

**RSPO PRINCIPLE AND CRITERIA –  
4<sup>th</sup> ANNUAL SURVEILLANCE ASSESSMENT (ASA1\_4)  
Public Summary Report**

<b>IOI Corporation Berhad</b>
Head Office: IOI City Tower 2, Lebuhr IRC IOI Resort City 62502 Putrajaya, Malaysia
Certification Unit: <b>Sakilan Palm Oil Mill and supply base Halusan Ladang Sdn Bhd</b> Mile 22, Sandakan, W.D.T 164 90009 Sandakan, Sabah, Malaysia

**TABLE of CONTENTS**

**Page No**

Section 1: Scope of the Certification Assessment.....	4
1.    Company Details .....	4
2.    Certification Information .....	4
3.    Other Certifications.....	5
4.    Location(s) of Mill & Supply Bases .....	5
5.    Description of Supply Base .....	5
6.    Plantings & Cycle.....	6
7.    Certified Tonnage of FFB (Own Certified Scope) .....	6
8.    Certified Tonnage of FFB (from other certified unit(s)) if applicable *.....	6
9.    Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable .....	7
10.   Certified Tonnage .....	7
11.   Actual Sold Volume (CPO) ( <i>Dec 17-Nov 18</i> ).....	7
12.   Actual Sold Volume (PK) ( <i>Dec 17-Nov 18</i> ).....	7
13.   Actual Group certification Claims ( <i>Dec 17-Nov 18</i> ).....	8
Section 2: Assessment Process .....	9
2.1   Assessment Methodology, Programme, Site Visits.....	9
2.2   BSI Assessment Team: .....	11
2.3   Assessment Plan .....	12
Section 3: Assessment Findings .....	14
3.1   Normative requirement applied for this assessment:.....	14
3.2   Time Bound Plan progress for multiple management units .....	14
3.3   Progress of scheme smallholders and/or outgrowers (if applicable to this assessment) .....	17
3.4   Details of findings .....	17
3.4.1   Status of Nonconformities Previously Identified and Observations.....	19
3.4.2   Summary of the Nonconformities and Status.....	23
Appendix A: Summary of Findings .....	27
Appendix B: Approved Time Bound Plan.....	105
Appendix C: GHG Reporting Executive Summary .....	109
Appendix D: General Chain of Custody Requirements for the Supply Chain.....	111
Appendix E : CPO Mill Supply Chain Assessment Report (Module D - CPO Mills: Identity Preserved ) .....	128
Supply Chain Declaration ( <i>Applicable For Appendix E</i> ).....	131
Appendix F: Location Map of Sakilan Palm Oil Mill Certification Unit and Supply bases .....	134

Appendix G: Sakilan Estate Field Map.....135  
Appendix H: Linbar 1 Estate Field map.....136  
Appendix I: Linbar 2 Estate Field map.....137  
Appendix J: List of Smallholder Sampled *(If applicable – scheme/associated/group certification)*138  
Appendix K: List of Abbreviations.....139



## Section 1: Scope of the Certification Assessment

1. Company Details			
<b>RSPO Membership Number</b>	2-0002-04-000-00	<b>Membership Approval Date</b>	17/05/2004
<b>Parent Company Name</b>	IOI Corporation Berhad		
<b>Address</b>	IOI City Tower 2, Lebuhr IRC, IOI Resort City, 62502 Putrajaya, Malaysia		
<b>Subsidiary (Certification Unit Name)</b>	Halusah Ladang Sdn Bhd Sakilan Palm Oil Mill		
<b>Address</b>	Mile 22, Sandakan, W.D.T 164 90009 Sandakan, Sabah, Malaysia		
<b>Contact Name</b>	Mr. Leang Hon Wai (Sr. Plantation Controller, IOI Sandakan Region, Sabah) Dr. Raymond Alfred (Sustainability Manager, Plantation Division, IOI HQ) Mr. Agos Bin Atan (Manager - Sustainability (Sabah)) Mr. Sabtu Bin Manna (Senior Assistant Mill Manager-In Charge, Sakilan POM) Mdm. Veronica Abel (Assistant Manager, SPO Department Sandakan Region, Sabah)		
<b>Website</b>	<a href="http://www.ioigroup.com">www.ioigroup.com</a>	<b>E-mail</b>	<a href="mailto:hwleang@ioigroup.com">hwleang@ioigroup.com</a> <a href="mailto:raymond.alfred@ioigroup.com">raymond.alfred@ioigroup.com</a> <a href="mailto:agos@ioigroup.com">agos@ioigroup.com</a> <a href="mailto:skpom1010@yahoo.com">skpom1010@yahoo.com</a> <a href="mailto:veronica.abel@ioigroup.com">veronica.abel@ioigroup.com</a>
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2. Certification Information			
<b>Certificate Number</b>	RSPO 543161	<b>Date of First Certification</b>	08/03/2010
		<b>Certificate Start Date</b>	08/03/2015
		<b>Certificate Expiry Date</b>	07/03/2020
<b>Scope of Certification</b>	Palm Oil and Palm Kernel Production from Sakilan Palm Oil Mill and Supply Base (Sakilan Estate, Linbar 1 Estate & Linbar 2 Estate)		
<b>Applicable Standards</b>	RSPO P&C MY-NI 2014; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module D)		

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
Certificate SGS-MSPO-MY1 8/02662	MS 2530-3: 2013 PART 3: GENERAL PRINCIPLES FOR OIL PALM PLANTATIONS AND ORGANISED SMALLHOLDERS & MS 2530-4:2013 PART 4: GENERAL PRINCIPLES FOR PALM OILS MILLS under the MSPO Certification Scheme	SGS (Malaysia) Sdn Bhd.	25/01/2023
EU-ISCC-Cert-DE100-18842017	ISCC EU (International Sustainability and Carbon Certification)	SGS Germany GmbH	26/12/2018

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS Coordinates	
		Latitude	Longitude
Sakilan Palm Oil Mill	Mile 22, Sandakan, W.D.T 164, 90009, Sandakan, Sabah.	05° 50' 21.41" N	117° 50' 37.32" E
Sakilan Estate	Mile 22, Sandakan, W.D.T 164, 90009, Sandakan, Sabah.	05° 50' 54.06" N	117° 52' 4.66" E
Linbar 1 Estate	Mile 45, Sandakan/ Telupid Road, WDT 164, 90009, Sandakan, Sabah.	05° 32' 28.14" N	117° 40' 11.82" E
Linbar 2 Estate	Mile 45, Sandakan/ Telupid Road, WDT 164, 90009, Sandakan, Sabah.	05° 30' 33.16" N	117° 39' 21.53" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	<sup>1</sup> HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Sakilan Estate	2,104	0	192.37	2,296.37	91.62
Linbar 1 Estate	2,421	0	207.17	2,628.17	92.12
Linbar 2 Estate	1,962	0	249.83	2,211.83	88.70
<b>Total</b>	<b>6,487</b>	<b>0</b>	<b>649.37</b>	<b>7,136.37</b>	<b>90.90</b>

*Note: <sup>1</sup>The CU has conducted a reassessment of HCV this year and decided to reclassify the HCV area previously identified as non-HCV.*

6. Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Sakilan Estate	0	0	0	2,104	0	2,104	0
Linbar 1 Estate	695	1,726	0	0	0	1,726	695
Linbar 2 Estate	527	223	0	272	940	1,435	527
<b>Total (ha)</b>	1,222	1,949	0	2,376	940	5,265	1,222

7. Certified Tonnage of FFB (Own Certified Scope)				
Estate	Tonnage / year			
	Estimated (Mar 2018 – Feb 2019)	Actual ( Dec 2017- Nov 2018)		Forecast (Mar 2019 – Feb 2020)
		<sup>1</sup> Dec 17-Feb 18	<sup>2</sup> Mar 18-Nov 18	
Sakilan Estate	54,516	12,098.45	36,800.06	48,344
Linbar 1 Estate	37,822	6,183.39	33,234.58	46,061
Linbar 2 Estate	26,799	4,993.34	21,630.71	20,151
<b>Total</b>	119,137	23,275.18	91,665.35	114,556

<sup>1</sup> For license period of 8/3/2017 to 7/3/2018

<sup>2</sup> For license period of 8/3/2018 to 7/3/2019

8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *			
Estate	Tonnage / year		
	Estimated (March 2018 – February 2019)	Actual ( Dec 2017- Nov 2018)	Forecast (March 2019 – February 2020)
Terusan Baru	N/A	704.54	N/A
Laukin		528.74	
Moynod		738.86	
Sungai Sapi		316.86	
Luangmanis		649.81	
<b>Total</b>		2,938.81	

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

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

<b>10. Certified Tonnage</b>			
Mill Capacity: 40 MT/hr	Estimated (March 2018 – February 2019)	Actual ( Dec 2017- Nov 2018)	Forecast (March 2019 – February 2020)
	FFB	FFB	FFB
	119,137.00 mt	117,879.34 mt	114,556 mt
SCC Model: IP	CPO (OER: 23.50 %)	CPO (OER: 21.65%)	CPO (OER: 22.0%)
	27,997.20 mt	25,517.22 mt	25,205 mt
	PK (KER: 5 %)	PK (KER: 4.54%)	PK (KER: 4.91%)
	5,956.85 mt	5,347.33 mt	5,629 mt

<b>11. Actual Sold Volume (CPO) (Dec 17-Nov 18)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>CPO (MT)</b>	23,319.53	-	-	543.06	23,862.59

<b>12. Actual Sold Volume (PK) (Dec 17-Nov 18)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
<b>PK (MT)</b>	4,597.11	-	-	-	4,597.11

<b>13. Actual Group certification Claims (Dec 17-Nov 18)</b>		
	<b>Credit</b>	<b>Physical Volume (MT)</b>
<b>IS-CSPO</b>	-	-
<b>IS-CSPKO</b>	-	-
<b>IS-CSPKE</b>	-	-

DRAFT



## Section 2: Assessment Process

### Certification Body:

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

### 2.1 Assessment Methodology, Programme, Site Visits

The on-site initial assessment was conducted from 17-21/12/2018. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

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

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

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

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

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

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 workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.5.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment/annual surveillance assessment are detailed in Section 3.4.

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

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

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

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

<b>Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Recertification)</b>	<b>Year 2 (ASA 1_1)</b>	<b>Year 3 (ASA 1_2)</b>	<b>Year 4 (ASA 1_3)</b>	<b>Year 5 (ASA 1_4)</b>
Sakilan Palm Oil Mill	✓	✓	✓	✓	✓
Sakilan Estate		✓	✓		✓
Linbar 1 Estate	✓		✓	✓	✓
Linbar 2 Estate	✓	✓		✓	✓

**Tentative Date of Next Visit:** November 12, 2019 - November 16, 2019

**Total No. of Mandays:** 13 mandays (including 1 day for mill - SC audit)

**2.2 BSI Assessment Team:**

<b>Team Member Name</b>	<b>Role</b> <i>(Team Leader or Team member)</i>	<b>Qualifications</b> <i>(Short description of the team members)</i>
Valence Shem (VSH)	Team Leader	Holds a Bachelor Degree in Industrial Technology from University of Science Malaysia in 1998. He has 9 years working experience in oil palm plantation industry. He started management system auditing line since 2009 for various standards such as ISO 14001, RSPO P&C, RSPO SCCS and SMETA. He completed the ISO 14001 Lead Auditor Course in 2008, ISO 9001 Lead Auditor Course in 2013, Endorsed RSPO P&C Lead Auditor Course in 2011, Endorsed RSPO SCCS Lead Assessor Course in 2012 and MSPO Awareness Training in 2014. He had been involved in RSPO auditing since 2009 in various companies in Malaysia. In this assessment, the focus element includes legal requirements, environmental management, conservation & biodiversity, GHG emissions and agriculture best practices. He is able to communicate in Bahasa Malaysia and English.
Hu Ning Shing (HNS)	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 her 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, legal, workers & stakeholders consultation and SCC for CPO mill. She is fluent in Bahasa Malaysia and English languages.
Mahzan Munap (MZM)	Team member	He holds a MBA from Ohio University and B Sc. in Petroleum Engineering from University of Missouri, USA. Collected over 370 days of auditing experience in OHSAS 18001 and MS 1722 OHSMS (72 days for palm oil milling and 8 days for oil palm plantation). CIMAH competent person with Malaysia Department of Occupational Safety and Health (DOSH) since 1997. An Occupational Safety and Health Trainer at INSTEP PETRONAS. Successfully completed RSPO Lead Assessor Course in 2008 and IRCA accredited Lead Assessor training for ISO 9001 and RABQSA/IRCA EMS Lead Assessor Course for ISO 14001 in 2008. During this assessment, he assessed on the aspects of legal, estate & mill best practices, safety & health, HCV and workers consultation. He is fluent in Bahasa Malaysia and English languages.

**Accompanying Persons:**

<b>No.</b>	<b>Name</b>	<b>Role</b>
N/A		

### 2.3 Assessment Plan

The Assessment plan was sent to the client prior to the assessment (attached assessment plan).

Date	Time	Subjects	VSH	HNS	MZM
Monday 17/12/2018	0830-0900	Opening meeting: <ul style="list-style-type: none"> <li>Opening presentation by audit team leader</li> <li>Confirmation of assessment scope and finalize audit plan (including stakeholder’s consultation)</li> </ul>	✓	✓	✓
	0900-1200	<b>Sakilan Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	✓	✓	✓
	1200-1300	Lunch break			
	1300-1630	<b>Sakilan Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.).	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Tuesday 18/12/2018	0900-1200	<b>Linbar 2 Estae</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	✓	✓	✓
	1200-1300	Lunch break			
	1300-1630	<b>Linbar 2 Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.).	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Wednesday 19/12/2018	0900-1200	<b>Linbar 1 Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	✓	✓	✓

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

	1200-1300	Lunch break			
	1300-1630	<b>Linbar 1 Estate</b> Document review P1 – P8: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.).	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Thursday 20/12/2018	0900-1200	<b>Sakilan POM</b> Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders, etc.	✓	✓	✓
	1000-1200	<u>Stakeholder consultations:</u> Client to invite the relevant stakeholders for <b>both mill and estates</b> which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.		✓	
	1200-1300	Lunch break	✓	✓	✓
	1300-1630	<b>Sakilan POM</b> Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	✓	✓	✓
	1630-1700	Interim closing briefing	✓	✓	✓
Friday 21/12/2018	0900-1200	<b>Sakilan POM</b> <u>RSPO Supply Chain</u> Site visit: Incoming of FFB and outgoing of SPO & PK – weighbridge, ramp, storage area, loading bays, etc. Documentation review: RSPO SCC general requirements, internal audit, management review, sales and purchasing documents, mass balance accounting and other relevant documents and records.	✓	✓	
	1200-1230	Auditor discussion and preparation for closing meeting	✓	✓	✓
	1230-1300	Closing meeting	✓	✓	✓

### Section 3: Assessment Findings

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

- IOI Corporation Berhad Multiple Management Units / Time Bound Plan
- RSPO P&C 2013 Generic
- RSPO Group Certification Standard 2016
- RSPO Supply Chain Certification Standard 2017
- RSPO P&C GA-NI 2017
- RSPO P&C INA-NI 2016
- RSPO P&C MY-NI 2014
- RSPO P&C PNG-NI 2017

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

Time Bound Plan		
Requirement	Remarks	Compliance
Does the plan include all current subsidiaries, estates and mills?	Yes	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	Yes	Yes
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three-year from the date of acquisition. Certification plan for the new acquisition shall be available.	No	Yes
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	Yes, new rounds of (ASA) have been completed in the other certification units [Pamol (Sabah) POM, <i>Sabah</i> , Gomali POM, Baturong POM, Bukit Leelau POM, Mayvin POM, Pukin POM, <i>Pahang</i> , Leepang (Sabah) POM, Syarimo POM, Ladang Sabah POM, Morisem POM, <i>Sabah</i> ].	Yes
Have there been any isolated lapses in implementation of the plan? If yes a <b>Minor</b> non-compliance shall be raised	No	Yes
Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a <b>Major</b> non-compliance shall be raised	No	Yes

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

Have there been any stakeholder comments?	Up to date, there is no comment.	Yes
<b>Un-Certified Units or Holdings</b>		
<p>No replacement after dates defined in NIs Criterion 7.3:</p> <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO P&amp;C criterion 7.3.</li> </ul>	<p>RSPO has approved PT.KPAM NPP Summary Report and was published in RSPO website for public notification on 13 April 2018. The NPP public notification could be assessed through the link below:  <a href="https://rspo.org/certification/new-planting-procedures/public-consultations/ioi-group-pt-kalimantan-prima-agro-mandiri">https://rspo.org/certification/new-planting-procedures/public-consultations/ioi-group-pt-kalimantan-prima-agro-mandiri</a></p>	Yes
<p>Any new plantings since January 1<sup>st</sup> 2010 shall comply with the RSPO New Plantings Procedure.</p>	<p>PT KPAM Indonesia sent HCV assessment report to HCVRN and received letter of satisfactory from HCVRN on 25th November 2017.</p> <p>HCSA Peer Review Assessment completed on 14 May 2018. The HCSA Peer Review Report and Summary Report could be assessed through the link below:  <a href="http://highcarbonstock.org/registered-hcs-assessments/">http://highcarbonstock.org/registered-hcs-assessments/</a></p>	Yes
<p>Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&amp;C criteria 2.2, 6.4, 7.5 and 7.6.</p> <p>The RSPO RaCP tracker shall be checked to confirm for any land conflicts/Liabilities <a href="https://www.rspo.org/certification/remediation-and-compensation/racp-tracker">https://www.rspo.org/certification/remediation-and-compensation/racp-tracker</a>. The progress on the Liabilities shall be verified and reported.</p>	<p>Grassroots has officially withdraw themselves as the complainer for IOI-Pelita land dispute case on 22nd June 2018 and is signing an agreement with IOI on being the facilitator for the dispute resolution. Grassroots withdrawal as the complainer are seen to avoid the "Conflict of Interest" if they are going to sign an agreement with IOI on this case.</p> <p>IOI has continued to work closely with all its stakeholders especially Grassroots and RSPO Complaints Panel (CP) concerning the IOI-Pelita case to resolve this long-standing dispute.</p> <p>The ground team has actively conducted land survey procedure in Tegai Estate involving communities and cooperation from Sarawak Land Survey Department in July 2018. The data obtained from the survey will be used in the compensation mechanism with the communities hence resolving dispute in the area.</p>	Yes
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&amp;C criterion 6.3.</p>	<p>In IOI Sustainable Palm Oil Policy under section 7 on transparency and wider engagement, we are committed to resolve complaints and conflicts effectively and responsibly through open transparent process upon agreed by affected stakeholders. Where internal grievance is submitted through estate green book, discussed through various committee meeting such as Employee Consultative Committee (ECC), Joint Consultative Committee (JCC), Gender Consultative Committee (GCC) and Internal Stakeholder Meetings.</p>	Yes

<p>Any Legal non-compliance is being addressed through measures consistent with the requirements of RSPO P&amp;C criteria 2.1</p>	<p>No</p>	<p>Yes</p>
<p>Did the company conduct internal audit against the uncertified management units requirement? If yes, a positive assurance statement shall be available.</p>	<p>IOI has conducted an Internal audit on Uncertified Units to identify the issues involved, on-going corrective actions and monitoring.</p> <p>The progress are as follows:</p> <p><b>1. IOI Pelita, Sarawak:</b></p> <p>IOI has continued to work closely with all its stakeholders especially Grassroots and RSPO Complaints Panel (CP) concerning the IOI-Pelita case to resolve this long-standing dispute.</p> <p>The ground team has actively conducted land survey procedure in Tegai Estate involving communities and cooperation from Sarawak Land Survey Department in July 2018. The data obtained from the survey will be used in the compensation mechanism with the communities hence resolving dispute in the area.</p> <p><b>2. PT SKS, PT BNS, PT BSS, Indonesia:</b></p> <p>Update on the RSPO Suspension and complaint by Aidenvironment – Final verification by RSPO CP was conducted in end of January 2018.</p> <p>RSPO Complaints Panel (CP) has officially closed the complaint case on 12 October 2018. IOI will continue to work with the RSPO Investigate and Monitoring Unit on the implementation of its Action Plans to ensure continuous sustainable development.</p> <p>Certification preparations in progress. As part of the preparation, Certification Body had been engaged to conduct the gap assessment. The gap assessment was conducted in end of August 2018.</p> <p><b>3. PT KPAM, Indonesia</b></p> <p>RSPO has approved PT.KPAM NPP Summary Report and was published in RSPO website for public notification on 13 April 2018. The NPP public notification could be assessed through the link below:</p> <p><a href="https://rspo.org/certification/new-planting-procedures/public-consultations/ioi-group-pt-kalimantan-prima-agro-mandiri">https://rspo.org/certification/new-planting-procedures/public-consultations/ioi-group-pt-kalimantan-prima-agro-mandiri</a></p>	<p>Yes</p>



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

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

**3.4 Details of findings**

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

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

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

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1718443-201808-N1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.3 Minor
<b>Date Issued</b>	21/12/2018	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	The mechanism to ensure legal compliance was not effectively demonstrated.		
<b>Requirement Reference:</b>	A mechanism for ensuring compliance shall be implemented.		
<b>Objective Evidence:</b>	Found that no qualified FFB Grader present at Sakilan Palm Oil Mill during site visit as per Malaysian Palm Oil Board Act 1998.		
<b>Corrections:</b>	<ol style="list-style-type: none"> <li>1. To submit a letter of proposal to MPOB requesting to conduct in-house FFB Grading course to IOI personnel.</li> <li>2. To nominate mill personnel to attend the in-house training.</li> <li>3. Refresher training on grading manual will be conducted during the absence of the competent person and scheduled to be once in 4 monthly basis. An internal competent person from a sister estate will be requested to conduct refresher training temporarily whilst waiting for the nominated Sakilan Palm Oil Mill personnel to complete the FFB grading competency course.</li> <li>4. Briefing regarding the temporary replacement of the competent FFB grader will be carried out.</li> </ol>		

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

	Timeline: All correction shall be implemented within Dec 2018 to October 2019. Person In-Charge: Sakilan Palm Oil Mill
<b>Root Cause Analysis:</b>	There were two (2) qualified FFB Grader previously present at Sakilan Palm Oil Mill however both had resigned in June and October 2018 respectively.  During the competent person absence period, Sakilan Palm Oil Mill has requested other FFB Grader competent personnel from IOI sister operating unit to support the grading operational wise. However, the temporary additional operation changes was not informed to workers for awareness.
<b>Corrective Actions:</b>	<ol style="list-style-type: none"> <li>1. In-house FFB grading training from MPOB will be conducted.</li> <li>2. The management will issued a notification memo regarding the absence of competent FFB grading person for worker’s awareness. In the absence of a competent person, a temporary substitute will be listed in the notification memo.</li> <li>3. During the absence of the competent person, a monitoring system on FFB grading will be carried out by the mill executive. The records includes:             <ol style="list-style-type: none"> <li>1. Loose fruit book FFB grading</li> <li>2. Daily report FFB grading</li> <li>3. 100% FFB grading</li> <li>4. Average bunch weight</li> <li>5. Daily PPE checklist</li> </ol> </li> </ol> <p>Timeline: All corrective action shall be implemented by October 2019. PIC: Sakilan POM</p>
<b>Assessment Conclusion:</b>	Corrections and corrective actions are acceptable. The effectiveness of implementation shall be verified in the next assessment visit.

<b>Opportunity for Improvements</b>	
<b>OFI #</b>	<b>Description</b>
<b>OFI 1</b>	1718443-201808-I1  Details: Some operational control monitoring can be further improved such as: - maintenance of riparian zone demarcation at the estates - consistency of input data in Energy Commission monthly power generation report
<b>OFI 2</b>	1718443-201808-I2  Details: The SIA can be further improved by taking the issues related to stateless children into consideration.

