/00/352 under Klinik Bestari Sdn Bhd. All the sprayers were found fit.	Complied												
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	No female sprayer for both estate visited.	Complied												

Criterion 4.7:

An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<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>The Health and Safety Policy, dated 18 September 2016 was signed by Acting CEO and displayed in Mill and Estates Offices. OHS plan for 2016 covers OSH legal compliance, Safety committee, emergency response plan (ERP), OSH management system and risk management. Sample of OSH management system activities as follows :</p> <p>i) LEV inspection and testing Annual inspection was conducted on 3/3/2016 by 3rd party (IHT II) JKPP HIE 127/171-3/2(76), found in-compliance with ACGIH guidelines stipulated by DOSH.</p> <p>ii) Medical Surveillance 4 lab operators and 6 welders were sent for medical surveillance on 8/4/2016 (n-hexane), refer to medical surveillance report by registered OHD, HQ/08/DOC/00/272 under SI Energy Enterprise. All the lab operators was found fit. 4 sprayers from Pelung Estate were sent for medical surveillance on 3/3/16. Sighted medical report by registered OHD, Klinik Bestari Sdn Bhd (HQ/08/DOC/00/352), all the sprayers were found fit. 2 sprayers from Fikri Estate were sent for medical surveillance on 28/3/2016, refer to medical surveillance report by registered OHD, HQ/08/DOC/00/352 under Klinik Bestari Sdn Bhd. All the sprayers were found fit.</p> <p>iii) Audiometric Testing Annual audiometric testing was conducted on 6/3/2016 by OHD, HQ/08/DOC/00/272 under SI Energy Enterprise. Total workers tested 98. Both HI and STS – 10, TSTS – 11. JKPP 7 sent to DOSH on 5/5/2016 for those who found noise induced hearing loss. Repeat audiometry for 11 workers was not conducted accordingly as per recommendation by assessor. Refer to NCR indicator 2.1.1. The additional noise exposure monitoring for Bio-compost, EFB station and C/S station was conducted 4/10/2016, the report yet to be received.</p> <p>iv) Chemical Health Risk Assessment (CHRA) CHRA was conducted on 24/8/2014 Occumed Consultancy & Services Sdn Bhd (JKPP HIE 127/171-2(8)) for STPOM. The action plan was established through the recommendation from the assessor.</p>	<p>Complied</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance	
	<p>CHRA was conducted on 14/10-20/11/14 by Medi-Ihsan Occupational Safety and Health Sdn Bhd (JKKP HIE 127/171-2(306) for PE. The action plan was established through the recommendation from the assessor. The Chemical register was available and sent to DOSH on 24/3/2016 by Assistant Manager.</p> <p>Fikri Estate CHRA was conducted from 10/11/2014 to 13/01/2015 by Medi-Ihsan Occupational Safety and Health Sdn Bhd (JKKP HIE 127/171-2(306) for Fikri Estate. The action plan was established through the recommendation from the assessor.</p>		
4.7.2	<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>TDM plantation had identified and reviewed significant hazards and risks and determined appropriate risk control measures through the HIRARC procedure (TDM/STPOM/01 dated 1/5/2012). The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. Refer to CHRA which was conducted on 24/8/2014 Occumed Consultancy & Services Sdn Bhd (JKKP HIE 127/171-2(8)) for STPOM.</p> <p>CHRA was conducted from 10/11/2014 to 13/01/2015 by Medi-Ihsan Occupational Safety and Health Sdn Bhd (JKKP HIE 127/171-2(306) for Fikri Estate.</p> <p>At the estates, among the HIRARC carried out covered activities like chemical mixing and spraying, chemical storage, harvesting and FFB collection and vehicle maintenance and construction of new workers quarters. For mill operations, all key activities identified and risk assessed with respect to FFB grading and sorting, FFB sterilization, continuous sterilizer, kernel and oil extraction, oil clarification, maintenance activities at the workshop, working in confined space, working at height, hot work activities, Bio-composting plant and EFB press station.</p>	Complied

**RSPO Public Summary Report
Revision 4 (November /2016)**

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>Training programme planned for year 2016 was consistently implemented. The programme includes training for all categories of workers. Evidence of adequate and appropriate training on safe working practices provided to:</p> <ul style="list-style-type: none"> - workers exposed to machinery and high noise levels, - workers working in confined space, - harvesters - pesticides operators - manurers <p>Sample training checked:</p> <table border="1" data-bbox="660 707 1299 1684"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>11/9/2016</td> <td>Training for all station</td> <td rowspan="6">STPOM</td> </tr> <tr> <td>7/9/2016</td> <td>SOP-Boiler</td> </tr> <tr> <td>28/7/2016</td> <td>Handling of Press & Digester</td> </tr> <tr> <td>25/7/2016</td> <td>Handling on machineries</td> </tr> <tr> <td>14/4/2016</td> <td>Hearing Conservation Programme</td> </tr> <tr> <td>24-25/11/2015</td> <td>Training on First Aid</td> </tr> <tr> <td>4/10/16</td> <td>IPM training</td> <td rowspan="5">Fikri Estate</td> </tr> <tr> <td>04/10/2016</td> <td>Tractor Driving</td> </tr> <tr> <td>04/10/2016</td> <td>IPM Training</td> </tr> <tr> <td>17/08/2016</td> <td>Grading by MPOB</td> </tr> <tr> <td>06/01/2016</td> <td>Training on Safety</td> </tr> <tr> <td>4/4/16</td> <td>IPM training-Rat</td> <td rowspan="9">Pelung Estate</td> </tr> <tr> <td>17/1/16</td> <td>IPM training-Beneficial Plant</td> </tr> <tr> <td>12/2/16</td> <td>OSH management system</td> </tr> <tr> <td>3/6/16</td> <td>HIRARC</td> </tr> <tr> <td>9/10/16</td> <td>First Aid</td> </tr> <tr> <td>3/3/16</td> <td>ERP</td> </tr> <tr> <td>9/3/16</td> <td>Manuring</td> </tr> <tr> <td>3/9/16</td> <td>Spraying/Buffer Zone</td> </tr> <tr> <td>16/6/16</td> <td>Harvesting</td> </tr> </tbody> </table>	Date	Training	Remark	11/9/2016	Training for all station	STPOM	7/9/2016	SOP-Boiler	28/7/2016	Handling of Press & Digester	25/7/2016	Handling on machineries	14/4/2016	Hearing Conservation Programme	24-25/11/2015	Training on First Aid	4/10/16	IPM training	Fikri Estate	04/10/2016	Tractor Driving	04/10/2016	IPM Training	17/08/2016	Grading by MPOB	06/01/2016	Training on Safety	4/4/16	IPM training-Rat	Pelung Estate	17/1/16	IPM training-Beneficial Plant	12/2/16	OSH management system	3/6/16	HIRARC	9/10/16	First Aid	3/3/16	ERP	9/3/16	Manuring	3/9/16	Spraying/Buffer Zone	16/6/16	Harvesting	<p>Complied</p>
Date	Training	Remark																																														
11/9/2016	Training for all station	STPOM																																														
7/9/2016	SOP-Boiler																																															
28/7/2016	Handling of Press & Digester																																															
25/7/2016	Handling on machineries																																															
14/4/2016	Hearing Conservation Programme																																															
24-25/11/2015	Training on First Aid																																															
4/10/16	IPM training	Fikri Estate																																														
04/10/2016	Tractor Driving																																															
04/10/2016	IPM Training																																															
17/08/2016	Grading by MPOB																																															
06/01/2016	Training on Safety																																															
4/4/16	IPM training-Rat	Pelung Estate																																														
17/1/16	IPM training-Beneficial Plant																																															
12/2/16	OSH management system																																															
3/6/16	HIRARC																																															
9/10/16	First Aid																																															
3/3/16	ERP																																															
9/3/16	Manuring																																															
3/9/16	Spraying/Buffer Zone																																															
16/6/16	Harvesting																																															

