

**MONG RETHTHY INVESTMENT  
CAMBODIA OIL PALM CO. LTD. (MRICOP)**

RSPO Membership No: 1-0109-11-000-00

PLANTATION MANAGEMENT UNIT  
**MRICOP Grouping Palm Oil Mills &  
Estates**

Choeung Kor Commune, Prey Nop District,  
Sihanouk Province, Cambodia



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# Assessment Report

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# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 2 of 73

## ANNUAL SURVEILLANCE ASSESSMENT (ASA-04) cum EXTENSION OF SCOPE

### ASSESSMENT REPORT

#### MONG RETHTHY INVESTMENT CAMBODIA OIL PALM CO. LTD. (MRICOP)

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PLANTATION MANAGEMENT UNIT  
**MRICOP Grouping Palm Oil Mills & Estates**  
Choeung Kor Commune, Prey Nop District, Sihanouk Province,  
Cambodia

**Certificate No:**

**RSPO 928088**

Issued date:

15 Aug 2012

Expiry date:

14 Aug 2017

**Assessment Type**

**Assessment Dates**

Initial Certification (Main Assessment)

24-28 Apr 2012

Extension of Scope

06 Aug 2012

Annual Surveillance Assessment (ASA-01)

22-25 Apr 2013

Annual Surveillance Assessment (ASA-02)

07-11 Jul 2014

Cum Extension of Scope

Annual Surveillance Assessment (ASA-03)

06-09 Jul 2015

cum Extension of Scope

Annual Surveillance Assessment (ASA-04)

13-17 Jun 2016

cum Extension of Scope

Re-Certification

**Intertek Certification International Sdn Bhd**

[formerly known as Moody International Certification (Malaysia) Sdn Bhd]

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**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 3 of 73

### TABLE OF CONTENTS

Section	Content	Page No
<b>1.0</b>	<b>SCOPE OF ANNUAL SURVEILLANCE ASSESSMENT</b>	4
1.1	Introduction	4
1.2	Location (address, GPS and map) of palm oil mill and estates	4
1.3	Description of supply base (fruit sources)	5
1.4	Year of plantings and cycle	6
1.5	Summary of Land Use – Conservation and HCV Areas	6
1.6	Other certifications held and Use of RSPO Trademarks	6
1.7	Organizational information/contact person	7
1.8	Tonnages Verified for Certification	7-8
1.9	Time Bound Plan	9
1.10	Abbreviations Used	9
<b>2.0</b>	<b>ASSESSMENT PROCESS</b>	10
2.1	Assessment Methodology, Plan and Site Visits	10
2.2	Date of next scheduled visit	10
2.3	Qualifications of the Lead Assessor and Assessment Team	10
2.4	Certification Body	10
2.5	Process of Stakeholder consultation	11
<b>3.0</b>	<b>ASSESSMENT FINDINGS</b>	12
3.1	Summary of findings	12-43
3.2	Status of Identified Noncompliance and Corrective Actions, Observations and Positive Elements	44-52
3.3	Summary of Feedback Received from Stakeholders and Findings	52-54
<b>4.0</b>	<b>ASSESSMENT CONCLUSION AND RECOMMENDATION</b>	55
4.1	Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings	55
4.2	Intertek RSPO Certification Details for MRICOP	56-57
<b>APPENDICES</b>		
Appendix A	Qualifications of the Lead Assessor and Assessment Team	58-59
Appendix B	Assessment Plan	60-62
Appendix C	Maps of location – Mill, Estates, Conservation and HCV areas	63-69
Appendix D	Photographs of Assessment findings at MRICOP	70-72
Appendix E	Time Bound Plan for Other Plantation Management Units	73

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 4 of 73

## 1.0 SCOPE OF ANNUAL SURVEILLANCE ASSESSMENT

### 1.1 Introduction

This Annual Surveillance Assessment (ASA-04) cum Extension of Scope was conducted on the Plantation Management Unit (PMU), Mong Reththy Cambodia Oil Palm Co. Ltd. (hereafter abbreviated as MRICOP), from 13 - 17 Jun 2016, to assess if the organization's operations of the mill and its supply bases were in compliance against the RSPO Principles and Criteria (Apr 2013), Cambodian Local Indicators (2014) and the ratified requirements of RSPO Supply Chain Certification Standard (Nov 2014) for Palm Oil Mill.

The plantation management unit (PMU) or management unit of MRICOP grouping comprises of two (2) palm oil mills and a common supply base of four (4) estates. The eligibility of the Multiple Mill certification of MRICOP grouping was confirmed by the RSPO Secretariat on 21 Mar 2015.

The extension of scope during the ASA-04 assessment was for the division of the large Estate C into two estates. This division resulted in a smaller Estate C and a new Estate D (Kirivon).

### 1.2 Location (address, GPS and map) of palm oil mill and estates

MRICOP grouping comprises of two (2) palm oil mills; viz;(a) Monorum POM and (b) Anlong Kropeu POM and four (4) estates as indicated in Table 1 below, which includes the addresses and GPS locations of the mill and estates. The location maps are provided in **Appendix C**.

**Table 1: Address of Palm Oil Mill, Estates and GPS Location**

Name	Address	GPS Reference	
		Latitude	Longitude
Monorum Palm Oil Mill Capacity: 30 MT/hour	Mong Reththy Investment Cambodia Oil Palm Co. Ltd., National Road 4, Monorum, Choeng Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 57' 34.9" N	103° 54' 28.2" E
Anlong Kropeu Palm Oil Mill Capacity: 45 MT/hour	MRT-TCC Sugar Investment Co. Ltd., National Road 4, Anlong Kropeu, Choeng Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10°49' 04.2" N	103°48' 33.1" E
Estate A (Tapoa)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 49' 04.2" N	103° 48' 33.1" E
Estate B (Svay)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 52' 15.5" N	103° 51' 05.3" E
Estate C (Anlong Kropeu)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 57' 34.9" N	103° 54' 28.2" E
Estate D (Kirivon)	National Road 4, Kirivon, Stoeng Chhay, Prey Nop, Preah Sihanouk Province, Cambodia.	11° 00' 12.1"N	103° 49' 28.4"E

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)** Page 5 of 73  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

### 1.3 Description of supply base (fruit sources)

The supply base, i.e. FFB sources to the 2 mills under the MRICOP Grouping are entirely from the 4 common supplying estates as mentioned above.

Estate A and Estate B are owned by MRICOP whilst Estate C is managed by MRICOP but owned by MRT-TCC Sugar Investment Co., Ltd (MTSI). MTSI's shareholders are the Thai Charoen Corporation Group (TCC) Group and Mong Reththy Group (MRT) on a 75% and 25% ownership basis. Both MRICOP and MTSI are under the joint ownership of MRT Group and TCC Group.

FFB supply from Estate A and Estate B (under MRICOP) had commenced since year 2000, whilst supply from Estate C had commenced since year 2011.

The necessary documentation and public notification under the RSPO New Planting Procedures for the extension of plantation development and supply from Estate C was submitted to RSPO on 15 May 2012 and was approved without any issues forthwith for the previous surveillance assessments. Further extension of scope was conducted as part of surveillance assessment ASA-02 for the increase in planted hectareage due to additional ongoing New Planting at Estate C. Public notification under the RSPO New Planting Procedures for the extension of plantation development of Estate C was submitted to RSPO on 06 Jun 2014 and was approved without any issues.

The large Estate C has now been divided into two estates, viz; a smaller Estate C and a new Estate D (Kirivon).

The supply base i.e. FFB sources to the POM PMU are from the abovementioned 4 estates only. Verification done on site during this Assessment confirmed that there were no outgrowers / independent suppliers / smallholders involved in the supply of FFB to the said PMU.

Details of the planted hectareage at MRICOP are as shown in Table 2 below.

**Table 2: Estate Area Summary**

Estate	Area Summary (ha) – Previous FY Jul 2014 / Jun 2015		Area Summary (ha) – Current FY Jul 2015 / Jun 2016	
	Certified Area	Planted Area	Certified Area	Planted Area
Estate A (Tapoa)	6,705.47	4,073.68	6,705.47	4,073.68
Estate B (Svay)	7,655.87	4,265.09	7,667.86	4,287.52
Estate C (Anlong Kropeu)	10,470.09	7,811.23	5,351.24	4,319.63
Estate D (Kirivon)	-	-	5,118.85	3,789.07
<b>Total:</b>	<b>24,831.43</b>	<b>16,150.00</b>	<b>24,843.42</b>	<b>16,469.90</b>

Notes:

1. This Annual Surveillance Assessment covered the overall land use for oil palm plantation areas, and the identified Conservation areas including HCV areas marked out at the estates.
2. The estates sampled for this Annual Surveillance Assessment have been selected based on their potential risks on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and high conservation value areas.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Annual Surveillance Assessment (ASA-04) cum Extension of Scope Page 6 of 73

### 1.4 Year of plantings and cycle

The 4 estates have been developed beginning from 1997 and are still in the 1<sup>st</sup> cycle of planting. The age profile is as shown in Table 3.

**Table 3: Age Profile of Planted Oil Palm FY Jul 2015 / Jun 2016**

Estate Name	Year of Planting	Cycle of Planting	Mature OP (ha) – Above 3 years	Immature OP (ha) – 3 years & below	Total (ha)
Estate A (Tapoa)	1997-2008, 2010	1 <sup>st</sup>	4,073.68	0.00	4,073.68
Estate B (Svay)	1997-2010, 2012	1 <sup>st</sup>	4,287.52	0.00	4,287.52
Estate C (Anlong Kropeu)	2008-2010, 2011-2014 onwards	1 <sup>st</sup>	3,705.12	614.51	4,319.63
Estate D (Kirivon)	2011, 2013-2015	1 <sup>st</sup>	2,005.57	1,783.50	3,789.07
		<b>Total</b>	<b>14,071.89</b>	<b>2,398.01</b>	<b>16,469.90</b>

### 1.5 Summary of Land Use, Conservation and HCV Areas

The summary of Land Use, Conservation and HCV Areas as identified in MRICOP during this Annual Surveillance Assessment is as shown in Table 4 below:

**Table 4: Conservation and HCV Areas**

#	Statement of Land Use (Ha) - Estate A, B, C and D	FY Jul 2014 / Jun 2015 (ASA-03) Hectare – Ha	FY Jul 2015 / Jun 2016 (ASA-04) Hectare – Ha
<b>1</b>	<b>Planted Area (ha) – Oil Palm</b>	16,150	16,469.90
	- Mature	11,811	14,071.89
	- Immature	4,339	2,398.01
<b>2</b>	<b>Conservation Area (ha)</b>		
	- comprising buffer zones along small streams, hilly areas, swampy and unplantable areas	2,051.41	2,427.64
<b>3</b>	<b>HCV Area (ha)</b>		
	- comprising buffer zones near forest reserves, water catchments, burial & religious sites	2.36	2.45

Notes:

- Significant portions of the land have been occupied by the local villagers and communities, for more than 5 years, which were left unplanted and maintained as such.
- Conservation areas are principally water bodies such as natural and dug up ponds and buffer zones along river tributaries and streams.
- The small HCV area is a Khmer soldiers' burial site in Estate C.

### 1.6 Other certifications held and Use of RSPO Trademarks

MRICOP PMU currently has no other certifications. The RSPO's trademarks and logo are not being used by the PMU audited. Instructions for use were provided and acknowledged by the PMU through a signed Memorandum of commitment agreeing to adhere to the latest "RSPO Rules on Communications & Claims".

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 7 of 73

### 1.7 Organizational information / Contact Person

Name: Mr. Sumate Pratumswan  
 Designation: Managing Director – Agricultural / Oil Palm  
 Full Address: Mong Reththy Investment Cambodia Oil Palm Co. Ltd  
 #52, St. 598 Sangkat Boeung Kak II, Khan Toul Kork, Phnom Penh, Cambodia.  
 Tel: (855-85) 903 551  
 Fax: 855-23-216 496  
 Email: [sumatep@gmail.com](mailto:sumatep@gmail.com)

### 1.8 Tonnages Verified for Certification

1.8.1 The breakdown of all the tonnages of FFB from the supply base to the 2 POMs respectively based on the reporting period for FY Jul 2015 / Jun 2016 are as follows:

**Table 5A: Total FFB tonnages for Monorum Mill (1 Jul 2015 – 30 Jun 2016)**

#	Estate /Supplier	FFB Processed (MT)	Main Receiving Mill	Certified By
1.	Estate A (Tapoa)	28,313.88	MRICOP POM	Intertek
2.	Estate B (Svay)	18,671.98	MRICOP POM	Intertek
3.	Estate C (Anlong Kropeu)	5,130.66	MRICOP POM	Intertek
4.	Estate D (Krivon)	2,198.85	MRICOP POM	Intertek
	<b>Total</b>	<b>54,315.37</b>		

**Table 5B: Total FFB tonnages for Anlong Kropeu Mill (1 Jul 2015 – 30 Jun 2016)**

#	Estate /Supplier	FFB Processed (MT)	Main Receiving Mill	Certified By
1.	Estate A (Tapoa)	29,555.23	MTSI POM	Intertek
2.	Estate B (Svay)	20,098.00	MTSI POM	Intertek
3.	Estate C (Anlong Kropeu)	13,235.32	MTSI POM	Intertek
4.	Estate D (Krivon)	5,672.28	MTSI POM	
	<b>Total</b>	<b>68,560.82</b>		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 8 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

1.8.2. Total annual certifiable tonnages of FFB supplied to the MRICOP POMs during the previous assessment period, current surveillance assessment and next projected period are as follows:

**Table 6: Comparison of FFB Tonnages**

Estate / Supplier	FFB Processed in FY Jul 2014 / Jun 2015 Actual		FFB Processed for FY Jul 2015 / Jun 2016 Actual + Projected		FFB Processed for FY Jul 2016 / Jun 2017 Projected *	
	MT	%	MT	%	MT	%
Estates A, B, C & D to Monorum POM - Certified*	80,040.09	63.87	54,315.37	44.20	61,735.37	40
Estates A, B, C & D to Anlong Kropeu POM - Certified*	45,278.91	36.13	68,560.82	55.80	92,603.06	60
Other External Supplier - Uncertified	0	0	0	0	0	0
Total	125,319.00	100	122,876.19	100	154,338.43	100
SCCS Module for POM	IP		IP		IP	

\*Include FFB from Estate D for FY Jul 2016 / Jun 2017

1.8.3 The annual certifiable tonnages of CPO and PK production at the respective Mills from the supply base as assessed during the previous assessment period, current surveillance period and next projected period are as per the Tables below:

**Table 7A: Comparison of Certifiable CPO & PK Tonnages - Monorum Mill**

POM	FY Jul 2014/ Jun 2015 - Actual		FY Jul 2015/ Jun 2016 - Actual + Projected		FY Jul 2016/ Jun 2017 - Projected	
<b>Total Certified FFB Processed (MT)</b>	80,040.09		54,315.37		61,735.37	
<b>Total Certified CPO Production (MT)</b>	14,543.08	OER: 18.17 %	10,428.55	OER: 19.20%	12,038.40	OER: 19.50 %
<b>Total Certified PK Production (MT)</b>	3,009.51	KER: 3.76 %	2,129.16	KER: 3.92%	2,469.41	KER: 4.00 %

**Table 7B: Comparison of Certifiable CPO & PK Tonnages - Anlong Kropeu Mill**

POM	FY Jul 2014 / Jun 2015 - Actual		FY Jul 2015 / Jun 2016 - Actual + Projected		FY Jul 2016 / Jun 2017 - Projected	
<b>Total Certified FFB Processed (MT)</b>	45,278.91		68,560.82		92,603.06	
<b>Total Certified CPO Production (MT)</b>	8,584.88	OER: 18.96%	13,259.66	OER: 19.34%	18,057.60	OER: 19.50 %
<b>Total Certified PK Production (MT)</b>	2,001.33	KER: 4.42%	2,865.84	KER: 4.18%	3,704.12	KER: 4.00 %



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 9 of 73

### 1.9 Time Bound Plan for Other Plantation Management Units

At present, there are no other management units owned under MRICOP.

### 1.10 Assessment for Compliance with the Rules for Partial Certification

MRICOP has submitted a positive declaration to Intertek that there are no other certified or uncertified management units owned under MRICOP for compliance with the requirements of the rules for partial certification (Section 4.2.3 and 4.2.4 of RSPO Certification Systems Document). Intertek had verified that MRICOP conducted an internal audit against these requirements and stated that it demonstrated compliance against each requirement.

### 1.11 Abbreviations Used

CB	Certification Body	KER	Kernel Extraction Rate
CLI	Cambodian Local Indicators	LTA	Lost Time Accidents
CHRA	Chemical Health & Risk Assessment	MRICOP	Mong Reththy Investment Cambodia Oil Palm Co. Ltd.
CPO	Crude Palm Oil	MSDS	Material Safety Data Sheets
CSDS	Chemical Safety Data Sheets	MTCS	Malaysia Timber Certification Scheme
CSPO	Certified Sustainable Palm Oil	MTSI	MRT-TCC Sugar Investment Pte. Ltd
CSPK	Certified Sustainable Palm Kernel	NCR	Non-Conformance Report
EFB	Empty Fruit Bunch	NGO	Non-Government Organization
EHS	Environmental Health & Safety	OER	Oil Extraction Rate
EIA	Environmental Impact Assessment	OHS	Occupational Health & Safety
ETP	Effluent Treatment Plant	PEFC	Programme for the Endorsement of Forest Certification
FFB	Fresh Fruit Bunch	PK	Palm Kernel
GAP	Good Agriculture Practice	PMU	Plantation Management Unit
HCV	High Conservation Values	POM	Palm Oil Mill
Intertek	Intertek Certification International Sdn Bhd	POME	Palm Oil Mill Effluent
IPM	Integrated Pest Management	PPE	Personal Protective Equipment
ISCC	International Sustainability & Carbon Certification	SCCS	Supply Chain Certification Standard
IUCN	International Union for Conservation of Nature	SOP	Standard Operating Procedures

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 10 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

## 2.0 ASSESSMENT PROCESS

### 2.1 Assessment Methodology, Plan and Site Visits

Since 10 May 2016, Intertek has initiated public communications and notifications and invited the relevant stakeholders before the assessment to provide feedback and comments on their concern (if any) on MRICOP regarding the environmental, biodiversity, community development and other relevant issues.

From 13 – 17 Jun 2016, the Assessment team of Intertek conducted the Annual Surveillance Assessment (ASA-04) cum Extension of Scope in which 2 out of the 4 estates of MRICOP namely Estate B and Estate D as well as the two (2) palm oil mills, viz; Monorum POM and Anlong Krapeu POM, were assessed for compliance against the RSPO requirements. The Extension of Scope is to verify compliance of changeover in the division of the large Estate C into a smaller Estate C and a new Estate D.

The number of estates sampled was based on a minimum sample of  $0.8\sqrt{y}$  where  $y$  is the number of management sub-units and the selection was made based on their potential risks on social, environmental and biodiversity issues such as their proximity to forest reserves, hill sides, riparian zones and high conservation value areas.