<b>Positive Findings</b>	
<b>PF #</b>	<b>Description</b>
<b>PF 1</b>	Nil

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

Non-Conformity			
<b>NCR Ref #</b>	1572343-201712-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.1 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	14/02/2018
<b>Statement of Nonconformity:</b>	Evidence of compliance was not effectively implemented.		
<b>Requirement Reference:</b>	Evidence of compliance with relevant legal requirements shall be available.		
<b>Objective Evidence:</b>	<p>i-ii) Safe Work Procedure, IOI_OSH 3.2.2 dated 1/8/12, did not clearly explained the mechanism of health requirement (OHD verification and AE declaration. Sample of PTW checked for:</p> <p>a) PTW for confined space, serial number 0967, task: boiler/Dust collector inspection dated 3/12/17 (6 person working)</p> <p>b) PTW for confined space, serial number 0976, task: sterilizer maintenance and inspection dated 13/12/17</p> <p>iii) No approval on installation of electric fence under regulation 15 for the new and existing electric fence at Linbar 2 Estate. Refer to PO# LB2 0497 for 18km @ 900 chain electric fence dated 27/6/16.</p>		
<b>Corrective Actions:</b>	<p>i) Validity of Health Fitness Certificate issued by OHD for all AE and completion of Health Status Declaration by AE will be monitored by mill manager before any confine space job is allowed to proceed.</p> <p>ii) Internal SOP will be reviewed to include Health Fitness Declaration and Health Status Declaration as per ICOP requirements.</p> <p>iii) Mill manager will conduct briefing on the revised SOP.</p> <p><u>Linbar 2 Estate</u></p> <p>i) Issuance of awareness letter from SPC office to all affected operating unit on the electric fence installation.</p> <p>ii) Appointment of a competent person to make a regular inspection to ensure the installation connection is in a safe manner</p>		
<b>Assessment Conclusion:</b>	<p>Records of Medical Examination for Confine Space sighted showed the following:</p> <p>a) examination conducted on 3.1.2018 by OHD: HQ/10/DOC/00/167 from Klinik DAB OH Sdn Bhd found 3 workers not fit and 26 workers fit</p> <p>b) examination conducted on 25.1.2018 by OHD: HQ/10/DOC/00/167 from Klinik DAB OH Sdn Bhd (Dr. Azizan Bin Abdul Aziz) found all 4 workers were fit.</p> <p>Sampled Health Certificate of Fitness of workers as follows:                  2 Fit and 2 Not Fit (one due to <i>Uncontrolled Diabetes mellitus</i> and the other <i>Hypertension</i>)</p> <p>Verified that the SOP Doc. Reference: IOI OSH 3.2.2 Rev. 1 dated 2.01.2018, clause 11 to 13 had been found added to address health status/declaration requirements as per ICOP.</p> <p>11. Authorised Entrant to undergo medical examination by Occupational Health Doctor to ensure they are fit to undertake work in Confine Space. (<i>Authorise entrant yang telah menjalani pemeriksaan kesihatan dengan Occupational Health Doctor bagi memastikan mereka sihat untuk menjalankan kerja dalam ruang terkurung</i>).</p>		

	<p>12. All Authorised Entrant that had undergone medical examination by Occupational Health Doctor and found fit to work in Confine Space will be issued Health Fitness Certificate. <i>(Semua Authorised Entrant yang telah menjalani pemeriksaan Occupational Health Doctor dan didapati sihat untuk menjalani bekerja di dalam ruang terkurung akan diberikan "Health Fitness Certificate").</i></p> <p>13. Before performing work in Confine Space, Authorised Entrant to declare that he is well (fit) to undertake such work in Confine Space by completing Declaration of Health Status form. <i>(Sebelum menjalankan kerja di dalam ruang terkurung, Authorised Entrant harus mengistiharkan bahawa dia sihat untuk bekerja diruang terkurung dengan mengisi borang "Declaration of Health Status").</i></p> <p>Thus, the major non-conformance remained closed.</p>
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<b>Non-Conformity</b>			
<b>NCR Ref #</b>	1572343-201712-M2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.5.2 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	14/02/2018
<b>Statement of Nonconformity:</b>	Unfair deduction of workers salary		
<b>Requirement Reference:</b>	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.		
<b>Objective Evidence:</b>	<p>In Sakilan Mill, it was found that a female worker (ID 0653) was on maternity leave. As according to the Sabah Labour Ordinance 2005, female workers are eligible to maternity allowance in which the minimum wages shall be paid. In the month of November 2017, the worker did not receive the minimum wage as 1 day due to public holiday was deducted. The assessment team had confirmed with JTK that there shall be no deduction for such holiday and the worker shall be paid for 26 days in November and not 25 days.</p> <p>During the interview with workers and review of the pay slip in Linbar 2, it was found that field workers pay are being deducted for working tools replacement. According to the company memorandum dated 27/10/2016, workers shall only be deducted for working tools if they are found damaging the tools intentionally or negligence in using the tools. During the interview with workers (R**** Da****, Jefferson ****, A**** and M*** Sh****) it was found that the workers some of the situations are not entirely negligence or intentionally. According to the workers, the tools damage are sometime due to quality of the material.</p> <p>Furthermore, there is no evidence that proper investigation has been done by the management to determine if it is due to workers negligence or the quality of material or wear and tear.</p>		
<b>Corrective Actions:</b>	<p>i) Issuance of an internal memorandum by the Human Resource Department to all other operating unit to ensure correct implementation is carried out on the maternity allowance payment. The internal memorandum will includes a guidance step document as</p>		

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

	<p>a reference on how the method of manual payment for the maternity allowance will work with the system operation.</p> <p>ii) Training on the guidance step document will be carried out in stages to operating unit for a better understanding on the correct implementation.</p> <p>iii) Briefing to affected workers on the term and condition of the tools replacement.</p>
<b>Assessment Conclusion:</b>	<p><u>ASA1 4 verification:</u>  Reviewed on the payslips for the worker (SKL5170) for June 2018 to August 2018 who under maternity found that she was paid as per the Sabah Ordinance. Besides, the company has issued the Replacement of Tools Form for the worker who has requested to replace the broken tools. The tools were provided free and seen the payslip found no deduction has been made. Thus, the major non-conformance remained closed.</p>

Non-Conformity			
<b>NCR Ref #</b>	1572343-201712-N1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.2 Minor
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	20/12/2018
<b>Statement of Nonconformity:</b>	Written information on legal requirements was not effectively maintained.		
<b>Requirement Reference:</b>	A documented system, which includes written information on legal requirements, shall be maintained.		
<b>Objective Evidence:</b>	Legal register dated 1/7/17, list of applicable laws, covenants and standards applicable Sabah Estate & Mill Operation did not include; i) FMA, Certificate of Fitness Exemption Order 2017 ii) FMA, Person in Charge Regulation 2014		
<b>Corrective Actions:</b>	i) To revise the mechanism of tracking law changes procedure.		
<b>Assessment Conclusion:</b>	<u>ASA1 4 verification</u> Written information on legal requirements was documented and maintained in "Legal Requirements Register", dated 1/11/2018 prepared by SPO Department Sandakan Regional Office where the FMA, Certificate of Fitness Exemption Order 2017 and FMA, Person in Charge Regulation 2014 have been included. Procedure to track changes in law has also been updated and implemented accordingly. Thus, the minor NC has been effectively closed.		

Non-Conformity			
<b>NCR Ref #</b>	1572343-201712-N2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.1.2 Minor
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	20/12/2018
<b>Statement of Nonconformity:</b>	A timetable for change not developed and implemented within a comprehensive management plan that shall identify the responsible person/persons was not available for the detected impacts that require changes in current practices in order to mitigate negative effects.		

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

<b>Requirement Reference:</b>	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons.
<b>Objective Evidence:</b>	<p>Sakilan POM documented EIA (Environment Impact Assessment Management Action Plans &amp; Continuous Improvement Plan; Sakilan Palm Oil Mill; Date reviewed: November 2017; Prepared by Environmental Liaison Officer (Mill AM) and approved by Mill Manager):</p> <p>Environmental aspects: FFB ramp ground sinking causing retaining wall cracked and exposed slopes</p> <p>Potential impacts (emergency): Landslide due to ramp collapsing</p> <p>Linbar 1 &amp; Linbar 2 Estates documented EIA (Environment Impact Assessment Management Action Plans &amp; Continuous Improvement Plan;</p> <p>Linbar 2 Estate; Date reviewed: October 2017. The document report was prepared by Environmental Liaison Officer (Estate AM) and approved by Estate Manager &amp; Environment Impact Assessment Management Action Plans &amp; Continuous Improvement Plan;</p> <p>Linbar 2 Estate; Date reviewed: September 2017. The document report was prepared by Environmental Liaison Officer (Estate AM) and approved by Estate Manager):</p> <p>Environmental aspects: Discharge of Membrane Cleaning Chemicals (Acid Cleaning MCL-2033) mixing from the backwash activity (membrane cleaning/flushing) of the New TEK Waterpak® SM05 Potable Water Treatment Plant.</p> <p>Potential impacts (abnormal): Contamination of ground and surface water</p>
<b>Corrective Actions:</b>	i) Issuance of kind reminder letter to the Environmental Liaison Officer for negligence of his responsibility.
<b>Assessment Conclusion:</b>	<p><u>ASA1 4 verification</u></p> <p>EIA had been revised where the newly identified environmental aspects have been included. Subsequently the Environmental Management Plan has also been updated at each operating unit where appropriate mitigation measures have been included and implemented. Thus, the minor NC found to be effectively closed.</p>

Non-Conformity			
<b>NCR Ref #</b>	1572343-201712-N3	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.1.4 Minor
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	20/12/2018
<b>Statement of Nonconformity:</b>	The review of the plans did not involved the affected parties		
<b>Requirement Reference:</b>	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		

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

	be made to current practices. There shall be evidence that the review includes the participation of affected parties.
<b>Objective Evidence:</b>	IOI conducts the yearly stakeholder forum to obtain stakeholder participation and inputs. The management plan had included all the inputs from the stakeholders. However, through review of the stakeholder meeting minutes conducted in year 2017 and 2016, for those impacts that has been resolved and concluded, there is no evidence to show that the management had reviewed the outcome of the plans with the affected parties and/or if any further plans are required with the affected parties.
<b>Corrective Actions:</b>	To establish a guideline for the annual stakeholder meeting which will include a fixed tentative agenda template.
<b>Assessment Conclusion:</b>	<p><u>ASA1 4 verification</u>            The Annual Review for Social Impact Assessment (Management Action Plan &amp; Continuous Improvement Plan) and Time Bound Action Plan was reviewed on yearly basis based on the inputs from the stakeholders.</p> <p>Seen the last stakeholder meeting minutes dated 13/9/2018 where the status of inputs from previous assessment were explained during the meeting. Besides, the stakeholders that reported negative impacts have been attended to the latest stakeholder meeting as well. They have acknowledged on the received of the stakeholder meeting minutes. Seen the Guideline Procedure on Stakeholder Consultation, Doc. Ref.: SPO/SDK /S/001-2018 dated 20/7/2018, Issue/ Rev. 01/01 (Draft) which has provided the guideline agenda to discuss during the stakeholder meeting. For eg: recap on previous stakeholder consultation minutes' record, briefing on stakeholder request correspondence procedure, roundtable discussion on social and environmental impact based on group operations. Thus, the implementation of corrective action plan was found effective and the minor non-conformity has been closed on 20/12/2018.</p>

Opportunity for Improvement	
OFI#	Description
	Nil

**3.4.2 Summary of the Nonconformities and Status**

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1146434M1	Major	2.1.1	16/1/2015	Closed 9/2/2015
1146434M2	Major	6.5.1	16/1/2015	Closed 9/2/2015
1278692N1	Minor	6.5.3	17/12/2015	Closed on 20/12/2016
1278692N2	Minor	4.7.5	17/12/2015	Closed on 20/12/2014
1411777M1	Major	SCCS D2.2	16/12/2016	Closed on 20/2/2017
1411777N1	Minor	4.4.1	16/12/2016	Closed on 22/12/2017
1411777N2	Minor	5.3.3	16/12/2016	Closed on 22/12/2017
1572343-201712-M1	Major	2.1.1	22/12/2017	Closed on 14/02/2018
1572343-201712-M2	Major	6.5.2	22/12/2017	Closed on 14/02/2018
1572343-201712-N1	Minor	2.1.2	22/12/2017	Closed out on 20/12/018

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

1572343-201712-N2	Minor	5.1.2	22/12/2017	Closed out on 20/12/018
1572343-201712-N3	Minor	6.1.4	22/12/2017	Closed out on 20/12/018
1718443-201808-N1	Minor	2.1.3	21/12/2018	"Open"

**3.5. Stakeholders Consultation**

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

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

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

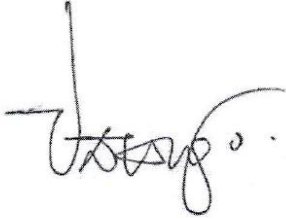
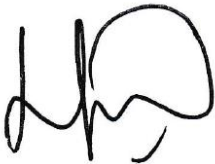
<b>List of Stakeholders Contacted</b>	
<b>Internal Stakeholders</b> Workers representative Harvesters Maintenance workers Mill operators Workshop operators	<b>Union/Contractors/Local Communities</b> Contractors Suppliers Surrounding villages Smallholders
<b>Government Departments</b> Nil	<b>NGO</b> No issue raised by NGO

<b>IS #</b>	<b>Description</b>
<b>1</b>	<b>Feedbacks:</b> Contractors and Transporters – The contractors have informed that they have signed agreement prior to provide service and understood the terms and conditions stated in the agreement. Their payment was made according to the terms.
	<b>Management Responses:</b> The management will ensure payment is make promptly.
	<b>Audit Team Findings:</b> Reviewed on the invoice and payment vouchers found that payment was made accordingly.
<b>2</b>	<b>Feedbacks:</b> Smallholders and Local Communities – They informed that there was no encroachment of land by the company. Trenches, rivers and boundary pegs have been sighted to demarcate the boundaries. The managements have provided help to the local communities and smallholders such as pulled out the stuck tractors in the field and water supplied during drought season.
	<b>Management Responses:</b>



	<p>The management will continue to provide assistance whenever needed.</p> <p><b>Audit Team Findings:</b> No other issues.</p>
<b>3</b>	<p><b>Feedbacks:</b> Workers’ Representatives (E/JCC) – The workers informed that they were treated equally and they are allowed to keep passport by themselves. Their wages were accordance to Minimum Wage Order 2016 and overtime was paid accordingly. They were provided with free housing and water supply. They were happy with the management.</p> <p><b>Management Responses:</b> Noted by management.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
<b>4</b>	<p><b>Feedbacks:</b> Gender Committee Representatives – They informed that they were treated equally without discrimination. No case of sexual harassment or violence reported. They are aware of the complaint procedure to lodge sexual harassment case.</p> <p><b>Management Responses:</b> The management will monitor to ensure the workers are free from any harassment.</p> <p><b>Audit Team Findings:</b> No other issue.</p>
<b>5</b>	<p><b>Feedbacks:</b> Weighbridge Operators (Mill) – They are aware of the Supply Chain procedure. They are able to explain the procedure from incoming of FFB to outgoing of CPO/ PK.</p> <p><b>Management Responses:</b> Noted by management.</p> <p><b>Audit Team Findings:</b> No further issue.</p>

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

<b>Formal Signing-off of Assessment Conclusion and Recommendation</b>	
<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Sakilan Palm Oil Mill Certification Unit has complied with the RSPO P&amp;C (MY-NI 2014) &amp; RSPO Supply Chain Certification Standard (June 2017) and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Sakilan Palm Oil Mill Certification Unit is continued.</p>	
<b>Report prepared by</b>	<b>Acceptance of Assessment Conclusion</b>
<p><b>Name:</b> Valence Shem</p>	<p><b>Name:</b> LEANG HON WAI GENERAL MANAGER SANDAKAN REGION</p>
<p><b>Company Name:</b> BSI Services Malaysia Sdn Bhd</p>	<p><b>Company Name:</b> 101 PLANTATION SERVICES SDN BHD</p>
<p><b>Title:</b> Lead Auditor</p>	<p><b>Title:</b> GENERAL MANAGER</p>
<p><b>Signature:</b></p> 	<p><b>Signature:</b></p> <p><i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i></p> 
<p><b>Date:</b> 11/3/2019</p>	<p><b>Date:</b> 3/4/2019</p>

**Appendix A: Summary of Findings**

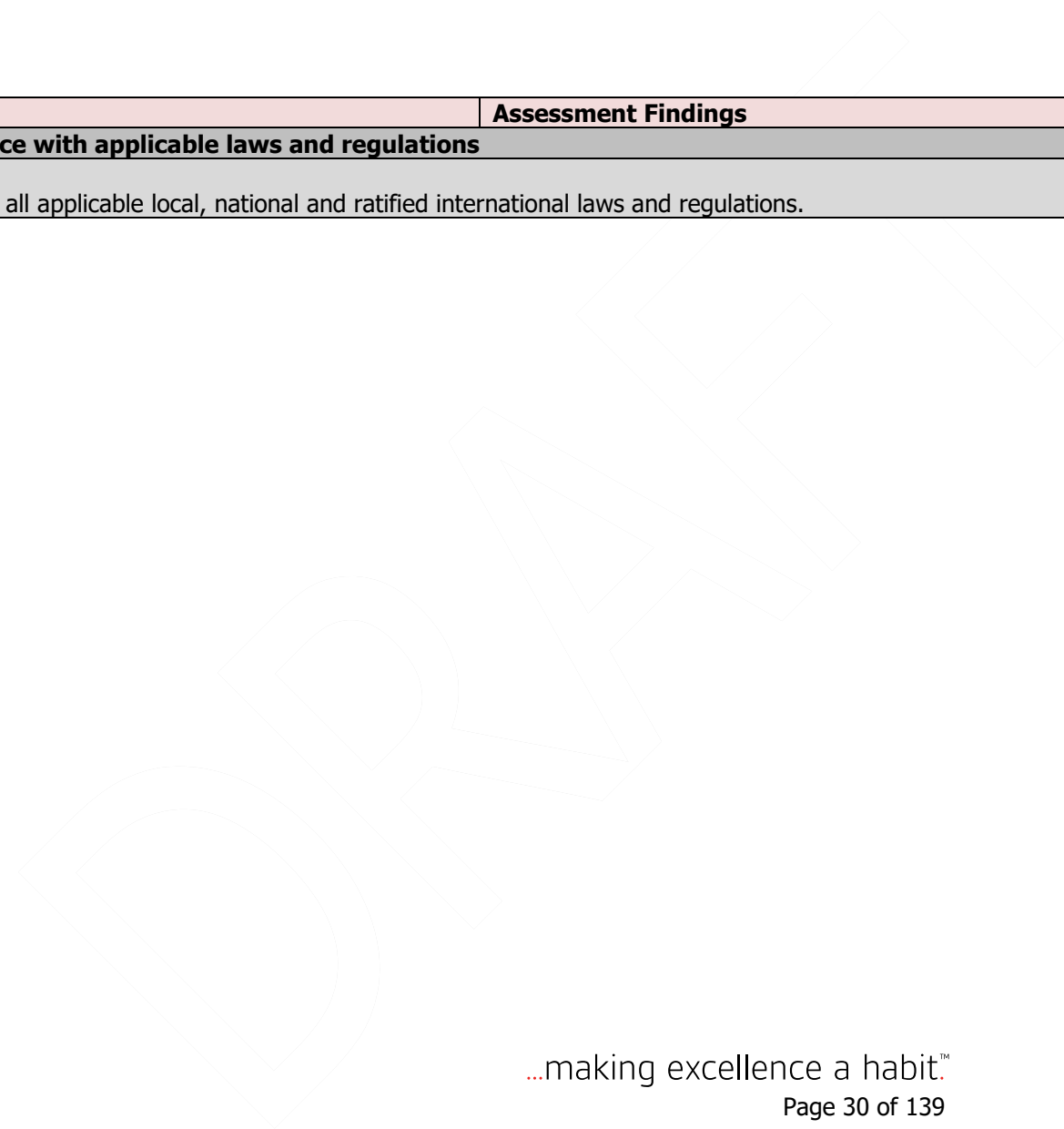
Criterion / Indicator	Assessment Findings	Compliance
<b>Principle 1: Commitment to Transparency</b>		
<b>Criterion 1.1:</b> Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	The company has developed Stakeholder Request – Corporate Level and Estate Level flowchart to explain the process for the stakeholders to request of information from the company. The stakeholders can either call the IOI Group General Line or write in formal letter to IOI Head Office for Corporate Level and visit or call to Estate Office and write in formal letter to respective estate for Estate Level. The management has informed that stakeholders during stakeholder meeting regarding the information could be requested from the management such as social, environmental and HCV issue. Interviewed with the stakeholders confirmed that they have been invited and attended the last stakeholder meeting conducted on 13/9/2018 and involved in the decision making for the SIA assessment.

Criterion / Indicator		Assessment Findings	Compliance
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	There was no request of information from stakeholder since last audit. Interviewed with stakeholders confirmed that they are understand the process to request information and they informed that they were briefed during stakeholder meeting that conducted on 13/9/2018. Sakilan Estate has maintained the request and response practice. The stakeholders wrote in formally to the management in order to request for assistance from the management. The management has responded the request accordingly. For eg: SK Sakilan Desa has requested the management to provide the football field, transportation to send the tools and sands during the sport day on 8/10/2018. The management has responded and issued a memorandum to the school regarding the approval of request on 10/10/2018.	Complied
<b>Criterion 1.2:</b> Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

Criterion / Indicator		Assessment Findings	Compliance
1.2.1	Publicly available documents shall include, but are not necessary limited to: <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Occupational health and safety plans (Criterion 4.7);</li> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> <li>• Details of complaints and grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report;</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> - Major compliance –	<p>Publicly available management documents such as land titles, OHS plans, EIA, SIA, HCV documentation, pollution prevention and reduction plans, records of complaints and grievances, negotiation procedures, RSPO Public Summary Report, company policies and continual improvement plans are available and can be cross referred to their respective criterion.</p> <p>All operating units have individual documents and records to demonstrate compliance to this indicator. IOI Group documents are also accessible through their Group’s website link: <a href="http://www.ioigroup.com">http://www.ioigroup.com</a>.</p>	Complied
<p><b>Criteria 1.3:</b>                      Growers and millers commit to ethical conduct in all business operations and transactions.</p>			
1.3.1	There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. -Minor compliance	<p>IOI Group has developed and implemented Code of Business Conduct &amp; Ethics dated October 2012 where the people to uphold, at all times the IOI Core Values as below:</p> <ol style="list-style-type: none"> <li>Integrity</li> <li>Commitment</li> <li>Loyalty</li> <li>Excellence in Execution</li> <li>Speed or Timeliness</li> <li>Innovativeness</li> <li>Cost Efficiency</li> </ol> <p>The company employees shall not accept gifts, benefits or entertainment from a third party. Briefing of the policy was conducted on 28/8/2018 for all the workers in Linbar 2 Estate.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<b>Principle 2: Compliance with applicable laws and regulations</b>		
<b>Criterion 2.1:</b> There is compliance with all applicable local, national and ratified international laws and regulations.		