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.4</p> <p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded. - Major compliance -</p>	<p>The responsible persons are the Manager, Assistant Manager & staff of the respective operating units. SHE committee meeting members consist of employer & employee representatives. Records of regular meetings between the responsible person and workers to discuss about health and safety had been verified to be satisfactory. Sighted the minute of OHS meeting:</p> <ol style="list-style-type: none"> 1. SGPOM-25/9/2016 and 23/6/2016, discussed on the accident report, OSH training, workplace inspection and other issues. 2. PE-14/9/16, 13/7/16, 7/3/16, however the coverage was not sufficient (workplace inspection, accident investigation, training related to OSH) 3. Fikri Estate – 25/9/2016, 23/06/2016 and 23/03/2016, however the coverage was not sufficient (workplace inspection, accident investigation, training related to OSH) <p>Thus, Major NCR was raised due to this lapse.</p>	<p>Major nonconformance</p>
<p>4.7.5</p> <p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed. - Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to employees, contractors and visitors. Fire evacuation drill was last conducted on 3/3/16 to test the state of readiness during emergency situation.</p> <p>Workers trained in First Aid were present in the mill and field operations. First Aid Kits were available at worksites. Records on all accidents kept and summary sent to Head Office. Quarterly review on accident cases carried out during OSH quarterly meeting. However for 2016, no accident case was occurred. All operating units keeping all the JKPP 6, 7 & 8 forms and available for viewing. JKPP 8 was sent to DOSH on 7/1/2016 at STPOM.</p> <p>DOSH visits been recorded in the DOSH log book and noted comments highlighted by DOSH has been taken action accordingly by the organization. The action plan was sent to DOSH on 15/10/2016.</p> <p><u>Fikri Estate</u></p> <p>JKKP 6 sent to DOSH on 26/01/2016 (accident on 24/01/2016: AE7644933).</p> <p>JKKP 8 was sent to DOSH on 13/1/2016 at Fikri Estate.</p> <p>DOSH visits (03/04/2016) been recorded in the DOSH log book and noted comments highlighted by DOSH has been taken action accordingly by the organization.</p> <p><u>Pelung Estate</u></p> <p>JKKP 8 was sent to DOSH on 21/1/2016 at Pelung Estate.</p> <p>DOSH visits (13/03/2016) been recorded in the DOSH log book and noted comments highlighted by DOSH has been taken action accordingly by the organization.</p>	<p>Complied</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance																								
<p>4.7.6</p> <p>All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to employees, contractors and visitors. Fire evacuation drill was last conducted on 3/3/16 (PE) to test the state of readiness during emergency situation. Workers trained in First Aid were present in the mill and field operations. First Aid Kits were available at worksites. 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 JKKP 6 & 8 forms and available for viewing.</p> <p>Fikri Estate</p> <table border="1" data-bbox="660 703 1299 1205"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Takaful Keluarga Berkelompok (TDMP/LF/1/2)</td> <td>01/01/2016 – 31/12/2016</td> <td>Local Workers</td> </tr> <tr> <td>RHB Insurance Berhad (Policy No: MW106705)</td> <td>22/11/2016 – 21/11/2017</td> <td>Foreign Worker Compensation Scheme</td> </tr> <tr> <td>Chubb Insurance Malaysia Berhad (Policy No: HQ-W8142691-WWF)</td> <td>27/08/2016 – 26/08/2017</td> <td>Foreign Workers Compensation</td> </tr> <tr> <td>Am General Insurance Berhad (Policy No: EGD-0046082)</td> <td>20/07/2016 – 19/07/2017</td> <td>Foreign Worker Compensation Scheme</td> </tr> </tbody> </table> <p>Pelung Estate</p> <table border="1" data-bbox="660 1263 1299 1469"> <thead> <tr> <th>Insurance</th> <th>Period</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>Takaful Keluarga Berkelompok (Ladang Pelung)</td> <td>Year 2016</td> <td>Local Workers</td> </tr> <tr> <td>RHB Insurance Berhad (Policy No: MW104707)</td> <td>19/10/2016 – 18/10/2017</td> <td>Foreign Worker Compensation Scheme</td> </tr> </tbody> </table>	Insurance	Period	Remark	Takaful Keluarga Berkelompok (TDMP/LF/1/2)	01/01/2016 – 31/12/2016	Local Workers	RHB Insurance Berhad (Policy No: MW106705)	22/11/2016 – 21/11/2017	Foreign Worker Compensation Scheme	Chubb Insurance Malaysia Berhad (Policy No: HQ-W8142691-WWF)	27/08/2016 – 26/08/2017	Foreign Workers Compensation	Am General Insurance Berhad (Policy No: EGD-0046082)	20/07/2016 – 19/07/2017	Foreign Worker Compensation Scheme	Insurance	Period	Remark	Takaful Keluarga Berkelompok (Ladang Pelung)	Year 2016	Local Workers	RHB Insurance Berhad (Policy No: MW104707)	19/10/2016 – 18/10/2017	Foreign Worker Compensation Scheme	<p>Complied</p>
Insurance	Period	Remark																								
Takaful Keluarga Berkelompok (TDMP/LF/1/2)	01/01/2016 – 31/12/2016	Local Workers																								
RHB Insurance Berhad (Policy No: MW106705)	22/11/2016 – 21/11/2017	Foreign Worker Compensation Scheme																								
Chubb Insurance Malaysia Berhad (Policy No: HQ-W8142691-WWF)	27/08/2016 – 26/08/2017	Foreign Workers Compensation																								
Am General Insurance Berhad (Policy No: EGD-0046082)	20/07/2016 – 19/07/2017	Foreign Worker Compensation Scheme																								
Insurance	Period	Remark																								
Takaful Keluarga Berkelompok (Ladang Pelung)	Year 2016	Local Workers																								
RHB Insurance Berhad (Policy No: MW104707)	19/10/2016 – 18/10/2017	Foreign Worker Compensation Scheme																								
<p>4.7.7</p> <p>Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -</p>	<p>Mill & Estates</p> <p>Records on Lost Time Accident (LTA) metrics had been verified to be satisfactory. Sample of accident statistic as shown below :</p> <table border="1" data-bbox="660 1653 1299 1800"> <thead> <tr> <th>Year</th> <th>STPOM</th> <th>Fikri Estate</th> <th>Pelung Estate</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>30</td> <td>0</td> <td>0</td> </tr> <tr> <td>2016 (as at Sept 16)</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table> <p>*LTA is equivalent to lost man days</p>	Year	STPOM	Fikri Estate	Pelung Estate	2015	30	0	0	2016 (as at Sept 16)	0	0	0	<p>Complied</p>												
Year	STPOM	Fikri Estate	Pelung Estate																							
2015	30	0	0																							
2016 (as at Sept 16)	0	0	0																							
<p>Criterion 4.8: All staff, workers, smallholders and contract workers are appropriately trained.</p>																										