During the on-site assessment, relevant documents and records, including Standard Operating Procedures (SOP), management plans, hectarage development, FFB, CPO and PK production, oil palm age profile, operational controls and measures, operational data and records, training records, etc. were reviewed and verified for compliance. The Assessment team using the process approach auditing technique covered the palm oil mill and estate operations, agricultural practices, pest management, pesticide and fertilizer application, occupational health and safety, social accountability, environment and other requirements. Stakeholders' interviews were conducted during the assessment and feedback obtained as part of information and evidence gathering. (See section 2.5 Process of stakeholder consultation).

MRICOP Palm Oil Mill was assessed against the requirements for the Identity Preserved (IP) Module as specified in RSPO Supply Chain Certification Standard (SCCS) for CPO mill. This part of the assessment covered the implementation of documented procedures, verification of processing and traceability of FFB into CPO and PK, and availability of records to demonstrate compliance against all the elements of the **Identity Preserved (IP) Module** in accordance with the RSPO Supply Chain Certification Standard (SCCS) requirements. Verified activities and checked items for the SCCS of the POM are reported in **section.3.1.1**.

After completion of the on-site field assessment, Intertek also performed the evaluation of conformity against the RSPO Certification System requirements for CB. The assessment report, findings and associated documents were evaluated through an independent review by the Intertek Internal Technical Reviewer/Panel prior to the approval of this report and decision on continued certification by Intertek.

The details of the Assessment Plan (actual on-site) are provided in **Appendix B**.

### 2.2 Date of next scheduled visit

The next scheduled visit will be the Annual Surveillance Assessment (ASA-04) which will be carried out within the 9 to 12-months period from the date of initial issuance of the certificate.

### 2.3 Qualifications of the Lead Assessor and Assessment Team

Competency details of the Lead Assessor and Assessment Team are given in **Appendix A**.

### 2.4 Certification Body

Intertek Certification International Sdn Bhd [formerly known as Moody International Certification (Malaysia) Sdn Bhd] is part of the Intertek Group, which is a worldwide technical services organization dedicated to reducing clients' risks by providing technical inspection services, management system certification in quality, environmental, occupational safety & health and product certification, RSPO SCC, ISCC, Marine Sustainability Chain-of-Custody, MTCS and PEFC Chain-of Custody certification in applicable industry sectors including the agricultural and forestry sectors. Intertek operates globally providing clients with a wide-ranging technical inspection expertise and access to thousands of skilled specialists worldwide. Intertek Group's certification business is ranked in the top 10 worldwide, and is available globally offering certification across a wide range of industries.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)** Page 11 of 73  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

### 2.5 Process of stakeholder consultation

Stakeholder consultations began with notification of the upcoming assessment through the websites of Intertek, MRICOP and RSPO. E-mails were sent to applicable stakeholders including government agencies, NGOs and local communities. Feedbacks received prior to the actual assessment on-site were followed up accordingly.

During the assessment, stakeholders were interviewed and their feedbacks were recorded. Among the stakeholders consulted were workers, trade union leaders, women representatives; local community leaders, representatives of government departments / agencies, NGOs, suppliers and contractors.

Details on stakeholders' feedback, PMU response and Intertek verification / comments are provided in **section 3.3**.

Among the list of key stakeholders consulted are the following:

#### Government Ministries / Agencies (by emails)

- |  |  |
|--|--|
| 1. Ministry of Agriculture, Forestry & Fisheries | 9. Ministry of Land                                      |
| 2. Ministry of Industry, Mines & Energy          | 10. Ministry of Economy & Finance                        |
| 3. Ministry of Health                            | 11. Ministry of Rural Development                        |
| 4. Ministry of Wildlife Protection               | 12. Ministry of Water resource and Meteorology           |
| 5. Ministry of Women Affairs                     | 13. Department of Forestry, Cambodia                     |
| 6. Ministry of Environment                       | 14. Department of Wildlife & Biodiversity, Cambodia      |
| 7. Ministry of Immigration                       | 15. Council for Agriculture and Rural Development (CARD) |
| 8. Ministry of Labour & Vocational Training      |  |

#### NGOs (by emails)

- |   |  |
|---|--|
| 16. World Wildlife Fund (WWF) Cambodia                                      | 35. Human Resource and Rural Economic Development Organization (Hurredo) |
| 17. Conservation International, Cambodia                                    | 36. Human Rights Vigilance of Cambodia (Vigilance)                       |
| 18. CEDEC, Cambodia   | 37. Indigenous Community Support Organization (ICSO)                     |
| 19. Association of Protection Development for Cambodia Environment (APDCE)  | 38. Khmer Community for Agricultural Development (KCAD)                  |
| 20. Cambodia Farmer Economic Development (CFED)                             | 39. Khmer Farmers Association (KFA)                                      |
| 21. Cambodian Human Rights and Development Association (ADHOC)              | 40. Khmer Institute for National Development (KIND)                      |
| 22. Cambodian Labour Organization (CLO)                                     | 41. Legal Aid of Cambodia (LAC)  |
| 23. Cambodian League for the Promotion & Defence of Human Rights (LICADHO)  | 42. NGO Committee on the Rights of the Child (NGO-CRC)                   |
| 24. Cambodian Rural Economic Development Organization (CREDO)               | 43. NGO Forum of Cambodia  |
| 25. Cambodian Sanitation and Recycling Organization (CSARO)                 | 44. Hand of God, Cambodia  |
| 26. Centre d'Etude et de Développement Agricole Cambodgien (CEDAC) Cambodia | 45. Wildlife Alliance, Cambodia  |
| 27. Conservation International (CI) Cambodia                                | 46. Organization for Assistance of Children and Rural Women (CWARO)      |
| 28. Cooperation for Development of Cambodia (Co-DeC)                        | 47. Provincial Governor of Sihanoukville                                 |
| 29. Culture and Environment Preservation Association (CEPA)                 | 48. Urban Poor Women Development (UPWD)                                  |
| 30. Development and Partnership in Action (DPA)                             | 49. Violence Against Women and Children of Cambodia (VAWCC)              |
| 31. Fisheries Action Coalition Team (FACT)                                  | 50. Wildlife Alliance Cambodia   |
| 32. Gender and Development for Cambodia (GAD/C)                             | 51. World Wide Fund (WWF) Cambodia (Phnom Penh)                          |
| 33. Healthcare Centre for Children (HCC)                                    |  |

#### Others interviewed during on-site assessment

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Gender Committee Members</li> <li>• Workers representatives</li> <li>• Commune Heads</li> <li>• Village Heads</li> </ul> | <ul style="list-style-type: none"> <li>• School Principals</li> <li>• Clinic doctors</li> <li>• Suppliers / Contractors</li> <li>• Contractors (for field workers)</li> </ul> |
|---|---|

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 12 of 73

### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of findings

##### Principle 1: Commitment to transparency

<b>Criteria 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.		
Indicators	Findings and Objective Evidence	Compliance
<b>1.1.1</b> There shall be evidence that growers and millers provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.  <b>Minor Compliance</b>	Documented procedure SOP-GA-020 dated 01 May 2016 established and implemented for providing such information to relevant stakeholders upon request.  For the period Jul 2015 to Jun 2016, requests for visits (by USA Ambassador, China Ambassador, Thai Ambassador and university students) to the mills and estates were recorded.  As at the period of assessment, there were no additional requests for information from stakeholders for this PMU.  Date of public notification of this assessment of the PMU was made on 10 May 2016.	Complied
<b>1.1.2</b> Records of requests for information and responses shall be maintained.  <b>Major Compliance</b>	The PMU maintained an updated list of internal stakeholders, external stakeholders, government departments/agencies, consultants, contractors, suppliers, transporters, etc.  Stakeholders' consultation held with records of stakeholders' feedback (positive and negative), and management action plan recorded.	Complied
<b>Criteria 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.		
Indicators	Findings and Objective Evidence	Compliance
<b>1.2.1</b> Management documents that are made available to the public shall include, but are not necessarily limited to: • Land titles/user rights (Criterion 2.2);  <b>Major Compliance</b>	The PMU had established & documented information of land titles, health and safety plan, plans and impact assessments relating to environment and social impacts, pollution prevention plans, details of complaints and grievances; negotiation procedures and continuous improvement plan that are available to the public and also for internal reference.  MRICOP website <a href="https://www.mricop.com.kh">https://www.mricop.com.kh</a> has a transparency statement that the various types of mandatory documents are publicly available.	Complied
• Land titles/user rights (Criterion 2.2);	Copies of the land titles were available and have been maintained at the Mill and estates. HQ kept the original copies.  The lands in Estate A and Estate B are via a Land Concession Contract dated 09/01/1996 between the Cambodian Ministry of Agriculture, Fishery and Forest (AFF) and MRICOP for a period of 70 years commencing 1997 with use of the lands for agriculture. Ownership of Estate C freehold land for agriculture use	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 13 of 73

	<p>is via a purchase document dated 27/07/2011.</p> <p>Additional lands in Estate C acquired in 2014 have complied with FPIC requirements.</p>	
<p>• Occupational health and safety plans (Criterion 4.7);</p> <p><b>Major Compliance</b></p>	<p>Detailed documented plan of OSH was reviewed and updated for the mills and estates in May 2016.</p> <p>The Risk Assessment (Hazard Identification, Analysis and Risk Control) had included controls implemented at the mills and estates.</p> <p>Accident and Emergency Procedure SOP-GA-021 documented and implemented.</p> <p>OSH Policy and Plans were implemented and included activities such as:</p> <ul style="list-style-type: none"> <li>- OSH/ESG (Environment, Social, Gender Sub-committee meetings held 4x per year).</li> <li>- Safe Work Practices / Safe Job Procedures.</li> <li>- PPE at mills and estates.</li> <li>- Health medical check-up (annual).</li> <li>- Emergency preparedness.</li> <li>- First Aid training.</li> <li>- Fire extinguisher.</li> <li>- Ambulance services.</li> </ul>	Complied
<p>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</p> <p><b>Major Compliance</b></p>	<p>Environmental and Social Impacts Assessment and Management Plans for the mills and estates were reviewed in May 2016 and progressively implemented. The annual SEIA review was additional to the EIA and SIA carried out by Green Consultancy Group for the mills and estates (SEIA Report for Estate A &amp; Estate B dated Nov 2011, SEIA Report for Estate C dated May 2014).</p> <p>Environmental impact improvement items included:</p> <ul style="list-style-type: none"> <li>- Environmental &amp; Biodiversity Policy (zero burning, compliance with laws, HCV, Best Agriculture Practice).</li> <li>- Environmental Aspects and Impacts.</li> <li>- Pollution Prevention &amp; Mitigation Plans.</li> </ul> <p>Social impact improvement items included:</p> <ul style="list-style-type: none"> <li>- Stakeholder consultations on land ownership, availability of resources (firewood, water &amp; road access).</li> <li>- Employment opportunity &amp; wages.</li> <li>- Contribution to the community (sports facilities &amp; festivities).</li> <li>- Housing for workers.</li> </ul>	Complied
<p>• HCV documentation summary (Criteria 5.2 and 7.3);</p> <p><b>Major Compliance</b></p>	<p>Based on the SEIA survey and evaluation, there was only a small HCV area at this PMU, which is the Khmer soldiers' burial site in Estate D and the community forest outside the boundary of Estate C.</p> <p>The New Planting area in Estate C did not contain any HCV as reported by the Environmental/HCV consultant report dated Mar 2012.</p> <p>Annual review of Management and Monitoring Plan of HCV area carried out in May 2016.</p> <p>It is verified during current assessment on site that there is no change to the HCV area.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 14 of 73

<ul style="list-style-type: none"> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> </ul> <p><b>Major Compliance</b></p>	<p>Pollution Prevention &amp; Mitigation Plans were reviewed on 08 Jan 2016 and 03 May 2016 for the Anlong Kropeu Mill and Monorum Mill respectively.</p> <p>Key pollutants such as discharge to water ways, emissions to air, contamination to land, and noise pollution were identified.</p> <p>Action Plans, Monitoring and Management Program, Continuous Improvement Plans for pollution prevention identified, implemented and monitored.</p> <p>Pollution Prevention Plan for MRICOP Plantation Estates A, B, C &amp; D, including Central Workshop &amp; Health Dispensary were reviewed on 24 May 2016.</p> <p>Documented pollution prevention and reduction plans include measures for pollution control, pesticides reduction, plantation waste management, schedule wastes and domestic wastes disposal, reuse and recycling.</p> <p>Action Plans, Monitoring and management Program, Continuous Improvement Plans for pollution prevention identified, implemented and monitored.</p>	<p>Complied</p>
<ul style="list-style-type: none"> <li>• Details of complaints and grievances (Criterion 6.3);</li> </ul> <p><b>Major Compliance</b></p>	<p>Complaints and grievances process flowchart and its details are defined in SOP-GA-019.</p> <p>MRICOP has included the necessary details including identifying a corporate representative / coordinator, for handling complaints and grievance.</p> <p>For the period Jul 2015 to Jun 2016, there were no complaints received.</p>	<p>Complied</p>
<ul style="list-style-type: none"> <li>• Negotiation procedures (Criterion 6.4);</li> </ul> <p><b>Major Compliance</b></p>	<p>Negotiation process flowchart and its details are defined in SOP-GA-022.</p> <p>MRICOP has applied the process for land acquisition and compensation for the land bought from the villagers in Estate C that complied with FPIC requirements (see 2.3.1).</p>	<p>Complied</p>
<ul style="list-style-type: none"> <li>• Continual improvement plans (Criterion 8.1);</li> </ul> <p><b>Major Compliance</b></p>	<p>The PMU has identified and implemented Continuous Improvement Plans for the mills and estates.</p>	<p>Complied</p>
<ul style="list-style-type: none"> <li>• Public summary of certification assessment report;</li> </ul> <p><b>Major Compliance</b></p>	<p>Public summary of certification assessment reports are available in the company website. These reports may be available from the company upon request.</p>	<p>Complied</p>
<ul style="list-style-type: none"> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> <p><b>Major Compliance</b></p>	<p>The Human Rights Policy was documented on 19 Jun 2015 and communicated to all levels of the workforce and operations. Copies of the policy found to be displayed at prominent locations in the mills and estates.</p>	<p>Complied</p>
<p><b>Criteria 1.3</b>  Growers and millers commit to ethical conduct in all business operations and transactions.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>1.3.1</b> There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p><b>Minor Compliance</b></p>	<p>The Policy of commitment to a Code of Ethical Conduct and Integrity was documented on 19 Jun 2015 and signed by the MRT-TCC Group CEO. The policy was communicated to all levels of the workforce and operations. Copies of the policy found to be displayed at prominent locations in the mills and estates.</p>	<p>Complied</p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 15 of 73

### Principle 2: Compliance with applicable laws and regulations

<b>Criteria 2.1</b> There is compliance with all applicable local, national and ratified international laws and regulations.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>2.1.1</b> Evidence of compliance with relevant legal requirements shall be available.</p> <p><b>Major Compliance</b></p>	<p>Compliance with land titles and user rights evidenced from the Land Concession Contract dated 09/01/1996 between the Cambodian Ministry of Agriculture, Fishery and Forest (AFF) and MRICOP for Estate A and Estate B and land ownership of Estate C freehold lands via a purchase document with land titles.</p> <p>Environmental and Social Impact Assessments confirmed activities to be in compliance with laws and sub decrees related to environment and social issues. Licenses and permits for operations are valid and displayed at the Monorum POM and Anlong Kropeu POM.</p> <p>A list of applicable laws and sub decrees is available and reviewed, at least annually for updates by the Head of Quality &amp; Sustainability Management (Mr. Khiev Sothy). No change in laws for the period Jul 2015 to Jun 2016.</p> <p>Based on the site observations, interviews and records checking at the field and mill, there were evidences of compliance with the applicable local, national laws and legal requirements detailed in the Cambodia Local Indicators.</p> <p>Cambodia is listed by the United Nations as under the 'Least Developed Country' – LDC status and is exempted from full compliance with the applicable ratified International Conventions.</p>	Complied
<p><b>2.1.2</b> A documented system, which includes written information on legal requirements, shall be maintained.</p> <p><b>Minor Compliance</b></p>	<p>The listing of all the relevant laws applicable included the international laws and conventions ratified by the Cambodian government are documented in the Summary of Laws and Regulations.</p>	Complied
<p><b>2.1.3</b> A mechanism for ensuring compliance shall be implemented.</p> <p><b>Minor Compliance</b></p>	<p>MRICOP has established a documented system explaining the mechanism for identifying, determining, reviewing and updating applicable legal and other requirements that the PMU has subscribed (Document Ref. rev 06, 2014 "Mechanism for Implementation of Legal Requirements and System for Tracking Changes in the Law).</p> <p>MRICOP's SOPs provides the mechanism for the implementation of the applicable laws. Monitoring of compliance by departments and RSPO Sustainability Core Team.</p> <p>Operating licenses and permits were displayed, renewed and evidenced to be valid. Statutory returns were settled and receipts filed were sighted.</p> <p>Based on the site observations, interviews and records updated, the system used is appropriately tracking the operations at the PMU.</p>	Complied
<p><b>2.1.4</b> A system for tracking any changes in the law shall be implemented.</p> <p><b>Minor Compliance</b></p>	<p>Monitoring of changes to the applicable laws and regulations carried out through periodical review in accordance with the documented procedure/mechanism and last review carried out on 24 May 2016.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 16 of 73

<b>Criteria 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.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>2.2.1</b> Documents showing legal ownership or lease, history of land tenure (confirmation from community leaders based on history of customary land tenure, recognised Native Customary Right (NCR) land) and the actual legal use of the land shall be available.</p> <p><b>Major Compliance</b></p>	<p>Legal ownership of the land and land tenure for Estate A and Estate B as evidenced by the Land Concession Contract between the Cambodian Ministry of Agriculture, Fishery and Forest (AFF) and MRICOP dated 09/01/1996 for a period of 70 years commencing 1997 with use of the lands for agriculture. There is no further land dispute in Estates A and Estate B. Legal ownership of Estate C freehold land for agriculture use evidenced by a purchase document dated 27/07/2011. Estate C was previously cultivated with sugarcane. Estate D is the result of the division of the large Estate C into a smaller Estate C and a new Estate D (Kirivon). The original copies are maintained by the corporate head office. The legal use of the land was confirmed for agricultural use. Copies of land titles verified to be in order.</p>	Complied
<p><b>2.2.2</b> There is evidence that physical markers are located and visibly maintained along the legal boundaries adjacent to state land, NCR land and reserves.</p> <p><b>Minor Compliance</b></p>	<p>It was verified that there has been no change to the stated land titles and designated use for agricultural use.</p> <p>Boundary stones including other markers such as roads and trenches were found to be visually maintained and were within the perimeters as indicated in the land concession/title. The audit team verified that no planting was done beyond the legal boundary.</p> <p>Legal boundary markers identified in a location map were sighted and maintained along the perimeters of estate lands which were mapped with a differential Global Positioning System (GPS).</p>	Complied
<p><b>2.2.3</b> 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).</p> <p><b>Minor Compliance</b></p>	<p>The mechanism to solve the land conflict is established and in place (SOP-GA-22 Land Compensation and Negotiation Procedure Flow Chart).</p> <p>MRICOP had initiated negotiation and compensation process to resolve some land compensation claims with villagers at Estate C in year 2013 and year 2014. There was evidence of satisfactory resolution of the claims was reported in the ASA-01 assessment. It is verified that there are currently no new land compensation claims.</p>	Complied
<p><b>2.2.4</b> 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.</p> <p><b>Major Compliance</b></p>	Confirmed that there are no significant land conflicts.	Complied
<p><b>2.2.5</b> 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 and relevant authorities where applicable).</p> <p><b>Minor Compliance</b></p>	The process of participatory mapping was seen in the resolution of the claims reported in the ASA-01 assessment.	Complied
<p><b>2.2.6</b> To avoid escalation of conflict, there shall be no evidence that oil palm</p>	There was no instigated violence seen in the resolution	Complied