<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available.          - Major compliance -</p>	<p>IOI Plantation Services Sdn Bhd has obtained approval from Jabatan Tenaga Kerja Sabah for deduction of salary for electricity and church/ mosque fund. Seen the approval with Serial No.: 600-1/2/8/320(11/SDK/2018-092) which valid from 12/4/2018 to 12/4/2020.</p> <p>IOI Corporation Berhad (Right Purpose Sdn Bhd) has obtained approval from Jabatan Tenaga Kerja Sabah for the quota to recruit foreign workers. The license # JTK.H.KBN.600-4/1/1/0126/0282 which valid from 21/5/2018 to 20/5/2019 for total 151 Indonesia workers for Linbar 2 Estate and license # JTK.H.KBN.600-4/1/1/0126/0281 which valid from 19/5/2018 to 18/5/2019 for total 164 Indonesia workers for Linbar 1 Estate.</p> <p>Sakilan Certification Unit continued its commitment in compliance with legal requirements. The followings are among the examples of compliance verified:</p> <ul style="list-style-type: none"> <li>• Permission to Gather SW at One Common Collection Centre at each Group [ASSH(B)91/110/619/001 Jld 22 (85)], dated 23/1/2018 from DOE, KK to Managing Director of IOI Plantation Service Sdn Bhd – applicable to</li> <li>• CePSWaM/00311, Jimi Dalinting (HSE Manager)</li> </ul> <p><u>Sakilan:</u></p> <ul style="list-style-type: none"> <li>• MPOB license # 503335002000, validity 1/8/2018 to 31/7/2019, 2,142 Ha (<i>currently the stated area is only for planted Ha - to be revised in the next renewal – same as certified area</i>), <i>Menjual dan Mengalih FFB</i>, license holder Sakilan Desa Sdn Bhd</li> </ul> <p><u>Linbar 2</u></p>	<p>Complied</p>
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		<ul style="list-style-type: none"> <li>• <i>Lesen Bagi Pemasangan Persendirian</i>, License No. 2018/03603, Licensee: Right Purpose Sdn Bhd (Linbar 2 Estate), 140 kW, validity 5/11/2018 to 4/11/2019. However, the monthly report of power generation in accordance to the ST format was unable to be verified – inconsistency of diesel consumption i.e. reported the diesel (OFI).</li> </ul> <p>Mill:  <i>Penyata Statistik Penjanaan Bulan</i> (Monthly Generation Statistic Statement) – sent to Energy Commission on monthly basis without fail</p> <p>The following legal requirements were sighted available and complied:</p> <p><u>Sakilan POM</u></p> <ol style="list-style-type: none"> <li>1. MPOB License for processing 240,000mt/year FFB (License No.:500293404000 valid from 01/12/2018 – 30/11/2019). The mill did not exceed the allowable processing capacity stated on the license. The FFB processed from December 2017 to November 2018 was 125,695.64 mt.</li> <li>2. Electricity Supply Act 1990, Regulation 9, License for Private Installation No. 2018/00810, No. Siri: 28283 under Halusah Ladang Sdn Bhd w.d.t. no 164, 90009 Sdk for 4000 kw valid 18.4.2018 to 17.4.2019</li> <li>3. Fire Services (Fire Certificate) Regulation 2001 No. JBPM:SB/7/250/2017 valid 27.12.2017 -26.12.2018. Mill had informed BOMBA of Certificate renewal and BOMBA had carried out facility inspection on 6.12.2018. Their comments were to print in capital letters wording Fire Water tank and relocate firewater pump manifold discharge exhaust to be outside of Emergency Fire Pump house.</li> </ol>	
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4. Equipment Permits			
Equipment	Permit No.	Issue Date	Expiry date
Horizontal Sterilizer	PMT 105911	8.2.2018	7.5.2019
Horizontal Sterilizer	PMT 105912	8.2.2018	7.5.2019
Air Receiver	PMT 106093	8.2.2018	7.5.2019
Air Receiver	PMT 12964	8.2.2018	7.5.2019
Air Compressor	PMT 555	8.2.2018	7.5.2019
Steam Receiver	PMT 106087	8.2.2018	7.5.2019
Vacuum Deaerator	PMT 106085	CoF Exemption C3	
Vacuum Oil Dryer	PMT 106092	CoF Exemption C3	
Vacuum Oil Dryer	PMT 1701	CoF Exemption C3	
Pressure Sand Filter	PMT 106086	CoF Exemption C3	
Pressure Sand Filter	PMT 106091	CoF Exemption C3	
Softener Vessel	PMT 106089	CoF Exemption C3	
Softener Vessel	PMT 106090	CoF Exemption C3	
Entrainment Separator	PMT 106088	CoF Exemption C5	
Water tube steam Boiler (890 m <sup>2</sup> )	PMD 104855	8.2.2018	7.5.2019
5. <u>Competence persons</u>			
a. Steam engineer available: 2 x 2 <sup>nd</sup> grade: Mill Manager Certificate No. 7996 issued on 7.11.1980; and Assistant Mill Manager Certificate No. 7606 issued on 12.11.2015			

		<ul style="list-style-type: none"> <li>b. Person In-Charge -Steam engine and boiler, available: 2x Grade 1 Certificate holder H/ED/67/07 and H/ED/96/93</li> <li>c. Internal Combustion Engine Driver, available: 2x Grade 2 Certificate holder SB/14/Eip/02/19 and SB/16/EIP/02/17</li> <li>d. Electrical Chargeman, available: 1x A4, Certificate holder PJ-T-4-B-0182-2009 and 1 x A1, Certificate holder PJ-T-2-B-0764-2017</li> <li>e. AESP 2 Nos. Certificate expires on 24.1.2019, 1 Nos. Certificate expires on 24.10.2019 and 28 Nos. Certificate valid until 19.01.2020</li> <li>f. AGTES 2 Nos. 1 valid until 27.10.2019, and the other valid until 23.11.2020</li> </ul> <p><u>Estates</u></p> <ul style="list-style-type: none"> <li>6. Sakilan Estate Ministry of Domestic Trade Cooperatives &amp; Consumerism - Diesel storage license for 40,500 liters (PPDNKK.SDK.29/1997 (SK) BL22018044168, Supplier Petron validity from 19/11/2018 – 18/11/2019).</li> <li>7. Linbar 1 Estate Electricity Supply Act 1990, Regulation 9, License for Private Installation No. 2018/01138, Serial No. 29087 under Right Purpose Sdn Bhd Linbar 1 Estate w.d.t. no164, Sdk for 109 kw valid from 14.6.2018 to 13.6.2019</li> <li>8. Linbar 1 Estate MPOB Licence No. 502435102000 in the name of Right Purpose Sdn Bhd for Sell and Move FFB valid 1.9.2018 to 31.8.2019 estate acreage 4300 ha (Shared license with Linbar 2 Estate)</li> <li>9. Linbar Estate 1 Ministry of Domestic Trade Cooperatives &amp; Consumerism - Diesel storage license for 30,000 liters</li> </ul>	
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**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

Criterion / Indicator		Assessment Findings	Compliance
		<p>(PPDNKK.SDK.04/2002 (SK) BL22018023453 , Supplier Petron validity from 30/06/2018 – 29/06/2019).</p> <p>10. Linbar Estate 2 MPOB Licence No. 502435102000 in the name of Right Purpose Sdn Bhd to Sell and Move FFB valid from 1.9.2018 to 31.8.2019, total area 4300 ha (Shared license with Linbar 1 Estate)</p> <p>11. Linbar Estate 2 Ministry of Domestic Trade Cooperatives &amp; Consumerism - Diesel storage license for 18,000 liters (PPDNKK.SDK.03/2002 (SK), Supplier Petron validity from 17/05/2018 – 16/05/2019).</p> <p><u>Equipment Certificate of Fitness or Permit Sampled at estates:</u></p> <p>a. Linbar 1 Estate Air Receiver SB PMT 1436 valid to 23.1 2019.</p> <p>b. Linbar 2 Estate Air Receiver SB 1624 valid to 23.1.2019</p>	
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	Written information on legal requirements was documented and maintained in "Legal Requirements Register", dated 1/11/2018 prepared by SPO Department Sandakan Regional Office. Among the registered laws were Workers Minimum Standard Of Housing And Amenities Act, 1990, OSHA, FMA, EQA and employment act to name a few.	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	Mechanism for ensuring compliance is described in the "Mechanism of Tracking Law Changes", dated 27/7/2018. The sustainability team is responsible to monitor implementation/updating of information through routine monitoring and internal audit.  The internal audit for Sakilan CU was last conducted by the Sustainable Palm Oil Dept. (SPO) from 7 to 10 August 2018. Apart from that a List of License was also available for the estate to monitor the validity of all its licenses such as business license, MPOB license, permits from Labour Department and permits from Energy Commission to name a few.	Minor nonconformance
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking of changes in any law was done under guidance of its "mechanism of Tracking Law Changes" procedure. Based on the procedure among the mechanism to be implemented are news update, subscription to Lexis Nexis, circular from relevant organizations such as MPOA, MPOB, etc., and trusted media such as internet or press release.	Complied
<b>Criterion 2.2:</b> The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.			

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 -	Each of the visited estates were able to demonstrate its right to use lands through copy of land titles. Below were the land titles verified at the each estates:  Sakilan Estate’s land titles: #CL 075471242 – 1,294.80 Ha #CL 075471288 – 1.974 Ha #CL 075471260 – 999.60 Ha Sakilan POM is situated in Sakilan Estate’s land occupying around 14 Ha of the area.  Linbar 1 and Linbar 2 estates are sharing the same land title i.e. CL 095311667 which contain an area of 4,840 ha.	Complied
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	Generally, at all the visited estate, the legal boundaries were demarcated by trench. Other methods such as pegs and roads were also used. Based on site visit, the legal boundaries were found to be visibly maintained especially those with third parties. Moreover, along the estates’ (Linbar 1 & 2) boundaries with Segaliud Lokan Forest Reserve, 50 m buffer zones were established.	Complied
2.2.3 Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	There is no new leasing of land recorded in previous year. There are no records of land dispute for the estates. The land for Linbar 2 and Linbar 1 Estate is lease land from the Sabah Government on 08/07/1983 (land title – 095311667; plan number 09127907). The land was leased to Linbar Estate Sdn Bhd and later transferred to Rights Purpose Sdn Bhd on 21/11/1997. Rights Purpose Sdn Bhd is a subsidiary of IOI group. The land leased until 31/12/2081.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 Sakilan certification unit at the time of audit. The land belongs to IOI Corporation Berhad and land ownership documents verified. Interviewed with smallholders and local communities confirmed that no encroachment of land by the company as boundary pegs and trenches were constructed to demarcate the boundaries.	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 Sakilan certification unit at the time of audit. The land belongs to IOI Corporation Berhad and land ownership documents verified. Interviewed with smallholders and local communities confirmed that no encroachment of land by the company as boundary pegs and trenches were constructed to demarcate the boundaries.	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 Sakilan certification unit at the time of audit. The land belongs to IOI Corporation Berhad and land ownership documents verified. Interviewed with smallholders and local communities confirmed that no encroachment of land by the company as boundary pegs and trenches were constructed to demarcate the boundaries.	Complied
<b>Criterion 2.3:</b> Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.			
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 Sakilan certification unit at the time of audit. The land belongs to IOI Corporation Berhad and land ownership documents verified. Interviewed with smallholders and local communities confirmed that no encroachment of land by the company as boundary pegs and trenches were constructed to demarcate the boundaries.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>2.3.2 Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <ul style="list-style-type: none"> <li>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;</li> <li>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;</li> <li>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.</li> </ul> <p>- Minor compliance -</p>	<p>There is no land dispute in the Sakilan certification unit at the time of audit. The land belongs to IOI Corporation Berhad and land ownership documents verified. Interviewed with smallholders and local communities confirmed that no encroachment of land by the company as boundary pegs and trenches were constructed to demarcate the boundaries.</p>	<p>Complied</p>
<p>2.3.3 All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>-Minor compliance</p>	<p>There is no land dispute in the Sakilan certification unit at the time of audit. The land belongs to IOI Corporation Berhad and land ownership documents verified. Interviewed with smallholders and local communities confirmed that no encroachment of land by the company as boundary pegs and trenches were constructed to demarcate the boundaries.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	There is no land dispute in the Sakilan certification unit at the time of audit. The land belongs to IOI Corporation Berhad and land ownership documents verified. Interviewed with smallholders and local communities confirmed that no encroachment of land by the company as boundary pegs and trenches were constructed to demarcate the boundaries.	Complied
<b>Principle 3: Commitment to long-term economic and financial viability</b>			
<b>Criterion 3.1:</b> There is an implemented management plan that aims to achieve long-term economic and financial viability.			
3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Annual budget and management plan were documented with five years projection includes FFB production, CPO, OER, and KER, costs of production, CAPEX and OPEX. There is no scheme smallholder within the supply base. Sakilan POM 3 Years Business Plan for financial year period from 2018/19 until 2021/22 was available for verification.  Business plans for the estates were reflected through annual budget. Budget for the current year (2018/19) and the three years projection i.e. 2019/20 to 2021/22 were available for verification. Among the information available in the annual budget was production cost (per Ha and per mt of FFB/CPO/PK), forecasted yields (FFB, CPO & PK), financial allocation for all the operations i.e. harvesting and evacuation, replanting and field maintenance.	Complied



Criterion / Indicator		Assessment Findings	Compliance																													
3.1.2	An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available. - Minor compliance -	All of the visited estates have established their replanting programme with 5 years projection as shown in the table below:  <table border="1"> <thead> <tr> <th rowspan="2">Estates</th> <th colspan="5">Ha/year</th> </tr> <tr> <th>2019/20</th> <th>2020/21</th> <th>2021/22</th> <th>2022/23</th> <th>2013/24</th> </tr> </thead> <tbody> <tr> <td>Linbar 1</td> <td>236</td> <td>392</td> <td>401</td> <td>203</td> <td>0</td> </tr> <tr> <td>Linbar 2</td> <td>0</td> <td>309</td> <td>230</td> <td>410</td> <td>345</td> </tr> <tr> <td>Sakilan</td> <td>242</td> <td>230</td> <td>201</td> <td>211</td> <td>234</td> </tr> </tbody> </table>	Estates	Ha/year					2019/20	2020/21	2021/22	2022/23	2013/24	Linbar 1	236	392	401	203	0	Linbar 2	0	309	230	410	345	Sakilan	242	230	201	211	234	Complied
Estates	Ha/year																															
	2019/20	2020/21	2021/22	2022/23	2013/24																											
Linbar 1	236	392	401	203	0																											
Linbar 2	0	309	230	410	345																											
Sakilan	242	230	201	211	234																											
<b>Principle 4: Use of appropriate best practices by growers and millers</b>																																
<b>Criterion 4.1:</b> Operating procedures are appropriately documented, consistently implemented and monitored.																																

<p>4.1.1</p>	<p>Standard Operating Procedures (SOPs) for estates and mills are documented          - Major compliance -</p>	<p>The Sakilan Mill operations are guided by Group Standard Operating Procedures (StOPs) for Palm Oil Mill issued on 1.7.2017 by the Senior General Manager. The Manual contains StOP for 17 Work Stations; 9 of them covering Fresh Fruit Bunches Oil Palm processing from Reception/Ramp to Product Storage and Despatch and the remainder 8 for non-core processes such as utility and support services. The StOPs among others relate to;</p> <ul style="list-style-type: none"> <li>a) Administration             <ul style="list-style-type: none"> <li>- Store /Accounts</li> <li>- PPE issuance/Workers records</li> </ul> </li> <li>b) Laboratory             <ul style="list-style-type: none"> <li>- Analysis methods/Laboratory equipment</li> <li>- Sampling point/frequency</li> <li>- Daily oil /kernel losses summary report</li> </ul> </li> <li>c) Maintenance             <ul style="list-style-type: none"> <li>- Daily maintenance report/Monthly shutdown plan</li> <li>- Vehicle inspection checklist/</li> <li>- Monthly maintenance report</li> </ul> </li> <li>d) Biogas             <ul style="list-style-type: none"> <li>- Biogas process/Daily monitoring log</li> <li>- Daily monitoring checklist</li> </ul> </li> <li>e) Mill production             <ul style="list-style-type: none"> <li>- All processes from Reception/Ramp to Despatches</li> <li>- Water Treatment Plant/Engine/</li> <li>- Boiler station data/checklist</li> <li>- Daily supervisor report/Daily sterilising records</li> </ul> </li> </ul> <p>Standard Operating Procedures (SOPs) for estates and mills are documented and maintained. Set of procedures for mill operation detailed out under Group Standard Operating Procedures (StOPs) for Palm Oil Mill, document reference number, IOI/StOP/A, issue:2 dated 1/7/17. On safety practices, guided procedure titled,</p>	<p>Complied</p>
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		<p>Occupational Safety and Management System IOI Corporation Berhad (Plantation Division) dated 1 August 2012. List of procedures checked:</p> <ul style="list-style-type: none"> <li>1.0 FFB Reception</li> <li>2.0 FFB Handling</li> <li>3.0 Sterilizer</li> <li>4.0 Threshing</li> <li>5.0 Digestion and Pressing</li> <li>6.0 Oil Room</li> <li>7.0 Depericarper</li> <li>8.0 Nut and Kernel Plant</li> <li>9.0 Product Storage and Despatch</li> <li>10.0 Laboratory</li> <li>11.0 Effluent Treatment Plant</li> <li>12.0 Biogas Plant</li> <li>13.0 Polishing Plant</li> <li>14.0 Water Treatment Plant</li> <li>15.0 Boiler</li> <li>16.0 Engine Room</li> <li>17.0 Workshop and Shovel</li> </ul> <p>Additional procedure for biogas plant (bio-scrubber system 24/7/16, biogas, generator 1/6/15, biogas flare 1/6/15 and biogas tank farm 1/6/15) established for the operation.</p> <p>For Good Agricultural Practices, two types of procedures used i.e.:</p> <ul style="list-style-type: none"> <li>1) Good Agricultural Practice,</li> <li>2) Group Standard Operating Procedure (StOPs) for Estate Operation, dated 5/12/2007</li> </ul> <p>Among the topics covered are:</p> <ul style="list-style-type: none"> <li>• Planting density</li> <li>• Nursery</li> </ul>	
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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Land clearing and preparation</li> <li>• Planting technique</li> <li>• Leguminous cover plant</li> <li>• Manuring</li> <li>• Weeding</li> <li>• Pest and disease</li> <li>• Harvesting</li> <li>• Road maintenance</li> <li>• Foliar Sampling</li> <li>• Management and monitoring of existing cultivation of oil palm on peat (newly added in July 2017)</li> <li>• Planting of beneficial plants in estate (newly added in July 2017)</li> </ul>	

<p>4.1.2</p>	<p>A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -</p>	<p>Mechanism to check consistent implementation of procedures carried out by sustainability and safety team on annual basis. The latest sustainability audit was carried out in the month of August 2018 for the Sakilan POM Certification Unit. Total of 6 major and 5 minor raised during audit and the status are now closed. Audit criteria are based on RSPO P&amp;C MYNI 2014 as well as company policies and procedures.</p> <p>For the estates, various mechanisms of checking were applied, e.g.:</p> <ul style="list-style-type: none"> <li>• Manuruing – report from R&amp;D, frequency based on manuring programme ~10 days/month (verified 13/9/18 and 28/08/18)</li> <li>• Harvesting – Portable Data Recorder (PDR) – a device to record FFB quality</li> <li>• Operation – SPC report – verified latest 3 reports at Linbar 1 dated 28/5/2018 10/7/2018 and 3/8/2018 and 2 reports at Linbar 2 dated 28/5/2018 and 21/8/2017</li> <li>• Health, Safety &amp; Environment Inspection Report [LB1/HSE/INSPECTION/2018-01, dated 13/7/2018 (for Linbar 1)</li> <li>• HSE Team routine visit report</li> </ul> <p>The mill adopted the following practices to ensure consistent implementation of procedures:</p> <ol style="list-style-type: none"> <li>i. Daily production report therein containing             <ul style="list-style-type: none"> <li>- FFB processed/Ramp balance</li> <li>- Throughput/starting &amp; stopping time</li> <li>- Boiler monitoring sheet</li> <li>- Daily notification report – machinery status</li> </ul> </li> <li>ii. Monthly shutdown</li> <li>iii. Mill summary expenditure             <ul style="list-style-type: none"> <li>- Palm oil statistics</li> <li>- Administration and General Charges</li> <li>- CAPEX expenditure</li> </ul> </li> </ol>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>iv. Daily supervision and walkabouts by Supervisor and Assistant Managers</li> <li>v. Annual SPO audit</li> <li>vi. HSE Annual and 3-monthly Workplace Inspection</li> <li>vii. Mill Controller visit</li> <li>viii. Visits by Government Agencies i.e. DOSH, DOE, JTK, others.</li> </ul>	

<p>4.1.3</p>	<p>Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -</p>	<p>Records of monitoring and the actions taken are maintained at the mill and estates. Regular visits by GM, PC, Safety and Sustainability team were well maintained accordingly. Visit purpose varies i.e. to monitor operating unit performance as well as conducting water quality, safety and environmental monitoring based on the established management plan.</p> <p>Examples sighted at Sakilan POM were water quality, safety and environmental monitoring:</p> <ul style="list-style-type: none"> <li>• Chemicals for water treatment were recorded daily. Treated water consumption were monitored and measured individually for mill processing and domestic consumption at line site. Drinking water analysis before and after chlorination at Water Treatment Plant was undertaken by 3<sup>rd</sup> party accredited laboratory, (Dynakey Laboratories Sdn. Bhd.) to ensure the water quality meets National Water Quality Drinking standard. Their Certificate of Analysis were available and retained.</li> <li>• PTW records, in particular, Confine Space Entry serial no: 0201 dated 2.11.2018 was checked and found that (a) periodic Gas Test and monitoring and (b) Declaration of health status/fitness by Authorised Entrant had been recorded for work at Digester no.4 to changeout knife.</li> <li>• Local Exhaust Ventilation (LEV) Performance Testing and Monitoring. The monthly inspection was carried by the assigned Laboratory Person In-Charge. Records of monitoring showed the ongoing LEV performance was as required. The annual inspection and testing, as required by USECHH Regulation 2000, was conducted by Qualified Industrial Hygiene Technician II from Dynakey Laboratory Sdn Bhd. The results of capture velocity and transport velocity were above the recommended value published by ACGIH and the performance was satisfactory.</li> </ul>	<p>Complied</p>
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**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>• Personal Chemical Exposure Monitoring was last conducted on 11.9.2018 at Laboratory covering 3 work shifts by REHPRO Scientific Sdn Bhd Industrial Hygiene Technician 1 (JKKP HIE 127/171-3/1(179). Results of the assessment showed that personnel exposure to n-Hexane and Isopropyl</li> <li>• alcohol chemicals were below PEL (8-hr TWA).</li> <li>• Reporting of injuries/accidents as and when they occurred and the subsequent accident investigation by Safety and Health Committee together with Corrective Action taken was sighted. Latest occurrence was on 1.12.2018 and the victim was given 5 days medical leave. HIRADC Register was reviewed and updated on 12.12.2018.</li> <li>• Sakilan POM effluent discharge was monitored on monthly basis. Their September, October and November 2018 Results of Analysis showed they were below permissible limit meeting EQA (Prescribed Premises) (Crude Palm Oil) Regulations 1977 including, BOD limit for land application, that was stated in Jadual Pematuhan at &lt;50mg/L.</li> <li>• Two units of smoke density meter were calibrated at 6 monthly intervals. The last calibration being on 6.7.2018. During year of assessment, it was noted there was no emission exceeding allowable limits. Graphical recording strip was maintained kept.</li> <li>• Records of Monthly First Aid box inventory check managed by Estate Hospital Assistant. In the First Aid box, there was also a record book to capture detail usage such as date, name of injured person, items consumed and description treatment given and signature column.</li> </ul> <p>All the above records were kept for a minimum period of 12 months.</p>	