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance																																														
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 -	A formal training programme on all aspects of RSPO principle and Criteria has been established and implemented. The training program for 2016 includes: <ul style="list-style-type: none"> • SOP training for Sterilizer & Laboratory Operator • Safety Training covering all type of work • Vehicle and Tractor Driver Training • Fire Drill and Emergency / Response Team Training • Accident Investigation Training by OSH Team First Aid Training. Sample training checked: <table border="1" data-bbox="660 680 1297 1664"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>11/9/2016</td> <td>Training for all station</td> <td rowspan="6">STPOM</td> </tr> <tr> <td>7/9/2016</td> <td>SOP-Boiler</td> </tr> <tr> <td>28/7/2016</td> <td>Handling of Press & Digester</td> </tr> <tr> <td>25/7/2016</td> <td>Handling on machineries</td> </tr> <tr> <td>14/4/2016</td> <td>Hearing Conservation Programme</td> </tr> <tr> <td>24-25/11/2015</td> <td>Training on First Aid</td> </tr> <tr> <td>4/10/16</td> <td>IPM training</td> <td rowspan="5">Fikri Estate</td> </tr> <tr> <td>04/10/2016</td> <td>Tractor Driving</td> </tr> <tr> <td>04/10/2016</td> <td>IPM Training</td> </tr> <tr> <td>17/08/2016</td> <td>Grading by MPOB</td> </tr> <tr> <td>06/01/2016</td> <td>Training on Safety</td> </tr> <tr> <td>4/4/16</td> <td>IPM training-Rat</td> <td rowspan="8">Pelung Estate</td> </tr> <tr> <td>17/1/16</td> <td>IPM training-Beneficial Plant</td> </tr> <tr> <td>12/2/16</td> <td>OSH management system</td> </tr> <tr> <td>3/6/16</td> <td>HIRARC</td> </tr> <tr> <td>9/10/16</td> <td>First Aid</td> </tr> <tr> <td>3/3/16</td> <td>ERP</td> </tr> <tr> <td>9/3/16</td> <td>Manuring</td> </tr> <tr> <td>3/9/16</td> <td>Spraying/Buffer Zone</td> </tr> <tr> <td>16/6/16</td> <td>Harvesting</td> </tr> </tbody> </table>	Date	Training	Remark	11/9/2016	Training for all station	STPOM	7/9/2016	SOP-Boiler	28/7/2016	Handling of Press & Digester	25/7/2016	Handling on machineries	14/4/2016	Hearing Conservation Programme	24-25/11/2015	Training on First Aid	4/10/16	IPM training	Fikri Estate	04/10/2016	Tractor Driving	04/10/2016	IPM Training	17/08/2016	Grading by MPOB	06/01/2016	Training on Safety	4/4/16	IPM training-Rat	Pelung Estate	17/1/16	IPM training-Beneficial Plant	12/2/16	OSH management system	3/6/16	HIRARC	9/10/16	First Aid	3/3/16	ERP	9/3/16	Manuring	3/9/16	Spraying/Buffer Zone	16/6/16	Harvesting	Complied
Date	Training	Remark																																														
11/9/2016	Training for all station	STPOM																																														
7/9/2016	SOP-Boiler																																															
28/7/2016	Handling of Press & Digester																																															
25/7/2016	Handling on machineries																																															
14/4/2016	Hearing Conservation Programme																																															
24-25/11/2015	Training on First Aid																																															
4/10/16	IPM training	Fikri Estate																																														
04/10/2016	Tractor Driving																																															
04/10/2016	IPM Training																																															
17/08/2016	Grading by MPOB																																															
06/01/2016	Training on Safety																																															
4/4/16	IPM training-Rat	Pelung Estate																																														
17/1/16	IPM training-Beneficial Plant																																															
12/2/16	OSH management system																																															
3/6/16	HIRARC																																															
9/10/16	First Aid																																															
3/3/16	ERP																																															
9/3/16	Manuring																																															
3/9/16	Spraying/Buffer Zone																																															
16/6/16	Harvesting																																															
4.8.2 Records of training for each employee shall be maintained. - Minor compliance -	Records of training for employees available and maintained. Records verified on a sampling basis at the Mill and estates visited covers all aspect of training and RSPO P&C.	Complied																																														

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

Criterion 5.1:

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

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>5.1.1</p> <p>An environmental impact assessment (EIA) shall be documented. - Major compliance -</p>	<p>STPOM has a documented Environmental Aspect and Impact Identification (EAI) which was updated on 27/7/2016 (STPOM/5/1/EAI). The EAI developed based on its established Standard Operating Procedure on Environmental Aspects/Impacts Evaluation TDM/STPOM/01 Revision STPOM-01/2012 dated 1/5/2012. Aspect identified and impact evaluated for the mill operations was tabulated on the STPOM Aspect and Impact Evaluation Form divided into mill operation stations. STPOM has covered all its operation in identifying the environmental aspect and evaluating the environmental impact. Latest update of the EAI has included the newly commissioned Continuous Sterilizer station which displaced the previous operation of conventional sterilizer system. The system also has displaced the use of sterilizer cages and overhead crane where the FFB conveying used only scrapper bar chain conveyor system.</p> <p>Fikri Estate and Pelung Estate has documented EIA based on procedure of Environmental Aspects/Impacts Evaluation Version 1 dated 11/1/2016 and 2/6/2016 respectively– Environment Aspect and Impact Identification for various activities- security work, compound, dispensary, field, harvesting and collection, main entrance, pest and disease control, petrol and diesel, power station, replanting, road, schedule waste store, workshop was tabulated in File No.: LPT/5.2/EAI.</p>	<p>Complied</p>
<p>5.1.2</p> <p>Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -</p>	<p>Mill: Environmental Aspect Identification (EAI) and Environmental Evaluation (EIE) reviewed and updated on 1/1/2016. Mill has included the aspect has included the newly constructed Continuous Sterilizer station which displaced the previous operation of conventional sterilizer system.</p> <p>Fikri Estate: Environment Aspect and Impact Identification review done on 11/1/2016.</p> <p>Pelung Estate: Environment Aspect and Impact Identification review meeting on 2/6/2016.</p> <p>It was observed that the reviewing and updating on the registers were done annually if there's no any new activity within respective sites.</p>	<p>Complied</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>5.1.3</p> <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>Mill: Monitoring plan was established based on DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling</p> <p>Among the mill environmental monitoring records available are sighted as following:</p> <ul style="list-style-type: none"> • Effluent monitoring records: Monthly Effluent Sample Report ref. 16/09/W696 dated 23/9/2016 for sample taken on 15/9/2016, analyzed by ERALab (KT) Sdn. Bhd., Kuala Terengganu; parameters monitored:- pH, BOD, TSS, AN (NH₃N), TN (TKN), O&G. Other sampled records of BOD Analysis for the month of July, June, May and April 2015 shown that the mill effluents were in compliance with license regulations. • Boiler stack sampling records: Measurement of Dust Particulate Concentration on 13/1/2016 by Environmental Science (M) Sdn. Bhd. (Report ref. # L-GB-TC11601CSN-0214; dated 25/1/2016) for Stack Flue Gas Boiler no. 1. Result shown the stack emissions are within limit at 0.3443 g/Nm³ <p>Online scheduled waste inventory & consignment – updated as of 14/09/2016 where the quantity and storage period were within allowable limit. Latest Scheduled Waste disposal was done on 14/9/2016, consignment # 3RQ 12068 (SW 410) & # 3RQ 12069 3R (SW 110) by Quest Sdn. Bhd. and # 7257 (SW 305) on 11/8/2016 by Rengkas Maju.</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 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).</p> <p>- Major compliance -</p>	<p>As reported during last assessment, the HCV assessment was conducted in May 2012 by an independent consultant from SRA Consultancy with working experience in conducting HCV and Social Impact Assessment. HCV Toolkit for Malaysia by WWF – Malaysia was used. There were appropriate consultation processes as per the HCV Toolkit-Malaysia which covers the three main components of identification, management and monitoring. The HCV area is 4.00ha and conservation area totaling 1,210.40ha, mainly water-log and steep area which was abandoned.</p>	<p>Complied</p>
<p>5.2.2</p> <p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	<p>Regular patrols within the operating unit estates were carried out and findings recorded by the respective Estate executives to monitor the Conservation / buffer zone areas. Mechanism for reporting the sightings of various types of wildlife, were found to have been in place. Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented. Signage's that prohibit hunting, fishing and water polluting activities were verified on-site at the both visited estates found to have been satisfactorily maintained.</p>	<p>Complied</p>

RSPO Public Summary Report
Revision 4 (November /2016)

Criterion / Indicator	Assessment Findings	Compliance
5.2.3	<p>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.</p> <p>- Minor compliance -</p>	Complied
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <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. <p>- Minor compliance -</p>	Complied
5.2.5	<p>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.</p> <p>- Minor compliance -</p>	Complied
<p>Criterion 5.3: Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	Complied
5.3.2	<p>All chemicals and their containers shall be disposed of responsibly.</p> <p>- Major compliance -</p>	Complied