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 17 of 73

<p>operations have instigated violence in maintaining peace and order in their current and planned operations.</p> <p><b>Major Compliance</b></p>	<p>of the claims reported in the ASA-01 assessment.</p>	
<p><b>Criteria 2.3</b>                  Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>2.3.1</b> Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities).</p> <p><b>Major Compliance</b></p>	<p>There are no customary lands in the concession areas (Estate A and Estate B) and legally owned land (Estate C and D). Cultivation of oil palm in these lands has not diminished any legal rights of villagers either. The claims for compensation by some villagers for an area of 664 ha in Estate C have been resolved as seen in the resolution of the claims reported in the ASA-01 assessment.</p> <p>It is verified that there are currently no new land compensation claims.</p>	Complied
<p><b>2.3.2</b> Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p><b>Minor Compliance</b></p>	<p>Mapping of the lands involved the land acquisition was jointly carried out with the villagers agreeable to selling the lands. Negotiated agreements, transfer of lands and full payment complied with the process and requirements of FPIC were properly resolved as was reported in the ASA-01 assessment.</p>	Complied
<p><b>2.3.3</b> All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p><b>Minor Compliance</b></p>	<p>Relevant information pertaining to the land acquisition mentioned and legal arrangements, including transfer of legal land titles were found available as was reported in the ASA-01 assessment.</p>	Complied
<p><b>2.3.4</b> Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p><b>Major Compliance</b></p>	<p>For the land acquisition mentioned above, the villagers were represented by the Village Head of their own choosing as was reported in the ASA-01 assessment.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 18 of 73

### Principle 3: Commitment to long-term economic and financial viability

Criteria 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.		
Indicators	Findings and Objective Evidence	Compliance
<p><b>3.1.1</b> A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p><b>Major Compliance</b></p>	<p>Verified that presently, there is only one PMU owned by MRICOP.</p> <p>Currently the MRICOP grouping comprise of 2 POMs and 4 common supply base estates (Estate A, B, C and D) which still meet the requirements of 4.2.3 and 4.2.4 of RSPO Certification Systems Standard. There are no scheme smallholders in the supply base to the PMU.</p> <p>The Management cum Business Plans has documented details of the 5-year Cash Flow Budgets for year 2016 to 2020 covering the mills and estates.</p> <p>The management plans included items such as the planted areas, areas for harvesting, FFB harvesting (MT FFB/ha), CPO production, %OER, PK production, %KER, revenue, direct costs, indirect costs, net profit, development costs and net cash flow.</p> <p>Mill operational budget/cost include production, maintenance and renewal of permits.</p> <p>Estate operational budget/cost include labour, transport, agrochemicals, fertilizers and other costs documented for operations such as spraying, slashing, weeding, drainage, manuring mulching, pruning, pest disease control, roads and bridges construction and maintenance. New planting, Immature and Mature estate areas upkeep cost/ha and Harvesting cost/mt were also documented.</p> <p>The budget also provided for annual social and environmental programs.</p>	Complied
<p><b>3.1.2</b> 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.</p> <p><b>Minor Compliance</b></p>	<p>Annual replanting programme had been projected up to year 2022 subject to yearly review.</p> <p>Currently, no replanting is required as first planting started in year 1997.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 19 of 73

### Principle 4: Use of appropriate best practices by growers and millers

<b>Criteria 4.1</b>		
Operating procedures are appropriately documented, consistently implemented and monitored.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<b>4.1.1</b> Standard Operating Procedures (SOPs) for estates and mills shall be documented.  <b>Major Compliance</b>	The estates and mills had the relevant Standard Operating Procedures and these are verified to be in order.	Complied
<b>4.1.2</b> A mechanism to check consistent implementation of procedures shall be in place.  <b>Minor Compliance</b>	The mechanism to check the implementation of SOPs was available. Records had been kept by the staff concerned for each operation to monitor the procedure and progress of work, and these records were checked by the Assistant Manager and the Manager regularly. These records had been verified to indicate satisfactory implementation during the visit.	Complied
<b>4.1.3</b> Records of monitoring and any actions taken shall be maintained and available, as appropriate.  <b>Minor Compliance</b>	The records of monitoring and the actions taken had been maintained at both the Monorum mill and Anlong Kropeu mill and supplying estates. These records had been verified to be satisfactory.	Complied
<b>4.1.4</b> The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).  <b>Major Compliance</b>	Records of the FFB crop is verified to be only from the group estates.	Complied
<b>Criteria 4.2</b>		
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<b>4.2.1</b> 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.  <b>Minor Compliance</b>	GAP for minimization of soil erosion and maintenance of soil fertility is maintained via the frond stacking and fertilizer application as per the recommendations provided by the Ministry of Agriculture and Fishery, Cambodia in the earlier years, and then by Prince of Songkla University, Songkla, Thailand in year 2015 and 2016.  Estate D (which is sub-divided form estate C), started planting in 2011 and continued in 2013 to 2015. Cover crop planting was completed in May 2016.	Complied
<b>4.2.2</b> Records of fertiliser inputs shall be maintained.  <b>Minor Compliance</b>	Records of fertilizer application had been verified to be in order.	Complied
<b>4.2.3</b> There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.  <b>Minor Compliance</b>	Leaf sampling and analysis had been carried out annually to determine the nutrient levels for fertilizer recommendations that aimed to sustain the long term soil fertility and nutrient efficiency  For 2016, leaf sampling and analysis had been carried out by Faculty of Natural Resources, Prince of Songkla University, Thailand.  Soil survey and analysis for Estate B and Estate D had been carried out on 25-30 Apr 2016 by Agricultural Technical Service Provider from Phnom Penh, and report on the survey was completed in May 2016.	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 20 of 73

<p><b>4.2.4</b> A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.</p> <p><b>Minor Compliance</b></p>	<p>EFB had been applied around the palm circle in the 1<sup>st</sup> quarter of 2016 at the estates assessed.</p> <p>At Monorum Mill, POME land application had been carried out in Estate B, Div. B2 Field Blocks V3 and W4 in Feb - Apr 2016.</p> <p>At Anlong Kropeu Mill, POME land application was done at Estate D, Div. D1, Field N19 &amp; O19 and Div. D3: U 25 in Sep-Dec 2015 and Jan-Feb 2016.</p>	<p>Complied</p>
<p><b>Criteria 4.3</b> Practices minimise and control erosion and degradation of soils.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>4.3.1</b> Maps of any fragile/marginal soils shall be available.</p> <p><b>Major Compliance</b></p>	<p>Soil maps had shown some fragile soil at Estate C in Div. C2 and C3 (about 75 ha) and at Estate D in Div. D3 (about 35 ha). The fragile soil areas are considered to be minimal against the overall size of the planted areas of the estates. No fragile soil noted on Estate B.</p> <p>Mitigating measures such as planting of leguminous cover crop, application of EFB, stacking of fronds, and fertilizer applications had been planned and carried out as and when applicable to improve the soil conditions.</p>	<p>Complied</p>
<p><b>4.3.2</b> A management strategy shall be in place for plantings on slopes between 9 and 25 degrees unless specified otherwise by the company's SOP.</p> <p><b>Minor Compliance</b></p>	<p>Planting terraces had been constructed on land with slope &gt; 10°. Records and maps on terraces constructed had been verified on Estate C.</p> <p>On Estate A, B and D the estate's topography was generally flat and therefore no terrace was required in these estates.</p> <p>There was no soil erosion noted during the visit.</p>	<p>Complied</p>
<p><b>4.3.3</b> A road maintenance programme shall be in place.</p> <p><b>Minor Compliance</b></p>	<p>Road maintenance programme and work done records had been verified to be in order.</p>	<p>Complied</p>
<p><b>4.3.4</b> Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.</p> <p><b>Major Compliance</b></p>	<p>There was no peat soil on estates A, B, C and D. This had been confirmed during field visit. Thus this is not applicable.</p>	<p>Not applicable</p>
<p><b>4.3.5</b> Drainability assessments where necessary will be conducted prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing.</p> <p><b>Minor Compliance</b></p>	<p>As above.</p>	<p>Not applicable</p>
<p><b>4.3.6</b> A management strategy shall be in place for other fragile and problem soils (e.g. podzols and acid sulphate soils).</p> <p><b>Minor Compliance</b></p>	<p>There are no problematic soils (e.g. podzols nor acid sulphate soils) on Estates B and D as verified during field inspection and visit.</p> <p>Fronn stacking and fertilizer application based on foliar analysis were carried out to maintain the soil fertility.</p>	<p>Complied</p>
<p><b>Criteria 4.4</b> Practices maintain the quality and availability of surface and ground water.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>4.4.1</b> An implemented water management plan shall be in place.</p> <p><b>Minor Compliance</b></p>	<p>Water management plan was in place and verified to be in order.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 21 of 73

<p><b>4.4.2</b> Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.</p> <p><b>Major Compliance</b></p>	<p>Buffer zones which were marked at the estates were maintained with no application of agrochemicals for the protection of the water courses.</p>	<p>Complied</p>
<p><b>4.4.3</b> Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p><b>Minor Compliance</b></p>	<p>In Monorum Palm Oil Mill, water samples were taken on 6 monthly intervals at the final discharge points of the effluent pond (as land application is made). Samples were drawn for analysis in Apr and Oct 2015 and Apr 2016.</p> <p>Results of BOD level had ranged between 28 to 200 ppm. The average BOD level till Apr 2016 was 90 ppm. The upper limit specified by Cambodian Government was 500 ppm for land application and 80 ppm for discharge to water way.</p> <p>In Anlong Kroupeu Mill, BOD levels were between 75 and 220 ppm (Apr 2016). Land application was made.</p> <p>BOD levers were still within the within the limits allowable for land application set by the Environmental Ministry of Cambodia.</p>	<p>Complied</p>
<p><b>4.4.4</b> Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.</p> <p><b>Minor Compliance</b></p>	<p>In Monorum Mill, monitoring of water usage in the mill averaged at 2.46 m<sup>3</sup>/tonne FFB till May 2016.</p> <p>In Anlong Kroupeu Mill, the water consumption was averaging at 3.67 m<sup>3</sup>/tonne FFB in 2015. Water consumption for Jan-May 2016 is at 0.75 m<sup>3</sup>/tonne FFB.</p>	<p>Complied</p>
<p><b>Criteria 4.5</b> Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>4.5.1</b> Implementation of Integrated Pest Management (IPM) plans shall be monitored.</p> <p><b>Major Compliance</b></p>	<p>Records for the planting and monitoring of beneficial plants such as <i>Cassia cobanensis</i>, <i>Antigonon leptopus</i>, <i>Tunera subulata</i> and their respective locations on the field maps were available. Pest infestation was noted to be minimal on the estates.</p> <p><b>The annual plan for the planting of the 3 types of beneficial plants in the respective ratio is available at both estates B and D.</b></p> <p><b>However, at Estate D, the <i>Antigonon Leptopus</i> cultivation has not been adequately implemented.</b></p>	<p>OBS# AL-01</p>
<p><b>4.5.2</b> Training of those involved in IPM implementation shall be demonstrated.</p> <p><b>Minor Compliance</b></p>	<p>Training records for personnel on IPM implementation were available and was verified on-site to be satisfactory during field assessment.</p>	<p>Complied</p>
<p><b>Criteria 4.6</b> Pesticides are used in ways that do not endanger health or the environment.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>4.6.1</b> 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</p>	<p>Written justification in Standard Operating Procedures of all agrochemicals use had been reviewed and found acceptable.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 22 of 73

species shall be used where available.		
<b>Major Compliance</b>		
<b>4.6.2</b> 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.	Records of pesticides and their active ingredients used, LD50, area treated, amount of a.i. applied per ha, and number of applications had been maintained and kept since 2011. Verified that records of monitoring were satisfactorily.	Complied
<b>Major Compliance</b>		
<b>4.6.3</b> 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 industry's Best Practice.	It had been the policy of the estates to minimize the use of pesticides in accordance with integrated pest management. No prophylactic use of pesticides had been carried out at the estates for the period concerned.	Complied
<b>Major Compliance</b>		
<b>4.6.4</b> 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 industry's Best Practice. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances. Pesticides selected for use are those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations (2000).	It is the policy of the group to discontinue the use of Paraquat since Feb 2012. Verified that this policy has been adhered to on-site.	Complied
<b>Minor Compliance</b>		
<b>4.6.5</b> 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).	All pesticide operators had been given training on the handling and application of the pesticides. Appropriate safety and application equipment had been provided and used by the operators.  All precautions attached to the products had been observed, applied, and understood by the workers.  Programme and training records had been verified to be satisfactory.	Complied
<b>Major Compliance</b>		
<b>4.6.6</b> 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). Pesticides shall be stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders, Pesticides Act 1974 (Act 149) and Regulations.	Storage of pesticides found to be in accordance with the Occupational Safety and Health Laws and Regulations and local laws on pesticides control.	Complied
<b>Major Compliance</b>		
<b>4.6.7</b> Application of pesticides shall be by proven methods that minimise risk and impacts.	Pesticides had been applied using the proven methods (Best Management Practices) that minimize risk and impacts.	Complied
<b>Minor Compliance</b>		
<b>4.6.8</b> Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information	The PMU does not practice aerial application of pesticides. This practice has been adhered.	Complied



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 23 of 73

within reasonable time prior to application. <b>Major Compliance</b>		
<b>4.6.9</b> Evidence of continual training to enhance knowledge and skills of employees and associated smallholders on pesticide handling shall be demonstrated or made available. (see Criterion 4.8). <b>Minor Compliance</b>	Periodic training on pesticide handling had been carried out. Information on the pesticides displayed on the notice board and next to the pesticides in the store.	Complied
<b>4.6.10</b> Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). <b>Minor Compliance</b>	Drums had been punctured with holes at bottom and kept in the store.  Some of the 20 litre drums were reused for holding diluted chemical mixture for spraying.  The mills are also keeping the containers for hazardous chemicals in the store until the relevant authority comes out with a guideline on the procedure for disposal.	Complied
<b>4.6.11</b> Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.  <b>Major Compliance</b>	Monorum Mill had sent 4 workers and Anlong Kropou Mill had sent 3 workers for medical surveillance in Apr and May 2016 respectively.  Estate B had sent 30 workers and Estate D had sent 20 workers for medical surveillance in May and Jun 2016 respectively.  The medical results as obtained from the Oknha Mong Port Clinic have indicated that all the workers were still fit to perform their respective work.	Complied
<b>4.6.12</b> No work with pesticides shall be undertaken by pregnant or breast-feeding women.  <b>Major Compliance</b>	Verified from records, field and mill inspections and interviews that no pregnant or breast-feeding woman had been offered work which required her to handle hazardous chemicals.	Complied
<b>Criteria 4.7</b> An occupational health and safety plan is documented, effectively communicated and implemented.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
The occupational health and safety plan shall cover the following:  <b>4.7.1</b> An occupational health and safety policy shall be in place. An occupational health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored.  <b>Major Compliance</b>	Occupational Safety and Health (OSH) plan in compliance with OSH Act and Factory Machinery Act was documented and implemented.  OSH policy was clearly displayed at POM and in estates office. Workers had demonstrated awareness towards occupational safety and health policy.  Risk assessment carried out on all operations where health and safety is an issue (e.g. noise exposure, pesticides/chemicals exposure, accident, fire).  POM & its estates established their accident reporting KPI, and incident monitoring implemented.  Procedures and actions documented and implemented on the issues concerned.  Awareness and training programmes planned for year 2015 and 2016 were consistently implemented.  Evidence of training on safe working practices for workers involved in pesticides spray, use of fire extinguishers, awareness & understanding of MSDS/CSDS, First Aid boxes were sighted at both POM & estates.  Precautions attached to products properly observed and applied to workers in all estates	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 24 of 73

	<p>Appropriate PPE (safety boots, safety helmets, rubber boots, cartridge masks, safety goggles, gloves) verified to be provided. Ear protective device put on by workers working at engine rooms POM.</p> <p>There were records maintained for the yearly audiometric test conducted for the listed mill workers.</p> <p>The results indicated that there were no issues of any hearing impairment suffered by the workers.</p> <p>Companies had provided the appropriate PPE at the place of work to cover all potentially hazardous operations such as pesticides application, and harvesting.</p> <p>The Safety &amp; Health officer was responsible for overall in charge of safety and health planning, operation &amp; coordination.</p> <p>Adequate fire extinguisher and hose reels found to be located at strategic locations, operational and maintained in good conditions at the Mills, Estates offices and housing areas.</p> <p>Training in First Aid for estate field supervisors was carried out in Feb 2016 and records maintained.</p> <p>First Aid Kits and equipment was available at POM, estates and at worksite. Samples of First Aid boxes were checked and contents found to be complete and in usable order at Estate B and Estate D, where harvesting and weed slashing activities were observed during field visit.</p>	
<p><b>4.7.2</b> All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p><b>Major Compliance</b></p>	<p>All operations had been risk assessed, documented and implemented.</p> <p>All precautions attached to the products had been observed and applied to the workers through MSDS. Activities at estate office and field operations of Estates B and D were inspected during assessment as follows: Estate B - Field blocks: B1 U4 (harvesting), B4 Y14 (Slashing) Estate D - Field blocks: D1 N19 &amp; O19 (harvesting), P19 (slashing) and D3 U25 (slashing).</p> <p>Interviewed office staff, field conductor / supervisor and workers: Estate B - Office: 3 nos (male); Field: 15 nos (5 male &amp; 10 female) Estate D - Office: 3 nos (male); Field: 17 nos (6 male &amp; 11 female)</p> <p>The workers were observed to have worn the required PPE and during interview were able to confirm that PPE was training was provided to them by the estate management and also able to provide adequate understanding on the aspects of health and safety in relation to their respective tasks.</p> <p><b>Note: The corrective action taken on previous assessment Major NC# CFK-01 verified to be effective.</b></p>	<p>Complied</p>
<p><b>4.7.3</b> 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</p>	<p>Awareness and training programme had been carried out.</p> <p>All workers involved had been adequately trained on the</p>	<p>Complied.</p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 25 of 73