Criterion / Indicator		Assessment Findings	Compliance
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	No third party FFB received at Sakilan POM.	Complied
<b>Criterion 4.2:</b> Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	The soil fertility management at all the estates was guided by the IOI group StOP, Section 8.0: Manuring and Section 15.0: Foliar sampling. The practices consistently monitored by estate operation management and estate inspectorate. The recommendations for improvements are given to maintain the sustainable practices.	Complied
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance -	Fertilizer inputs were recorded in Operation Cost Sheet. The book has information about field no., scheduled month, hectare done (actual vs. program), mandays, type of fertiliser, dosage, and cost. Verification of the book showed that the fertiliser application at the field was in line with the recommendation from IOI's agronomist at Research Centre. Fertilisers used were of straight and mixture types at dosage around 10 kg/palm/year. Based on the verification of agronomist recommendation and store issuance records, it was observed that the fertiliser issued from the store were tally with agronomist's recommendation.	Complied
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	Leaf nutrient status report by IOI's agronomist was available at all the visited estates. Among the nutrients content analysed were N, P, K, Mg, Ca, B. Soil analysis was last done in 2015 [ref.: Soil analysis results, IOI Research Centre].	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	Those estates nearby the mill such as Sakilan Estate, were applying EFB in the field as nutrient recycling strategy. EFB application was recorded in EFB application record.	Complied
<b>Criterion 4.3:</b> Practices minimise and control erosion and degradation of soils.			
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	Verification of soil map at all the estates showed that there was no fragile soils exist. E.g., soil composition at Linbar 2 Estate were mainly of Lungmanis (Mudstone and alluvium) and Silabukan series (Mudstone and alluvium).	Complied
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	Planting on slopes is guided by StOP for Land Preparation for New Planting and Replanting, dated Sep 2007, clause 5.2 construction of terrace at slops >10°. Based on site visits, it was observed that terraces were constructed at the hilly terrain.	Complied
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Road maintenance program for 2018/19 is available for all the visited estates. Among the activities for the road maintenance are roadside pruning, grading and resurfacing, roadside pit (to divert flow of water) and bridges maintenance. Based on the site visit, generally the field road condition was good and accessible.	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 -	Based on the soil map and observation during the site visit, there was no peat soil.	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 -	Based on the soil map and observation during the site visit, there was no peat soil.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	Based on the soil map and observation during the site visit, there was no peat soil or problematic soil.	Complied
<b>Criterion 4.4:</b> Practices maintain the quality and availability of surface and ground water.			
4.4.1	An implemented water management plan shall be in place. - Minor compliance -	Water management plan was established by the SPO team for Sakilan Group of operating units. The plan, entitled "Water Management Plan for Sakilan Grouping" is dated 5/10/2018 and last reviewed on 31/10/2018. The objectives of the plan is to conserve and to maintain the availability of surface and ground water. Hence, the management plan outlined the method to conserve and minimise pollution of water through implementation of various methods such as best practice of raw water & effluent treatment, maintaining riparian zone, management of land irrigation, maintaining soft vegetation in the field, to name a few.	Complied
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 -	Protection of water courses was addressed at Clause 5.2 of the water management plan. Based on site visit to the riparian zones in the estates, the zones were clearly demarcated at appropriate width and well maintained where no trace of agrochemicals observed. This is in line with the requirement of "Aku Janji" agreement with the Environmental Protection Department.	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.3	<p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p>- Minor compliance -</p>	<p>The mill applies the biological system with 7 ponds in series for its treatment of effluent. The quality of discharged effluent was analysed every month and the parameters are T, pH, BOD, COD, TS, SS, O&amp;G, AN and TN. Last 12 months results were verified where highest BOD=29.30 ppm while lowest was 7.50 ppm. Appropriate corrective actions such as carrying out desludging and repairing the broken bund walls of a pond were taken. The recording of these corrective actions was maintained through the mill's environmental management system.</p> <p>Competent Person as required by legal was also verified. There is no competent person for ETP for Sakilan mill at the moment since the previous one had left the company in June 2018. As at now, an AM has been appointed to participate the CePPOME course by DOE's approved trainer in 14-18/1/2019.</p>	Complied
4.4.4	<p>Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.</p> <p>- Minor compliance -</p>	<p>The mill extracts its water supply from Sg. Bulu and pumped into a collection pond before undergo water treatment process. The mill has been monitoring its consumption of water on daily basis. Based on the daily records, the consumption in FY 2017/18 was 1.88 m<sup>3</sup>/mt FFB and as at Nov 2018 of FY 2018/19 2.01 m<sup>3</sup>/mt FFB.</p>	Complied
<p><b>Criterion 4.5:</b>  Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>			

Criterion / Indicator	Assessment Findings	Compliance
<p>4.5.1</p> <p>Implementation of Integrated Pest Management (IPM) plans shall be monitored.                      - Major compliance -</p>	<p>IPM program was established mainly on planting beneficial plant. The progress was recorded in "Planting of Beneficial Plant" which has the information about months, field no., programme &amp; actual and type of beneficial plant. At Linbar 2 Estate, based on records, the estate has reach about 43% of the annual (2018/19) programme. Among the types of beneficial plants to be planted are Cassia, Turnera and Antiginon with the recommended ratio of 60:20:20 as mentioned in the StOP for Planting of Beneficial Plants. Leaf eating caterpillar at the estates is very rare. There have been no case of attack since more than 5 years ago.</p> <p>All estates visited continued to have in place a documented integrated pest management (IPM) system, that is, IOI Group Standard Operating Procedures (StOPs):</p> <ul style="list-style-type: none"> <li>• Section 5.0-Cultural Practices and Biological Control by Developing Beneficial Plants for Natural Predators and Agricultural Policies,</li> <li>• Section 9.0: Pest and Disease includes the planting of beneficial plants and control of damage by rodents, leaf eaters, orytes and natural enemies.</li> </ul> <p>Beneficial plants such as Turnera subulata, Antigonon Leptopus, Euphorbiaheterophylla and Cassia cobennensis are grown in the estates. They are planted at strategic places by the roadsides or unshaded field boundaries at</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance												
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	<p>Training of those involved in IPM implementation was adequately demonstrated through training plan and records. E.g., at Linbar 1 Estate, training on planting and maintenance of beneficial plant in accordance to "StOP for Planting of Beneficial Plant" last conducted on 13/10/2018 which was attended by 9 workers.</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Date</th> <th>No. of attendees</th> </tr> </thead> <tbody> <tr> <td>Sakilan</td> <td>29.11.2018</td> <td>4</td> </tr> <tr> <td>Linbar 1</td> <td>13.10.2018</td> <td>10</td> </tr> <tr> <td>Linbar 2</td> <td>9.05.2018</td> <td>8</td> </tr> </tbody> </table>	Estate	Date	No. of attendees	Sakilan	29.11.2018	4	Linbar 1	13.10.2018	10	Linbar 2	9.05.2018	8	Complied
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<p><b>Criterion 4.6:</b> Pesticides are used in ways that do not endanger health or the environment</p>															

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.1</p>	<p>Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>- Major compliance -</p> <p>Justification of pesticides applied is available in the agriculture policies. Refer to Agricultural Policies, Section 6.0: Weeding - Weed Control and Section 9.0: Pest and Disease. The use of pesticide is specific to the targeted pest, weed and disease. Justification takes consideration to minimize effect on non-target species.</p> <p>In addition to the above, IOI Group Sustainable Palm Oil Policy, jointly signed by Group CEO and Group Head of Sustainability, under item 4 Existing Plantation, Subheading Environmental Management states that:</p> <p><i>No use of paraquat and pesticides that are categorised as World Health Organisation Class 1A or 1B</i></p> <p>The use of other Class 1 Chemicals (such as metamidophos and monocrotophos) approved by the Pesticides Board and included in the MPOB list of approved Pesticide for use in oil palm plantations can only be carried out under strict supervision and in absolutely necessary circumstances such as severe outbreak and critical pest infestation, with special method of application specified in the Highly Toxic Pesticides Regulation 1996 of the Pesticides Act 1974, after authorization has been received from relevant authorities.</p>	<p>Complied</p>

<p>4.6.2</p>	<p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided. - Major compliance -</p>	<p>Records of pesticides used (including active ingredients used and area treated, amount of active ingredients applied per ha and number of applications) were established and monitored. The table below shows records of weedicide /pesticide use for the last two financial years.</p> <p><b>Sakilan Estate</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Active ingredients</th> <th colspan="2">a.i/ha (kg/ha)</th> </tr> <tr> <th>FY 16/17</th> <th>FY17/18</th> </tr> </thead> <tbody> <tr> <td>Area, ha</td> <td>2142</td> <td>2104</td> </tr> <tr> <td>Metsulfuron methyl 20% (LD<sub>50</sub> rat 2000 mg/kg)</td> <td>0.0184</td> <td>0.0211</td> </tr> <tr> <td>Glyphosate Isoprpylamine 41% (LD<sub>50</sub> rat 5000 mg/kg)</td> <td>1.4812</td> <td>1.7059</td> </tr> <tr> <td>Triclopyr Butoxy Ethyl Esther 32.1% (LD<sub>50</sub> rat 2000 mg/kg)</td> <td>0.0546</td> <td>0.1171</td> </tr> </tbody> </table> <p><b>Linbar 1 Estate</b></p> <table border="1"> <thead> <tr> <th rowspan="2">Active ingredients</th> <th colspan="2">a.i/ha (kg/ha)</th> </tr> <tr> <th>FY 16/17</th> <th>FY17/18</th> </tr> </thead> <tbody> <tr> <td>Area, ha</td> <td>2421</td> <td>2421</td> </tr> <tr> <td>Metsulfuron methyl 20% (LD<sub>50</sub> rat 2000 mg/kg)</td> <td>0.0301</td> <td>0.0227</td> </tr> <tr> <td>Glyphosate Isoprpylamine 41% (LD<sub>50</sub> rat 5000 mg/kg)</td> <td>3.534</td> <td>2.884</td> </tr> <tr> <td>Triclopyr Butoxy Ethyl Esther 32.1% (LD<sub>50</sub> rat 2000 mg/kg)</td> <td>0.1838</td> <td>0.2005</td> </tr> </tbody> </table>	Active ingredients	a.i/ha (kg/ha)		FY 16/17	FY17/18	Area, ha	2142	2104	Metsulfuron methyl 20% (LD <sub>50</sub> rat 2000 mg/kg)	0.0184	0.0211	Glyphosate Isoprpylamine 41% (LD <sub>50</sub> rat 5000 mg/kg)	1.4812	1.7059	Triclopyr Butoxy Ethyl Esther 32.1% (LD <sub>50</sub> rat 2000 mg/kg)	0.0546	0.1171	Active ingredients	a.i/ha (kg/ha)		FY 16/17	FY17/18	Area, ha	2421	2421	Metsulfuron methyl 20% (LD <sub>50</sub> rat 2000 mg/kg)	0.0301	0.0227	Glyphosate Isoprpylamine 41% (LD <sub>50</sub> rat 5000 mg/kg)	3.534	2.884	Triclopyr Butoxy Ethyl Esther 32.1% (LD <sub>50</sub> rat 2000 mg/kg)	0.1838	0.2005	<p>Complied</p>
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4.6.3	Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. - Major compliance -	<p>The IPM implementations described in Indicator 4.5.1 are meant to minimise the use of pesticides.</p> <p>There has been no prophylactic use of pesticides at the visited estates.</p>	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 -	<p><b><u>Sakilan Estate, Linbar 1 Estate and Linbar 2 Estate.</u></b></p> <p>IOI only purchase chemicals that are registered under the Malaysian Pesticides Act 1974 (Act 149) and Regulations.</p> <p>Sighting of the Chemical Register dated 30/11/2018 at these estates showed that only class II, III &amp; IV chemicals were used. There were no Class 1A and Class1B agrochemicals used.</p> <p>Paraquat was eliminated. In its place, alternatives such as Glyphosate were used instead.</p>	Complied																	

<p>4.6.5</p>	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -</p>	<p>Pesticides were handled, used or applied by trained workers in accordance with the product label. In addition to the product label, Chemical Safety Data Sheets were used and explained to the participants. Training for pesticides handler are as shown in the table below:</p> <table border="1" data-bbox="1025 539 1823 1257"> <thead> <tr> <th rowspan="2">Training title</th> <th colspan="3">Estates</th> <th rowspan="2">Training date</th> <th rowspan="2">Total Attendance</th> </tr> <tr> <th>Sakilan</th> <th>Linbar 1</th> <th>Linbar 2</th> </tr> </thead> <tbody> <tr> <td rowspan="7">SOP Sprayer &amp; Chemical Handling</td> <td>√ (Div 1)</td> <td></td> <td></td> <td>19.4.2018</td> <td>7</td> </tr> <tr> <td>√ (Div 1)</td> <td></td> <td></td> <td>8.8.2018</td> <td>10</td> </tr> <tr> <td>√ (Div 2)</td> <td></td> <td></td> <td>21.4.2018</td> <td>6</td> </tr> <tr> <td>√ (Div 2)</td> <td></td> <td></td> <td>9.8.2018</td> <td>10</td> </tr> <tr> <td></td> <td>√</td> <td></td> <td>12.1.2018</td> <td>36</td> </tr> <tr> <td></td> <td></td> <td>√</td> <td>30.1.2018</td> <td>8</td> </tr> <tr> <td></td> <td></td> <td>√</td> <td>10.8.2018</td> <td>6</td> </tr> <tr> <td rowspan="4">SOP Rat baiting</td> <td>√ (Div 1)</td> <td></td> <td></td> <td>7.8.2018</td> <td>6</td> </tr> <tr> <td>√ (Div 2)</td> <td></td> <td></td> <td>24.10.2018</td> <td>2</td> </tr> <tr> <td></td> <td>√</td> <td></td> <td>19.9.2018</td> <td>31</td> </tr> <tr> <td></td> <td></td> <td>√</td> <td>24.5.2018</td> <td>4</td> </tr> <tr> <td>SOP Sprayer &amp; PPE</td> <td></td> <td>√</td> <td></td> <td>30.1.2018</td> <td>23</td> </tr> <tr> <td>SOP Chemical Pre-Mix &amp; PPE</td> <td></td> <td>√</td> <td></td> <td>20.7.2018</td> <td>19</td> </tr> <tr> <td></td> <td></td> <td></td> <td>√</td> <td>9.10.2018</td> <td>4</td> </tr> </tbody> </table> <p>Suitable personal protective equipment and application equipment were provided to the operators. Example of PPE provided for specific work units were:</p>	Training title	Estates			Training date	Total Attendance	Sakilan	Linbar 1	Linbar 2	SOP Sprayer & Chemical Handling	√ (Div 1)			19.4.2018	7	√ (Div 1)			8.8.2018	10	√ (Div 2)			21.4.2018	6	√ (Div 2)			9.8.2018	10		√		12.1.2018	36			√	30.1.2018	8			√	10.8.2018	6	SOP Rat baiting	√ (Div 1)			7.8.2018	6	√ (Div 2)			24.10.2018	2		√		19.9.2018	31			√	24.5.2018	4	SOP Sprayer & PPE		√		30.1.2018	23	SOP Chemical Pre-Mix & PPE		√		20.7.2018	19				√	9.10.2018	4	<p>Complied</p>
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Job description	PPE provide / Equipment provide											
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Manurer	Cotton glove, Nitrile Rubber Glove, Respirator mask (N95), Apron, Safety Goggles, Safety boot  Wheel barrow											
Pre-packing fertilizer operator	Cotton glove, Nitrile Rubber Glove, Respirator mask (N95), Apron, Safety Goggles, Safety boot,  Wheel scale and plastic bag.											
		<p>Agrochemical Sprayers, Pre-Mixer and Mandore's understanding on precautions attached to the products and the wearing of required PPE were checked in the field by the auditor. They were found understood during the interview and further confirmed by observing when they work.</p>										

<p>4.6.6</p>	<p>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 -</p>	<p>Pesticides selected for use were those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with OSH USECHH Regulations (2000).</p> <p>At all visited estates the storage of pesticides was in accordance with recognized best practices. They were stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders and Pesticides Act 1974 (Act 149) and Regulations. All information regarding the chemicals affixed as product label and the accompanying Safety Data Sheet (see OHS CLASS 2013 Regulations) with details of its usage, hazards, trade and generic names were found available in Bahasa Malaysia language understood by workers or explained carefully to them by a plantation management official at operating unit level.</p> <p>At all estates visited, their chemical stores were inspected and it was noted that they all comply with the relevant act as well as best practice.</p> <ul style="list-style-type: none"> <li>• All stores were secured under lock and key with restricted access.</li> <li>• Provision of ventilation fan.</li> <li>• Display of Safety Pictorial poster, namely the required PPE and chemical Safety hazards pictogram.</li> <li>• Pesticides were separated by class.</li> <li>• Daily balance of remaining solution after completing pre-mixing were kept in the store under lock and key.</li> <li>• Concrete cemented floor, bund wall and provision of sump pond.</li> <li>• Store keeper was trained in the handling of all pesticides.</li> <li>• SDS leaflets were available at all pesticide stores.</li> </ul> <p>Some 20-liter HDPE agrochemical containers were recycled for premix use by Sprayers as handy means to carry solution to field.</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		On the other hand, unused empty chemical containers were triple rinsed, pierced 3 holes at the bottom and stored for disposal in accordance with legal requirements. Old use pesticides containers were sold as recycle wastes to New Gates Industries Sdn Bhd. Sighted 12.9.2018 disposal record for 460 kg all 20 liters glyphosate containers.	
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 were documented and justified in the SOP. The implementation in the field was consistent with the SOP. For weeding activities, knapsack spray pump and low volume CDA spray were used for selective and circle spraying  Pesticides CKS, rat bait 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 -	There was no aerial spraying observed at Sakilan, Linbar 1 and Linbar 2 Estate	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.9</p> <p>Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8).                      - Minor compliance -</p>	<p>The Sakilan POM complex did not associate itself with smallholders.</p> <p>The use of safety pictorial poster for ease of understanding for the agrochemical handlers and the availability of Chemical Safety Data Sheet for their reference in Bahasa Malaysia and English language were placed adjacent to the agrochemicals in the store.</p> <p>The Linbar 1, Linbar 2 and Sakilan Store Clerks, Sprayers and Mandores demonstrated knowledge of their understanding and skills on pesticide handling.                      They have been trained as discussed in criterion 4.6.5 above. It was further confirmed during interviews in the field. Also sighted no rashes on sprayers' skin at palms and hands.</p>	<p>Complied</p>
<p>4.6.10</p> <p>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 -</p>	<p>Procedures for disposal of wastes materials were available for verification. Among the procedures are:</p> <ul style="list-style-type: none"> <li>- <i>Peraturan bagi Penghantaran Buangan Terjadual (BT) bagi Ladang Sabah POM</i> (since Linbar 1 &amp; 2 is sending their SW to Ladang Sabah POM) <i>or Sakilan POM</i></li> <li>- Management plan for Environmental Impact Assessment, dated Nov 2018</li> <li>- Scheduled Wastes Management Systems, dated 1/1/2015, IOI/SRO/HSE/SW/01</li> </ul>	<p>Complied</p>

Criterion / Indicator		Assessment Findings				Compliance
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	Based on the recommendation of the CHRA, medical surveillance has been conducted as follows:				Complied
		Site	Date	Employees, No. and by job	Results	
		Sakilan Estate	6.3.2018	14 sprayers (incl. 1 Mandore), 6 Rat baiter, 2 Genset Operator, 2 Workshop foreman, 2 Store clerk	All found normal and fit to work	
		Linbar Estate 1	5.10.2018	1 storekeeper, 1 WTP operator, 2 Genset Operator, 3 workshop, and 18 sprayer all fit to work.	All found normal and fit to work	
		Linbar Estate 2	5.10.2018	2 storekeeper, 1 WTP Operator and 15 sprayer	All found normal and fit to work	

<b>Criterion / Indicator</b>		<b>Assessment Findings</b>	<b>Compliance</b>
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	<p>Pregnant and breast-feeding women are strictly not allowed to work with pesticides.</p> <p>Noted, there were a few women working as chemical mixers (pre-packing) and sprayers. Verified that the female workers were checked for pregnancy test at three-month interval by the on-site Medical Advisor. All results showed negative findings.</p>	Complied
<p><b>Criterion 4.7:</b> An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:</p>			



<p>4.7.1</p>	<p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>An Occupational Safety, Health and Hygiene Policy dated 03/3/18 has been established and signed by the Plantation Director. It is available in Bahasa Malaysia and English language. The policy has been communicated to all employees through briefings and hardcopy of policies were seen displayed at the estates notice boards.</p> <p>Among the commitments contain in the policy are:</p> <ul style="list-style-type: none"> <li>i) Comply to all national laws and regulations.</li> <li>ii) Assess all health and safety risks to work activities.</li> <li>iii) Conduct regular inspection at workers houses.</li> <li>iv) Investigate and find causes of accidents and take appropriate measures to prevent recurrence.</li> <li>v) Prepare emergency procedures for foreseeable major accidents/incidents.</li> </ul> <p>The Safety Management Plan, dated 6.1.2018 was prepared by HSE Manager and concurred by the respective Estate/Mill Manager for implementation and monitoring for its effectiveness. Among others, it included:</p> <ul style="list-style-type: none"> <li>• establish OSH Committee and ensure functioning of the Committee;</li> <li>• establish OSH objectives and reporting of Safety Performance;</li> <li>• risk assessed all operations and control risk as per established SOP;</li> <li>• establish OSH Legal and Other Requirement Register and evaluation of its compliance;</li> <li>• Safety and Health Training Plan;</li> <li>• Chemical Health and Risk Assessment;</li> <li>• Medical surveillance;</li> <li>• Annual Audiometric test;</li> <li>• Workplace accident notification, investigation and reporting;</li> </ul>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>Posting of Protective Personal Equipment (PPE), Electrical Danger Signages and simplified SOP at work stations.</li> </ul>	