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -</p>	<p><u>Sg. Tong POM:</u> Environmental Improvement Plan/ Pollution Prevention Plan (STPOM) for FY2016/2017 had been established by STPOM that has been highlighting all the mitigating measures to address the potential significant environmental issue. The plan amongst all established mitigating measures and appointing person in-charge to improve identified issue as following:</p> <ul style="list-style-type: none"> • Improper sewage system at worker’s line site • Cleanliness of SW store • Overflow and oil spillage during monsoon season • Pollution of main natural waterways and etc. <p>Online scheduled waste inventory & consignment – updated as of 14/09/2016 where the quantity and storage period were within allowable limit. Latest Scheduled Waste disposal was done on 14/9/2016, consignment # 3RQ 12068 (SW 410) & # 3RQ 12069 3R (SW 110) by Quest Sdn. Bhd. and # 7257 (SW 305) on 11/8/2016 by Rengkas Maju.</p> <p><u>Fikri Estate:</u> Latest Scheduled Waste disposal was done on 12/10/2016 by Rengkas Maju (M) Sdn. Bhd. (SW305 - Consignment # 7609); 14/9/2016 by 3R Quest Sdn. Bhd. (SW410 – Consignment # 3RQ 12058).</p> <p><u>Pelung Estate:</u> Latest Scheduled Waste disposal was done on 14/9/2016 by 3R Quest Sdn. Bhd. (SW409 – Consignment # 3RQ 12055 & SW410 – Consignment # 3RQ 12054).</p>	<p>Complied</p>
<p>Criterion 5.4: Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		
<p>5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -</p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Based on record of monitoring of renewable energy usage for financial year period of Jan to Sep 2016, the following were derived: Average fibre sold: 500mt/month Average fibre usage: 0.10mt/mt FFB processed Average shell usage: 0.07mt/mt FFB processed Total: 0.17mt/mt FFB processed Average monthly fossil fuel (diesel): 0.6liter/mt FFB processed for vehicles and standby/start-up genset consumptions</p>	<p>Complied</p>
<p>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.</p>		

**RSPO Public Summary Report
Revision 4 (November /2016)**

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 -	Based on the action plan to prevent open burning which includes planting cover crops, installing zero burning noticeboards, briefing and etc. Furthermore, the Group policy of "Zero open burning" enforced since July 2008. The operating units were adhered to the policy of "Zero open burning" for replanting, if any, in the estates. Field inspections made in Fikri and Pelung estates field showed no evidence open burning.
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 -	The operating units have adhered to the zero burning policy for replanting at the estates. During the audit, there were no replanting activities carried out in the Fikri and Pelung estates. There was no evidence of any burning of domestic waste at the housing line sites and at the domestic landfills of the estates during on site field assessment.
Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.		
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 -	Based on the assessment of all polluting activities as of the Environment Aspect and Impact assessment, identified source was boiler chimney. Current monitoring was through online boiler smoke density and alarm and six-monthly boiler stack monitoring of dust particulate. Sampled Boiler stack sampling records: Measurement of Dust Particulate Concentration on 13/1/2016 by Environmental Science (M) Sdn. Bhd. (Report ref. # L-GB-TC11601CSN-0214; dated 25/1/2016) for Stack Flue Gas Boiler no. 1. Result shown the stack emissions are within limit at 0.3443 g/Nm ³
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH) emission through POME treatment. The company have plans to construct methane capture facilities in POME treatment pond. Project arrangement handled by HQ and the project expected to complete the construction before 2019. Other less significant GHG emissions identified including CO _x , SO _x and NO _x from various sources including fossil fuel, chemical and fertilizer consumptions.
5.6.3	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools. - Minor compliance -	Tools and systems used to monitor significant pollutants includes the DOE CEMS monitoring system for air emissions, water quality at discharge points as per DOE regulations and Scheduled Waste disposal as per the DOE requirements. POME is treated using aerobic and anaerobic ponds. Effluent waste-water samples were taken as per DOE requirement and quarterly reports sent to DOE. The mill is in the process of compiling all the data from mill and estates and will submit to the ERWG before the end of the year because there are pending deliveries of fertilizer to the estates which need to be included in the GHG calculation tool.
Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.		

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator		Assessment Findings	Compliance
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 -	SIA was conducted on 17/3-19/4/2012 by SRA Consultancy. The assessment has involved the participation of internal and external stakeholders. The assessment methodology was through field interview, site visit and document review. Attendance list of the involvement of stakeholders has been documented.	Complied
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The assessment was covered education, safety and health, living condition and infrastructure & amenities with participation of affected stakeholders such as local communities, workers, government bodies and etc.	Complied
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	The mill and estates management has generated action plan for year 2016/2017. Fikri Estate has developed the plan on 2/6/2016. The action plan was developed with the participation of stakeholders where issue raised by the stakeholder has been recorded into the action plan. The action plan has incorporated person to be responsible and status of the issue.	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 plan has been reviewed on yearly basis. The last review was done for 2016/2017 for the mill and Pelung Estate and 2/6/2016 for Fikri Estate.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	No smallholder schemes at Sungai Tong Certification Unit.	Not applicable
Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	Communication procedure has been established by TDM Plantation Sdn. Bhd. Records of communication with the stakeholders have been documented and sighted during the audit. No any issue pending is sighted.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Manager of the mill and estates has been appointed as representative to handle social issues with appointment letter dated 2/9/2014 issued by Human Resource Department from head office.	Complied

**RSPO Public Summary Report
Revision 4 (November /2016)**

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>Stakeholder meeting (Mill, Fikri Estate and Pelung Estate) was conducted on 26/9/2016 with the participation of external stakeholders such as head of villages, school representatives, contractors and government authorities. Meeting minutes and attendance list has been sighted and documented. Issues raised during the meeting was follow-up and action has been taken to resolve. No any issue pending recorded.</p> <p>Stakeholder list has been developed where it included local communities, contractors, suppliers, government authorities such as school, PERKESO, DOE, MAPA and etc.</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 management has established a procedure on handling social issue dated 1/7/2012. Two way communication was the method been utilized by the management. A flowchart of handling social issue is developed. The management has to discuss the issue raised by stakeholders within 2 weeks for the first meeting.</p>	Complied
6.3.2	<p>Documentation of both the process by which a dispute was resolved and the outcome shall be available.</p> <p>- Major compliance –</p>	<p>Complaint form and complaint logbook has been implemented and utilized by the workers if there is any complaint. Most of the issues were regarding housing repair work such as broken door and windows. So far, all the complaints have been resolved.</p>	Complied
<p>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.</p>			
6.4.1	<p>A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place.</p> <p>- Major compliance -</p>	<p>Flowchart and procedure for handling land disputes and boundaries dispute dated 10/3/2014 and 2/1/2013 respectively has been established. There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.</p>	Complied

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance	
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 -	TDMP has implemented SOP of Calculating and Distributing Fair Compensation dated 1/10/2016 with edition TDM/ESTATE/01. If there is any land dispute case that required compensation, this will be referred to mutual agreement and also District Land Department to value the land on dispute. Up to date, there is no any compensation of land has reported.	Complied
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders to date.	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.			
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	The mill and estate management has employed local and foreign workers. The payslip has included wages, deduction of salary, contribution from employee, annual leave taken, number of days working and etc. Sampled workers below have achieved the Minimum Wage Order 2016 where their wages per day was above RM 38.46 or RM 1000 for piece-rated workers. <ul style="list-style-type: none"> a) Employee No.: SM0800108 b) Employee No.: SM0900152 c) Employee No.: SM0900142 d) Employee No.: FK1600974 e) Employee No.: FK0000259 f) Employee No.: FK1500923 g) Employee No.: PL1100642 h) Employee No.: PL1100764 i) Employee No.: PL00013 	Complied