<p>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><b>Major Compliance</b></p>	<p>safe working practices for the respective field work. Appropriate PPE had been provided to all workers at the place of work to cover all potentially hazardous operations.</p>	
<p><b>4.7.4</b> The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.</p> <p><b>Major Compliance</b></p>	<p>At the Monorum Mill, Anlong Kropeu Mill and Estates B and D, regular OSH meetings between responsible persons and the workers had been carried out at quarterly intervals and meeting records were maintained. Issues raised were followed up and these were verified.</p>	Complied
<p><b>4.7.5</b> 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><b>Minor Compliance</b></p>	<p>Accident and emergency procedures had been written and briefed to staff, workers, contractors and visitors. Workers trained in First Aid were present in the mill and field operations. The items and contents were regularly checked and topped up when needed. Records of checking were available and maintained. Records on all accidents had been verified to be maintained satisfactorily. Quarterly review on accident cases had been carried out during quarterly meeting of the Environment, Safety, &amp; Health (ESH)</p> <p><b>Note: The corrective action taken on previous assessment Observation# CFK-01 verified to be effective.</b></p>	Complied
<p><b>4.7.6</b> All workers shall be provided with medical care, and covered by accident insurance.</p> <p><b>Minor Compliance</b></p>	<p>Medical care had been provided to all the workers via the estate clinics. Local workers are covered by National Social Security Fund (NSSF) and Group Hospital and Surgical insurance is covered under FORTE Insurance which is valid till Mar 2017.</p>	Complied
<p><b>4.7.7</b> Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics.</p> <p><b>Minor Compliance</b></p>	<p>Records on Lost Time Accident (LTA) metrics were maintained and verified available. LTA hours were noted to have decreased over the past 12 months of 2015 till Mar 2016.</p>	Complied
<p><b>Criteria 4.8</b> All staff, workers, smallholders and contract workers are appropriately trained.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>4.8.1</b> A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p><b>Major Compliance</b></p>	<p>A formal training programme on all aspects of RSPO Principles and Criteria was established and implemented. Training for various categories of office management, operations and sustainability team members with regards to their roles and duties were reviewed and acceptable.</p>	Complied
<p><b>4.8.2</b> Records of training for each employee shall be maintained.</p> <p><b>Minor Compliance</b></p>	<p>Records for training attended by individual employees including refresher briefing /training for field workers were verified to be maintained.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 26 of 73

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

<b>Criteria 5.1</b> Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>5.1.1</b> An environmental impact assessment (EIA) shall be documented.</p> <p><b>Major Compliance</b></p>	<p>Environmental and Social Impacts Assessment (EIA and SIA) for Monorum POM, Estate A, B and C carried out in Nov 2011 by Green Consultancy Group and documented. Additional EIA for the Anlong Kropeu POM was carried in May 2014 by the same consultant.</p> <p>The EIA and SIA and Management Plans for the mills and estates were reviewed in May 2016 and progressively implemented.</p> <p>Contents of the EIA report had included the following matters:</p> <ul style="list-style-type: none"> <li>• The laws related to environment and pollution.</li> <li>• Positive and negative impacts of aspects were assessed with mitigation plans.</li> <li>• The soils with geology and parent materials were documented.</li> <li>• The polluting activities with direct impact on water bodies and air.</li> <li>• The wildlife, flora and fauna and its classification of rare, threatened and endangered species (RTE) potentially existing in and around the vicinity of the extended areas.</li> </ul>	Complied
<p><b>5.1.2</b> Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive action plan. The action plan shall identify the responsible person/persons.</p> <p><b>Minor Compliance</b></p>	<p>The environmental aspects and impacts have been identified. Environmental Management and Monitoring Plans have been established and implemented at the mills and estates. The plans were sufficiently comprehensive and persons responsible i.e. the respective Mill Managers and Estate Managers were identified.</p> <p>The plans had included the aspects and impacts identified from field activities that include fertilizing, spraying, transportation of FFB, garbage disposal and road maintenance. Action plans and recommendations in order to mitigate negative effects and promote positive ones such as sewage, landfills and conservation activities applicable to the entire PMU was monitored.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 27 of 73

<p>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.</p> <p><b>Minor Compliance</b></p>	<p>The documented environmental plans and monitoring of operational changes was reviewed on an annual basis. Implementation on the effectiveness of mitigation measures was also reviewed.</p> <p>Reviews were done by the respective Mill Managers and Estate Managers for year 2016.</p> <p>Details of daily operational activities and its aspects of negative and positive impacts including fertilizer usage, pesticide spraying, waste disposal and environmental emissions at the mills and estates.</p> <p>Monitoring of air quality emissions from the stack discharge carried out for both mills.</p>	<p>Complied</p>
<p><b>Criteria 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.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p>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).</p> <p><b>Major Compliance</b></p>	<p>HCV assessment carried out by an RSPO approved HCV consultant, EnvironLogic Consultancy and report dated Mar 2012. The HCV assessment made was in accordance with the recommended RSPO-‘HCVF Toolkit’. Conservation and HCV areas were identified at the mills and estates with estimated size/ hectareage indicated. There was only a small HCV area at this PMU, which is the Khmer soldiers’ burial site in Estate D and the community forest outside the boundary of Estate C.</p> <p>The annual review of Conservation and HCV areas was carried out and documented on 24 May 2016 (Baseline Biodiversity Assessment Report for MRICOP Plantation). It is verified during current assessment on site that there is no change to the HCV area.</p>	<p>Complied</p>
<p>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 an action plan.</p> <p><b>Major Compliance</b></p>	<p>Action plans had included the monitoring and control of any illegal hunting, fishing or collecting activities. Signboards for conservation areas, buffer zones and signages that prohibit hunting, fishing and water polluting activities were verified on-site and found to have been satisfactorily maintained. Signage placed at the border of the community forest at Estate C.</p> <p><b>Note: The corrective action taken on previous assessment Major NC# SH-01 verified to be effective.</b></p>	<p>Complied</p>
<p>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 instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p> <p><b>Minor Compliance</b></p>	<p>The estates management has undertaken appropriate measures to control any illegal or inappropriate hunting, fishing or collecting activities within the estates. ‘Conservation Zone’ signages and “no hunting” policy were prominently displayed and verified to be maintained during field visit.</p> <p>The programme to regularly educate the plantation workers about the status of RTE species was established with ongoing consultation with the local wildlife authorities. The latest training was conducted on the 11 Mar 2016 and attended by majority of the workers.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 28 of 73

<p><b>5.2.4</b> Where an action plan has been created there shall be ongoing monitoring:</p> <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 action plan.</li> </ul> <p><b>Minor Compliance</b></p>	<p>Environmental Management &amp; Monitoring Plan had included monitoring at the Conservation &amp; HCV areas for potential RTE such as rare species of birds (as per the list of MAFF 2007) in the concession areas of Estate A, B, C &amp; D, e.g. Siamese Fireback and Chestnut-Headed Partridge and wildlife such as the nocturnal Slow Loris (under the IUCN list). Regular patrols within the PMU estates, i.e. at least once monthly, had been carried out by the Estate Executives or Assistant Managers to monitor the Conservation / buffer zone areas and RTE species (if any). <b>For both Estate B and Estate D, there was no record of the sighting of RTE species or wildlife, if any, from the regular patrols within the estates.</b></p>	<p style="text-align: center;"><b>Minor NC # OCL-01</b></p>
<p><b>5.2.5</b> Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p><b>Minor Compliance</b></p>	<p>It is verified that there has been no instance of HCV set-aside that conflicts with the rights of local communities at the PMU. Thus agreement of such nature was not required. The Local Community forest at Cheung Ka Lo village is located some 20 km away from the PMU Estate C.</p>	<p style="text-align: center;">Complied</p>
<p><b>Criteria 5.3</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>5.3.1</b> All waste products and sources of pollution shall be identified and documented.</p> <p><b>Major Compliance</b></p>	<p>Documentation on the identification of all the waste products such as scheduled waste, domestic waste, clinical waste and recyclable waste such as metal, plastic, mill waste and polluting materials e.g. EFB, POME, stack emissions and Boiler ashes were maintained and monitored at the PMU. Segregation of wastes i.e. general wastes and scheduled wastes was verified to be satisfactory. Proper storage areas were identified for the storage of the recyclable wastes.</p>	<p style="text-align: center;">Complied</p>
<p><b>5.3.2</b> All chemicals and their containers shall be disposed of responsibly.</p> <p><b>Major Compliance</b></p>	<p>The management has identified the listing of all the types of wastes at the mills and estates. Scheduled wastes such as used engine and filter oils were kept separately in a schedule waste store. A record is kept on the quantity of used oil stored at the waste store. Rags and empty filters were also stored in the same scheduled waste store. Used vehicle batteries were kept in a separate store. Empty pesticide containers were kept in another store. The empty fertilizer bags were stored separately. Empty fertilizer bags were reused for the collection of loose fruits. Workshops were noted to be using drip trays (oil spillage containment pits) at the time of changing of oil. It has been verified that scheduled wastes were not mixed with domestic wastes.</p>	<p style="text-align: center;">Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 29 of 73

<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p><b>Minor Compliance</b></p>	<p>Waste Management Plan has been documented since 2011 and reviewed on 24 May 2016.</p> <p>Controls for the storage and disposal of items under scheduled or hazardous wastes have been adequately implemented. Waste disposal contractors are monitored. Currently, the local Cambodian laws have no specific requirements for disposal of scheduled wastes, (including used High Density Polyethylene – HDPE, pesticide containers) for the plantation sectors.</p> <p>Recycling of crop residues / biomass i.e. EFB and POME had been implemented. Management EFB application plans and progress reports were verified to be satisfactory.</p> <p>No discharge of POME directly into any water sources or rivers was observed. POME is 100% dried and recycled for use as fertilizer application in the fields.</p> <p>Landfills for domestic waste are located away from water bodies. Methods of disposal e.g. landfill locations /size and recycling methods or methods for reduction of pollution were documented and monitored.</p> <p><b>The landfill at Estate C (also used by Estate D) was found to be poorly managed. The landfill is waterlogged and domestic wastes were not completely placed inside the pit.</b></p> <p><b>NOTE: As a Minor NC had been raised against the same clause 5.3.3 in the previous assessment, this finding is now upgraded to Major NC as it is a recurring non-conformance.</b></p>	<p><b>Major NC# OCL-01</b></p>
<p><b>Criteria 5.4</b> Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>5.4.1 A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p><b>Minor Compliance</b></p>	<p>The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fiber and PK shells were used as renewable energy/fuel.</p> <p>Monthly records of energy consumption of non-renewable and renewable fuel per metric tonne of palm product at the POM were available.</p> <p>It was verified that energy usage was monitored and data compiled at the POM for comparison and control.</p> <p>Average energy usage for 2015 was at 30.5 kWh/mt FFB for Monorum POM and 42.7 kWh/mt FFB for Anlong Kropeu POM.</p> <p>Average diesel usage for Jan – Apr 2016 was at 3.18 liter/mt FFB for Monorum POM and 6.19 liter/mt FFB for Anlong Kropeu POM.</p> <p>The higher energy usage for the new mill compared to the old mill is due to the non-continuous operation at the new mill because of its large capacity and insufficient FFB for processing.</p> <p>At the estate, diesel consumption per metric ton FFB was also monitored on a monthly basis.</p>	<p>Complied</p>
<p><b>Criteria 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.</p>		



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 30 of 73

Indicators	Findings and Objective Evidence	Compliance
<p><b>5.5.1</b> There shall be no land preparation by burning, other than in specific situations as identified in the <i>'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003</i>, or comparable guidelines in other regions.</p> <p><b>Major Compliance</b></p>	<p>The 'No Open Burning' policy established by MRICOP PMU established since 2011 has been maintained at the mill and estates. The management has suitable fire fighting plans, equipment and facilities for new planting areas. Fire prevention belts are prepared during drought season along the boundaries. Fire trucks with water pumps and engines remained on standby in case of any incidence of fire outbreak.</p> <p>The management continues to maintain support for any fire control of surrounding and neighboring villagers, when needed or requested.</p>	Complied
<p><b>5.5.2</b> Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in <i>'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003</i>, or comparable guidelines in other regions.</p> <p><b>Minor Compliance</b></p>	<p>The PMU has adhered to the 'zero burning' policy.</p> <p>There was no replanting at the estates.</p> <p>There was no evidence of any burning of domestic waste at the housing line sites and at the sanitary landfills of the estates during on site field assessment.</p>	Complied
<p><b>Criteria 5.6</b> Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p><b>5.6.1</b> An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4).</p> <p><b>Major Compliance</b></p>	<p>The PMU had reviewed the environmental impact assessment on potential pollution to air, water and contamination on land on an annual basis. The latest Environmental Impact Assessment, management, action plans were conducted on May 2016.</p> <p>POME treatment, monitoring and land application is monitored and records maintained.</p>	Complied
<p><b>5.6.2</b> Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p><b>Major Compliance</b></p>	<p>Significant pollutants and greenhouse gas (GHG) emissions were identified, e.g. POME, diesel / fuel, fertilizer and pesticide usage have been documented and maintained at the PMU. Plans to reduce or minimise them were available and progressively implemented.</p> <p>Pollution Mitigation Plan complete with all identified polluting activity has been prepared in accordance with local regulations and sub-decree.</p> <p>Sources of pollution included stack emissions, boiler ash and run off and control measures needed were identified. Mitigation plan include the reduction of air pollutant emission with the new boiler installed at the Monorum mill in Mar 2011.</p> <p>Latest report on emission monitoring at the mills was on August 2015.</p> <p>It was verified that the POME is treated in the aerobic, anaerobic ponds prior to final discharge point.</p> <p>Water samples were regularly taken at the mills and estates and tested by Government recognised external lab at Phnom Penh. Analysis reports are reviewed by respective mill and estate managers. Records are maintained and verified on-site to be satisfactory.</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 31 of 73

<p><b>5.6.3</b> 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> <p><b>Minor Compliance</b></p>	<p>The monitoring system for significant pollutants was implemented and data compiled and reviewed on a monthly basis by the respective mill and estate managers.</p> <p>The PMU had implemented the RSPO PalmGHG tool (ver. 2.1.1) and submitted the PalmGHG Summary Report to RSPO Secretariat via email on 03 May 2016.</p> <p><b>Note: The corrective action taken on previous assessment Minor NC# AL-01 verified to be effective.</b></p>	<p>Complied</p>
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## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 32 of 73

**Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers**

<b>Criteria 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.		
Indicators	Findings and Objective Evidence	Compliance
<b>6.1.1</b> A social impact assessment (SIA) including records of meetings shall be documented.  <b>Major Compliance</b>	At MRICOP, Social Impact Assessment dated 24 May 2016 was verified and it covers all mills and estates within the PMU.  In 2014 a separate SIA for Estate D was conducted by external party, i.e. Green Consultancy Group Ltd. All meetings were minuted and available for verification.	Complied
<b>6.1.2</b> There shall be evidence that the assessment has been done with the participation of affected parties.  <b>Major Compliance</b>	Participation of affected parties is evident with a documented participant list and photographs of meeting. The participants include the internal and external stakeholders which include the employees, contractors, representatives from contractors, suppliers, local communities, government agencies.	Complied
<b>6.1.3</b> 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.  <b>Major Compliance</b>	The 2016 updated and timetabled SIA Implementation and Monitoring Plan is maintained to promote the positive impacts and to mitigate the negative ones. Estate and mill managers of affected areas are responsible for implementation and monitoring of the plan.  <b>Mitigation plan for 2016 is available for the whole PMU. However, comments from stakeholders in the 2016 consultation session were not included.</b>	<b>OBS# JMD-01</b>
<b>6.1.4</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 be made to current practices. There shall be evidence that the review includes the participation of affected parties.  <b>Minor Compliance</b>	SIA management plan was reviewed annually and additional stakeholder consultations were held in Jun 2016 with affected parties and necessary changes were updated. Implementation on the resulting programs was ongoing and monitored at defined intervals as evidenced during audit	Complied
<b>6.1.5</b> Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).  <b>Minor Compliance</b>	No smallholders in the PMU.	Complied
<b>Criteria 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.		
Indicators	Findings and Objective Evidence	Compliance
<b>6.2.1</b> Consultation and communication procedures shall be documented.  <b>Major Compliance</b>	The established General Negotiation Procedure - SOP GA 022 dated Jan 2012 is still currently in use. MRICOP also declares its commitment to RSPO transparency requirements by providing a page with instructions on how stakeholders could communicate their concerns directly: <a href="http://www.mricop.com.kh/index.php/link/rspo-certification-project">http://www.mricop.com.kh/index.php/link/rspo-certification-project</a>	Complied



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 33 of 73

<p><b>6.2.2</b> A management official responsible for these issues shall be nominated.</p> <p><b>Minor Compliance</b></p>	<p>The organizational structure presented shows the HR &amp; Admin. Manager, Mr. Kittisak, as the nominated person for the whole PMU with regards to social related issues. At the estates and mill level, these issues are under the responsibility of the managers. The interview also verified that their specific roles and responsibilities are clearly defined and understood.</p>	<p>Complied</p>
<p><b>6.2.3</b> 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><b>Minor Compliance</b></p>	<p><b>List of stakeholders for the whole PMU is available. However, some of main stakeholder were not listed, e.g. contractors, CPO transporters, etc.</b></p>	<p><b>OBS# JMD-02</b></p>
<p><b>Criteria 6.3</b> There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>6.3.1</b> 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><b>Major Compliance</b></p>	<p>The PMU has an established and documented system for dealing with complaints and grievances. SOP for Complaints/Grievances [SOP-GA-019] is available. No complaint form has been raised by any stakeholders in 2016.</p> <p>Suggestion box is available in front of the office. It is reported that there has been no disputes and whistle blowing incident for the previous year.</p>	<p>Complied</p>
<p><b>6.3.2</b> Documentation of both the process by which a dispute was resolved and the outcome shall be available.</p> <p><b>Major Compliance</b></p>	<p>Complaints received are on varieties of matters including workers housing quarters, road conditions and temporary water supply to the nearby villages. Complaints such as for leaking sinks and blocked drainage s are managed by respective managers in charge and the maintenance unit. Records and photographs of maintenance are maintained.</p>	<p>Complied</p>
<p><b>Criteria 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.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>6.4.1</b> A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place.</p> <p><b>Major Compliance</b></p>	<p>The organization has a documented policy on compensation management PC-GA-024 as reported during the Main Assessment in 2012. The procedure provides the process for identifying legal and customary rights and for identifying people entitled to compensation.</p> <p>Based on interview with stakeholders from nearby villagers, it was verified that land acquisition and compensation are no longer an issue.</p>	<p>Complied</p>
<p><b>6.4.2</b> 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</p>	<p>There is a documented procedure for calculating and distributing compensation, i.e. Land compensation and Negotiation procedure Flow chart, i.e. LC-NP-FC-002/14 dated 19 Jun 2014 signed by GM &amp; VP – Agriculture/Oil Palm is noted.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 34 of 73