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<p>4.7.2</p>	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers. - Major compliance -</p>	<p>All operations have been risk assessed, and procedures and actions were documented and implemented to address the identified issues. The end product, individual Risk register had been established at the POM and estates visited where significant and routine activities were adequately covered. They were reviewed for completeness and effectiveness of the control measures taken either at 2-yearly interval or immediately after occurrence of an accident. At Sakilan and Linbar 1 Estate following accident it was reviewed on 12.12.2018 and 27.9.2018 respectively and at Linbar 2 estate on 2.1.2018.</p> <p>HIRARC established at the mill were not limited to the following:</p> <ul style="list-style-type: none"> <li>ix. Maintenance and servicing – pump, press, lightning arrester</li> <li>ii) Welding and cutting job, electrical works</li> <li>iii) Sterilizer – operation, cages handling, capstan line</li> <li>iv) FFB processing from stripping, oil extraction to storage and CPO dispatch and treatment of by-products/waste</li> <li>vi) Boiler house – ash removal from hopper chute, maintenance. Furnace cleaning, clinkers raking activities, determining control and PPE standards</li> <li>vii) Engine room operation</li> <li>viii) Oil and effluent water sampling and analysis</li> </ul> <p>Whereas at the estates, examples include activities or areas such as:</p> <ul style="list-style-type: none"> <li>i) Chemical spraying;</li> <li>ii) Harvesting;</li> <li>iii) Pruning;</li> <li>iv) Manuring;</li> <li>v) Weeding;</li> <li>vi) Rat baiting and bag worm treatment;</li> <li>vii) FFB loading, collection and transporting;</li> <li>viii) Transporting of workers;</li> <li>ix) Workshop operations;</li> </ul>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings					Compliance										
		<ul style="list-style-type: none"> <li>x) Chemical, fertilizer and lubrication store;</li> <li>xi) Genset operation and maintenance;</li> <li>xii) Road maintenance.</li> </ul> <p>For every hazard recognized in the Risk Register their corresponding actions have been documented and implemented to address the identified issues.</p> <p>With respect to CHRA, all precautions recommended by the Assessor had been properly observed and applied to the workers. CHRA at Sakilan estate was conducted by DOSH Registered Assessor ID, HQ/11/ASS/00/298 from DAB Sdn Bhd, Sandakan, while at Linbar 1 and Linbar 2 estate the CHRA was assessed by DOSH Registered Assessor ID, JKPP KIM 127/453/8(30) as below.</p> <table border="1"> <thead> <tr> <th>Site</th> <th>Sakilan POM</th> <th>Sakilan Estate</th> <th>Linbar 1 Estate</th> <th>Linbar 2 Estate</th> </tr> </thead> <tbody> <tr> <td>Validity period</td> <td>23.3.2015 – 22.3.2020</td> <td>10.7.2017-9.7.2022</td> <td>14.12.2018 – 13.12.2022</td> <td>12.12.2017 – 11.12.2022</td> </tr> </tbody> </table>					Site	Sakilan POM	Sakilan Estate	Linbar 1 Estate	Linbar 2 Estate	Validity period	23.3.2015 – 22.3.2020	10.7.2017-9.7.2022	14.12.2018 – 13.12.2022	12.12.2017 – 11.12.2022	
Site	Sakilan POM	Sakilan Estate	Linbar 1 Estate	Linbar 2 Estate													
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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.3</p> <p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p>	<p>All workers at the mill and estates have been trained in safe working practices including SOP for PPE related to their job function. See Criteria 4.8 for sample of training given.</p> <p>Example of coverage of such training is as follows. The SOP for chemical handling is described in <i>SOP Bab 17 issue no 2</i> dated 1/8/18. Therein the content states the below details;</p> <ul style="list-style-type: none"> <li>a) A trained person to handle chemicals</li> <li>b) PPE adherence</li> <li>c) Chemical handling details before and after</li> <li>d) Emergency situation procedures.</li> </ul> <p>Another annual training is response to various emergency scenarios identified. Emergency Response Team and employees received continual training and practice in emergency response procedure, the aim being, to safely response and evacuate and to render help to victims if it is safe to do so.</p> <p>Records of PPE issued and acknowledgement of receipt are maintained individually for all workers to cover all potentially hazardous operations, such as pesticide application, harvesting, equipment maintenance and machine operations. Sighted PPE issued include safety helmets, safety shoes, rubber boots. Special PPE are also provided for workers assigned to work at height and in confined space.</p>	<p>Complied</p>

<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 respective Mill and Estate Manager appoint an Assistant Manager of theirs as the person in charge for safety and environment. The PIC role covers areas of responsibilities on safety, health and welfare of the staff/workers. The Mill and Estates Managers in turn were appointed as the Chairman for the ESH committee. His duties among others was to preside the ESH meetings, discharge the General Duties of Employers and make decision arising out of issues discussed for improvement of Safety, Health, Welfare and the Environment.</p> <p>The management of each operating unit conduct regular two-way communication with their employees through the 3-monthly ESH meeting.</p> <p>The minutes of meeting were sighted and verified. The dates of meetings held are recorded below.</p> <table border="1" data-bbox="1025 911 1823 1342"> <thead> <tr> <th colspan="4"><b>Sakilan Palm Oil Mill</b></th> </tr> </thead> <tbody> <tr> <td>Meeting No. 1</td> <td>14.03.2018</td> <td>Meeting No 3</td> <td>20.09.2018</td> </tr> <tr> <td>Meeting No 2</td> <td>18.06.2018</td> <td>Meeting No 4</td> <td>12.12.2018</td> </tr> <tr> <th colspan="4"><b>Sakilan Estate</b></th> </tr> <tr> <td>Meeting No. 1</td> <td>29.03.18</td> <td>Meeting No 3</td> <td>29.9.18</td> </tr> <tr> <td>Meeting No 2</td> <td>29.06.18</td> <td>Meeting No 4</td> <td>7.12.18</td> </tr> <tr> <th colspan="4"><b>Linbar 1 Estate</b></th> </tr> <tr> <td>Meeting No. 1</td> <td>19.3.18</td> <td>Meeting No 3</td> <td>17.9.18</td> </tr> </tbody> </table>	<b>Sakilan Palm Oil Mill</b>				Meeting No. 1	14.03.2018	Meeting No 3	20.09.2018	Meeting No 2	18.06.2018	Meeting No 4	12.12.2018	<b>Sakilan Estate</b>				Meeting No. 1	29.03.18	Meeting No 3	29.9.18	Meeting No 2	29.06.18	Meeting No 4	7.12.18	<b>Linbar 1 Estate</b>				Meeting No. 1	19.3.18	Meeting No 3	17.9.18	<p>Complied</p>
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Criterion / Indicator		Assessment Findings				Compliance
		Meeting No 2	18.6.18	Meeting No 4	14.10.18	
		<b>Linbar 2 Estate</b>				
		Meeting No. 1	24.1.18	Meeting No 3	25.7.18	
		Meeting No 2	26.4.18	Meeting No 4	31.10.17	

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.5</p> <p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>The CU continued to use established procedures contained in their OHS Manual (a) 3.4.2 Accident/Incident Investigation &amp; Reporting and (b) 3.3.4.3 Emergency Prevention, Preparedness and Response.</p> <p>The procedures have been summarised in a flow chart form and displayed at notice boards for mill and estates employees information. Likewise, the respective Operating Unit ERP organization chart and important telephone contact numbers have been established and displayed too. ERT members receive training and practice in emergency procedures.</p> <p>The trainees for the First Aid were among employees of office support staff, mill work station operators (day and night shift) and estate field staff/mandores. Assigned operatives among others, comprised of operators, clerks, supervisors and mandores. First aid boxes were noted made available at various points in the mill and estates complex including office, workshop, sprayers washing facilities, with mandore in the field, etc.</p> <p>Records of accident including investigation report, DOSH forms JKPP 6 and JKPP 8 were sighted kept. As per procedure, all cases of accidents more than 4 days were investigated. The S&amp;H committee reviewed the HIRARC and where relevant change the severity and/or likely rating and institute corresponding control measures.</p>	<p>Complied</p>



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>The CU continued to ensure all workers working in their premises (both mill and estates) are covered by insurance. All local workers were covered by SOCSO as required under the Employee’s Social Security Act 1969.</p> <p>Foreign workers were covered by insurance as per the Workmen Compensation Act 1952. Insurance Underwriter is MSIG Insurance (Malaysia) Bhd and policy details as below.</p> <p>Sakilan POM MSIG FCWA Policy No.: DL-10107857- FWC            Valid from 1.10.2018-30.9.2019 for 108 workers category FW Plantation</p> <p>Sakilan Estate – MSIG FCWQ Policy No.:DL-10107178-FWC            Valid from 1.10.2018-30.9.2019 for 156 workers category FW Plantation</p> <p>Linbar 2 Estate MSIG FCWA Policy No.: DL-10106486-FWC            Valid from 1.10.2018-30.9.2019 for 134 workers category plantation workers</p> <p>Linbar 1 Estate MSIG FCWA Policy No.: DL-10106465-FWC            Valid from 1.10.2018-30.9.2019 for 188 workers category plantation workers</p>

Criterion / Indicator		Assessment Findings				Compliance															
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	<p>Records of accidents are maintained and summarized in the relevant form and submitted to DOSH as per OSH NADOOPOD Regulations 2004. The occurrence of accidents recorded for YTD November 2018 is as shown below:</p> <table border="1"> <thead> <tr> <th></th> <th>Sakilan POM</th> <th>Sakilan Estate</th> <th>Linbar Estate 1</th> <th>Linbar Estate 2</th> </tr> </thead> <tbody> <tr> <td>No. of cases</td> <td>5</td> <td>8</td> <td>10</td> <td>4</td> </tr> <tr> <td>LTI, days</td> <td>2</td> <td>26</td> <td>0</td> <td>16</td> </tr> </tbody> </table>					Sakilan POM	Sakilan Estate	Linbar Estate 1	Linbar Estate 2	No. of cases	5	8	10	4	LTI, days	2	26	0	16	Complied
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<p><b>Criterion 4.8:</b> All staff, workers, smallholders and contract workers are appropriately trained.</p>																					

<p>4.8.1</p>	<p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -</p>	<p>All employees and contractors were provided training related to their job skills, RSPO requirements, Occupational Health &amp; Safety and Environmental matters. They training program include productivity and best management practice subjects on estates operating procedures as well as procedural matters caring for Occupational Health &amp; Safety and Environmental, from felling of oil palm trees, nursery, replanting, harvesting and upkeep of fields to evacuation of FFB to mill. Likewise, at the mill it covers from FFB receipt, grading, processing to Crude Palm Oil, storage and dispatch of CPO, nut kernel and the management of by-products, wastes and waste streams.</p> <p>The training program specified the target group of employees to be trained for the identified subjects. In addition to the Good Mill / Agricultural Practice training, that is, Process stations / field SOP related to trade/job skills, the following topics, among others, were included in the 2018/19 annual training program;</p> <ul style="list-style-type: none"> <li>a) OSH Act &amp; regulations 1994.</li> <li>b) Environmental Quality Act 1974</li> <li>c) Induction Program for new workers.</li> <li>d) OSH Committee and function.</li> <li>e) First Aid Training</li> <li>f) Scheduled waste training</li> <li>g) RSPO/MSPO/ISCC Principles</li> <li>h) HCV &amp; Biodiversity training.</li> <li>i) Mechanical/electrical workshop</li> <li>j) Environmental/safety &amp; health policy/ environmental responsibility,</li> <li>k) Emergency Response drill</li> <li>l) Social program</li> </ul>	<p>Complied</p>
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<p>4.8.2</p>	<p>Records of training for each employee shall be maintained. - Minor compliance -</p>	<p>Records of training were sighted during this audit, sample noted are as shown below: a) Sakilan Palm Oil Mill</p> <table border="1"> <thead> <tr> <th>No</th> <th>Date</th> <th>Subject</th> <th>Attendees</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>19.3.18</td> <td>Boiler Operation / Engine room</td> <td>6</td> </tr> <tr> <td>2</td> <td>30.1.18</td> <td>SOP Confine Space</td> <td>33</td> </tr> <tr> <td>3</td> <td>16.4.18</td> <td>Chemical handling &amp; SDS</td> <td>14</td> </tr> <tr> <td>4</td> <td>2.5.18</td> <td>Refresher training SOP Lab PPE and Chemical handling</td> <td>10</td> </tr> <tr> <td>5</td> <td>18.5.18</td> <td>SOP Water Treatment and PPE</td> <td>11</td> </tr> <tr> <td>6</td> <td>22.5.18</td> <td>Hearing Conservation &amp; PPE</td> <td>21</td> </tr> <tr> <td>7</td> <td>21.6.18</td> <td>SOP Grading &amp;PPE</td> <td>7</td> </tr> <tr> <td>8</td> <td>27.6.18</td> <td>SOP Desludging using Green Tube</td> <td>9</td> </tr> <tr> <td>9</td> <td>20.7.18</td> <td>Working at height</td> <td>10</td> </tr> <tr> <td>10</td> <td>13.8.18</td> <td>Briefing Sexual harassment at place of work</td> <td>34</td> </tr> <tr> <td>11</td> <td>14.9.18</td> <td>SOP scheduled waste management</td> <td>2</td> </tr> <tr> <td>12</td> <td>15.10.18</td> <td>Lockout Tagout System</td> <td>58</td> </tr> <tr> <td>13</td> <td>26.10.18</td> <td>First Aid</td> <td>56</td> </tr> <tr> <td>14</td> <td>8/3/18</td> <td>SOP Steriliser, Threshing, Press, Oil Room, Kernel plant and PPE</td> <td>10</td> </tr> <tr> <td>15</td> <td>8.10.18</td> <td>SOP Transfer carriage and PPE</td> <td>4</td> </tr> <tr> <td>16</td> <td>25.6.18</td> <td>SOP Engine Driver, boiler &amp; PPE</td> <td>10</td> </tr> </tbody> </table>	No	Date	Subject	Attendees	1	19.3.18	Boiler Operation / Engine room	6	2	30.1.18	SOP Confine Space	33	3	16.4.18	Chemical handling & SDS	14	4	2.5.18	Refresher training SOP Lab PPE and Chemical handling	10	5	18.5.18	SOP Water Treatment and PPE	11	6	22.5.18	Hearing Conservation & PPE	21	7	21.6.18	SOP Grading &PPE	7	8	27.6.18	SOP Desludging using Green Tube	9	9	20.7.18	Working at height	10	10	13.8.18	Briefing Sexual harassment at place of work	34	11	14.9.18	SOP scheduled waste management	2	12	15.10.18	Lockout Tagout System	58	13	26.10.18	First Aid	56	14	8/3/18	SOP Steriliser, Threshing, Press, Oil Room, Kernel plant and PPE	10	15	8.10.18	SOP Transfer carriage and PPE	4	16	25.6.18	SOP Engine Driver, boiler & PPE	10	<p>Complied</p>
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		17	24.9.18	Emergency drill and Use of Fire Extinguisher	72
		18	29.3.18	SOP Creche and First Aid	9
		b) Sakilan Estate			
		<b>No</b>	<b>Date</b>	<b>Subject</b>	<b>Attendees</b>
		1	28.3.18	SOP Driving Tractor (Div. 1)	11
		2	17.4.18	SOP Driving Tractor (Div. 2)	10
		3	23.3.18	Briefing Sexual harassment at place of work (Ladies)	18
		4	13.2.18	Occupational Safety & Health CLASS Regulations 2013	36
		5	18.4.18	SOP Harvesting (Div.1)	18
		6	19.4.18	SOP Spraying, PPE and Pump maintenance (Div 1)	7
		7	21.4.18	SOP Harvesting (Div.2)	19
		8	21.4.18	SOP Spraying & PPE (Div.2)	6
		9	21.4.18	SOP Pre-mixing pesticides (Div. 2)	3
		10	6.8.18	SOP Pre-mixing pesticides (Div.1)	2
		11	4.4.18	SOP Manuring (Div. 1)	8
		12	26.4.18	SOP Rat baiting	6
		13	7.12.18	IPM (Div. 1)	2
		14	7.12.18	IPM (Div. 2)	4
		15	1.12.18	ERP – Flood (Div.1)	17
		16	8.8.18	Triple rinsing (Div.2)	6
		c) Linbar 1 Estate			

No	Date	Subject	Attendees
1	11.1.18	SOP Spraying	8
2	30.1.18	SOP – Tractor driving	7
3	6.2.18	SOP Workshop	2
4	12.2.18	SOP Harvesting	29
5	5.3.18	SOP Chemical mixing	4
6	26.3.18	ERP – Evacuation and use of Fire Extinguisher	130
7	12.4.18	SW Management	40
8	23.4.18	SOP Manuring	7
9	7.5.18	SOP Rat baiting	8
10	22.5.18	SOP Office operations	11
11	12.6.18	IPM	4
12	23.7.18	SOP Loaders	12
13	6.8.18	SOP PPE use and handling	9
14	28.8.18	SOP Buffer zone - manurer/sprayer	20
15	17.9.18	Oil trap maintenance	10
16	24.10.16	First Aid	10

d) Linbar 2 Estate

Criterion / Indicator		Assessment Findings				Compliance
		No	Date	Subject	Attendees	
		1	10.1.18	SOP Harvesting	48	
		2	23.1.18	SOP Manuring	14	
		3	30.1.18	SOP Spraying	8	
		4	8.2.18	SDS Sprayers/Manurers	38	
		5	19.3.18	Oil trap maintenance	5	
		6	21.3.18	SOP Driver	14	
		7	27.3.18	SOP Chemical store	6	
		8	25.4.18	SOP Pre-mixing	6	
		9	29.5.18	SOP Workshop	3	
		10	9.5.18	IPM (Beneficial plant)	8	
		11	24.5.18	IPM (Rat bait)	4	
		12	20.6.18	IPM (Elephant)	6	
		13	21.6.18	SOP Tractor Passenger	130	
		14	10.7.18	Handling and use of PPE	132	
		15	27.7.18	SOP EFB & POME Application	16	
		16	10.8.18	SOP -Spraying SDS, PPE, first Aid	7	
		17	4.9.18	ERP – Fire drill and Fire fighting	125	
		18	14.9.18	SOP – Chemical store	5	
		19	18.9.18	Triple rinse	10	
		20	2.10.18	First Aid	10	
		21	23.11.18	SOP Buffer Zone Awareness for Sprayers and Manurer	21	

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

**Criterion 5.1:**

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

Criterion / Indicator		Assessment Findings	Compliance
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	EIA was done internally by each operating unit covering all activities. The EIA is reviewed yearly. Action plans, Monitoring and Continuous Improvement Programme were established thereafter.  <u>Linbar 1 &amp; 2:</u> EIA has been conducted for replanting of 4,300 Ha within Right Purpose Sdn Bhd (subsidiary of IOI) Plantation Area (Linbar 1 & 2 Estates) by an authorised consultant (Kiwiheng Environmental Consultants Sdn Bhd (EPD Reg: F007). Environmental Compliance Visit for 2018 have been conducted three times a year as required in "Surat Aku Janji". From the compliance visit report, the consultant had identified a few issues such as biomass mulching at riparian reserve, temporary base camp of a contractor has no drainage system and no demarcation of riparian zones in a few field.	Complied
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	Mitigation measure is established based on identified significant aspect from the environmental aspect and impact evaluation. The mitigation measures were incorporated through various mechanism such as implementation of standard and/or safe operating procedure, implementation of emergency response plan, water management plan, wastes management plan, bio-diversity management plan, implementation of 3R to name a few.	Complied
5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. - Minor compliance -	The mill and estates were consistently monitoring its effectiveness of mitigation measures through various mechanism such as analysis of ETP final discharge, analysis of monsoon drain discharge, analysis of river water quality (through ECR), scheduled & recyclable wastes movements, and monitoring of smoke emissions through CEMS and stack sampling, to name a few.	Complied



Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 5.2:</b> The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.			
5.2.1	Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). - Major compliance -	Internal HCV Assessment was done in 2013 and report was prepared on 20/11/2018 covering all the operating units under Sakilan CU. The report includes the Management Action Plans is annually reviewed and last review was on 1/11/2018. There was no HCV identified within the estates' boundary. Nonetheless, there are 2 external HCV 1 which are Segaliud-Lokan (57,240 ha) (bordering to Linbar 1 & 2 estates) and Sg. Lokan (1,852 Ha) (bordering to Linbar 2 estate) forest reserves have been identified.	Complied
5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	Measures to maintain and enhance the HCV and potential RTE presence include the installation of electrical fencing nearby forest reserve boundary, erection of no hunting and no trespassing signboards, markings and regular patrol by estate AP at the area. Additional measures also included the continuous program of forest reserved marking maintenance and training of HCV awareness to all employees as well as monitoring of RTE sightings.	Complied
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	Sakilan CU continued to educate their workers on the importance of conserving biodiversity through trainings, signage, posters and morning briefing. The education includes the dissemination of information about legal requirements and penalty imposed for law offenders. Among the trainings records verified related to RTE are: <ul style="list-style-type: none"> <li>- HCV Training, on 24/10/2018, attended by all workers of Linbar 2</li> <li>- HCV Training, on 18/10/2018, attended by 41 workers of Linbar 1</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.2.4	Where a management plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> <li>• The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>• Outcomes of monitoring shall be fed back into the management plan.</li> </ul> - Minor compliance -	The management plan includes the monitoring mechanism. There were various types of checklist utilised, which among others: <ul style="list-style-type: none"> <li>- Senarai semak dan rekod pemantauan di Kawasan buffer zone HCV1 – hutan simpan</li> <li>- Senarai semak dan rekod pemantauan di Kawasan Konversasi – Kolam</li> <li>- Senarai semak dan rekod pemantauan di Kawasan Zon penampian Sungai/Riparian</li> </ul>	Complied
5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.                     - Minor compliance -	No HCV with existing rights of local communities was identified that needs to be set aside.	Complied
<b>Criterion 5.3:</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			
5.3.1	All waste products and sources of pollution shall be identified and documented.                     - Major compliance -	Waste products and sources of pollution were identified and documented in respective Environment Impact Assessment, Management Action Plans & Continuous Improvement Plan. Generally, the wastes can be categorised into three types i.e. toxic wastes, recyclable wastes and organic wastes.	Complied

<b>Criterion / Indicator</b>	<b>Assessment Findings</b>	<b>Compliance</b>
<p>5.3.2</p> <p>All chemicals and their containers shall be disposed of responsibly. - Major compliance -</p>	<p>All agrochemical containers were triple rinsed &amp; punctured and thereafter sent to recognised collector e.g. Newgates Industries (Borneo) Sdn Bhd. Some receipts have been sampled for verification e.g. No. 1525, dated 6/12/2018, quantity 110 kg from Sakilan Estate and receipt No. 607360, dated 12/9/2018, quantity 440 kg from Linbar Estate.</p> <p>Scheduled wastes from the estates are centrally accumulated at the mill and disposed through authorised vendors thereafter. Linbar 1 &amp; 2 sent their SW to Ladang Sabah POM. This practice has been approved by the DOE [ref.: Letter dated 23/1/2018, ASSH(B)91/110/619/001 Jld 22 (85)] – <i>Requesting Permission to Gather Scheduled Wastes at One Common Collection Centre at Each Group</i>] to IOI Plantation Service Sdn Bhd, Sandakan Regional Office.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	Waste management and disposal plan has been included in the environmental management plan. All operating units have Pollution Prevention Plan which incorporated with documented Environmental Impacts Identification and Improvement Plan. Implementation of the disposal can be seen through verification of receipts from recycle centres, consignments notes for scheduled wastes and visits of landfill facility.	Complied
<b>Criterion 5.4:</b> Efficiency of fossil fuel use and the use of renewable energy is optimised.			
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	Plan for improving efficiency of fossil fuel was spelt out in Environmental Impact Assessment. Among the plans established by the operating units were: - avoid purchasing second grade diesel from unauthorised dealers that contain high sulphur content - regular service of tractors for smooth running of engines - Monitoring of diesel fuel consumption was done by all the visited operating units. The data was then used for GHG calculating by using the RSPO GHG Calculator.	Complied
<b>Criterion 5.5:</b> Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.			
5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	There was no evidence of burning for the purpose of land preparation.	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	No evidence that fire has been used for preparing land. Palms that were felled during replanting were chipped, windrowed and left to decompose in the field.	Complied
<b>Criterion 5.6:</b> 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, among the identified sources of gaseous emissions were boiler chimney, diesel engines and POME to name a few. Current monitoring was through online boiler smoke density and alarm and six-monthly boiler stack monitoring for dust particulate. Sampled Boiler stack sampling records: Boiler no.1 – 1st half 2018, ref# MS/SAKILAN POM/2018/BOILER NO.1(S1)-1 <sup>ST</sup> HALF, date of sampling 6/3/18: result 0.258 g/Nm <sup>3</sup> Boiler no.1 – 2nd half 2018, ref# MS/SAKILAN POM/2018/BOILER NO.1(S1)-2 <sup>ND</sup> HALF, date of sampling 11/10/18: result 0.335 g/Nm <sup>3</sup>	Complied
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH <sub>4</sub> ) emission through POME treatment. The 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 <sub>x</sub> , SO <sub>x</sub> and NO <sub>x</sub> from various sources including fossil fuel, chemical and fertilizer consumptions.	Complied