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.2</p> <p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>Offer letter and employment contract has been signed by the local and foreign workers prior working. Recently, the management has re-issued an offer letter and employment contract to the workers on 20/7/2016 due to the new requirement of minimum wages. Offer letters and employment contracts of workers below have been sampled:</p> <ul style="list-style-type: none"> a) Employee No.: SM00065 b) Employee No.: SM0900216 c) Employee No.: SM0900215 d) Employee No.: FK1500892 e) Employee No.: FK1600984 f) Employee No.: FK1500923 g) Employee No.: PL1100862 h) Employee No.: PL1100825 <p>The offer letter and employment contract has included wages per day, annual leave and sick leave entitlement, working hours, public holiday entitlement and deduction of salary. The workers were understood on the terms stated in the contracts.</p> <p>Extension employment contracts have been sighted for the workers who had service for more than 2 years. Sampled workers as below:</p> <ul style="list-style-type: none"> a) Employee No.: FK0000259 valid until 7/2/2017 b) Employee No.: FK1000502 valid until 2/11/2016 c) Employee No.: FK1400767 valid until 5/5/2017 d) Employee No.: PL1100642 valid until 14/11/2016 e) Employee No.: PL0900560 valid until 1/3/2017 f) Employee No.: PL1100764 valid until 9/5/2017 <p><u>Fikri Estate:</u></p> <p>The offer letter signed by the workers were in old version where the public holiday entitlement was 12 days instead of 13 days. Sampled offer letters as below:</p> <ul style="list-style-type: none"> a) Employee No.: FK1600974 b) Employee No.: FK1100660 c) Employee No.: FK1600975 <p>In addition, according to MAPA/NUPW Circular No. 22/2015 dated 4/8/2015, the employer required to fully subsidize RM 3.00 per month for each of the members of NUPW as premium towards NUPW/AIA Personal Accident Group Scheme. However, the management has yet to subsidize and deducted RM 11.00 from sampled workers below:</p> <ul style="list-style-type: none"> a) Employee No.: FK1300722 b) Employee No.: FK1400839 c) Employee No.: FK1100626 d) Employee No.: FK1500892 	<p>Major nonconformance</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
	<p><u>Pelung Estate:</u></p> <p>The offer letter signed by the workers were in old version where the public holiday entitlement was 12 days instead of 13 days. Sampled offer letters as below:</p> <ul style="list-style-type: none"> a) Employee No.: 04235 b) Employee No.: 00213 c) Employee No.: 00078 d) Employee No.: 4839 <p>Besides, a sampled offer letter for worker with Employee No.: PL1100821 had found with public holiday entitlement of 14 days instead of 13 days.</p> <p>Thus, major non-conformance was raised.</p>	
6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>- Minor compliance –</p>	Complied
6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p>	Complied
<p>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.</p>		
6.6.1	<p>A published statement in local languages recognising freedom of association shall be available.</p> <p>- Major compliance -</p>	Complied

RSPO Public Summary Report
Revision 4 (November /2016)

Criterion / Indicator		Assessment Findings	Compliance
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	Sungai Tong mill and estate management will attended annual meeting with MAPA to discuss issues with the management. The last meeting was conducted on 6/3/2016. Interviewed with Union members confirmed that they were resolved issues through ad-hoc discussion. Union representative will met Secretary of NUPW from the State monthly to discuss if there is any issue.	Complied
Criterion 6.7: Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	TDMP has established Social policy and Protection of Children policy dated 18/9/2016 where the management was committed not to employ child labour. Briefing of the policy has been given to the workers on 12/10/2016. Attendance list has been documented. Document reviewed of the employee list found that the minimum age of employee was 19 years old.	Complied
Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	Social policy dated 18/9/2016 has been established where the policy included equal opportunity and no discrimination towards all the workers. The workers informed that they were treated equally through interview. Briefing of the policy has been given to the workers on 12/10/2016. Attendance list has been documented.	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 -	Migrant workers are recruited with 2 years contract. Local workers are on a long term employment. No any kind of discrimination was noted. Job opportunities and amenities such as free housing, water and electricity supplies, medical care are given to all employees without discrimination. No grievances were highlighted to the audit team by internal and external stakeholders.	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 -	Recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. It was noted during the audit that there is no discrimination based on nationality, race, gender, age, etc.	Complied
Criterion 6.9: There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	TDMP has developed Gender policy dated 18/9/2016 where the women were protected from sexual harassment and violence. Briefing of the policy has been given to the workers on 12/10/2016. Attendance list has been documented.	Complied

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance
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 -	A Reproductive Rights policy dated 18/9/2016 has been established where the management was respect the right of women to give birth. Briefing of the policy has been given to the workers on 12/10/2016. Attendance list has been documented.
6.9.3	A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	Mill and estates have established Gender Committee to handle and monitor women related issues such as sexual harassment or violence. Flowchart of handling social issue and complaint has been developed. Any issue related to sexual harassment will be lodged into complaint form established by TDMP. Meeting has been conducted on yearly basis where the last meeting was held on 3/10/2016, 9/10/2016 and 5/10/2016 respectively for mill, Fikri Estate and Pelung Estate. Meeting minute is documented and no issue of sexual harassment has been reported thus far. Through interview with the female employee also found that no cases reported. The committees had organized activities such as sport day, fasting month dinner 2016, trip to Cameron Highland, religion class and etc.
Criterion 6.10: Growers and mills deal fairly and transparently with smallholders and other local businesses.		
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	Sungai Tong POM has stopped to purchase/ receive FFB from smallholders and dealers since 9/8/2016. The mill was received crop from own supply base. Therefore, displayed of pricing is not applicable.
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	Sungai Tong POM has stopped to purchase/ receive FFB from smallholders and dealers since 9/8/2016. The mill was received crop from own supply base only. Therefore, pricing mechanism is not applicable.
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Contractors have signed an agreement with the management before the services commenced. They were understood on the terms and condition which briefed by the management.
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	The contractors were agreed on the payment term (within 14 days after invoice been issued) signed on the contracts and payment was made through head office. Sampled contracts or work order agreements as below: a) Koperasi Ladang Sungai Tong Berhad – The agreement valid from 1/1/2016 – 31/12/2016. b) Work Order No.: FK 19/16 – Road maintenance, cleaning of trenches and install culvert valid from 20/8/2016 – 31/12/2016. Through interview with the contractors found that the payment was made according to the signed agreement and no issue with the payment.

RSPO Public Summary Report
Revision 4 (November /2016)

Criterion / Indicator		Assessment Findings	Compliance
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 –	The mill and estate management has made contribution upon request from stakeholders. For example the school requested transport to send the students to school for tuition during night time, police requested sponsorship of grass cutting machine, donation to school for activities such as camping, sport day donation and etc. Interview with the stakeholders confirmed that contribution has been given to them by the management.	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	No scheme smallholders.	Not applicable
Criterion 6.12: No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	All employees are legal with local identification card for local employees and passport for foreign workers. No evident of trafficked workers were found during the audit. Consent from the workers to retain passport by the employer has been sighted.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	No contract substitution was noted. Equal opportunity and non-discriminatory policy is implemented. No temporary workers.	Complied
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	Equal opportunity and non-discriminatory policy is implemented. No temporary workers.	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 -	Human right policy has been established dated 18/9/2016 and the policy has been displayed at notice board. Briefing of the policy has been given to the workers on 12/10/2016 for mill. Attendance list has been documented.	Complied
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable for Peninsular Malaysia	Not applicable
Principle 7: Responsible development of new plantings Sungai Tong Palm Oil Mill and supply base did not carry out any new plantings after November 2005. Therefore, the requirement of Principle 7 is not applicable during the annual surveillance.			
Principle 8: Commitment to continual improvement in key areas of activity			

**RSPO Public Summary Report
Revision 4 (November /2016)**

Criterion / Indicator	Assessment Findings	Compliance	
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.			
8.1.1	<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>The mill has developed continuous improvement plan for FY2016/2017. The improvement plan has included welfare and operation of the mill. The issues and objective of the problem has been included into the plan as below:</p> <ul style="list-style-type: none"> a) Bad housing condition – To replace all the wooden houses into bungalow with three bedrooms. Budget has been allocated in CAPEX 2016. b) Low efficiency of FFB sterilization – To upgrade to continuous sterilizer to achieve higher mill throughput. c) Overflow of raw effluent and bund rupture – To repair and rebuild the flatbeds and construct higher bund to improve efficiency of new fat pit. Allocated budget has been sighted in CAPEX 2016. d) And etc. <p>Fikri Estate has generated environmental improvement plan for Y2016 and the plan as below:</p> <ul style="list-style-type: none"> a) Reduction of chemical usage – Replace paraquat with Glyphosate b) Soil erosion – Plant cover crop (Guatemala) 	<p>Complied</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