<p>communities; and differences in ethnic groups' proof of legal versus communal ownership of land.</p> <p><b>Minor Compliance</b></p>		
<p><b>6.4.3</b> 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.</p> <p><b>Major Compliance</b></p>	<p>The records of negotiation process and the outcome are documented in the minutes of meeting and evident in photographs.</p>	Complied
<p><b>Criteria 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.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>6.5.1</b> Documentation of pay and conditions shall be available.</p> <p><b>Major Compliance</b></p>	<p>Pay and conditions are clearly documented in the Employment Contracts (in Khmer language) which was explained, understood and signed by the employees and the organization upon acceptance of work. This applies to all workers i.e. basic, semi-skilled and skilled.</p> <p>Reviews of pay statements verified to have contained all necessary information and can easily be understood by the workers, e.g. type and rate of works completed, days offered, days worked, days absent, total deduction, etc.</p> <p>A review of some field workers' pay slips showed that the calculation of pay is clearly itemised, for example:</p> <ul style="list-style-type: none"> <li>- Normal day field work wage [Daily Rated or Piece Rated]</li> <li>- Normal working day overtime</li> <li>- Working rest day</li> <li>- Overtime for working rest day</li> <li>- Working public holiday</li> <li>- Overtime for working public holiday</li> <li>- Sick and annual leave pay</li> <li>- Maternity leave</li> </ul>	Complied
<p><b>6.5.2</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.</p> <p><b>Major Compliance</b></p>	<p>Review of the employment contracts revealed detailed conditions in Khmer language which include the following employment details:</p> <ul style="list-style-type: none"> <li>- job position</li> <li>- basic pay and overtime</li> <li>- working hours</li> <li>- work expectations</li> <li>- leave entitlement</li> <li>- housing</li> <li>- facilities entitlement</li> <li>- public holidays entitlement</li> <li>- termination terms</li> <li>- Food allowance</li> </ul> <p>Interviews with women general workers confirmed their knowledge entitlement for two months maternity leave.</p> <p><b>Article 163 of the Labour Law stated "Workers paid by</b></p>	

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 35 of 73

	<p><i>the hour, the day, or by the amount produced shall be entitled to an indemnity equal to the wage lost as a result of holidays as defined in Article 161. This indemnity shall be paid by the employer.” However, it was found all daily wages workers are not paid for the Public Holidays declared by the government.</i></p>	<p>Major NC# JMD-01</p>
<p><b>6.5.3</b> 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>Non-compliance found under this criteria are listed below:</p> <ol style="list-style-type: none"> <li>1. <b>Article 186 of the Labour Law stated “Managers of enterprises employing a minimum of one hundred women or girls shall set up, within their establishments or nearby, a nursing room and a crèche (day-care center)”. However, it was found there is no crèche available when the company employs more than 200 female workers and in total 135 children below six years old staying within the compound of the company.</b></li> <li>2. <b>Article 200 of the Labour Law stated “All regular plantation workers are entitled to a daily allocation of rice as indicated below for their wife and dependent minor children, legitimate or illegitimate, less than sixteen years old”. However, in paying lump sum amount of USD45/month food allowance to the workers, the workers dependents were not considered in the calculation.</b></li> </ol> <p>Observation found under this criteria: The rubbish from the linesite is collected once a week. However, it was found surrounding area of the linesite still require improvement especially with regards to management of grass. It was also found no fire extinguisher available on the linesite.</p>	<p>Minor NC# JMD-01</p> <p>OBS# JMD-03</p>
<p><b>6.5.4</b> Growers and millers shall make demonstrable efforts to monitor and where able, improve workers’ access to adequate, sufficient and affordable food.</p> <p>Minor Compliance</p>	<p>Site assessments and interviews verified that workers could easily obtain their daily sundry supplies from stalls and mini-markets operated by workers’ dependents in the housing sites or at the nearby villages. Some workers make weekly visit to the nearest town by own or private transport whenever necessary. Access to adequate, sufficient and affordable food is confirmed.</p>	<p>Complied</p>
<p><b>Criteria 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>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>6.6.1</b> A published statement in local languages recognising freedom of association shall be available.</p> <p>Major Compliance</p>	<p>The documented social policy that recognizes freedom of association in both English and Khmer languages as endorsed by the VP of Plantations in Apr 2012 is maintained.</p> <p>The organization acknowledges the freedom of association in the documented social policy which is displayed publicly at strategic locations of the Mill and Estate Offices.</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 36 of 73

<p><b>6.6.2</b> Minutes of meetings with main trade unions or workers representatives shall be documented.</p> <p><b>Minor Compliance</b></p>	<p>Interviews with staff and workers confirmed there are no trade unions. Collective communications are held through their worker representatives called the Employee Delegates and gender representatives. Minutes of meetings are maintained. Records show that the employee delegate is registered with the governing authorities and they request collectively for permission to do overtime 2 hours per day monthly. Request had been approved by the Ministry of Labor &amp; Vocational Training with latest application for overtime work from the ministry dated 31 May 2016 for period of 1-31 Jul 2016.</p>	<p>Complied</p>
<p><b>Criteria 6.7</b> Children are not employed or exploited.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>6.7.1</b> There shall be documentary evidence that minimum age requirements are met.</p> <p><b>Major Compliance</b></p>	<p><b>Article 181 of the Labour Law stated “No unemancipated child of either sex less than eighteen years old can contract to work without the consent of his guardian.” The company social policy also stated “Company shall only employ persons of age 18 years and above for employment”. However, it was found a few workers were hired before their 18th birthdays without clear consent of their guardians. Minimum age as stated in the Labour Law is 15 years old. Examples are given below;</b></p> <ol style="list-style-type: none"> <li>1. Dem Phup was born on 15 Nov 1998 hired on 2 Jan 2016, approximately 10 months before his 18<sup>th</sup> birthday. This worker was hired by harvesting contractor Nak Chot.</li> <li>2. Kong Seav Pav was born on on 5 Sep 1998 and employed on 15 Mar 2016, approximately 6 months before his 18<sup>th</sup> birthday. This worker was hired by the Estate D management.</li> </ol>	<p><b>Major NC#</b> <b>JMD-02</b></p>
<p><b>Criteria 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.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>6.8.1</b> A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.</p> <p><b>Major Compliance</b></p>	<p>The commitment to equal opportunities is evident in the publicly displayed Social Policy in the mill and estate offices. The policy clearly states its prohibition of any discrimination based on race, religion, gender, disability, sexual orientation, age or political affiliation.</p>	<p>Complied</p>
<p><b>6.8.2</b> Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against.</p> <p><b>Major Compliance</b></p>	<p>Based on interviews with both male and female workers as well as and verification with pay statements, it was confirmed the implementation of equal pay for same job or no discrimination practices between man and woman workers.</p>	<p>Complied</p>
<p><b>6.8.3</b> It shall be demonstrated that recruitment selection, hiring and promotion where relevant are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.</p> <p><b>Minor Compliance</b></p>	<p>There is a documented SOP for the recruitment and hiring of staff and workers. Depending on the nature of work positions, the PMU management takes into considerations the needs for technical qualifications/experience and related skills in recruitment selection, hiring and promotion exercises</p>	<p>Complied</p>
<p><b>Criteria 6.9</b> There is no harassment or abuse in the work place, and reproductive rights are protected.</p>		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 37 of 73

Indicators	Findings and Objective Evidence	Compliance
<p><b>6.9.1</b> A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.</p> <p><b>Major Compliance</b></p>	<p>The policy to prevent sexual harassment and all forms of harassment is clearly stated in the documented Social policy. The commitment to provide a work environment that is free from any sexual harassment and violence against any of the workforce is verified in interviews with female field workers and workers at the main office who confirmed that they feel happy and comfortable working there.</p> <p>Interviews with the HR &amp; Gender Committee staff and workers revealed briefing on harassment issue, general understanding of sexual harassment in the workplace and the mechanism to report an alleged sexual harassment or violence. Latest Gender Committee meeting and briefing was conducted on 9 Jun 2016 for female workers and specific briefing session was planned just for male workers in Sep 2016.</p>	Complied
<p><b>6.9.2</b> A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce.</p> <p><b>Major Compliance</b></p>	<p>The policy to protect the reproductive rights and rights to have a family of the workers especially women is evidently stated in the Social Policy.</p> <p>Interview with a female field conductors and their pay statements who was on maternity leave in 2015 verified that they were given the stated 90 days of 50% paid maternity leave and the fully paid food and gasoline allowance.</p>	Complied
<p><b>6.9.3</b> 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><b>Minor Compliance</b></p>	<p>A specific grievance mechanism is established and documented in SOP GA-019. Communication and understanding of employees is verified by interviews. The commitment to manage grievance among employees is evident in the records and photographs of "opening the complaint box" procedure.</p>	Complied
<p><b>Criteria 6.10</b> Growers and millers deal fairly and transparently with smallholders and other local businesses.</p>		
Indicators	Findings and Objective Evidence	Compliance
<p><b>6.10.1</b> Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p><b>Minor Compliance</b></p>	<p>It is verified that there are no purchases of FFB from any outgrowers or smallholders. Thus this is not applicable.</p>	Not applicable
<p><b>6.10.2</b> 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><b>Major Compliance</b></p>	<p>It is verified that there are no purchases of FFB from any out growers or smallholders. Thus this is not applicable.</p>	Not applicable
<p><b>6.10.3</b> Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p><b>Minor Compliance</b></p>	<p>Based on employee contracts and meeting minutes (between MRICOP managements and employees), it is evident that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>Interviews with parties concerned confirmed that business practices with local businesses are conducted in a fair and transparent manner. The contractors are monitored during work in progress to follow safety requirements.</p>	Complied



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 38 of 73

<p><b>6.10.4</b> Agreed payments shall be made in a timely manner.</p>	<p>Interviews with the contractors reported that payments are received in timely manner and they have not encountered any problems with payment so far.</p>	<p>Complied</p>
<p><b>Minor Compliance</b></p>		
<p><b>Criteria 6.11</b> Growers and millers contribute to local sustainable development where appropriate.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>6.11.1</b> Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.</p> <p><b>Minor Compliance</b></p>	<p>Contributions to local development are based on the results of consultation with local communities as documented in the updated SIA for 2016.</p> <p>The following are the social, local development and contributions in brief :</p> <ol style="list-style-type: none"> <li>1. Completion of drinking water filtration plant in Mill 2 to supply to the workers quarters.</li> <li>2. Supplying free drinking water to nearby villages due to draught in collaboration with an NGO, i.e. Wildlife Alliance.</li> <li>3. Women’s Day celebration on 7 Mar 2016 in collaboration with Prey Nop District Office.</li> <li>4. Free transport for children to and from schools located in villages nearby the PMU.</li> <li>5. Building 100 new houses for local people in the villages nearby.</li> <li>6. Repairing the damages on rural schools as well as building new teachers’ quarters.</li> <li>7. Monthly allowance of USD20/month to school teachers located in the villagers nearby to the PMU.</li> <li>8. Building extension of temple dining hall in Anlong Krapeu village.</li> <li>9. Resurfacing roads in the villages nearby as well as requesting the local authority to repair damaged bridge in Svai Village.</li> <li>10. Free medical assistance for villages with snake bite problem who attending the clinics in the estates.</li> <li>11. Security staff also ensure the safety of the villagers and the school children while using the estates roads.</li> </ol>	<p>Complied</p>
<p><b>6.11.2</b> Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity.</p> <p><b>Minor Compliance</b></p>	<p>It was verified that there were no smallholder scheme programs at the PMU.</p>	<p>Not applicable</p>
<p><b>Criteria 6.12</b> No forms of forced or trafficked labour are used.</p>		
<p><b>Indicators</b></p>	<p><b>Findings and Objective Evidence</b></p>	<p><b>Compliance</b></p>
<p><b>6.12.1</b> There shall be evidence that no forms of forced or trafficked labour are used.</p> <p><b>Major Compliance</b></p>	<p>The employment contracts maintained at the estate offices confirmed that all workers were recruited in accordance with the legal requirements of Cambodia (Cambodian Labour Law 1997). The workers are mainly from the neighbouring villages within the province of Sihanouk. Interviews with field workers confirmed that there were no forced or trafficked labour. Mill workers confirmed</p>	<p>Complied</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 39 of 73

	that they could opt not to do over-time work if so desired.	
<p><b>6.12.2</b> Where applicable, it shall be demonstrated that no contract substitution has occurred.</p> <p><b>Minor Compliance</b></p>	There was no evidence of contract substitution and this was confirmed from interviews with workers.	Complied
<p><b>6.12.3</b> Where temporary or foreign workers are employed, a special labour policy and procedures shall be established and implemented.</p> <p><b>Major Compliance</b></p>	There is no requirement for any special labour policy as no foreign workers are employed.	Not applicable
<p><b>Criteria 6.13</b>  Growers and millers respect human rights.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>6.13.1</b> 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).</p> <p><b>Major Compliance</b></p>	A documented policy stating human rights and ethical conduct and integrity has been developed and communicated to all employees based on presented action plan 2015.	Complied
<p><b>6.13.2</b> As long as children of plantation workers are not secured a right to go to government school, the plantation companies should engage in a process to secure the children of the plantation workers access to education as a moral obligation</p> <p><b>Minor Compliance</b></p>	There are no foreign workers and families in the estates and the mill. All local children are eligible to be enrolled in the local government schools. Interviews and records show that school-going children (6 years and above) of staff and workers are all enrolled in the 8 government schools which are nearest to their homes. An interview with a primary school head confirmed that all his students come from the estates and mills.	Complied

### **Principle 7: Responsible development of new plantings**

The last reported new plantings was during the previous assessment and verified to be in compliance. There are no new plantings thereafter and therefore the requirements of Principle 7 are not applicable during this assessment.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 40 of 73

### Principle 8: Commitment to continual improvement in key areas of activity

<b>Criteria 8.1</b>		
<p>Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p><b>8.1.1</b> 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);</li> <li>• Encourage optimising the yield of the supply base.</li> </ul> <p><b>Major Compliance</b></p>	<p>Continual Improvement Plans established, implemented and monitored for the Mills and Estates.            Continual improvements with environmental impacts include the following:</p> <ol style="list-style-type: none"> <li>1. Reduction in the amount of pesticides used (noted that sage of paraquat had been discontinued since Feb 2012).</li> <li>2. Increased in planted hectarage of beneficial plants including <i>Antigonon leptopus</i> at Estates C and D.</li> <li>3. Planting of legume cover crops (<i>Macuna bracteata</i>, <i>Pueraria javanica</i> and <i>Calapogonium mucunoides</i>) in the planted areas.</li> <li>4. Digging of new and larger water retention ponds at Estates C and D as part of flood mitigation and rainwater harvesting during 3-month rainy seasons and storing for use during the long dry seasons.</li> </ol> <p>Continual improvements with social impact include the following:</p> <ol style="list-style-type: none"> <li>1. Completion of drinking water filtration plant in Monorum POM to supply to the workers quarters.</li> <li>2. Supplying free drinking water to nearby villages due to draught in collaboration with an NGO, i.e. Wildlife Alliance.</li> <li>3. Women's Day Celebration on 07 Mar 2016 in collaboration with Prey Nop District Office.</li> <li>4. Free transport for children to and from schools located in villages nearby the PMU.</li> <li>5. Building 100 new houses for local people in the villages nearby.</li> <li>6. Repairing the damages on rural schools as well as building new teachers' quarters.</li> <li>7. Monthly allowance of USD20/month to school teachers located in the villagers nearby to the PMU.</li> <li>8. Building extension of temple dining hall in Anlong Krapeu village.</li> <li>9. Resurfacing roads in the villages nearby as well as requesting the local authority to repair damaged bridge in Svai Village.</li> <li>10. Free medical assistance for villages with snake bite problem who attending the clinics in the estates.</li> <li>11. Security staff also ensure the safety of the villagers and the school children while using the estates roads.</li> </ol>	<p>Complied</p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)** Page 41 of 73  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

### 3.1.1 Supply Chain Certification Standards Findings - on CPO Mill

The POM has established and maintained procedures for the book keeping and monitoring requirements for the FFB and CPO at the mill. This assessment verified the implementation of documented procedures, verification of processing and traceability of FFB into CPO and PK, and availability of records to demonstrate compliance against all the elements of the Identity Preserved (IP) Module in accordance with the RSPO SCCS (Nov 2014) requirements.