Criterion / Indicator	Assessment Findings	Compliance	
5.6.3	<p>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.</p> <ul style="list-style-type: none"> <li>- Minor compliance -</li> </ul>	<p>RSPO GHG Calculator was used. The data input in the RSPO GHG calculator was found to be accurate though verification of the following documents:</p> <ul style="list-style-type: none"> <li>- Summary of diesel usage</li> <li>- daily diesel issue record</li> <li>- Monthly Stock Issues (system Pinfosys)</li> <li>- Fertilizer stock book</li> <li>- Store Requisition Note cum Issue Book</li> <li>- mill's Vehicle/Engine Running Expenses Summary</li> </ul>	<p>Complied</p>
<p><b>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</b></p>			
<p><b>Criterion 6.1:</b>            Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>			
6.1.1	<p>A social impact assessment (SIA) including records of meetings shall be documented.</p> <ul style="list-style-type: none"> <li>- Major compliance -</li> </ul>	<p>The Annual Review for Social Impact Assessment was carried out on November 2018 by Social Liaison Officer of each estates and mill. The review was carried out after obtained the inputs from the stakeholders during internal and external stakeholder meeting. The inputs of stakeholders will be included in the Management Action Plans &amp; Continuous Improvement Plan. Seen the stakeholder meeting conducted on 13/9/2018 for external stakeholders for Sakilan Group 2018 and 29/10/2018 for internal stakeholders in Sakilan Estate, 1/11/2018 in Linbar 2 Estate.</p> <p>SIA can be further improve by taking into consideration the stateless children issue in Sabah (OFI).</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The management has carried out the review of assessment via meeting with the internal and external stakeholders. Seen the meeting minutes for both internal and external stakeholder meetings. Impacts that raised by the external stakeholders were incorporated into the Time Bound Action Plan.	Complied
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Annual Review for Social Impact Assessment (Management Action Plan & Continuous Improvement Plan) was carried out on yearly basis and obtained inputs from internal and external stakeholders. Time bound action plan was developed to propose the action to be taken and time frame based on the inputs during stakeholder meetings.	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 Annual Review for Social Impact Assessment (Management Action Plan & Continuous Improvement Plan) and Time Bound Action Plan was reviewed on yearly basis based on the inputs from the stakeholders. Seen the last stakeholder meeting minutes dated 13/9/2018 where the status of inputs from previous assessment were explained during the meeting. No repeat issue has been reported except the new intake of students for Standard 1 due to the school has recruited students from outside estates. Besides, the stakeholders that reported negative impacts have been attended to the latest stakeholder meeting as well. They have acknowledged on the received of the stakeholder meeting minutes. Internal stakeholder meeting conducted on 1/11/2018 in Linbar 2 Estate and the status of previous issues raised were briefed during the meeting. The workers were given survey form prior the stakeholder meeting to collect any negative and positive impacts.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	There was no scheme smallholders involve in the certification unit.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 6.2:</b> There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	IOI Corporation Berhad has developed Stakeholder Request Procedure for Corporate Level and Estate Level. The flowchart has detailed out the process of request by the stakeholders. Stakeholders can access to <a href="http://www.ioigroup.com">www.ioigroup.com</a> , call IOI Group General Line or write formal letter to Head Office of IOI if they have any requests or complaints. The stakeholders need to be informed of outcome within 5 working days.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Assistant Manager of Sakilan Estate and Linbar 2 Estate has been appointed as Social Liaison Officer Coordinator to handle social issue in the estate. Appointment letter dated 5/2/2018 and 7/8/2017 respectively was sighted. Roles of Social Liaison Officer has been clearly stated in the attachment of appointment letter.	Complied



Criterion / Indicator	Assessment Findings	Compliance
<p>6.2.3</p> <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 list was developed where stakeholders such as government authorities, NGOs, contractors and suppliers, neighbouring estates and smallholders.</p> <p>Internal stakeholder meeting was conducted in Sakilan Estate on 29/10/2018, 1/11/2018 in Linbar 2 Estate, 28/11/2018 in Linabr 1 Estate and 3/10/2018 in Sakilan POM with the participation of workers’ representatives for ECC and Gender Committee. Issues that raised during last meeting were resolved and briefed the outcome during the meeting. Negative and positive impacts were raised during the meeting and action plan was recorded in the minutes.</p> <p>External stakeholder meeting was conducted on 13/9/2018 for whole Sakilan Group. All the impacts were recorded in the meeting minutes and Time Bound Action Plan was developed. The external stakeholders that have been attended the meeting such as government authorities, school’s representatives, contractors, suppliers and neighbouring plantations.</p>	<p>Complied</p>
<p><b>Criterion 6.3:</b>            There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.</p>		
<p>6.3.1</p> <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>IOI Corporation Berhad has developed and implemented Whistleblowing Policy, revised on November 2017 where the objective of the policy is to provide an avenue for all employees of IOI Group and all other stakeholders to raise concerns about any improper conduct within IOI Group. The policy is designed to provide transparent and confidential process for dealing with concerns. The policy has ensured protection to whistle-blowers where the person may choose to remain anonymous when reporting. The whistleblowing investigation shall be completed within 2 weeks from date of receiving the whistleblowing. The channel of whistleblowing has clearly stated in the policy.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance –	The mill and estates have implemented Grievance Book to record all the internal and external complaints. Sampled of the complaint as below: a. Serial No.: 172 dated 12/11/2018 Issue: Back door was broken. Action Taken: The management has sent the carpenter to investigate on 13/11/2018 and the order of 30" x 72" PVC door was made and received on 13/12/2018 with DO# CY18/12/021564 was sighted. The carpenter has repaired immediately on 13/12/2018 verified through interviewed with the carpenter. The complainant has acknowledged after the action has been taken. b. Serial No.: 411 dated 7/9/2018 Issue: Flooring at the toiler and kitchen was broken. Action Taken: The management has purchased cement on 12/9/2018 with Purchase Order# 1456 was sighted. The carpenter has carried out the repairing work and completed on 25/9/2018. The complainant has acknowledged after the action has been taken.	Complied
<b>Criterion 6.4:</b> Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	IOI Corporation Berhad has developed Grievance Procedure for Land Owner Issues flowchart that has detailing the process of negotiation and compensation if there is any land dispute. Compensation shall be with mutually agreed prices, terms and conditions.	Complied

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 -	SOP as per indicator 6.4.1.  Complied
6.4.3	The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available. - Major compliance -	There was no case of compensations occurred as there was no land dispute reported by the local communities and smallholders verified through interviewed with the stakeholders.  Complied
<b>Criterion 6.5:</b> Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.		

Criterion / Indicator		Assessment Findings	Compliance
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	<p>Mill and estate have employed local and foreign workers. All the mill and estates workers are under direct employment. The payslip has included basic pay, allowances, working days, deduction of salary such as mosque fund. Payslip for February 2018, March 2018, July 2018, August 2018 and October 2018 was sampled based on the crop summary as below:</p> <ul style="list-style-type: none"> <li>a. Employee No.: SKL5015 (SE)</li> <li>b. Employee No.: SKL5094 (SE)</li> <li>c. Employee No.: SKL4524 (SE)</li> <li>d. Employee No.: LB22613 (L2E)</li> <li>e. Employee No.: LB20751 (L2E)</li> <li>f. Employee No.: LB22725 (L2E)</li> <li>g. Employee No.: LB12357 (L1E)</li> <li>h. Employee No.: LB12487 (L1E)</li> <li>i. Employee No.: LB12220 (L1E)</li> <li>j. Employee No.: SKM0740 (SPOM)</li> <li>k. Employee No.: SKM0763 (SPOM)</li> <li>l. Employee No.: SKM0672 (SPOM)</li> <li>m. Employee No.: SKM0690 (SPOM)</li> </ul> <p>All the sampled workers have achieved Minimum Wage Order 2016.</p>	Complied

<b>Criterion / Indicator</b>	<b>Assessment Findings</b>	<b>Compliance</b>
<p>6.5.2</p> <p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>Employment contract are available and explained in language that understood by workers. The contract was signed by the workers and sampled of contracts as below:</p> <ul style="list-style-type: none"> <li>a. Employee No.: SKL5001 (SE)</li> <li>b. Employee No.: SKL5008 (SE)</li> <li>c. Employee No.: SKL5195 (SE)</li> <li>d. Employee No.: LB22683 (L2E)</li> <li>e. Employee No.: LB20751 (L2E)</li> <li>f. Employee No.: LB24161 (L2E)</li> <li>g. Employee No.: LB12400 (L1E)</li> <li>h. Employee No.: LB12487 (L1E)</li> <li>i. Employee No.: SKM0690 (SPOM)</li> <li>j. Employee No.: SKM0768 (SPOM)</li> <li>k. Employee No.: SKM0740 (SPOM)</li> <li>l. Employee No.: SKM0672 (SPOM)</li> </ul> <p>Interviewed with the workers confirmed that they were understood on the terms and conditions outlined in the employment contract. They were also briefed on the terms and condition during induction training.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>- Minor compliance –</p>	<p>Free housing facilities with water and electricity supply was provided to the workers. Free medical facilities were given to the workers as well. Other welfare benefits such as football field, badminton court and worship places were provided to the workers.</p> <p>Linesite inspection was carried out on weekly basis by HA in Sakilan Estate and Linbar 2 Estate. The last inspection was carried out on 12/12/2018 and 15/12/2018 respectively and the conditions of housing was clean.</p> <p>During linesite visit in Sakilan Estate found that there are total 5 wooden houses were still in use with unsatisfactory condition such as roof leakage. Site verified that 6 new brick houses were constructed and waiting for inspection by Jabatan Tenaga Kerja Sandakan to get the Certificate of Fitness. The management has submitted letter to request for inspection on 13/12/2018.</p> <p>Besides, linesite visit to Linbar 2 Estate found that 26 wooden houses were in use and the management has awarded housing construction to contractor to construct 6 labour quarters. Seen the letter of award dated 21/11/2018. Besides, the management has allocated budget for quarters' maintenance for Year 2018/2019. These will be verified during next assessment.</p>	Complied
6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p>	<p>Site visit to the sundry shop found that pricing was displayed. Interviewed with the workers confirmed that the price of goods and foods was reasonable. The workers can easily access to adequate, sufficient and affordable foods.</p>	Complied
<p><b>Criterion 6.6:</b>            The employer respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>			

<b>Criterion / Indicator</b>	<b>Assessment Findings</b>	<b>Compliance</b>
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	IOI Group has developed and implemented Equal Opportunity Employment & Freedom of Association Policies dated October 2017 in both languages where the company respects the freedom of association and collective bargaining to the workers. The workers have the right to join or form trade unions of their own choosing without prior authorization and to bargain collectively. The policy has been displayed at notice board in office and linesite. Briefing of the policy was conducted on 28/8/2018 for all the workers in Linbar 2 Estate and 4/9/2018 in Linbar 1 Estate.

<b>Criterion / Indicator</b>		<b>Assessment Findings</b>	<b>Compliance</b>
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	<p>The company has allowed the workers to form workers' association. The workers have formed an Employee Consultative Committee (ECC) and joined the Joint Consultative Committee (JCC) and the representatives of committee were elected by the workers through voting. Issues were reported by the workers during the meeting and were recorded in the minutes. Timeframe to resolve the issues were identified. The issues were collected through ECC prior the meeting of JCC.</p> <p>ECC meeting was conducted 6 times in a year and the last meeting carried out in Linbar 2 Estate was on 24/10/2018. The committee has collected suggestion/ information/ grievance from the workers prior meeting with the management in JCC. The issues that reported by the workers were captured in the Annual Review for Social Impact Assessment conducted on November 2018. During the JCC meeting conducted on 24/10/2018, the issues raised during ECC were discussed and action plan was developed to rectify the issue. Meeting minutes of JCC was sighted.</p> <p>JCC meeting was conducted on 22/10/2018 with the participation from representative of management and workers. Status of previous issues raised were discussed during the meeting. No issue was raised during the meeting after received survey forms from ECC meeting.</p>	Complied
<p><b>Criterion 6.7:</b> Children are not employed or exploited.</p>			



Criterion / Indicator		Assessment Findings	Compliance
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	IOI Group has developed and implemented Sustainability Palm Oil Policy dated March 2018 where the company eliminates child labour in the company. Reviewed of the name list of workers found that the workers recruited with minimum age of 18 years old. The policy has been displayed at notice board in office and linesite. Briefing of the policy was conducted on 28/8/2018 for all the workers in Linbar 2 Estate and 4/9/2018 in Linbar 1 Estate. During site visit found that no child labour was in used and cross-checked by interviewed with Crèche Attendants and workers.	Complied
<b>Criterion 6.8:</b> Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.			
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	IOI Group has implemented Equal Opportunity Employment & Freedom of Association Policies dated October 2017 in both languages where all the workers will receive equal treatment based on their relevant merits and competency regardless of gender, race, caste, nationality, religion, age, physical condition, sexual orientation, marital status, union membership or political affiliation. The policy has been displayed at notice board in office and linesite. Briefing of the policy was conducted on 28/8/2018 for all the workers in Linbar 2 Estate and 4/9/2018 in Linbar 1 Estate.	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 -	Interviewed with the workers consisted of different nationalities and different gender confirmed that they are treated equally without any discrimination. The workers were provided with standard treatment such as free medical treatment, fair overtime offered to all the workers whoever want to work and free housing to everyone.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	The company has practices to conduct medical check-up prior recruitment of workers or continue of employment of workers as per the Procedure of Recruitment of Workers. If the result of FOMENA found unfit, the workers will be repatriate. The recruitment of workers will be based on the medical fitness of workers. Interviewed with the workers found that no unfair recruitment has occurred in the company.	Complied
<b>Criterion 6.9:</b> There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	The company has implemented Policy on Harassment at Workplace dated June 218 where the company is committed to promote a safe and healthy working environment. The company has zero tolerance for any form of harassment at workplace. The policy serves as a guidance on handling matters related to harassment. The policy has been displayed at notice board in office and linesite. Briefing of the policy was conducted on 28/8/2018 for all the workers in Linbar 2 Estate and 4/9/2018 in Linbar 1 Estate.	Complied
6.9.2	A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	The company has implemented IOI Group Sustainable Palm Oil Policy dated March 2018 that the company is respect and uphold the rights of employees in accordance with Universal Declaration of Human Rights, International Labour Organization's core convention. According to Article 16, the workers is freely to marry and to found family. The policy has been displayed at notice board in office and linesite. Briefing of the policy was conducted on 28/8/2018 for all the workers in Linbar 2 Estate and 4/9/2018 in Linbar 1 Estate.	Complied

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

Criterion / Indicator	Assessment Findings	Compliance	
6.9.3	<p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p>	<p>IOI Plantation Services Sdn Bhd has developed and implemented Guideline for Gender Consultative Committee, SPO/SDK/S/001-2017 dated 25/9/2017 where the function of the committee has been clearly outlined in the procedure. Besides, the policy has ensured that the victim can be remained anonymous and will not be subject to any form of retaliatory action for submitting the complaint. All grievances submitted will remained as confidential.</p> <p>Gender committee was established in Sakilan Estate, Linbar 2 Estate, Linbar 1 Estate and Sakilan POM. Meeting was conducted on 24/10/2018 in Sakilan Estate, 29/6/2018 in Linbar 2 Estate and 14/8/2018 in Linbar 1 Estate. No issue was reported during the meeting. Interviewed with the female workers confirmed that they are understood the procedure to lodge complaint if they have any sexual harassment cases. As to date, there was no case of sexual harassment reported as informed by them.</p>	Complied
<p><b>Criterion 6.10:</b>            Growers and mills deal fairly and transparently with smallholders and other local businesses.</p>			
6.10.1	<p>Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>- Minor compliance -</p>	<p>Sakilan POM has only received and processed FFB from own certified supply bases. No purchase of FFB from smallholders.</p>	Complied
6.10.2	<p>Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation).</p> <p>- Major compliance -</p>	<p>Sakilan POM has only received and processed FFB from own certified supply bases. No purchase of FFB from smallholders.</p>	Complied
6.10.3	<p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>- Minor compliance -</p>	<p>Sampled of contract agreements with the contractors as below:</p> <ul style="list-style-type: none"> <li>a. Contract No.: LB2/JSE/002/18-19 for transporting of FFB and EFB to POM which valid from 1/7/2018 to 30/6/2019</li> <li>b. Contract No.: LB2/SPKM/001/18-19 for transporting of FFB and EFB to POM which valid from 1/7/2018 to 30/6/2019</li> </ul>	Complied

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

Criterion / Indicator		Assessment Findings	Compliance
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	The terms of payment were net 60 days as per the stated in the invoice of contractor. Sampled of the invoices and debit advice as below: a. Invoice# I-000123 dated 31/10/2018, Debit Advice# SKM/030/11-18/18 dated 26/11/2018 where payment was made on 13/11/2018 for transport of FFB from Linbar 2 Estate to POM. b. Invoice# 1-000086 dated 31/10/2018, Debit Advice# SKM/030/11-18/18 dated 26/11/2018 where payment was made on 13/11/2018 for transport of FFB from Linbar 2 Estate to POM.	Complied
<b>Criterion 6.11:</b> Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	Sakilan Estate has made contribution to the local communities such as installation of windows for HUMANA school. Besides, donation of school bags to all the students and donated one new white board for HUMANA school in Linbar 1 Estate and Sakilan Estate. Linbar 2 Estate has installed new mobile booster to improve communication in the estate. Mosque and church was available in the estates to provide worship places for the workers and communities. Contribution of used tyre to school for beautification of the school compound.	Complied
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	There is no scheme smallholders involve in the certification unit.	Not applicable
<b>Criterion 6.12:</b> No forms of forced or trafficked labour are used.			

Criterion / Indicator	Assessment Findings	Compliance
<p>6.12.1</p> <p>There shall be evidence that no forms of forced or trafficked labour are used.                      - Major compliance -</p>	<p>The company has recruited all the employees with legal identification for local and valid passport and work permit for foreign workers. Contract of employment was signed by the workers prior to work. Sampled of foreign workers with valid work permit as below:</p> <ul style="list-style-type: none"> <li>a. Permit No.: PE 1864437 valid until 2/6/2019 (SE)</li> <li>b. Permit No.: PE 1487862 valid until 5/1/2019 (L2E)</li> <li>c. Permit No.: PE 0073925 valid until 23/4/2019 (L2E)</li> <li>d. Permit No.: PE 2036082 valid until 25/6/2019 (L1E)</li> <li>e. Permit No.: PE 2036101 valid until 29/7/2019 (L1E)</li> <li>f. Permit No.: PE 0270263 valid until 3/5/2019 (L1E)</li> <li>g. Permit No.: PE 0667939 valid until 2/5/2019 (SPOM)</li> <li>h. Permit No.: PE 0665986 valid until 22/5/2019 (SPOM)</li> <li>i. Permit No.: PE 1864769 valid until 20/8/2019 (SPOM)</li> </ul> <p>Interviewed with the workers confirmed that they are not restricted to move around by the company. They have the freedom to choose to keep the passport by themselves or keep in the office for safety purpose. The workers are keeping the passport by themselves. They have signed on a consent letter that they will be keeping passport by themselves unless 3 months prior to expiry of permit, they need to submit the passport to management for renewal.</p> <p>Besides, the company has implemented Foreign Workers Recruitment Guideline &amp; Procedure in Malaysia revised on July 2018 where the workers can terminate their employment earlier without any penalty imposed.</p>	<p>Complied</p>
<p>6.12.2</p> <p>Where applicable, it shall be demonstrated that no contract substitution has occurred.                      - Minor compliance -</p>	<p>Interviewed with the workers confirmed that no contract substitution has occurred.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	IOI Group has developed Sustainable Palm Oil Policy dated March 2018 and Foreign Workers Recruitment Guideline & Procedure in Malaysia revised on July 2018 where the company has provided induction and orientation training to the workers on the employment contract, wages, benefits such as medical leave and overtime, rules and regulation, safety training and Malaysia’s culture. Besides, the company provide fair and equal employment opportunities to all workers and provide decent living condition through verified during on site visit to the linesite. Seen the induction training records for the new employees.	Complied
<b>Criterion 6.13:</b> Growers and millers respect human rights.			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	IOI Group has developed Sustainable Palm Oil Policy dated March 2018 where the company respects and uphold the rights of all workers, including contract, temporary and migrant workers in accordance with the Universal Declaration of Human Rights, International Labour Organization’s core conventions, United Nations Guiding Principles on Business and Human Rights and the principles of Free and Fair Labour in Palm Oil Production. The policy has been displayed at notice board in office and linesite. Briefing of the policy was conducted on 28/8/2018 for all the workers in Linbar 2 Estate and 4/9/2018 in Linbar 1 Estate.	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.	The company is a contributor to Humana Child Aid Society Sabah. The company has paid a monthly contribution fee to the HUMANA. Total 90 students in Sakilan Estate as dated October 2018. Humana provides basic education to foreign workers’ children that are not eligible to enter the Malaysia National school. Besides, the company has donated school bags to all the HUMANA students as a support of the education.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<b>Principle 7: Responsible development of new plantings</b>		
<b>Sakilan Palm Oil Mill</b> Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this annual surveillance assessment. The immature areas are replanted area.		
<b>Principle 8: Commitment to continual improvement in key areas of activity</b>		
<b>Criterion 8.1:</b> Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.		

Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p> <p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides(Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);               <ul style="list-style-type: none"> <li>• Optimising the yield of the supply base.</li> </ul> </li> </ul> <p>- Major compliance -</p>	<p>Example of continuous improvement plan verified at Sakilan POM management unit:            CAPEX for FY2018/2019 for mill operation and compliance with the health, social and environmental regulations.</p> <ol style="list-style-type: none"> <li>i. Construction of proper drainage at labor quarters, the aim being, better living environment by mitigating hygiene problem and breeding of mosquito caused by stagnant water.</li> <li>ii. New recycle store to cater storage and collection of recycled items arising from increase recycling awareness.</li> <li>iii. Installation of new 1-unit 320 kw diesel genset to replace old 250kw unit that was fuel inefficient and high dust emission.</li> <li>iv. Replace worn-out bailer’s chimney and prevent potential mishaps.</li> <li>v. Install 1-unit de-sander conveyor c/w electric motor to improve workplace safety thus eliminating the need shovel entrance into the marshalling yard to drain the de-sander tank.</li> </ol> <p>Linbar 2 estate</p> <ol style="list-style-type: none"> <li>i. Renovation of mosque.</li> <li>ii. Purchase new 1-unit 200KW water cooled Cummins genset as existing gensets weren’t design to supply additional electrical load to new labor quarters and Asst. manager’s bungalow.</li> </ol>	<p>Complied</p>



**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

**Appendix B: Approved Time Bound Plan**

Details of Time Bound Plan as submitted by IOI Plantation Services Sdn Bhd (June 2018)

No.	PMU	Main assessment	Certification status	Status	Updated Information for Partial Certification, Clause 4.2.4 RSPO Certification Systems for Certified and Uncertified Units
1.	Pamol (Sabah) POM, Sabah	May 2008	Recertified in November 2016	Included Sugut Estate as an additional supply base through the scope of certification extension in September 2017 RSPO ASA-01.	No outstanding issues
2.	Sakilan POM	Nov 2008	Recertified in Mar 2015	ASA-03 completed in December 2017.	No outstanding issues
3.	Pamol Kluang POM	Mar 2009	Recertified in Mar 2015	ASA-03 completed in Dec 2017.	No outstanding issues
4.	Gomali POM	Aug 2009	Recertified in Aug 2015	ASA-02 completed in June 2017.	No outstanding issues
5.	Baturong POM	Sept 2009	Recertified in Oct 2015	ASA-02 completed in July 2017.	No outstanding issues
6.	Bukit Leelau POM	Apr 2010	Recertified in Nov 2015	ASA-02 completed in September 2017.	No outstanding issues
7.	Mayvin POM	Aug 2010	Recertified in Dec 2015	ASA-02 completed in October 2017.	No outstanding issues
8.	Pukin POM, Pahang	Dec 2010	Recertified in June 2016	ASA-02 completed in March 2018.	No outstanding issues
9.	Leepang (Sabah) POM	Aug 2012	Recertified in dec 2013	ASA-04 completed in October 2017.	No outstanding issues
10.	Syarimo POM	Sept 2012	Recertified in Mar 2018	Recertification audit completed in January 2018.	No outstanding issues
11.	Ladang Sabah POM	Oct 2012	Recertified in July 2018	Recertification audit completed in January 2018.	No outstanding issues
12.	Morisem POM, Sabah	Sept 2013	Certified in Dec 2013	ASA-04 completed in	No outstanding issues

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

No.	PMU	Main assessment	Certification status	Status	Updated Information for Partial Certification, Clause 4.2.4 RSPO Certification Systems for Certified and Uncertified Units
				September 2017.	
13.	IOI – Pelita, Sarawak	Planned - 2020	Uncertified Unit	New certification for IOI – Pelita (Sarawak) is pending resolution of land dispute and RSPO decision. No POM yet.	<p>Two meetings in March and April 2018 has been held with RSPO and Grassroots to determine the direction of the resolution plan and IOI had addressed every concern and omments raised by the Complaints Panel (CP).</p> <p>Two socialization process to determine the best mechanism to handle dispute cases has been done with the all respective communities has been conducted in March 2018 collecting feedback and comments from the communities regarding the workplan.</p> <p>The revision of the resolution plan has took place in April 2018 which involving the involvement of more stakeholders including authorities to come on board and resolve the dispute case. The first measures to be taken on the ground is to conduct the perimeter survey and community mapping, which IOI has hired two new field staff to conduct such activities once they are on board in early May 2018.</p> <p>In addition, Corporate Social Responsibility (CSR) activities is actively being conducted on the ground such as road repairs in Long Teran, Long Tuyut, and Long Jegan road. The construction materials to the local communities in Long Teran Batu has also been delivered in mid May 2018 before Gawai festival.</p> <p>Further and updated progress of this issue could be access through the link below;  <a href="https://rspo.org/members/complaints/status-of-complaints/view/4">https://rspo.org/members/complaints/status-of-complaints/view/4</a></p>
14.	Unico POM-1, Sabah	Planned - 2018	Uncertified Unit	Acquired in 2014. Established OP plantation (before 2005). Supply base do consist of external/independent smallholders.	<p>Undergo its first RSPO Audit on (09th – 13th April 2018)</p> <p>Outgrowers are not part of the main assessment whereas risk assessment was conducted during the audit.</p>

## RSPO Public Summary Report

### Revision 7 (Aug /2018)

No.	PMU	Main assessment	Certification status	Status	Updated Information for Partial Certification, Clause 4.2.4 RSPO Certification Systems for Certified and Uncertified Units
15.	Unico Desa POM-2, Sabah	Planned - Dec 2017	Uncertified Unit	Acquired in 2014. Established OP plantation (before 2005). Supply base comprised of own estates.	No outstanding issues Outgrowers are not part of the certified area
16.	PT SKS, Indonesia	Planned - 2017	Uncertified Unit	Acquired in 2009 (new concession land). POM was commission in Feb 2015 and Governmental 'Hak Guna Usaha' (HGU) application in progress.	Update on the RSPO Suspension and complaint by Aidenvironment – Final verification by RSPO CP was conducted in end of January 2018. Final report on the feedback from the verification visit is yet to be shared by the RSPO CP. Further and updated progress of this issue could be access through the link below; <a href="https://rspo.org/members/complaints/status-of-complaints/view/80">https://rspo.org/members/complaints/status-of-complaints/view/80</a> Certification preparations in progress. Pending issuance of HGU.
17.	PT BNS, Indonesia	Planned - 2017	Uncertified Unit	Acquired in 2009 (new concession land). POM was commission in Feb 2015 and Governmental HGU application in the process.	Update on the RSPO Suspension and complaint by Aidenvironment – Final verification by RSPO CP was conducted in end of January 2018. Final report on the feedback from the verification visit is yet to be shared by the RSPO CP. Further and updated progress of this issue could be access through the link below; <a href="https://rspo.org/members/complaints/status-of-complaints/view/80">https://rspo.org/members/complaints/status-of-complaints/view/80</a> Certification preparations in progress. Pending issuance of HGU.
18.	PT BSS, Indonesia	Planned 2019	Uncertified Unit	Acquired in 2009 (new concession land). No POM yet, still in development phase. Governmental 'Hak Guna Usaha' application in progress.	Update on the RSPO Suspension and complaint by Aidenvironment – Final verification by RSPO CP was conducted in end of January 2018. Final report on the feedback from the verification visit is yet to be shared by the RSPO CP. Further and updated progress of this issue could be access through the link below; <a href="https://rspo.org/members/complaints/status-of-complaints/view/80">https://rspo.org/members/complaints/status-of-complaints/view/80</a> Certification preparations in progress. Pending issuance of HGU.
19.	PT KPAM, Indonesia	Planned - 2020		Acquired in 2010 (new concession land).	RSPO has approved PT.KPAM NPP Summary Report and was published in RSPO website for public notification on 13 April 2018. The NPP

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

No.	PMU	Main assessment	Certification status	Status	Updated Information for Partial Certification, Clause 4.2.4 RSPO Certification Systems for Certified and Uncertified Units
				No POM planned yet, all necessary permits are up to date.	public notification could be assessed through the link below: <a href="https://rspo.org/certification/new-planting-procedures/public-consultations/loi-group-pt-kalimantan-prima-agro-mandiri">https://rspo.org/certification/new-planting-procedures/public-consultations/loi-group-pt-kalimantan-prima-agro-mandiri</a> HCSA Peer Review Assessment completed on 14 May 2018. The HCSA Peer Review Report and Summary Report could be assessed through the link below: <a href="http://highcarbonstock.org/registered-hcs-assessments/">http://highcarbonstock.org/registered-hcs-assessments/</a>
20.	Sugut Estate, Sabah	Planned – Sept 2017	Certified in November 2017	Sugut estate was included as part of the Pamol Sabah POM supply base and has been audited by Certification Body, Intertek on 12 <sup>th</sup> Sept 2017.  RSPO certification has been successfully granted beginning November 2017.	No outstanding issue.

\*Previously certified under multi mill certification. The recertification changed to single mill and its supply base

**Appendix C: GHG Reporting Executive Summary**

The GHG emissions that were produced in 2017 for Sakilan POM and supply base was calculated using the PalmGHG Calculator version 3.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

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

The summary of the Net GHG emitted in 2017 for Sakilan POM and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	0.72
PK	0.72

Extraction	%
OER	22.20
KER	4.83

Production	t/yr
FFB Process	117,180.81
CPO Produced	26,016.08
PKO Produced	5,658.61

Land Use	Ha
OP Planted Area	6,313
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	5.26
<b>Total</b>	<b>6,318.26</b>

**Summary of Field Emission and Sink**

	Own Crop*		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB
<b>Emission</b>								
Land Conversion	47,555.21	0.41					47,555.21	0.41
CO <sub>2</sub> Emission from fertilizer	6,683.74	0.06					6,683.74	0.06
NO <sub>2</sub> Emmision	5,180.90	0.04					5,180.90	0.04
Fuel Consumption	958.30	0.01					958.30	0.01
Peat Oxidation	0	0					0	0
<b>Sink</b>								
Crop Sequestration	-44,308.37	-0.38					-44,308.37	-0.38

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

Conservation Sequestration	-47.41	-0.01					-47.41	-0.01
<b>Total</b>	16,022.37	0.14					16,022.37	0.14

\*Note: Includes both estates and smallholders

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	14,758.21	0.18
Fuel Consumption	1,818.28	0.02
Grid Electricity Utilisation	0	0
<b>Credit</b>		
Export of Grid Electricity	0	0
Sales of PKS	-2,122.69	-0.02
Sales of EFB	-7,580.45	-0.06
<b>Total</b>	6,873.35	0.06

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

Emissions	tCO <sub>2</sub> e
PK from own mill	4,090.27
PK from other source	0
Fuel Consumptions	0
<b>Total Crusher emissions</b>	<b>0</b>

\*This mill has no kernel crusher operation.

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

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

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

<b>5.1 Applicability of the general chain of custody requirements for the supply chain</b>			
	<b>Requirement</b>	<b>Evidence</b> For any N/A raised, justification is required.	<b>Compliance</b> (Yes / No or N/A)
5.1.1	The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.	IOI Commodity Trading Sdn Bhd (Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill) takes legal ownership and physically handles its RSPO certified oil palm products.	Yes
5.1.2	Traders and distributors require a licence obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Sakilan POM is not a trading company and does not have distributor license. Therefore, this requirement is not applicable.	Yes
5.1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	RSPO Membership of Sakilan Palm Oil Mill is under IOI Corporation Berhad with RSPO Membership No. 2-0002-04-000-00 since 17 May 2004. Palmtrace Member ID: RSPO_PO1000000110 (Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill) which license expires on 03/07/2019.	Yes
5.1.4	Processing aids do not need to be included within an organization’s scope of certification.	Processing aids was not in used at Sakilan Palm Oil Mill.	N/A
<b>5.2 Supply chain model</b>			

5.2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	<p>The mill has only received all the certified FFB from its certified estates which belongs to IOI Corporation Berhad. SOP for RSPO Supply Chain – Module D – CPO Mills: Identity Preserved (IP), Doc. No.: RSPOSC/SOP/IP/3, Rev. 06 dated 8/9/2018 was developed to implement the IP supply chain system at the POM. The procedure is applicable to incoming FFB, outgoing CPO &amp; PK at RSPO certified mills that operate IP supply chain system. The procedure has inclusive of overproduction, handling of complaints and non-conformities product.</p> <p>During the period of December 2017 – November 2018, Sakilan Palm Oil Mill has received and processed FFB from own plantations: 117,879.34 MT with Module D (Identity Preserved) for supply chain model.</p>	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Sakilan Palm Oil Mill was certified with Module D: Identity Preserved Module.	Yes
<b>5.3. Documented Procedures</b>			
5.3.1	<p>The site shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> </ul>	<p>IOI Plantation Services Sdn Bhd has developed procedures to implement the elements of the applicable supply chain model as below:</p> <ul style="list-style-type: none"> <li>a. RSPO Supply Chain – Module D – CPO Mills: Identity Preserved (IP), Doc. No.: RSPOSC/SOP/IP/3, Rev. 06 dated 8/9/2018</li> <li>b. Internal Audit Procedure, Doc. No.: RSPOSC/SOP/IA/1, Rev. 02 dated 14/12/2018</li> </ul>	Yes
	<ul style="list-style-type: none"> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> </ul>	<p>Among the records included in the procedure are as below:</p> <ul style="list-style-type: none"> <li>a. Weighbridge tickets</li> <li>b. Daily Production Reports</li> <li>c. Invoice and contracts</li> <li>d. Internal audit reports</li> </ul>	Yes



		<p>e. Delivery and storage records f. Training records</p> <p>Training records for supply chain was sighted where the training was conducted on 29/11/2018 for the critical control point responsible person such as Weighbridge Operators and Security Guards. Seen the attendance list and interviewed with the attendees confirmed that they are understand the procedure.</p>	
	<ul style="list-style-type: none"> <li>• Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization’s procedures for the implementation of this standard.</li> </ul>	<p>The Mill Manager has an overall responsibility and authority over the implementation of the procedure, requirements and compliances with all the applicable RSPO Supply Chain Certification Standard and assisted by Assistant Managers, Engineers and Technical Executives as per stated in the RSPO Supply Chain – Module D – CPO Mills: Identity Preserved (IP) procedure.</p>	Yes
5.3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <p>i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p>	<p>IOI Plantation Services Sdn Bhd has developed Internal Audit Procedure, Doc. No.: RSPOSC/SOP/IA/1, Rev. 02 dated 14/12/2018 for conducting RSPO SCCS and RSPO Rules on Market Communications and Claims internal audit. The internal audit will be conducted by sustainability team and the frequency of internal audit must be carried out at least once a year. More frequent audits may be conducted for higher risk units.</p>	Yes
	<p>ii) effectively implements and maintains the standard requirements within its organization</p>	<p>The last internal audit was carried out on 10/8/2018 by Executive SPO Department Sandakan Region. The coverage of internal audit has inclusive of General Chain of Custody Requirements for the Supply Chain and Module D: Identity Preserved. Total 3 non-conformities have been raised and were adequately closed for the non-conformance through verified the Verification on Major Non-Compliance (NS) against Sustainability Requirement dated 7/9/2018.</p>	Yes
<b>5.4. Purchasing and goods in</b>			

<p>5.4.1</p>	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<p>When FFB delivered to the mill from the estates, the transporters presented the FFB Dispatch Tickets and in some cases, estate's Weighbridge Tickets to the mill weighbridge clerk in order the FFB to be received by the mill. E.g. of information available in the dispatch tickets is as follows:</p> <ul style="list-style-type: none"> <li>• FFB Dispatch Chit No. – 1707868 (from Sakilan), 1681090 (from Linbar 1), 1613267 (from Sg. Sapi)</li> <li>• Estate's names – Sakilan/Linbar 1/Sg. Sapi</li> <li>• Division</li> <li>• Date of delivery</li> <li>• Field No.</li> <li>• Total bunches</li> <li>• Harvesting dates</li> <li>• Seal no. &amp; remarks</li> <li>• RSPO Certificate No.</li> </ul> <p>E.g. of information available in the estate's weighbridge tickets is as follows:</p> <ul style="list-style-type: none"> <li>• Name of estates – Sg Sapi</li> <li>• Field No. – 97C/D, 97E, 96E, 95A, 95B</li> <li>• Dispatch chit no. – 1613267</li> <li>• Name of transporter company – KS Contractor</li> <li>• Name of driver – Airuddin B. Ramli</li> <li>• Vehicle no. – BHU431</li> <li>• RSPO certificate no. – RSPO687135</li> <li>• Weighbridge ticket no. – 004899</li> <li>• Date of delivery – 8/9/2018</li> <li>• Total bunches – 517</li> <li>• Harvesting dates – 7/9/2018</li> <li>• Seal no. – 007949A to 007051A</li> <li>• Net weight – 18.28 mt</li> </ul>	<p>Yes</p>
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**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

	<ul style="list-style-type: none"> <li>Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>	The information was available in various documents as mentioned above.	
	<ul style="list-style-type: none"> <li>The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	The requirement to verify the FFB originate from a certified estate is addressed in the IOI's RSPO Supply Chain procedure [RSPOSC/SOP/IP/3, rev. 6, dated 8/9/2018], Clause 4.1.1. Among the methods of verification are by keeping a copy of valid RSPO Certificate of the FFB suppliers and getting updated information by the SPO Dept. about the status of the RSPO certificate validity.	Yes
	<ul style="list-style-type: none"> <li>A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (<a href="http://www.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> </ul>	The facility is able to demonstrate the checking via accessibility of RSPO Palmtrace and RSPO website at the point of this assessment.	Yes
	<ul style="list-style-type: none"> <li>The validity of licence for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements / announcements.</li> </ul>	Not applicable as the mill only accept crop exclusively from IOI's own RSPO certified estates as mentioned in its RSPO SC procedure Clause 4.1.1.	N/A
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	Clause 12 of the RSPO SCC Procedure – Non-Conformities Product, which reads the non-certified oil is or contaminated FFB shall be segregated from certified oil palm products via segregation at mill ramp. In case of contamination with non-conforming products, the certified products shall be downgraded and sold under MB module.	Yes
<b>5.5. Outsourcing activities</b>			
5.5.1	In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding	Not applicable. No outsourcing activity.	N/A

	<p>certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mil cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>		
5.5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <p>a. The site has legal ownership of all input material to be included in outsourced processes;</p>	Not applicable. No outsourcing activity.	N/A
	<p>b. The site has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</p>	Not applicable. No outsourcing activity.	N/A
	<p>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p>	Not applicable. No outsourcing activity.	N/A
	<p>d. The site seeking or holding certification shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and any and all information, when this is announced in advance.</p>	Not applicable. No outsourcing activity.	N/A

5.5.3	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourcing activity.	N/A
5.5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.	Not applicable. No outsourcing activity.	N/A
<b>5.6. Sales and goods out</b>			
5.6.1	<p>The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form.</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/ delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<p>So far the CPO and PK are delivered to IOI Edible Oil (refinery) in Sandakan only and only one mode of transportation i.e. via bulking tank. Verification of sampled dispatch confirm that all the required information was available in the delivery documents. E.g. of deliveries verified were weighbridge No. 70918 (CPO) and 41753 (PK):</p> <p>Buyer: IOI Edible Oil  Seller: Halusah Ladang Sdn Bhd, Sakilan Palm Oil Mill  Delivery date: 29/9/2018  Document date: 29/9/2018  Quantity: 29.11 mt and 29.97  Collection order No. (by Transporter): 10214 and 19012  Seller's certificate No.: RSPO 543161</p>	Yes
	<ul style="list-style-type: none"> <li>• Information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation).</li> </ul>	The information was available in various documents such as weighbridge ticket and delivery order.	Yes
	<ul style="list-style-type: none"> <li>• For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per</li> </ul>	Shipping announcements were made in the RSPO Palmtrace when the CPO or PK were delivered from IOI Edible Oil. Summary of the announcement which was extracted from RSPO Palmtrace system was made available for verification.	Yes

	shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.		
<b>5.7. Registration of transactions</b>			
5.7.1	Supply chain actors who: <ul style="list-style-type: none"> <li>are mills, traders, crushers and refineries and;</li> <li>take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, Refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable.</li> </ul>	The actor is a palm oil mill and its products are CPO and PK which are covered under Figure 2 and 3, Annex 1 of the RSPO SCCS Standard. Based on the downloaded transactions register from the certification unit's Palmtrace, the company was able to demonstrate that it has been registering its transactions in the Palmtrace accordingly.	Yes
5.7.2	The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: <ul style="list-style-type: none"> <li>Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> </ul>	Based on the announcement summary, all the registrations were found to be in order.	Yes
	<ul style="list-style-type: none"> <li>Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</li> </ul>	Tracing of RSPO certified volumes sold was done through internal audit. Based on the audit report, there was no issue with regards to supply chain traceability.	Yes
	<ul style="list-style-type: none"> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> </ul>	Based on the mill's products movement records, it was confirmed that the products quantity which were sold under different schemes or conventional were correctly deducted from its supply chain account and no double claim was detected.	Yes

	<ul style="list-style-type: none"> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	Based on the announcement summary, all the confirmations were found to be in order.	
<b>5.8. Training</b>			
5.8.1	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.	Sakilan POM has developed Sustainability Programme 2018 to arrange for the trainings to be conducted throughout the year. Seen the RSPO Supply Chain Certification Standard for internal employees and transporters.	Yes
5.8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.	Seen the training records such as attendance list and training materials for the trainings that had conducted. Training on RSPO SCCS, RSPO SC Module D and policies for internal employees has been conducted on 29/11/2018 by Sustainable Executives. Besides, training for the contractors/ transporters has been carried out on 29/9/2018 by the Mill Assistant. The transporters have been briefed on the RSPO Supply Chain Standard. Interviewed with the weighbridge operators and transporter representative found that they are aware of the company and RSPO Supply Chain procedure.	Yes
<b>5.9. Record Keeping</b>			
5.9.1	The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.	Sakilan POM has maintained the accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirements.	Yes
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	As per the RSPO Supply Chain – Module D – CPO Mills: Identity Preserved (IP) procedure, the records retention for RSPO Supply Chain related records and reports to be retained for a minimum of 2 years’ period. Sampled of records of FFB weighbridge tickets and training records for last 2 years were sighted to maintain and keep at the office.	Yes

5.9.3	The organization shall be able to provide the estimate volume of palm oil/palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	Not applicable as the product of the facility is containing 100% palm oil.	N/A
<b>5.10. Conversion factors</b>			
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Conversion factor of CPO and PK production is depending on the actual OER and KER. Average OER and KER from period December 2017 to November 2018 were 22.20% (OER) & 5.57% (KER).	Yes
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	The facility is using the actual extraction rate and therefore updating of rates is not necessary.	Yes
<b>5.11. Claims</b>			
5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	RSPO trademark was not use. Nonetheless, the facility is aware with the requirements of the RSPO Rules on Market Communications and Claims. IOI Corporation Berhad has obtained Trademark License from RSPO and seen the trademark license# 2-0002-04-100-03 which valid from 19/12/2017 to 18/12/2019.	Yes
<b>General corporate communications</b>			
4.1	A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.	IOI Group has highlighted that they are the founding member of RSPO and played an active role to promote sustainable practice in the group website,	Yes



		<a href="https://www.ioigroup.com/Content/S/S_Systems">https://www.ioigroup.com/Content/S/S_Systems</a> . This is an "off-product" claim that has been made in the website.	
4.2	In corporate communications a member is allowed to: a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.	The IOI group has declared that they are members of RSPO and promote the sustainable practice throughout the company since 2004. There was no RSPO Trademark has been used verify through the website, notice board, business card, shipping documentation and procurement/ purchasing document.	Yes
4.3	In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.	The company does not make any statement that may misleading to the consumers to believe that RSPO membership by itself implies that selling of RSPO-certified oil palm products by verified through the website.	Yes
4.4	Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.	The communication that made via website is consistent, clear and does not mislead the consumer and stakeholders as to the certified content of oil palm products in their own products.	Yes
4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	There was no RSPO corporate logo has been used verified through website, notice board, business card, shipping documentation and procurement/ purchasing document.	Yes
<b>Business to business communications</b>			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	Business to business communication is demonstrated via shipping documentation and invoices to the next supply chain actor or buyer. No claims have been made.	Yes
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the	Shipping documentation verified and conformance with the requirements of RSPO SCCS. In the weighbridge ticket, it stated that the product is CSPO with RSPO certificate number: RSPO	Yes

	supply chain model and certificate number under which the claim is being made.	543161. Refer to weighbridge ticket number 71085 dated 11/12/2018. No claims have been made.	
5.3	<p>Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options:</p> <p>a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation.</p> <p>b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.</p>	Sakilan POM is not under distributor or wholesaler category. Thus, this requirement is not applicable.	N/A
5.4	<p>A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must not be labelled as certified or sold in such a way that implies RSPO certification. For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.</p>	Sakilan POM is producing crude palm product and does not involved in any labelling of end product and the presence of certified palm oil contained within a product. This requirement is for the next supply chain actor and not applicable for POM.	N/A
<b>Business to consumer communication</b>			
6.1	<p>Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as ‘product-specific’ claims. Product-specific claims are voluntary.</p>	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A

6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to	No business to consumer communication on product specific claim made by Sakilan POM and only produce crude and unfinished product. This is not applicable for POM.	N/A

	<p>ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on <a href="http://www.rspo.org">www.rspo.org</a>.</p>		
<p><b>MODULE A – IDENTITY PRESERVED &amp; SEGREGATED SPECIFIC RULES</b></p>			
<p><b>Certified oil palm content (IP)</b></p>			
	<p>For IP, 95% or above of the oil palm content must be RSPO IP-certified.</p>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
	<p>For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.</p>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
	<p>Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.</p>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
<p><b>Labelling and trademark (IP)</b></p>			
	<p>Members are allowed to use the RSPO label in one of the following ways:            a. RSPO trademark which includes the tag 'CERTIFIED' or            b. RSPO trademark which includes the tag 'This product contains certified sustainable palm oil'. Wherever a RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4pt (1.4 mm or 0.06 inch).</p>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>