Appendix B: Approved Time Bound Plan

No.	Name of the Estate and Mills		TBP for certification	Status as Aug, 2016	Any unresolved (Labour Disputes/Land conflicts/Legal Non-Compliance etc.)
1	TDM Plantation Sdn. Bhd. Tebak Estate , Kemaman, Terengganu, Malaysia	Supply base for TDM Plantation Sdn. Bhd. Kemaman Palm Oil Mill, Kemaman, Terengganu, Malaysia.	Nov, 2013	Certified	None
2	TDM Plantation Sdn. Bhd. Pelantoh Estate , Kemaman, Terengganu, Malaysia		Nov, 2013	Certified	None
3	TDM Plantation Sdn. Bhd. Jernih Estate , Kemaman, Terengganu, Malaysia		Nov, 2013	Certified	None
4	TDM Plantation Sdn. Bhd. Air Putih Estate , Kemaman, Terengganu, Malaysia		Nov, 2013	Certified	None
5	TDM Plantation Sdn. Bhd. Gajah Mati Estate, Dungun, Terengganu, Malaysia		Nov, 2013	Certified	None
6	TDM Plantation Sdn. Bhd. Majlis Agama Islam Estate, Dungun, Terengganu, Malaysia		Nov, 2013	Certified	None
1	TDM Plantation Sdn. Bhd. Tayor Estate, Setiu, Terengganu, Malaysia	Supply base for TDM Plantation Sdn. Bhd. Sungai Tong Palm Oil Mill, Setiu, Terengganu, Malaysia.	Dec, 2013	Certified	None
2	TDM Plantation Sdn. Bhd. Pelung Estate , Setiu, Terengganu, Malaysia		Dec, 2013	Certified	None
3	TDM Plantation Sdn. Bhd. Jaya Estate , Setiu, Terengganu, Malaysia		Dec, 2013	Certified	None
4	TDM Plantation Sdn. Bhd. Fikri Estate , Setiu, Terengganu, Malaysia		Dec, 2013	Certified	None
5	TDM Plantation Sdn. Bhd. Pinang Emas Estate, Dungun, Terengganu, Malaysia		Dec, 2013	Certified	None
6	TDM Plantation Sdn. Bhd. Jerangau Estate, Ajil, Terengganu, Malaysia		Dec, 2013	Certified	None
1	-	PT Rafi Kamajaya Abadi	Excluded	Excluded	Company owned less than 50% ownership and no longer manage

**RSP0 Public Summary Report
Revision 4 (November /2016)**

					PT Rafi
2	-	PT Sawit Rezki Abadi	Excluded	Excluded	The land acquiring process was discontinue

Appendix C: Certification Unit RSPO Certificate Details

TDM Plantation Sdn. Bhd.
Sungai Tong Palm Oil Mill
Lot 7663, Batu 23, Jalan Kuala Terengganu – Kota Bharu
25100 Setiu, Terengganu, Malaysia
RSPO membership number: 1-0095-11-000-00

BSI RSPO Certificate No. : RSPO 595564
Date of Initial Certificate Issued: 27/12/2013
Date of Expiry: 26/12/2018
Applicable Standards: RSPO P&C MYNI-2014; RSPO Supply Chain Certification Standard November 2014 Module E – CPO Mills: Mass Balance)

Sungai Tong Palm Oil Mill and Supply Base						
Location Address	Sungai Tong Palm Oil Mill, Lot 7663, Batu 23, Jalan Kuala Terengganu – Kota Bharu 25100 Setiu, Terengganu, Malaysia					
GPS Location	102.9105° E ; 5.3083° N					
CPO Tonnage Total	65,569 mt					
PK Tonnage Total	16,632 mt					
CPO Claimed for Certification*	65,569 mt					
PK Claimed for Certification *	16,632 mt					
Own estates FFB Tonnage	319,850 mt					
Scheme Smallholder FFB Tonnage	-					
Estates	Production Area		Infras & Other* use (ha)	HCV (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)				
Jaya Estate	3,365.50	-	90.29	-	3,455.79	84,150.00
Fikri Estate	3,184.58	-	460.52	-	3,645.10	78,000.00
Tayor Estate	2,155.07	-	127.27	4.00	2,286.34	55,100.00
Pelung Estate	1,480.49	-	1,536.71	-	3,017.20	20,500.00
Jerangau Estate	1,417.19	36.15	27.59	-	1,480.93	32,300.00
Pinang Emas Estate	2,951.10	67.70	596.39	-	3,615.19	49,800.00
TOTAL	14,553.93	103.85	2,838.77	4.00	17,500.55	319,850.00

Note: Infras = infrastructure; *Other area including conserved (abandoned) area due to water log & steep

Appendix D: Assessment Plan

Date	Time	Subjects	Hafri	Hafiz	Hu	Daniel
Monday 17/10/2016	PM	Audit Team travelling to Terengganu	✓	✓	✓	✓
Tuesday 18/10/2016	0830-0900	Opening meeting (Sungai Tong POM) • Presentation by Sungai Tong CU team • Presentation by BSI Lead auditor – Introduction of team members and assessment agenda	✓	✓	✓	✓
	0900-1230	Sungai Tong 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, etc.	✓	✓	-	-
	1000-1230	Meeting with Stakeholders (Government, village rep, smallholders, Workers Leader, contractor etc.)	-	-	✓	✓
	1230-1330	Lunch	✓	✓	✓	✓
	1330-1630	Sungai Tong Palm Oil Mill Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, SCCS, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	✓	✓	✓	✓
	1630-1700	Interim Closing briefing	✓	✓	✓	✓
Wednesday 19/10/2016	0830–1230	Fikri 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.	✓	✓	✓	✓
	1230-1330	Lunch	✓	✓	✓	✓
	1330-1630	Fikri Estate 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 4 (November /2016)**

Date	Time	Subjects	Hafri	Hafiz	Hu	Daniel
	1630-1700	Interim Closing briefing	✓	✓	✓	✓
Thursday 20/10/2016	0830-1230	Pelung 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.	✓	✓	✓	✓
	1230-1330	Lunch	✓	✓	✓	✓
	1330-1600	Pelung Estate 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).	✓	✓	✓	✓
	1600-1630	Verify any outstanding issues & Preparation for closing Meeting	✓	✓	✓	✓
	1630-1730	Closing meeting	✓	✓	✓	✓
Friday 21/10/2016	AM	Audit Team traveling back to KL	✓	✓	✓	✓

Appendix E: Stakeholders Contacted

Internal Stakeholders

Management of TDMP Sungai Tong Workers' representatives Union Representative Hospital Assistant Crèche Attendants	Contractors Suppliers	Iman Masjid Fikri Iman Masjid Pinang Emas Iman Masjid Tayor
---	--------------------------	---

External Stakeholders

Government Departments DOSH MAPA Forestry Department BOMBA Police Wildlife Department MPOB SATU (Syarikat Air Terengganu)	NGOs and others SK Kg. Tayor SK Ladang Fikri CIMB Bank	Local Communities JKK Pinang Emas JKK Bukit Nenas
--	--	--

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

Requirements	Compliance
E.1 Definition	
<p>E.1.1 Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	<p>The Palm Oil Mill receives and process both certified and non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified and non-certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified Products.</p> <p>Last contractual offer to purchase from smallholders: Letter ref.: KL-KKS/1/01.00 Date: 29/3/2016 Period: 1/4/2016 – 8/8/2016</p>
E.2 Explanation	
<p>E.2.1 The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report.</p>	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p>
<p>E.2.2 The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	<p>The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>
E.3 Documented procedures	
<p>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:</p> <p>a) Complete and up to date procedures covering the implementation of all the elements in these requirements;</p> <p>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.</p>	<p>Latest written documented procedures (No. TDM/STPOM/01Rev.01/2015) Dated 01/09/15) for the chain of custody is with Mass Balance (MB) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and noncertified FFB. This developed based on the RSPO SCCS 21 November 2014. The mill manager has the responsibility to ensure implementation assisted by the on-site compliance executive. The MB model is used because certified and non-certified FFB from own supply base, adjacent certified group estates and independent FFB supplied/smallholder are received and processed at Sungai Tong Palm Oil Mill. However the mill has plans to convert into IP and will process its own certified crops only. This was demonstrated by making the FFB purchase agreement with agreements suppliers to supply until August 2016 only.</p> <p>The mill manager and assistant manager have awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements.</p>
<p>E.3.2 The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>The documented procedures No. TDM/STPOM/01Rev.01/2015 dated 01/09/15 for the incoming FFB, processing and outgoing palm products (CPO and PK). System available to make marking on the receiving documents to differentiate the certified and non-certified FFB received.</p>

**RSPO Public Summary Report
Revision 4 (November /2016)**

E.4 Purchasing and goods in	
E.4.1 The site shall verify and document the volumes of certified and non-certified FFBs received.	Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB. Records verified by internal and external audit.
E.4.2 The site shall inform the CB immediately if there is a projected overproduction.	The facilities aware of this procedure.
E.5 Record keeping	
E.5.1 a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis. (b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)	Daily records are prepared at the entry point at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB. Computerized system in place. Records verified by internal and external audit. Computerized system in place with the delivery deducted accordingly. The Mill aware that only positive stock can be delivered. No short selling.
E.5.2 In cases where a mill outsources activities to an independent palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement	No outsourcing activities.