#### Module D – CPO Mills: Identity Preserved (IP).

Details of findings are as follows:

<b>D.1 Definition</b>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>D.1.1 A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from its own supply base certified to the RSPO Principles and Criteria (RSPO P&amp;C). 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. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. If a mill processes certified and uncertified FFB without physically separating the material then only Module E is applicable.</p>	<p>The two CPO mills under the MRICOP grouping, viz; Monorum POM (old mill) and Anlong Kropeu POM (new mill) verified to only process FFB from their common supply base, i.e. the 4 estates A, B, C and D (see <b>Section 1.3</b>).</p> <p>It was verified that there was no sources of FFB from any outgrowers or independent suppliers / smallholders.</p> <p>The two CPO Mills under the MRICOP grouping are therefore applying the Identity Preserved (IP) module.</p>	Complied
<b>D.2 Explanation</b>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
<p>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&amp;C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	<p>The figures provided represented the total volume of certified palm oil product (CPO and PK) that the certified mills are allowed to deliver in a year. The actual tonnage produced has been recorded in each subsequent annual surveillance report (see <b>Section 1.8.3 Tables 7A &amp; 7B</b>).</p>	Complied
<p>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 or book and claim).</p>	<p>The POMs verified to have met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).</p>	Complied
<b>D.3 Documented procedures</b>		
<p>D.3.1</p>	<p>Documented procedure for IP Module is SOP-CM-023 Rev No. 1 (05 Jan 2016).</p>	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 42 of 73

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:	The procedure covered the implementation of all elements of IP Module.	
a) Complete and up to date procedures covering the implementation of all the elements in these requirements	The documented procedure and its implementation confirmed to have complied with all the specified requirements of Identity Preserved (IP) Module D that include controlling the FFB receipt, processing, sales, CPO and PK dispatch, and records keeping.	Complied
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.	The respective Mill Managers, i.e. Mr. Vong Pharith (Monorum mill) and Mr Wittayakorn Boonporn (Anlong Kropeu mill) have the overall responsibility and authority for implementation and compliance with the documented procedure. Both Managers and their supporting staff under their charge demonstrated competence, skill and knowledge of the RSPO Supply Chain Certification Standard Module D requirements and its implementation. Interview of the Mill Managers and other relevant staff confirmed their knowledge of the RSPO Supply Chain Certification requirements for the respective areas of operations. The Organization Chart of both POMs and job responsibilities of employees have been suitably documented.	Complied
D.3.2 The facility shall have documented procedures for receiving and processing certified and non-certified FFBs.	For the period FY 2015/2016, the POMs received and processed FFB from the 4 estates only. The PMU did not receive any non-certified FFB from other sources or suppliers. All supplies of FFB were subjected to verification of documents and quality checks by weighbridge personnel.	Complied
<b>D.4 Purchasing and goods in</b>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
D.4.1 The facility shall verify and document the tonnages and sources of certified and non-certified FFBs received.	The Mills had respectively maintained records of tonnages and supply source of FFB from the respective estates at the weighbridge stations, in the delivery chits and weighbridge tickets on a daily basis. On a monthly basis these figures are reported to the MRT-TCC (JV) Head Office at Phnom Penh. It is verified that there were no non-certified FFBs.	Complied
D.4.2 The facility shall inform the CB immediately if there is a projected overproduction of certified tonnage.	Both mills monitor all FFB received, CPO and PK production. The site HQ and POMs has an internal monitoring and reporting mechanism for advising the CB of production variations such as projected overproduction situation, when such issue arises. So far, there is no projected overproduction.	Complied
<b>D.5 Record keeping</b>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
D.5.1 The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	The records and reports are available from the computerized system. Also, hard copies of records and reports are properly filed and readily accessible. Inspection of records and reports at the mills confirmed these were accurate, complete and updated daily. As per the SOP, the records and reports are archived and stored in the Mill Office for a minimum period of 5 years. The weighbridge tickets for delivery of CPO and PK indicated the products as certified IP Module for the Monorum POM	Complied

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 43 of 73

	and Anlong Kropeu POM. Transaction documents and bookkeeping of FFB, CPO and PK are done daily and monthly summary submitted to Head Office. A tonnage balance recording system that shows FFB deliveries, CPO and PK production and dispatch is balanced every 3 months.	
<b>D.6 Processing</b>		
<b>Indicators</b>	<b>Findings and Objective Evidence</b>	<b>Compliance</b>
D.6.1 The site shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept segregated from non-certified material including during transport and storage.	Confirmed from records that the mills only received and processed certified FFB from its own estates. The processing facilities have established and implemented a clear procedure and mechanism for the IP module. Review and on-site verification confirmed that the mechanism was implemented and in compliance with the module requirements at the both mills, including transport and storage.	Complied
D.6.2 The objective is for 100 % segregated material to be reached.	Documents and records provided documented evidence that the FFB receipt and processed, and CPO and PK produced are traceable to 100% certified material. The product type and supply chain module indicated as CSPO/IP and CSPK/IP on relevant documents. At the time of assessment, it is noted that there has been no contract for CSPK yet.	Complied

### 3.1.2 Status on Supply Chain on POM:

Based on the documents and records presented during the on-site verifications made, it is concluded that the **MRICOP Grouping Mills, viz; Monorum Mill and Anlong Kropeu Mill** have been able to comply with the requirements of the RSPO SCCS under the 'IP' module and are thus eligible for 'IP' trading for their palm products for year 2016/2017.

### 3.1.3 Monitoring of CSPO and CSPK traded:

The trading of the CSPO via RSPO eTrace was monitored by the MRICOP Grouping. The records maintained relied on internal communications of the trading done by the MRT-TCC HQ on the CSPO delivered to a European destination. The volumes of CSPO traded as verified during assessment are as follows:

	<b>CSPO - Actual Jul 2014-Jun 2015 (MT)</b>	<b>CSPK - Actual Jul 2014-Jun 2015 (MT)</b>	<b>CSPO - Actual Jul 2015 till current* (MT)</b>	<b>CSPK - Actual Jul 2015 till current* (MT)</b>
<b>RSPO IP</b>	5,583.59	0	4,104.31	0
<b>Book &amp; Claim (GreenPalm)</b>	0	0	0	0
<b>ISCC</b>	0	0	0	0
<b>Total Traded</b>	5,583.59	0	3,248.69	0
<b>Actual Produced</b>	14,543.08	3,008.10	18,610.43	3,920.30

- Data is as at 31 May 2016.

**Notes:**

- Based on records maintained at the POMs, it was verified that the total volume of CSPO traded has not exceeded the annual certified quantity.
- All PK are exported out without claim as 'CSPK' to overseas buyers.
- There has been no trade of any CSPO or CSPK via 'Book & Claim' (GreenPalm).

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 44 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

### 3.2 Status of Identified Noncompliance and Corrective Actions, Observations and Positive Elements.

The status of the Noncompliances (NCR) and Observations (OBS) identified against the RSPO P&C and Cambodian Local Indicators is as per the details below:

Assessment Type	Year	Noncompliance (NCR)	Observations (OBS)	Follow up status
Initial / Main Assessment	2012	4 Minor	5	Actions taken on the NCRs and OBS verified to be effective during ASA-01.
Annual Surveillance Assessment (ASA-01)	2013	2 Major & 2 Minor	0	Actions taken on the NCRs verified to be effective during ASA-02.
Annual Surveillance Assessment (ASA-02)	2014	1 Major & 0 Minor	6	Actions taken on the NCRs and OBS verified to be effective during ASA-03.
Annual Surveillance Assessment (ASA-03)	2015	2 Major & 2 Minor	1	Actions taken on the NCRs and OBS verified to be effective during ASA-03 except for the recurring minor non-conformance against Indicator 5.3.3.
Annual Surveillance Assessment (ASA-04)	2016	3 Major & 2 Minor	4	Next assessment (Re-certification)

#### 3.2.1 Year 2015: Surveillance Assessment ASA-03 (2 Major and 2 Minor NCRs)

NCR	CLI Indicator	Details of NCR
Major NC# CFK-01	4.7.2	<p>Date issued: 09/07/2015</p> <p><b>Nonconformance:</b>            In Field J20 and Field N20 on Estate C, the harvesters did not wear safety helmet although they had been provided with it.            On 7-7-2015, while travelling along the government road next to Estate B from Sihanouk Veil to Estate C office, it was noted that a group of harvesters were harvesting the tall palms with sickle, and they were not wearing safety helmet.            On 8-7-2015, in Field F6 and Field H4 on Estate A, where activities such as FFB harvesting, slashing of woody plants, and road side pruning of fronds were in progress, most of the workers were not wearing protective hand gloves.            Estate A Management did not provide safety helmet to visitors visiting the field where safety helmet would be needed e.g. tall palm harvesting area, as a safety precautionary measure.</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 45 of 73

		<p>Root Cause and Corrective Action:</p> <p>We accept that the practice of wearing safety helmets is a must especially during harvesting and pruning activities. Our Risk Assessment does indicate that there are hazards in these jobs and safety helmet is an important PPE that must be worn during work. Based on your finding and recommendation, we will ensure that all workers carrying out harvesting, pruning and manual slashing work are provided with safety helmets and protective hand gloves. The above has already been implemented.</p> <p>Although safety training has been carried out regularly for harvesters the awareness seems to be lacking and the management will ensure that this is addressed promptly through more training and supervision.</p> <p>The estate sub-committee on OSH and the main committee chaired by the General Manager has taken cognizance of the short coming and has implemented corrective measures. The estate management has taken immediate corrective action by conducting special training on the use and advantage of wearing PPE when performing the work at the field, essentially, wearing safety helmet and/or glove for harvesting, pruning and manual slashing by all concerned harvesters and workers at the Estates A, B and C respectively. The documented evidence that related training has been conducted at respective locations for the workers concerned is enclosed herewith.</p> <p>The management will also ensure that when the visitors who come to visit the workplace such as visit the activities inside the mills or plantation, will be provided with the safety helmet. This will be implemented immediately.</p>	
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the Corrective Actions taken were adequate and is supported by evidences such as records, photographs, briefings and training records, as submitted on 28 July 2015 is acceptable.</p>	
		NC status verified by auditor: Closed by AL	Date closed: 30/07/2015
		<p>Verification (for effectiveness):</p> <p>In ASA-04: Verified that the implementation of wearing proper PPE was effective as observed during field inspections at the audited estates.</p>	
		Effectiveness verified by auditor: Accepted by AL	Date verified: 17/06/2016

NCR	Indicator	Details of NCR
Major NC# SH-01	5.2.2	Date issued: 09/07/2015
		<p><b>Nonconformance:</b></p> <p><b>a) Buffer zones and markers at the following locations are not adequately mapped out and demarcated:</b></p> <p><b>i) Conservation area i.e. small Hill (Estate C)</b></p> <p><b>ii) Water Reservoirs (Estate C)</b></p> <p><b>iii) New Effluent ponds (Estate C)</b></p> <p><b>b) Signages sharing boundary near Community Forest areas are not sufficient constructed and clearly placed.</b></p>



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 46 of 73

		<p>Root Cause and Corrective Action:</p> <p>The points raised have been noted and immediate action has been taken to rectify the situation.</p> <p>The following corrective actions have been taken to address the issues raised:</p> <ul style="list-style-type: none"> <li>- The two small hills at the Estate C, that has been left unplanted, will be marked as conservation areas on the map; while on the ground, a big signage marked "conservation area" will be prominently placed to inform all stakeholders especially the public that the area is protected and the trees are not to be felled and no burning. In addition, distinct boundary markers painted with the standardized colors of red and white will be placed around the hills. The Management also plans to conduct awareness training to the plantation workers the majority of whom are coming from the surrounding villages on the meaning, concept and preservation of the conservation area and they in turn can spread the message to the village community.</li> </ul> <p>With regards to the water reservoirs and new effluent ponds at Estate C, as above the estate management will install signage "Conservation area" and shall place buffer markers painted with red and white paint around these sites.</p> <p>Proper signage and painted markers will be installed to clearly identify the boundary with the Community Forest area. In addition, the Management has agreed and informed the Head of the Community Forest that it will sponsor the signage for the Conservation Area and its erection at site</p> <p>The documented photographic evidence to indicate that the corrective actions have been taken is attached herewith.</p>	
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the Corrective Actions taken were adequate and is supported by evidences such as records, photographs, briefings and training records, as submitted on 28 July 2015 which is acceptable.</p>	
		NC status verified by auditor: Closed by AL	Date closed: 30/07/2015
		<p>Verification (for effectiveness):</p> <p>Verified during ASA-04 that the corrective action taken was implemented effectively.</p>	
		Effectiveness verified by auditor: Accepted by OCL	Date verified: 17/06/2016

NCR	Indicator	Details of NCR	
Minor NC# SH-01	5.3.3	Date issued: 09/07/2015	
		<p><b>Nonconformance:</b></p> <p><b>Landfills for domestic waste disposal are not adequately managed i.e. location is not proper with inadequate signages and littering at i) Estate A (Division A1) and ii) near Monorum Mill (Mill 1).</b></p>	
		<p>Root Cause and Corrective Action:</p> <p>The management of Estate A and Monorum Mill has taken immediate action on the improper location of existing landfills by relocating them to the proper location along with the placement of signage at site. Awareness training was conducted for respective workers on proper techniques of disposal for domestic waste. In addition a definite plan will be drawn up on future expansion of the land fill sites to replace the old ones that are progressively filled.</p> <p>Please find enclosed the documented evidence to indicate that the corrective action for this non conformance raised in the report has been addressed.</p>	
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the Corrective Actions taken were adequate and is supported by evidences such as records, photographs, briefings and training records, as submitted on 28 July 2015 is acceptable.</p>	
		NC status verified by auditor: Closed by AL	Date closed: 30/07/2015

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 47 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

		<p>Verification (for effectiveness):</p> <p><b>Verified during ASA-04 that there is a re-occurrence landfill problem at Estate C and so there is a lack in effectiveness of the corrective action.</b></p> <p><b>As a non-conformance had been raised against the same clause 5.3.3 in the previous assessment, this finding is now upgraded to Major NC as it is a recurring non-conformance.</b></p>
	Effectiveness verified by auditor: <b>Not accepted by OCL</b>	Date verified: 17/06/2016

NCR	Indicator	Details of NCR	
Minor NC# AL-01	5.6.3	Date issued: 09/07/2015	
		<b>Nonconformance:</b>	
		<b>Greenhouse gas (GHG) calculations using RSPO PalmGHG is not the latest version to be used i.e. version 2.1.1 and the data has not yet been submitted to RSPO for review and endorsement by RSPO prior to the audit.</b>	
		Root Cause and Corrective Action:	
		The new version of the RSPO Palm GHG Calculator Ver 2.1.1 has been downloaded. Based on data collated from the 3 estates and the palm oil mill for Year 2014 the GHG emission value for MRICOP mill has been worked out. The Report will be sent to the RSPO secretariat for endorsement and a copy to the CB enclosed herewith as evidence.	
		Verification for Closure:	
		Off-site verification was carried out. Verified that the Corrective Actions taken were adequate and is supported by evidence of submission and the response made from the RSPO Secretariat on 28 July 2015.	
	NC status verified by auditor: Closed by AL	Date closed: 30/07/2015	
	Verification (for effectiveness):		
	Verified during ASA-04 that the corrective action taken was implemented effectively.		
	Effectiveness verified by auditor: Accepted by OCL	Date verified: 17/06/2016	

### 3.2.2 Year 2016: Surveillance Assessment ASA-04 (3 Major and 2 Minor NCRs)

NCR	Indicator	Details of NCR	
Major NC# OCL-01	5.3.3	Date issued: 17/06/2016	
		<b>Nonconformance:</b>	
		<b>The landfill at Estate C (also used by Estate D) was found to be poorly managed. The landfill is waterlogged and domestic wastes were not completely placed inside the pit.</b>	
		<b>NOTE: As a non-conformance had been raised against the same clause 5.3.3 in the previous assessment, this finding is now upgraded to Major NC as it is a recurring non-conformance.</b>	



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 48 of 73

		<p>Root Cause and Corrective Action:</p> <p>With regarding to the point raised above, unintentionally we have thought that we were in the proper way to manage the landfill and domestic wastes by making a landfill size a bit bigger and located at the existing place because the landfill would serve the domestic wastes from the staff accommodation, the estates C &amp;D and the Anlong Kropeu POM. Anyway, to rectify the poor managed of the existing landfill at the Estate C, the management has taken immediate corrective actions as below:</p> <ul style="list-style-type: none"> <li>• Covering the existing landfill and then finding the proper place by digging a new one where is at a bit higher land to avoid waterlogged.</li> <li>• Fencing around the pit and placing the signage.</li> <li>• Providing two garbage bins – one for domestic waste (e.g, wet waste from the kitchen) and another one for the plastic bottles and metal cans.</li> <li>• Conducting awareness training on separating wastes to staff and workers who stay at the company accommodation.</li> <li>• Estate manager will be responsible for assigning one driver with one waste collector for taking wastes to dump at the pit regularly.</li> <li>• Each leader of each accommodation building assigned shall be responsible for putting empty fertilizer bags in the garbage bins instead of putting garbage directly into the bin.</li> </ul> <p>The documented evidence is enclosed herewith.</p>		
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the corrective actions stated above as evidenced by submitted photos are acceptable.</p> <p>The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 30%;">Date closed: 18/07/2016</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016			
		<p>Verification (for effectiveness): At next assessment (Re-certification).</p>		

NCR	Indicator	Details of NCR
Major NC# JMD-01	6.5.2	Date issued: 17/06/2016
		<p><b>Nonconformance:</b></p> <p><b>Article 163 of the Labour Law stated “Workers paid by the hour, the day, or by the amount produced shall be entitled to an indemnity equal to the wage lost as a result of holidays as defined in Article 161. This indemnity shall be paid by the employer”. However, it was found all daily wages workers are not paid for the Public Holidays declared by the government.</b></p>
		<p>Root Cause and Corrective Action:</p> <p>The wage lost as result of the public holidays stated in the labour law, the Government will annually announce the list of public holidays, which is equal to not more than 28 days/year, and that the company shall compensate the wage for worker on these days at the company current practical wage rate 16,000 riels (4.05 USD) per day per worker.</p> <p>As per the above condition, the worker shall be entitled to an indemnity equivalent to <b>113.40 USD per year</b> (28 days x 4.05 USD). However, the company has been implementing another way around by providing the incentive scheme for every 10 holiday itself. Consequently, each worker shall be entitled to get around <b>120 USD/year</b>. The decision of the implementation of this incentive scheme is to encourage them to come to work.</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 49 of 73

		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the corrective action for implementation of the wage compensation is acceptable.</p> <p>The corrective action satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 30%;">Date closed: 18/07/2016</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
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		Verification (for effectiveness): At next assessment (Re-certification).		

NCR	Indicator	Details of NCR		
Major NC# JMD-02	6.7.1	Date issued: 17/06/2016		
		<p><b>Nonconformance:</b></p> <p><b>Article 181 of the Labour Law stated “No unemancipated child of either sex less than eighteen years old can contract to work without the consent of his guardian”. The company social policy also stated “Company shall only employ persons of age 18 years and above for employment”. However, it was found a few workers with their age a few months before their 18<sup>th</sup> birthday were without the clear consent of their guardian. (Note: Minimum age for employment is 15 years old as stated in the Labour Law).</b></p>		
		<p>Root Cause and Corrective Action:</p> <p>We have accepted that the staff who are responsible for verifying and confirming the employment applicant’s fully age mature has failed compliance as raised in this NCR because they may mainly focus on the year of birth, but not the day and month of birth. However, those workers who were found under age a few months before their 18<sup>th</sup> birthday now are more than 18 years old.</p> <p>With this regard, the management is strongly committed that there will not be any new employment under age of 18 years old, unless we have obtained the consent of his/her guardian for those whose age fully 15 years old up at the day he/she is applying for the employment, but less than 18 years old. This is to ensure that we are in line with the Labour Law of the Kingdom of Cambodia.</p>		
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the corrective actions taken for the communication of the legal requirement and briefing/training are acceptable.</p> <p>The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 30%;">Date closed: 18/07/2016</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
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Verification (for effectiveness): At next assessment (Re-certification).				