	<p>In on-pack communications, the RSPO trademark can be printed anywhere on the pack.</p>		
<b>Messaging (IP)</b>			
	<p>Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements:</p> <ul style="list-style-type: none"> <li>• The oil palm products contained in this product have been certified to come from RSPO sources. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• The entire supply chain is monitored by independent, RSPO-accredited auditors. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>• References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records.</li> </ul>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
<b>MODULE C – PARTIAL PRODUCT CLAIMS</b>			
	<p>To increase awareness among consumers of the availability of sustainable oil palm products and to help accelerate the uptake, it is permissible to make a claim on product when the percentage of the oil palm content is less than 95% certified, but only when the following conditions have been met:</p> <ul style="list-style-type: none"> <li>• The member making the claim is the end product manufacturer, is an RSPO member and is certified against the RSPO SCCS or is an RSPO retailer member authorized to use the trademark by the RSPO.</li> </ul>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>

	<ul style="list-style-type: none"> <li>• At least 50% of the oil palm content has been supplied through an RSPO certified supply chain as IP, SG or MB.</li> <li>• The remainder of the oil palm content that is not RSPO-certified is covered by the purchase of RSPO Credits to an equivalent volume.</li> <li>• The product-specific claim is limited to only the following phrase: 'This product contributes to the production of certified sustainable palm oil'.</li> <li>• The use of the RSPO label with this claim is mandatory and must include the tag '50% MIXED'. No other percentage is allowable within this claim.</li> </ul>		
<b>MODULE D – COMBINED SUPPLY CHAIN MODELS SPECIFIC RULES</b>			
	<p>Where a mixture of inputs supplied through different RSPO supply chain models are present in a product, the following applies:</p> <p>75% IP + 20% SG =&gt; 95% SG claim is made          65% SG + 30% MB =&gt; 95% MB claim is made          55% MB + 40% B&amp;C =&gt; 95% partial product claim can be made          45% SG + 55% B&amp;C &lt; 50% B&amp;C claim can be made</p>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
	<p>Where one supply chain model accounts for 95% of the oil palm content, the claim for this specific model may be made:</p> <p>95% IP + 5% MB =&gt; 95% IP IP claim can be made          95% SG + 5% MB =&gt; 95% SG SG claim can be made          95% MB + 5% C =&gt; 95% MB MB claim can be made</p>	<p>Sakilan POM is producing crude palm product and does not involved in any labelling of end product.</p>	<p>N/A</p>
<b>5.12. Complaints</b>			
<p>5.12.1</p>	<p>The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.</p>	<p>The company has established RSPO Supply Chain – Module D – CPO Mills: Identity Preserved (IP) Procedure, Doc. No.: RSPOSC/SOP/IP/3, Rev. 06 dated 8/9/2018 where the procedure to handle complaints has outlined in the procedure. All the internal and external feedback (customer/ supplier complaints) shall be handled according to the Group Procedure</p>	<p>Yes</p>

		which can access through IOI website ( <a href="https://www.ioigroup.com/content/S/S_Grievance">https://www.ioigroup.com/content/S/S_Grievance</a> ). The complaint will be analyse during the management review meeting. There were total 23 complaints received from December 2017 to November 2018. Investigations have been carried out and responded to the customer. All the complaints have been solved.	
<b>5.13. Management Review</b>			
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.	As per the Internal Audit Procedure, Doc. No.: RSPOSC/SOP/IA/1, Rev. 02 dated 14/12/2018 where the management review meeting will be scheduled once a year after internal audit has been carried to discuss the internal audit result.	Yes
5.13.2	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	The last management review meeting was carried out on 11/8/2018 where the input of the management review has included customer feedback, results of internal audit, status of preventive and corrective actions, follow-up actions from management reviews.	Yes
5.13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	All the outputs of the management review meeting have been discussed and not limited to improvement of effectiveness of management system and resource needs.	Yes

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

<b>D.1 Definition</b>			
	<b>Requirement</b>	<b>Evidence</b> For any N/A raised, justification is required.	<b>Compliance</b> (Yes / No or N/A)
D.1.1	A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Module E is applicable.	FFB were obtained from all IOI's certified estates only. There was no third party's crop nor non-certified FFB received by the mill.	Yes
<b>D.2 Explanation</b>			
D.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.	Yes



D.2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).	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). Palm trace ID for Sakilan POM; RSPO PO000000110.	Yes
<b>D.3 Documented procedures</b>			
D.3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following: a. Complete and up to date procedures covering the implementation of all the elements in these requirements;	Cross refer to Clause 5.3 of the General Requirements.	Yes
	b. The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site’s procedures for the implementation of this standard.	Cross refer to Clause 5.3 of the General Requirements.	Yes
D.3.2	The site shall have documented procedures for receiving and processing certified FFBS.	Since the mill is only accepting certified FFB, the procedures for receiving and processing FFB are the same as mention in Indicator 4.1.1.	Yes
<b>D.4 Purchasing and goods in</b>			
D.4.1	The site shall verify and document the tonnage and sources of certified FFBS received.	Cross refer to Clause 5.4 of the General Requirements.	Yes
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	No projected overproduction for the period under reviewed or previous Palmtrace License period.	Yes
<b>D.5 Record keeping</b>			

D.5.1	<p>The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</p> <p><i>IP Mill must report on real time basis.</i></p>	<p>Real-time basis recorded in "Real-time Basis CPO (or PK) Transfer Monitoring". Information available in the format is date, FFB processed, OER, CPO amount [opening, produced and closing] and transferred CPO [mill weight, refinery weight].</p>	<p>Yes</p>
<b>D.6 Processing</b>			
D.6.1	<p>The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non- certified oil palm product including during transport and storage to strive for 100% separation.</p>	<p>During this assessment it was confirmed that only own supply bases of FFB is processed and no receive of outsider crops. This ensures that there is no possibility of mixing during processing.</p>	<p>Yes</p>

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

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

<b>A. Monthly Records of Certified and Uncertified FFB Received since the last audit (Dec 17 – Nov 18)</b>				
<b>No.</b>	<b>Month - Year</b>	<b>Volume of FFB from certified supply bases (mt)</b>	<b>Volume of FFB from uncertified supply bases (mt)</b>	<b>Total FFB/Month (mt)</b>
1	Dec 17	9,285.86	0	9,285.86
2	Jan 18	10,403.55	0	10,403.55
3	Feb 18	3,585.77	0	3,585.77
4	Mar 18	11,221.29	0	11,221.29
5	Apr 18	11,728.20	0	11,728.20
6	May 18	11,874.40	0	11,874.40
7	Jun 18	8,856.49	0	8,856.49
8	Jul 18	9,118.27	0	9,118.27
9	Aug 18	8,168.67	0	8,168.67
10	Sep 18	11,990.45	0	11,990.45
11	Oct 18	10,771.85	0	10,771.85
12	Nov 18	10,874.54	0	10,874.54
	Total	117,879.34	0	117,879.34

<b>B. Monthly Records of Certified CPO &amp; PK since the last audit (Dec 17 – Nov 18)</b>			
<b>No.</b>	<b>Month - Year</b>	<b>Certified CPO (mt)</b>	<b>Certified PK (mt)</b>
1	Dec 17	2,014	428.23
2	Jan 18	2,121.31	526.36
3	Feb 18	380.66	95
4	Mar 18	2,407.99	530.90
5	Apr 18	2,611.17	580.12
6	May 18	2,699.50	590.03
7	Jun 18	1,955.25	384.51
8	Jul 18	2,055.98	393.03
9	Aug 18	1,853.27	328.11
10	Sep 18	2,639.41	539.69
11	Oct 18	2,441.08	467.93
12	Nov 18	2,337.60	483.42
	Total	25,517.22	5,347.33

**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

<b>C. Records of Certified CPO &amp; PK Sold under PalmTrace to Buyers since the last audit (if any) (Dec 17 – Nov 18)</b>					
<b>No.</b>	<b>Month- Year</b>	<b>Buyers Name</b>	<b>Palmtrace Trading License Number</b>	<b>Certified CPO Sold (mt)</b>	<b>Certified PK Sold (mt)</b>
1	Dec 17	Buyer 1	RSPO_PO1000003604	1,401.56	-
2	Jan 18	Buyer 1	RSPO_PO1000003604	5,263.27	2,604.60
3	Feb 18	Buyer 1	RSPO_PO1000003604	-	1,694.69
4	Mar 18	Buyer 1	RSPO_PO1000003604	2,773.30	-
5	Apr 18	Buyer 1	RSPO_PO1000003604	58.44	297.82
6	May 18	Buyer 1	RSPO_PO1000003604	-	-
7	Jun 18	Buyer 1	RSPO_PO1000003604	6,212.12	-
8	Jul 18	Buyer 1	RSPO_PO1000003604	3,249.77	-
9	Aug 18	Buyer 1	RSPO_PO1000003604	140.94	-
10	Sep 18	Buyer 1	RSPO_PO1000003604	2,159.84	-
11	Oct 18	Buyer 1	RSPO_PO1000003604	2,060.29	-
12	Nov 18	Buyer 1	RSPO_PO1000003604	-	-
Total				23,319.53	4,597.11

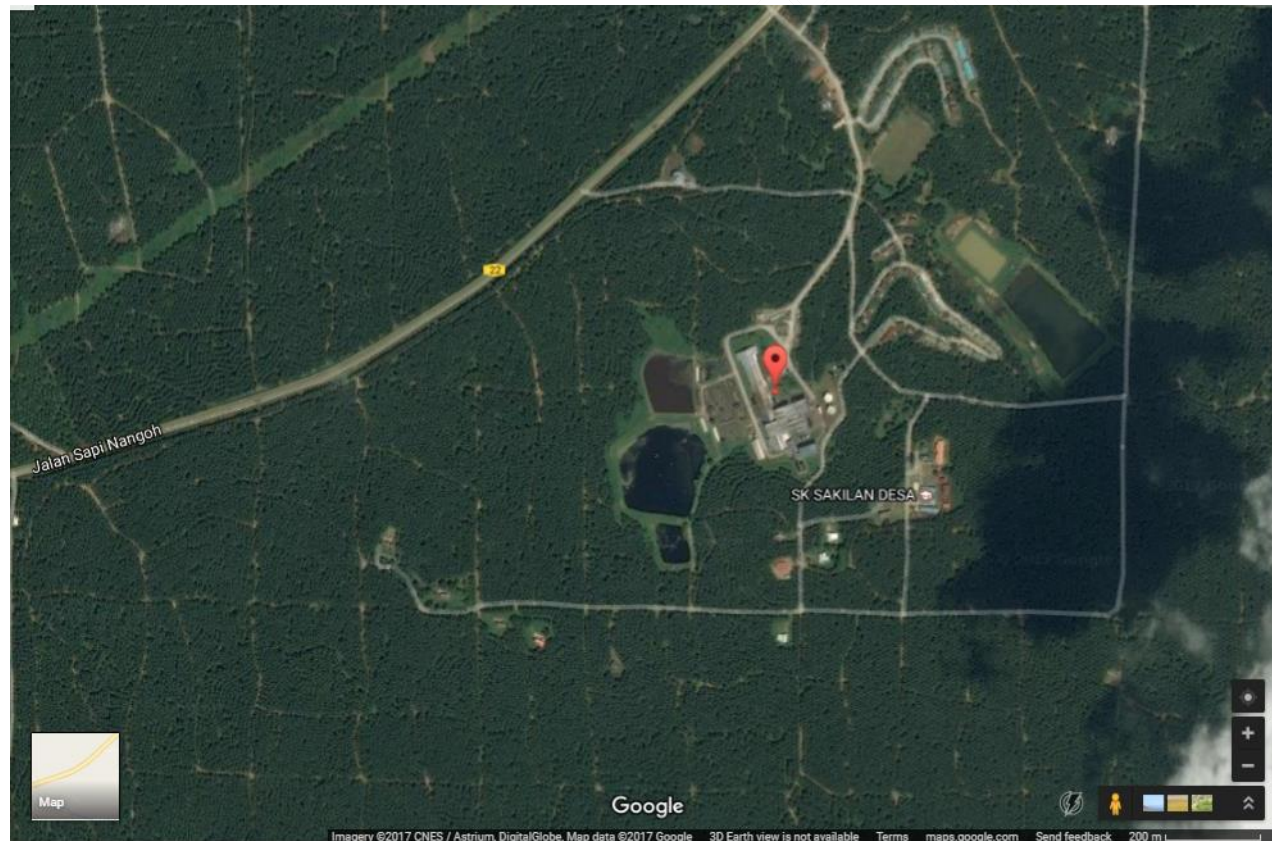
**RSPO Public Summary Report**  
**Revision 7 (Aug /2018)**

<b>D. Records of CPO &amp; PK Sold under other schemes to Buyers since the last audit (if any) (Dec 17 – Nov 18)</b>					
No.	Month- Year	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
	Nil				

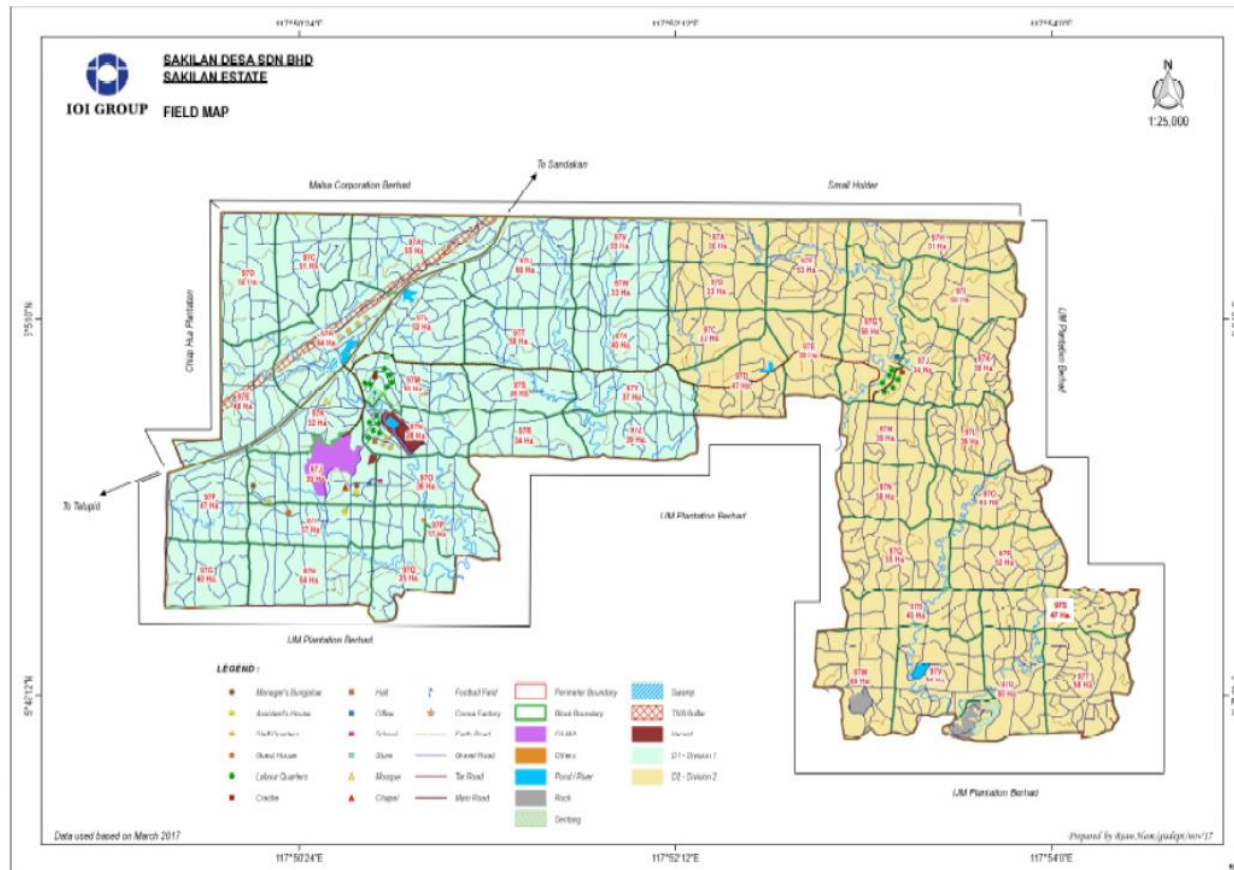
<b>E. Records of CPO &amp; PK Sold as conventional to Buyers since the last audit (if any) (Dec 17 – Nov 18)</b>				
No.	Month- Year	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1	Dec 17 – Nov 18	Buyer 1	2,197.69	1,799.81
Total			2,197.69	1,799.81

<b>F. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any) (Dec 17 – Nov 18)</b>				
No.	Month- Year	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
1	Nil			

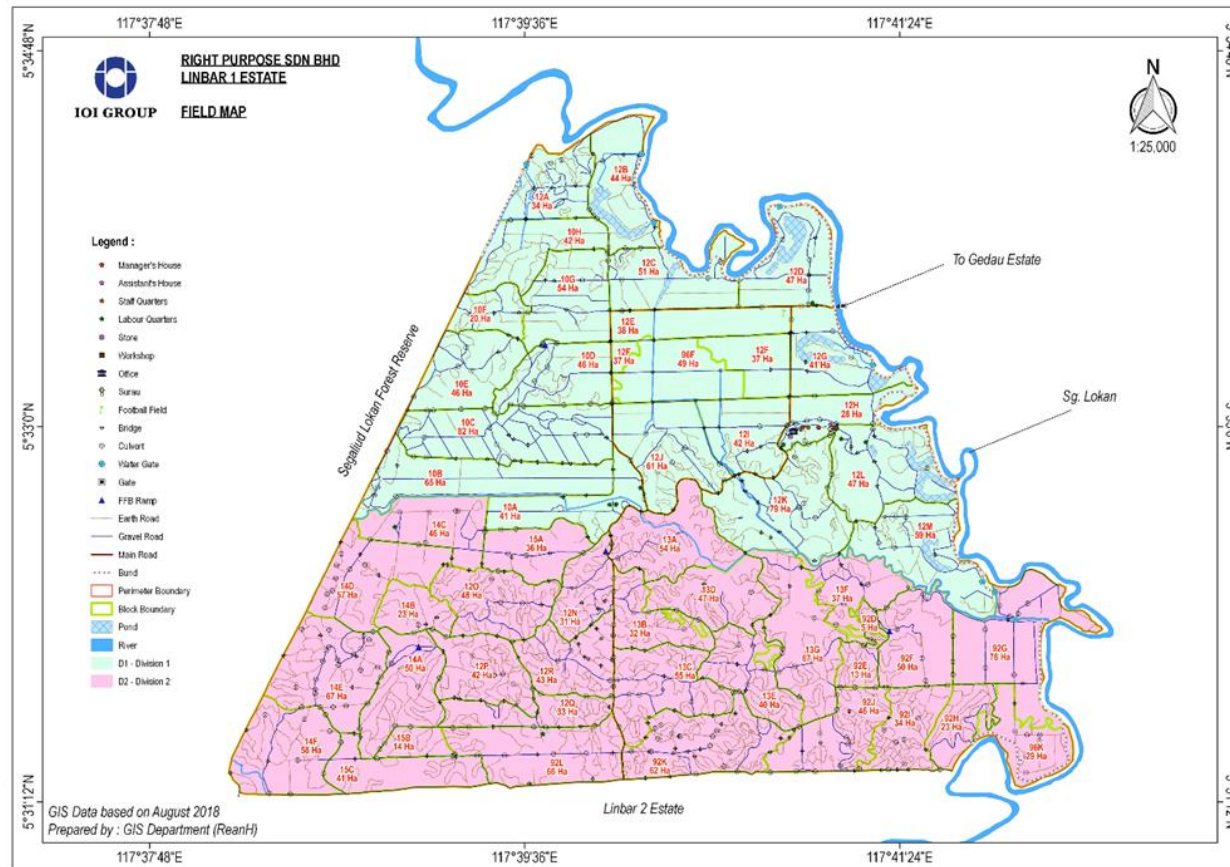
**Appendix F: Location Map of Sakilan Palm Oil Mill Certification Unit and Supply bases**



**Appendix G: Sakilan Estate Field Map**

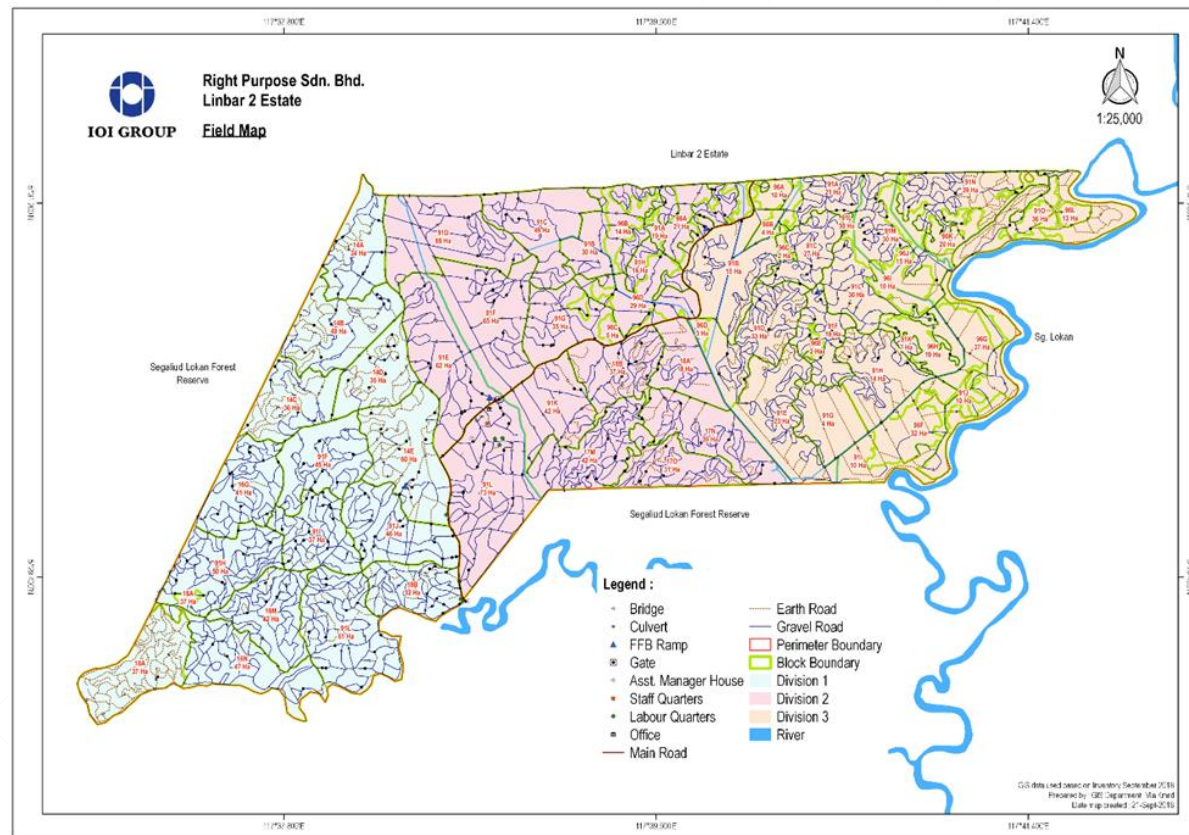


**Appendix H: Linbar 1 Estate Field map**





**Appendix I: Linbar 2 Estate Field map**



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

Not applicable

DRAFT

## Appendix K: List of Abbreviations

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