Actual Tonnage Certified Palm Production – Nov 2015 – Oct 2016 (ASA2)

Mill	Capacity	CPO	PK
Sungai Tong Palm Oil Mill	60 mt/hr	44,455.78 mt	11,507.12 mt

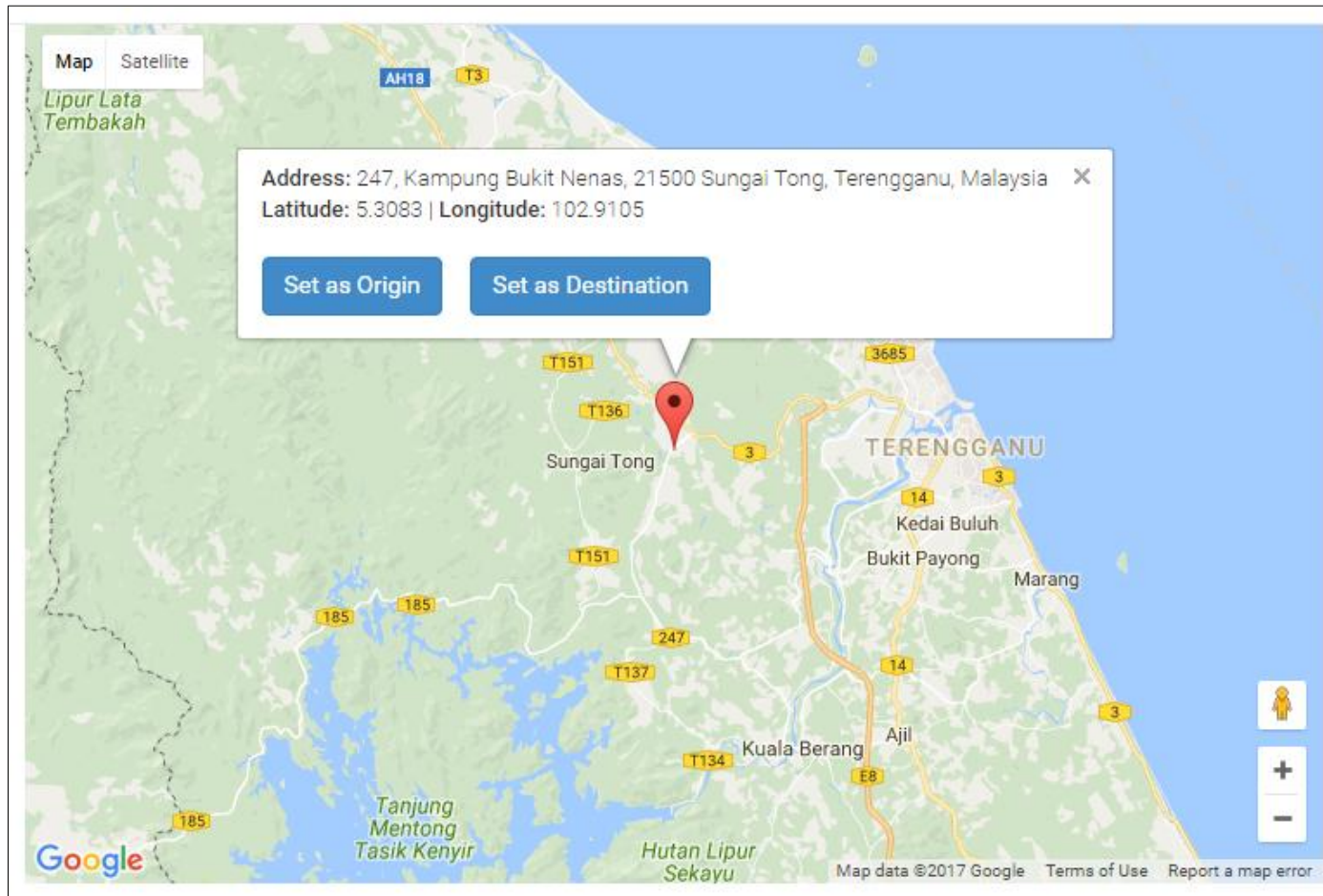
Actual Tonnage Sales of Certified Palm Products – Nov 2015 – Oct 2016 (ASA2)

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Sungai Tong Palm Oil Mill	11,988.58 mt	Nil	Company sales record & RSPO eTrace.

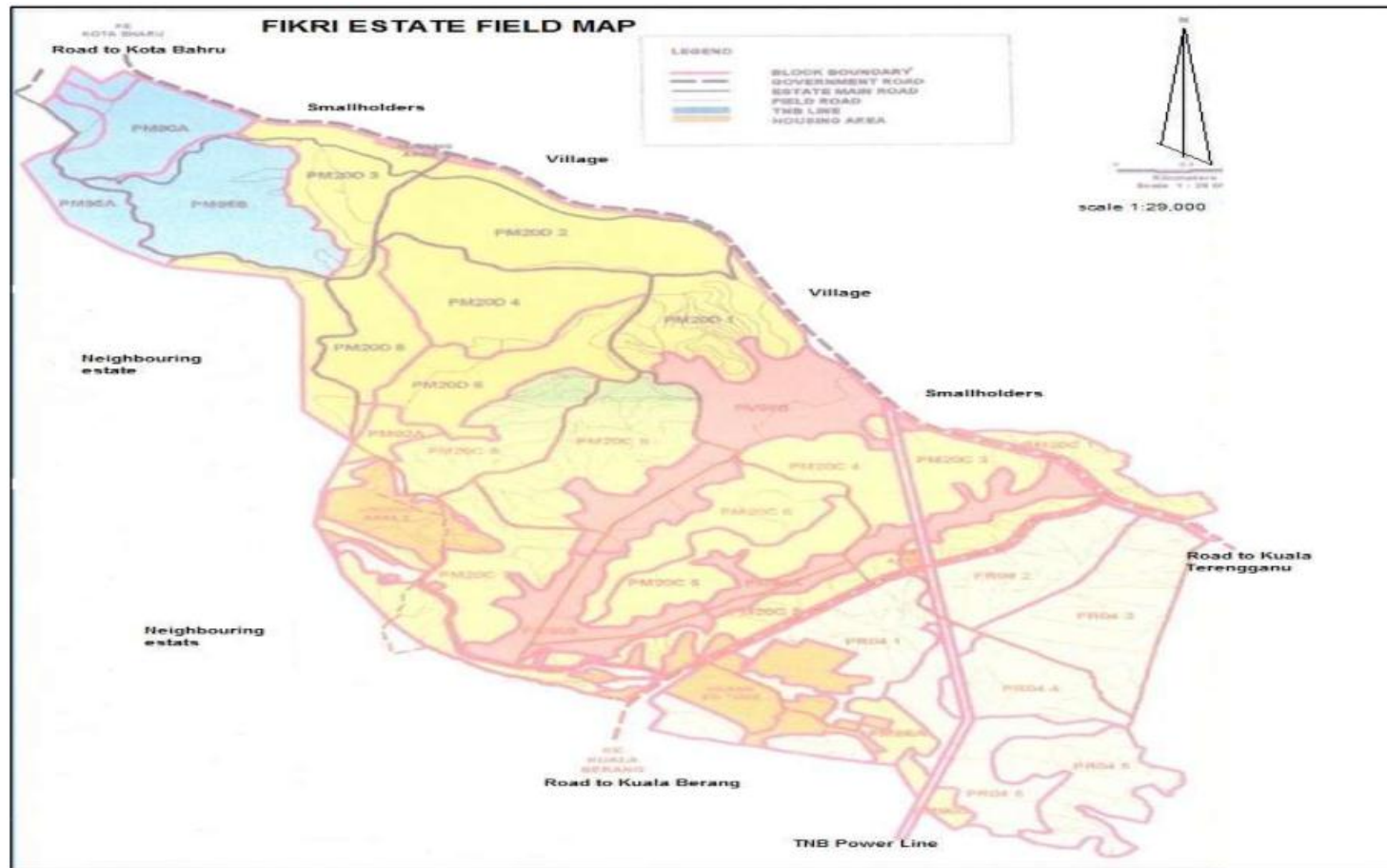
**RSPO Public Summary Report
Revision 4 (November /2016)**

Month	Certified Supply Base (from own certificate scope) (mt)							Total FFB/Month (mt)
	Jaya Estate	Fikri Estate	Tayor Estate	Pelung Estate	Jerangau Estate	Pinang Emas Estate	Other Estate	
Nov-15	7,459.85	5,517.17	4,138.27	1,316.19	2,365.66	2,992.17	-	23,789.31
Dec-15	9,121.54	6,966.82	4,939.42	1,632.58	2,925.19	2,930.27	-	28,515.82
Jan-16	8,150.29	6,600.90	4,502.33	1,571.68	2,403.10	3,091.63	-	26,319.93
Feb-16	5,652.00	5,509.44	3,594.13	1,397.09	2,714.97	2,924.05	-	21,791.68
Mar-16	3,006.42	3,000.05	2,399.48	910.72	1,668.61	3,179.75	-	14,165.03
Apr-16	2,833.22	2,701.46	2,263.08	828.20	1,180.39	3,708.71	-	13,515.06
May-16	3,719.77	3,576.47	2,854.24	1,130.95	2,046.10	4,589.60	-	17,917.13
Jun-16	3,762.82	3,402.36	2,925.05	1,148.24	1,953.60	2,957.58	-	16,149.65
Jul-16	4,170.88	3,615.06	2,866.69	1,293.42	2,280.10	3,523.40	-	17,749.55
Aug-16	4,421.27	3,627.86	2,796.06	1,044.14	1,965.59	3,515.34	-	17,370.26
Sep-16	4,775.73	3,356.82	3,169.82	1,048.89	1,623.24	2,764.10	-	16,738.60
Oct-16	5,086.46	3,224.92	3,438.90	926.84	1,186.68	2,764.10	-	16,627.90
Total	62,160.25	51,099.33	39,887.47	14,248.94	24,313.23	38,940.70	-	230,649.92

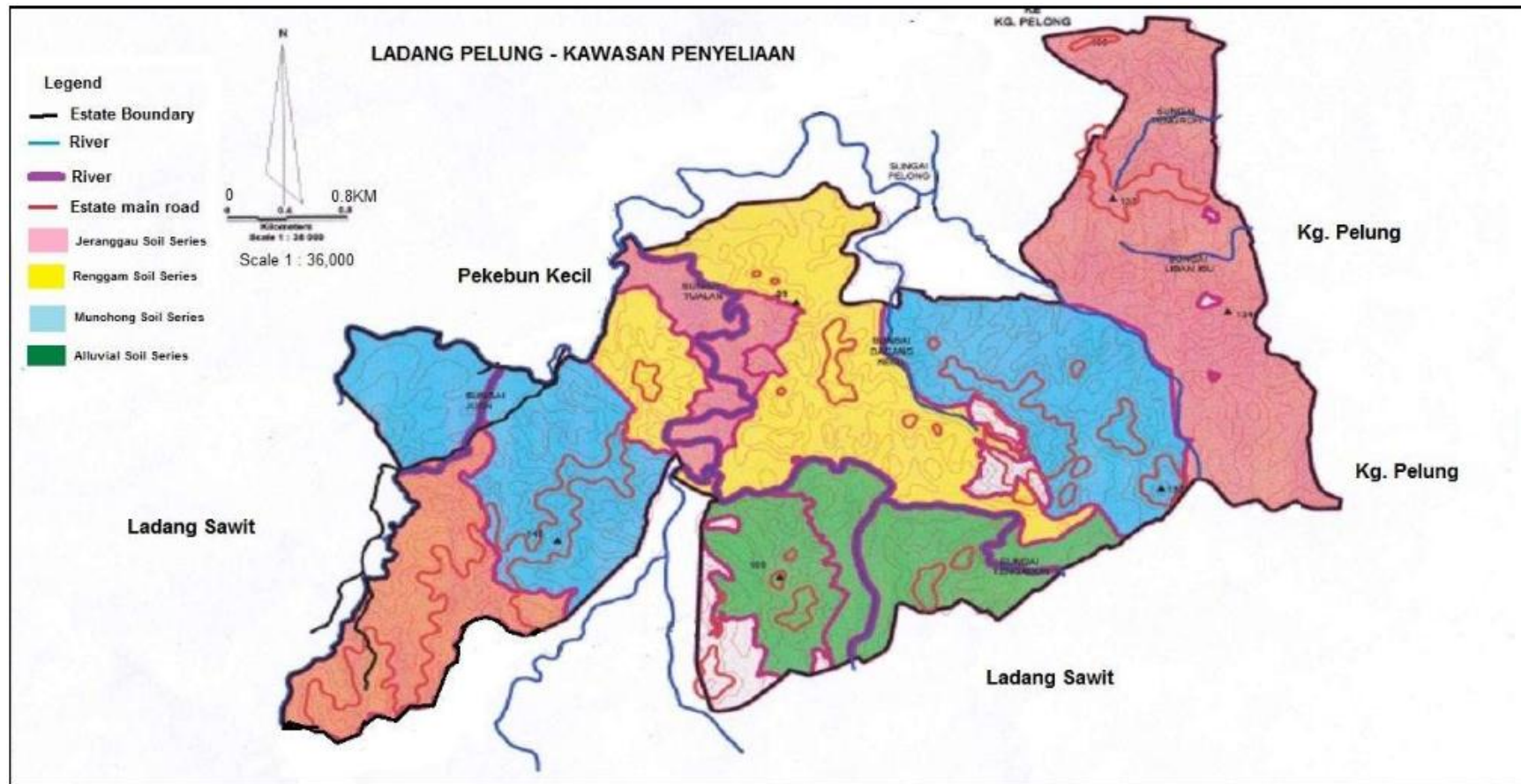
Appendix G: Location Map of Sungai Tong Palm Oil Mill and Supply bases



Appendix H: Fikri Estate Field Map



Appendix I: Pelung Estate Field Map



Appendix J: List of Smallholder Sampled

(Not applicable)

Appendix K: List of Abbreviations Used

ASA	Annual Surveillance Assessment
BOD	Biological Oxygen Demand
CHRA	Chemical Health Risk Assessment
CIP	Continual Improvement Plan
CPO	Crude Palm Oil
DOE	Department of Environment
DOSH	Department of Occupational Safety & Health
EFB	Empty Fruit Bunch
EIA	Environmental Impact Assessment
EMS	Environmental Management System
ERP	Emergency Response Plan
FFB	Fresh Fruit Bunch
HCV	High Conservation Value
HIRARC	Hazard Identification, Risk Assessment and Risk Control
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
MPOA	Malaysian Palm Oil Association
MSDS	Material Safety Data Sheet
MSPO	Malaysian Sustainable Palm Oil
MY-NI	Malaysian National Interpretation
NGO	Non Governmental Organisation
OSH	Occupational Safety & Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
PPE	Personal Protective Equipment
RED	Renewable Energy Directive
RSPO	P&C Roundtable on Sustainable Palm Oil Principle & Criteria
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SHO	Safety and Health Officer
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
STPOM	Sungai Tong Palm Oil Mill