NCR	Indicator	Details of NCR
Minor NC# OCL-01	5.2.4	Date issued: 17/06/2016
		<p><b>Nonconformance:</b></p> <p><b>For both Estate B and Estate D, there was no record of the sighting of RTE species or wildlife, if any, from the regular patrols within the estates.</b></p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 50 of 73

		<p>Root Cause and Corrective Action:</p> <p>We have accepted that besides leaving aside some identified conservation zone and/or high conservation value areas within the plantation and conducting the regular awareness training on these conservation areas to staff, workers and local community, we have not establish a formal report form for monitoring the status of RTE species or wildlife within the oil palm estates. However, in order to correct this missed monitoring task, the management is taking immediate actions as following:</p> <ul style="list-style-type: none"> <li>• The QC/RSPO Department is assigned to make a monitoring report form called "Wildlife Patrolling Report Form" and then distribute to all department heads and relevant staff for their comment before this form is officially promulgated.</li> <li>• The "Wildlife Patrolling Report Form" shall be handed to the estate mangers, division heads, conductors and other relevant staff for recording the presence of RTE species or wildlife (if any) during their day-to day operational task within the oil palm estate respectively.</li> <li>• Each estate and relevant department shall make a separated document file namely "Wildlife Patrolling Report" for keeping such monitoring records.</li> <li>• In addition to the above, the QC/RSPO Department shall make a monthly-based monitoring schedule for overall evaluating the buffer zone, conservation zone and/or HCV area set aside within the oil palm plantation; and also it shall be collaborative with the estate management and relevant department to make sure that the patrolling task is implemented and done in a proper and acceptable way.</li> </ul>		
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <p>Verified that the corrective actions stated above as evidenced by a completed "Wildlife Patrolling Report Form" of a sighting of two red-wattled lapwings and photos are acceptable. The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="width: 30%;">Date closed: 18/07/2016</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
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NCR	Indicator	Details of NCR
Minor NC# JMD-01	6.5.3	Date issued: 17/06/2016
		<p><b>Nonconformance:</b></p> <ol style="list-style-type: none"> <li>1. <b>Article 186 of the Labour Law stated "Managers of enterprises employing a minimum of one hundred women or girls shall set up, within their establishments or nearby, a nursing room and a crèche (day-care center)". However, it was found there is no crèche available when the company employs more than 200 female workers and in total 135 children below six years old staying within the compound of the company.</b></li> <li>2. <b>Article 200 of the Labour Law stated "All regular plantation workers are entitled to a daily allocation of rice as indicated below for their wife and dependent minor children, legitimate or illegitimate, less than sixteen years old". However, in paying a lump sum amount of USD45/month food allowance to the workers, this payment may or may not be sufficient as details of the workers' dependents were not available to be used for the purpose of the calculation.</b></li> </ol>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 51 of 73

		<p>Root Cause and Corrective Action:</p> <ol style="list-style-type: none"> <li>1. The management have determined and drawn up the action plan for establishing the day-care center in year 2016 for estate C, D and Anlong Kropeu mill. However, we will establish another one location for the day-care center to serve Estate A, B and Monorum mill in the coming year.</li> <li>2. For the provision of food allowance 45 USD/month, we would like to explain in detail by taking the actual example of calculation and rice price in local as following:             <ul style="list-style-type: none"> <li>- Below is the maximum number of children that staff is working for the company:                 <ul style="list-style-type: none"> <li>Mr. Ork Sam Oeun has 1 wife and 4 children as below this the detail of rice:                     <ol style="list-style-type: none"> <li>1. Mr. Sam Oeun got rice = 900 g or 0.9 kg/day</li> <li>2. Mr. sam Oeun's wife got rice = 800 g or 0.8 kg/day</li> <li>3. 1<sup>st</sup> child with 8 years old got rice = 600 g or 0.6 kg/day</li> <li>4. 2<sup>nd</sup> child with 6 years old got rice = 600 g or 0.6 kg/day</li> <li>5. 3<sup>rd</sup> child with 4 years old got rice = 400 g or 0.4 kg/day</li> <li>6. 4<sup>th</sup> child with 2 years old got rice = 200 g or 0.2 kg/day</li> </ol> </li> </ul> </li> </ul> </li> <p style="margin-left: 20px;">Total rice per day = 3,500g or 3.50 kg/day              For 1 month 3.50 kg x 26 days = 91 kg/month              The local proce of rice 1 kg = 1,600 Riels or 0.40 USD/kg (Price from Rice Plantation of MRT Group)              So that actual rice pay should be <b><u>91 x 0.40 = 36.40 USD/month</u></b></p> <p>For other one staff that has got 5 children but we found that some of his children are more than 16 years old.              Example: Mr. Hong Ngy, Mill Security. The 1<sup>st</sup> child is 21 years old, 2<sup>nd</sup> child is 19 years old and 3<sup>rd</sup> child is 17 years old already.              So that the food allowance equivalent to 45 USD/month shall be sufficient for all entitled staff.</p> </ol>		
		<p>Verification for Closure:</p> <p>Off-site verification was carried out.</p> <ol style="list-style-type: none"> <li>1. Verified that the corrective action for establishment of the day-care centers as evidenced by submitted action plan with timeline and cost estimates is acceptable.</li> <li>2. Verified that the corrective action for confirming that the food allowance of 45 USD/month is more than sufficient to meet the legal requirement for rice allocation.</li> </ol> <p>The corrective actions satisfactorily addressed the non-conformance.</p>		
		<table style="width: 100%; border: none;"> <tr> <td style="border: none; width: 70%;">NC status verified by auditor: Closed by OCL</td> <td style="border: none; width: 30%;">Date closed: 18/07/2016</td> </tr> </table>	NC status verified by auditor: Closed by OCL	Date closed: 18/07/2016
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### 3.2.3 Year 2015: Surveillance Assessment ASA-03 (1 Observation)

Ref No:	Cambodian Local Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Follow up remarks (if any)
OBS# CFK-01	4.7.5 (First Aid Kits)	Palm Oil Mill and Estate A & C	First Aid Kits were available at the Mills and estates. It is noted that several items were used but regular checking not recorded. Also there was no list of items for checking and topping up of the medicines in the kits.	9 Jul 2015	17 Jun 2016	Issues were adequately addressed and implemented.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Annual Surveillance Assessment (ASA-04) cum Extension of Scope Page 52 of 73

### 3.2.4 Year 2016: Surveillance Assessment ASA-04 (4 Observations)

Ref No:	Cambodian Local Indicator	Location	Details of Observation	Status		
				Opened date	Closed date	Follow up remarks (if any)
<b>OBS# AL-01</b>	<b>4.5.1</b>	Estate D.	<p><b>IPM - Beneficial plants</b></p> <p>The annual plan for the planting of the 3 types of beneficial plants in the respective ratio is available at both estates B and D.</p> <p>However, at Estate D, the <i>Antigonon leptopus</i> cultivation has not been adequately implemented.</p>	17 Jun 2016	-	At next assessment
<b>OBS# JMD-01</b>	<b>6.1.3</b>	Mills and Estate B and Estate D	Mitigation plan for 2016 is available for the whole PMU. However, comments from stakeholders in the 2016 consultation session were not included.	17 Jun 2016	-	At next assessment
<b>OBS# JMD-02</b>	<b>6.2.3</b>	Mills and Estate B and Estate D	List of stakeholders for the whole PMU is available. However, some of main stakeholder were not listed, e.g. contractors, CPO transporters, etc.	17 Jun 2016	-	At next assessment
<b>OBS# JMD-03</b>	<b>6.5.3</b>	Estate B and Estate D	The rubbish from the linesite is collected once a week. However, it was found surrounding area of the linesite still require improvement especially with regards to management of grass. It was also found no fire extinguisher available on the linesite.	17 Jun 2016	-	At next assessment

### 3.2.5 Identified Positive Elements

1. Strong commitment by the management and staff in sustainability improvements.
2. Provided infrastructure (roads, clinics, schools and worship temples) and contributions for social and community support.
3. Provided employment opportunities for the local community and nearby villagers.

### 3.3 Summary of Feedback Received from Stakeholders and Findings

Prior to and during the Assessment, written and verbal feedback communicated from the stakeholders on the environmental and social performance of the PMU operations were sourced. All pertinent feedback issues were reviewed and followed up for verification and these had been accordingly incorporated into the report findings. See table below:

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 53 of 73

### 3.3.1 Feedback Raised by Stakeholders (Surveillance Assessment ASA-03 – Year 2015)

Communication done via email on 03 Jun 2015 to various categories of stakeholders (see list under para 2.5):

Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
<b>Government Agencies:</b> No feedback received.	No response needed	Verified no response needed	Nil
<b>Non-Governmental Organizations:</b> No feedback received.	No response needed	Verified no response needed	Nil
<b>Local Communities:</b> During the assessment from 06-09 Jul 2015, on-site interviews and stakeholders consultations with internal stakedolders such as staff and workers and external stakeholders including villagers, village heads, contractors, school teachers, military and police personnels was conducted.  Positive comments include: <ul style="list-style-type: none"> <li>• Landfilling at the foundation site for the building of the Veal Meas Pagoda</li> <li>• Provide ambulance transport to needy villagers</li> <li>• Maintenance of village roads on request</li> <li>• Maintenance of school classes and compound on request.</li> <li>• Allow cattle farmers free access into the estates for cattle grazing.</li> <li>• Stakeholders generally confirm that the PMU provide work opportunities to villagers thereby lifting some of them out of unemployment and poverty.</li> </ul>	The PMU will continue to contribute to the development of the villages and local communities and provide assistance to the needy whenever possible.	To be followed up during the next Annual Surveillance Assessment.	The PMU have taken appropriate actions on the feedback from stakeholders to made contributions and improve the facilities identified.
<b>Other Interested parties:</b> Nil	Nil	Nil	Nil

### 3.3.2 Feedback Raised by Stakeholders (Surveillance Assessment ASA-04 – Year 2016)

Communication done via email on 10 May 2016 to various categories of stakeholders (see list under para 2.5):

Stakeholders' Feedback	PMU Response	CB verification / comments	Follow up comments (if any)
<b>Government Agencies:</b> No feedback received.	Ongoing consultations will be maintained. No response needed.	Verified during on-site assessment that no response needed.	Nil
<b>Non-Governmental Organizations:</b>			




## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 54 of 73

<p>Feedback via email dated 23 May 2016 from Wildlife Alliance, Cambodia. This NGO shared their findings of an initial visit to the PMU on 10 Oct 2013 and a follow up visit on 29 Apr 2016 to see the improvements. Details of the findings are in the attached document below:</p> <div style="text-align: center;">  <p>Feedback-Wildlife Alliance 23.05.2016.pc</p> </div>	<p>The feedback stated that the PMU understood the importance of its social and environmental responsibility concerning the following:          (a) delineation of a protected forest zone around the Bokor forest.          (b) building of 75 reservoirs for water supply.          (c) electricity supply.          (d) jobs, housing, food and education.</p>	<p>Verified during on-site assessment that the PMU had implemented measures to conserve natural resources and provide benefits to the local communities.</p>	<p>No further action required.</p>
<p><b>Local Communities - Stakeholders' Consultation:</b>          At MRICOP PMU, a total of 15 stakeholders were interviewed with 6 stakeholders present at the Stakeholders Consultation. These 15 stakeholders include government, agencies, suppliers, transporters, contractors, villager leaders, school teachers, workers representatives and women leaders.          They were interviewed by the auditors without the presence of any of the PMU staff.</p> <p>There are no negative comments from the stakeholders.</p>	<p>Ongoing consultations will be maintained.          No response needed.</p>	<p>No response needed.</p>	<p>Nil</p>
<p>Interviews of sampled staff and workers were also conducted by the auditors during field visits from 13 to 17 Jun 2016 at the PMU:</p> <p>No issues raised by the sampled staff and workers interviewed.</p>	<p>No response needed.</p>	<p>No response needed.</p>	<p>Nil</p>
<p><b>Other Interested parties:</b>          No feedback received.</p>	<p>No response needed.</p>	<p>No response needed.</p>	<p>Nil</p>

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 55 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

### 4.0 ASSESSMENT CONCLUSION AND RECOMMENDATION

Based on the findings above, Mong Reththy Investment Cambodia Oil Palm Co. Ltd., MRICOP had been able to demonstrate its compliance with the RSPO Principles and Criteria (Apr 2013), Cambodian Local Indicators (2014) and the RSPO Supply Chain Certification Standard (Nov 2014) for Palm Oil Mill.

Therefore, it is recommended that the certification of Mong Reththy Investment Cambodia Oil Palm Co. Ltd., MRICOP be approved and continued.

Signed for and on behalf of  
Intertek Certification International Sdn Bhd



Dr. Ooi Cheng Lee  
Lead Assessor

Date: 26 Jul 2016

### 4.1 Acknowledgement of Internal Responsibility and Confirmation of Assessment Findings

This is to acknowledge and confirm the assessment visits described in this report and the acceptance of the contents and findings in this assessment report.

Signed for and on behalf of  
Mong Reththy Investment Cambodia Oil Palm Co. Ltd (MRICOP)



Mr. Sumate Pratumswan  
MD – Agriculture/Oil Palm

Date: 26 Jul 2016

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)** Page 56 of 73  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

### 4.2 Intertek RSPO Certificate Details for MRICOP Grouping

Certificate No:	RSPO 928088
Issue date:	15 Aug 2012
Expiry date:	14 Aug 2017
New Certificate date:	15 Aug 2016
Organization	Mong Reththy Investment Cambodia Oil Palm Co. Ltd (MRICOP)
Address of Head Office:	#52, St. 598 Sangkat Boeung Kak II, Khan Toul Kork, Phnom Penh, Cambodia.
RSPO Membership No:	1-0109-11-000-00
Plantation Management Unit:	MRICOP Grouping
Standards:	RSPO Principles and Criteria (Apr 2013); Cambodian Local Indicators (2014); RSPO Supply Chain Certification Standards (Nov 2014) for the Palm Oil Mill.
Certification scope:	Production of Crude Palm Oil and Palm Kernels
Supply Chain model for CPO & PK:	Identity Preserved (IP)

Details of Mills and Supply bases covered by this certificate and the tonnage approved are:

Name	Address	GPS Reference		Certified (Titled) Area (ha)
		Latitude	Longitude	
Monorum Palm Oil Mill Capacity: 30 MT/hour	Mong Reththy Investment Cambodia Oil Palm Co. Ltd., National Road 4, Monorum, Choeung Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10° 57' 34.9" N	103° 54' 28.2" E	<b>24,843.42</b>
Anlong Kropeu Palm Oil Mill Capacity: 45 MT/hour	MRT-TCC Sugar Investment Co. Ltd., National Road 4, Anlong Kropeu, Choeung Kor, Prey Nop, Preah Sihanouk Province, Cambodia.	10°49' 04.2" N	103°48' 33.1" E	
Estate A (Tapoa)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 49' 04.2" N	103° 48' 33.1" E	
Estate B (Svay)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 52' 15.5" N	103° 51' 05.3" E	
Estate C (Anlong Kropeu)	National Road 4, Sangkat Cheung Kor, Khan Prey Nop, Preah Sihanouk Province, Kingdom of Cambodia.	10° 57' 34.9" N	103° 54' 28.2" E	
Estate D (Kirivon)	National Road 4, Kirivon, Stoeng Chhay, Prey Nop, Preah Sihanouk Province, Cambodia.	11° 00' 12.1"N	103° 49' 28.4"E	

**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)** Page 57 of 73  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

The annual certified tonnages produced at the PMU are detailed as follows:

<b>Monorum POM</b>	<b>Annual Tonnages (MT)</b>
Certified FFB	61,735
Certified CPO	12,038
Certified PK	2,469
Supply chain module	Identity Preserved (IP)

<b>Anlong Kropeu POM</b>	<b>Annual Tonnages (MT)</b>
Certified FFB	92,603
Certified CPO	18,058
Certified PK	3,704
Supply chain module	Identity Preserved (IP)

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 58 of 73

### Appendix A:

#### Qualifications of Lead Assessor and Assessment Team

##### **Dr. Ooi Cheng Lee (OCL) - Lead Assessor / Team Leader / Technical Expert**

(Palm Oil Mill, Environment, OHSAS, Social, HCV, Land Use and Supply Chain)

- PhD in Welding, Cranfield University, UK
- M.Sc. (Engineering) in Metallurgy, University of Birmingham, UK
- B.App.Sc (Hons), Science University of Malaysia
- Diploma in Translation for Science and Technology, Malaysia Translation Society

Dr. Ooi Cheng Lee is an IRCA Lead Auditor and Lead Tutor for ISO 9001. He is also involved in auditing in other integrated management systems. He has successfully completed the RSPO Lead Assessor Course for Principles and Criteria (RSPO P&C) and the RSPO Supply Chain Certifications (RSPO SCC). He is currently involved in the management of all types of system and process/product certification in Intertek. He has more than 32 years work experience in product and process specifications, research & development, inspection and testing, quality assurance, engineering development, training, product certification, auditing and quality management system certification. He has conducted assessments of organizations in Malaysia, Singapore, Indonesia, Vietnam, Philippines, China, Myanmar, Cambodia and other regional countries. Assessments include those of rubber and oil palm plantations in Malaysia and Indonesia. His previous position as the General Manager of Lloyd's Register Quality Assurance (LRQA) Malaysia include the management of all types of systems certification, including that of environmental (ISO 14001), safety & health (OHSAS 18001) and Clean Development Mechanisms (CDM). He is currently the General Manager in Intertek Certification International Sdn. Bhd. He is a member of the Internal Review Panel for RSPO Assessment reports since May 2011. He is part of the RSPO CB Assessment team which audited RSPO certified Plantation Management Units since 2012.

##### **Mr. Augustine Loh (AL) - Lead Assessor / Technical Expert**

(Palm Oil Mill, Environment, Social, Conservation & HCV area, GAP, IPM, Land Use and Supply Chain)

– Master in Business Administration, USA and Diploma in Maritime Studies, Singapore

Mr. Augustine Loh is an IRCA Third Party Assessment (TPA) Lead Auditor and IRCA Lead Tutor for IRCA ISO 9001 and OHSAS 18001 Lead Auditor Courses as well as Tutor for RSPO Certification Programs and Integrated Management System in Intertek, Malaysia. He has over 25 years of fieldwork and experience in Palm based product survey, supply chain monitoring, inspection and testing. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001, ISO 14001, OHSAS 18001, ISO 22001, ISO 27001, RSPO Principles and Criteria Lead Assessor Course, RSPO Supply Chain Certification and the International Sustainable Carbon Certification (ISCC) Lead Auditor courses. He has also completed the RSPO training on RSPO P&C, RSPO Palm GHG tool and RSPO RED requirements. He has conducted assessments of organizations in Malaysia, Singapore, Indonesia, Brunei, Thailand, Cambodia and Australia. He is currently the RSPO Regional Program Manager of Intertek Certification International, Malaysia and has performed over 800 auditing days on quality, environmental and safety & health assessments in various sectors including oil palm plantations. He was the RSPO CB Assessment Team Leader / Member which audited several RSPO certified Plantation Management Units since 2009. He was the CB Team Leader in the stakeholder consultation and development of the RSPO Cambodian Local Indicators. He is a member of the CB Internal Review Panel for RSPO Assessment reports since 2010.

##### **Mr. Jumat Majid – Assessor / Technical Expert**

(Social Responsibility and Workers Welfare)

– BSc (Social Science)

Mr Jumat Majid (JM) has over 13 years work experience in the agriculture sector. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001:2008 and RSPO P&C MY-NI Lead Assessor course. He has also successfully completed training programs in Organic Agriculture Development and had performed organic agriculture inspections and assessments for more than 6 years. He has been involved in NGO work in the areas of social impact assessments within the South East Asia region. He is part of the RSPO CB Assessment team which audited RSPO certified Plantation Management Units since 2010.

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)** Page 59 of 73  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

### **Mr. Reaksa Rous (RR) – Local Expert**

(Local Expert cum Interpreter)

– Master in Political Science & International Relations, Diploma in Criminology & Crime Administration, BBA in Management

Mr. Reaksa Rous had held several work positions since 1991 till to date as a Teacher, Lecturer, Trainer, Interpreter and Consultant. He has over 10 years experience and knowledge of Cambodian laws and regulations including Agriculture, Social and Environmental related laws. His experiences include specialization in Khmer Literature, Drug Enforcement Law, Nature Crime Investigation on Wildlife and Labor Migration Policies and Management. He was a CB Local Technical Expert cum Interpreter in the stakeholder consultation and development of the RSPO Cambodian Local Indicators in 2012.



## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

Page 60 of 73

### Appendix B:

#### Assessment Plan (Actual)

Date	Time	Assessors and Assessment Activity			
		Assessment Team			
13 Jun 2016 Monday  (Day 1)	8.00 am – 11.00 am	Travel to Phnom Penh			
	11.00 am - 1.00 pm	Travel from Phnom Penh to Anlong Kropeu POM			
	1.00 pm - 2.00 pm	Lunch Break			
	2.00 pm – 2.30 pm	<b>Opening Meeting and Briefing at POM Office (to be attended by representatives from the Estates as well)</b>			
	2.30 pm – 5.00 pm	Document Review and Assessment by all Assessors on respective RSPO P&C:1 to 8 at POM			
		<b>OCL</b>	<b>AL</b>	<b>JMD</b>	<b>RR</b>
		<b>Site assessment at Anlong Kropeu Mill</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• P5 Environmental, Conservation &amp; HCV</li> <li>• SCC for POM</li> </ul>	<b>Site assessment at Anlong Kropeu Mill</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P4 Best Practices at Mill</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Anlong Kropeu Mill</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Anlong Kropeu Mill</b> <ul style="list-style-type: none"> <li>• Assisting Auditors</li> <li>• P2 Laws &amp; regulations</li> <li>• P4 - P8</li> </ul>
		<ul style="list-style-type: none"> <li>• Verification of effectiveness of corrective actions for non-conformances</li> <li>• Review of Time Bound Plan</li> <li>• Verification for compliance with rules on partial certification</li> </ul>			
	5.00 pm – 6.00 pm	Travel to Hotel & Break			
6.00 pm – 7.00 pm	Team Meeting and Discussion				

Date	Time	Assessors and Assessment Activity			
		OCL	AL	JMD	RR
14 Jun 2016 Tuesday  (Day 2)	8.30 am – 12.30pm	<b>Site assessment at Estate D</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• P5 Environmental, Conservation &amp; HCV</li> </ul>	<b>Site assessment at Estate D</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P4 Best Practices at Estate</li> <li>• P7 New Plantings</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Estate D</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Estate D</b> <ul style="list-style-type: none"> <li>• Assisting Auditors</li> <li>• P2 Laws &amp; regulations</li> <li>• P4 - P8</li> </ul>
	12.30 pm – 1.30 pm	Lunch Break			

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 61 of 73

	1.30 pm - 5.00 pm	<b>Continue site assessment at Estate D</b>
	5.00 pm – 6.00 pm	Travel to Hotel & Break
	6.00 pm – 7.00 pm	Team Meeting and Discussion

Date	Time	Assessors and Assessment Activity			
15 Jun 2016 Wednesday  (Day 3)	8.30 am – 12.30pm	<b>OCL</b>	<b>AL</b>	<b>JMD</b>	<b>RR</b>
		<b>Site assessment at Estate B</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• P5 Environmental, Conservation &amp; HCV</li> </ul>	<b>Site assessment at Estate B</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P4 Best Practices at Estate</li> <li>• P7 New Plantings</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Estate B</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Estate B</b> <ul style="list-style-type: none"> <li>• Assisting Auditors</li> <li>• P2 Laws &amp; regulations</li> <li>• P4 - P8</li> </ul>
	12.30 pm – 1.30 pm	Lunch Break			
	1.30 pm - 5.00 pm	<b>Site assessment at Monorum Mill</b> <ul style="list-style-type: none"> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• P5 Environmental, Conservation &amp; HCV</li> <li>• SCC for POM</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Site assessment at Monorum Mill</b></li> <li>• P2 Laws &amp; regulations</li> <li>• P4 Best Practices at Mill</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Monorum Mill</b> <ul style="list-style-type: none"> <li>• P2 Laws &amp; regulations</li> <li>• P6 Employees, Individuals &amp; Communities incl. Gender Issues</li> <li>• P8 Continual Improvement</li> </ul>	<b>Site assessment at Monorum Mill</b> <ul style="list-style-type: none"> <li>• Assisting Auditors</li> <li>• P2 Laws &amp; regulations</li> <li>• P4 - P8</li> </ul>
	5.00 pm – 6.00 pm	Travel to Hotel & Break			
	6.00 pm – 7.00 pm	Team Meeting and Discussion			

Date	Time	Assessors and Assessment Activity			
16 Jun 2016 Thursday  (Day 4)	8.30 am – 11.00 am	<b>OCL</b>	<b>AL</b>	<b>JMD</b>	<b>RR</b>
		<ul style="list-style-type: none"> <li>• <b>Site assessment at Anlong Kropeu Mill</b></li> <li>• P1 Transparency</li> <li>• P2 Laws &amp; regulations</li> <li>• P3 Economic &amp; Financial Viability</li> <li>• P5 Environmental, Conservation &amp; HCV</li> <li>• SCC for POM</li> </ul>	<b>Stakeholders' Consultation on the following categories (see Notes 1 and 2 below):</b> <ul style="list-style-type: none"> <li>• <b>Contractors</b></li> <li>• <b>Suppliers</b></li> <li>• <b>Transporters</b></li> <li>• <b>NGOs</b></li> <li>• <b>Government Department / Agencies</b></li> <li>• <b>Local Community</b></li> </ul> Notes 1. It is mandatory for the PMU to inform Intertek and provide the information (as a minimum the no. of stakeholders in each applicable category and contact number) on the stakeholders prior to the assessment. 2. This will facilitate the random and impartial selection of stakeholders (including independent and organized smallholders,		

## INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**      Page 62 of 73  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

			where applicable) and to meet the sample size requirement
	11.00 am – 12.30 pm		Site assessment at POM or estates to follow up on any specific criteria/areas
	12.30 pm – 1.30 pm	Lunch Break	
	1.30 pm – 5.00 pm	<b>Continue site assessment at Anlong Kropeu Mill</b>	Site assessment at POM or estates to follow up on any specific criteria/areas
	5.00 pm – 6.00 pm	Travel to Hotel & Break	
	6.00 pm – 7.00 pm	Team Meeting and Discussion	

Date	Time	Assessors and Assessment Activity			
17 Jun 2016 Friday  (Day 5)	8.30 am – 10.00 am	<b>OCL</b>	<b>AL</b>	<b>JMD</b>	<b>RR</b>
		Site assessment at POM or estates to follow up on any specific criteria/areas			
	10.00 am – 11.00 am	Preparation for Closing Meeting			
	11.00 am – 11.30 am	Team Meeting and Discussions with POM Management Representative			
	11.30 am – 12.30 pm	<b>Closing Meeting &amp; Briefing at Palm Oil Mill Office</b>			
	12.30 pm – 1.30 pm	Lunch Break			
	1.30 pm – onwards	<b>Travel to Phnom Penh</b>			

Date	Time	Assessors and Assessment Activity		
18 Jun 2016 Saturday  (Day 6)	Morning	<b>OCL</b>	<b>AL</b>	<b>JMD</b>
		Flight back to Kuala Lumpur		

# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 63 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

## Appendix C-1:

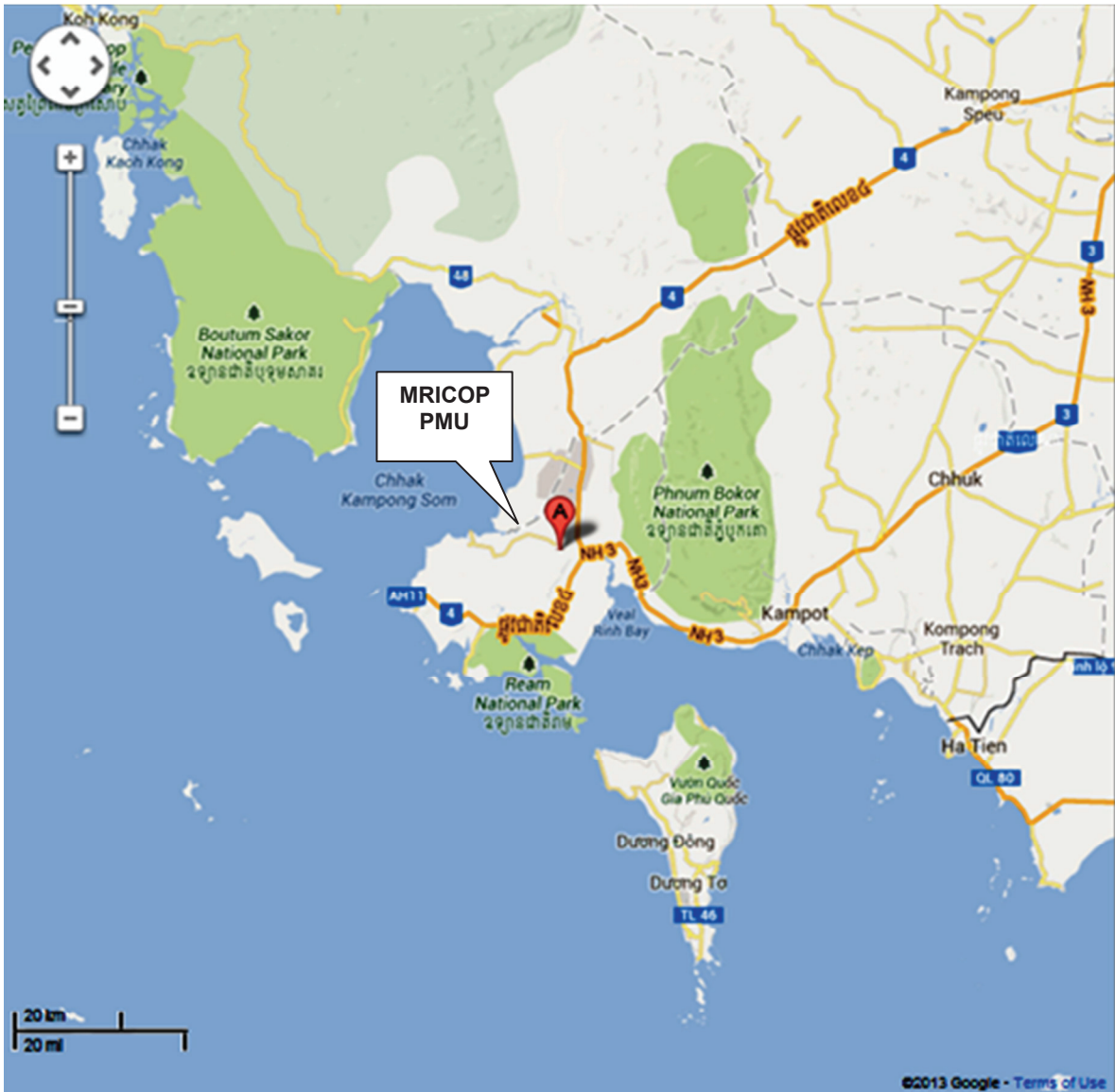
### Location Map of MRICOP, Cambodia (Map Scale 1:100km)



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Annual Surveillance Assessment (ASA-04) cum Extension of Scope Page 64 of 73

**Appendix C-1-2:**  
**Location Map of MRICOP Choeng Kor Commune, Prey Nop District,**  
**Sihanoukville, Cambodia (Map Scale 1: 20km)**

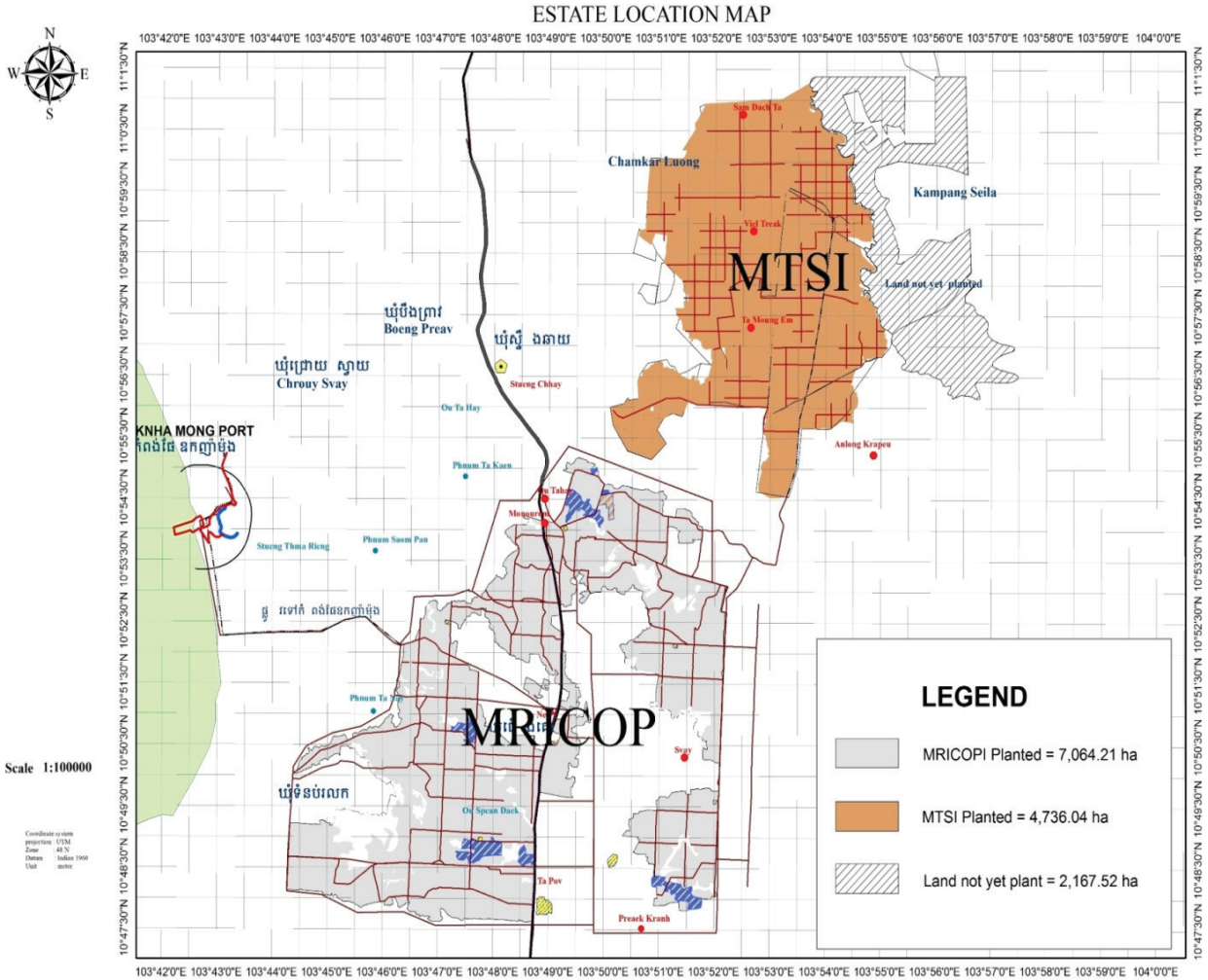




**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

**Appendix C-2:**

**Location of Estates and surrounding landscape**





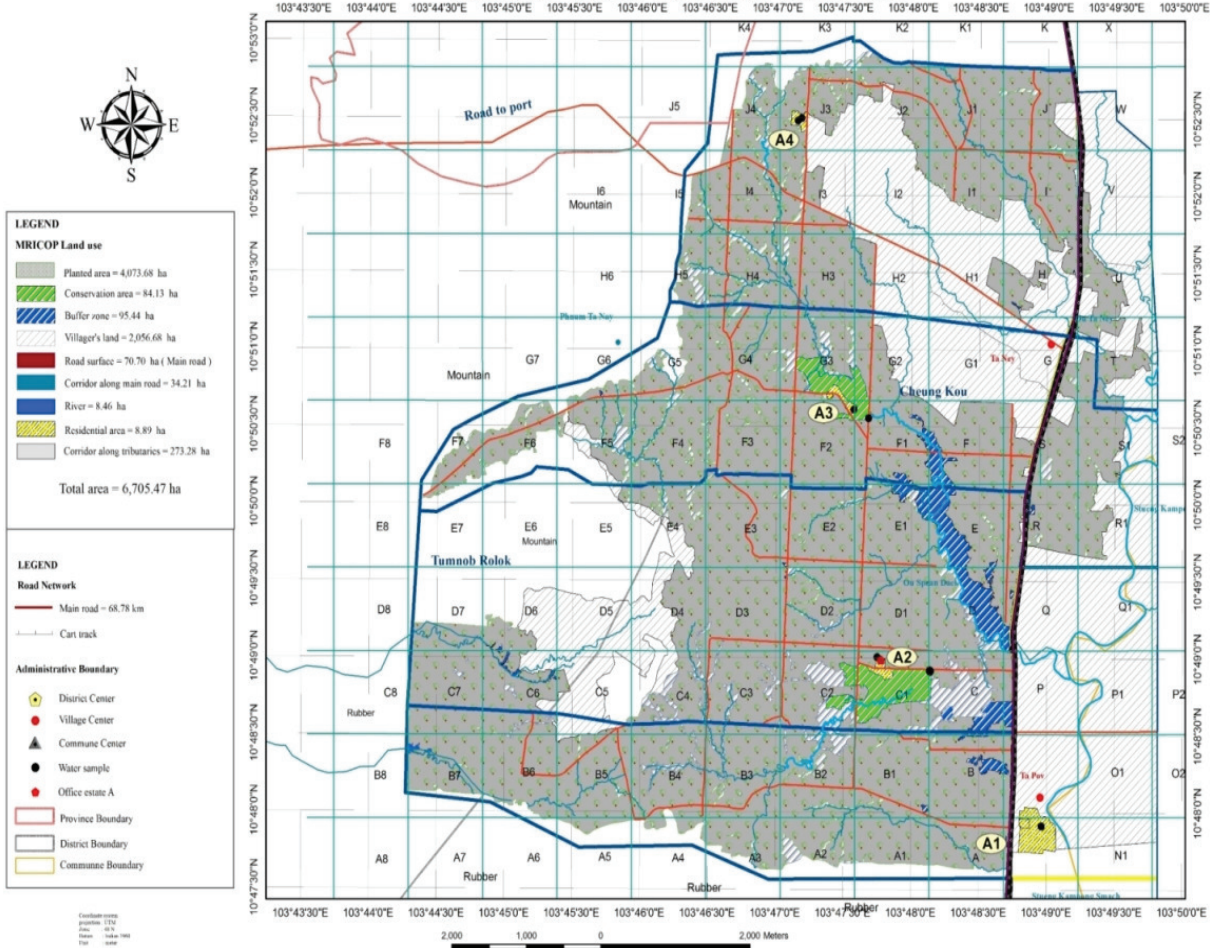
**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 66 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

**Appendix C-2-1:**

**Land Use Map – Estate A**

**MRICOP LAND USE MAP ESTATE A**



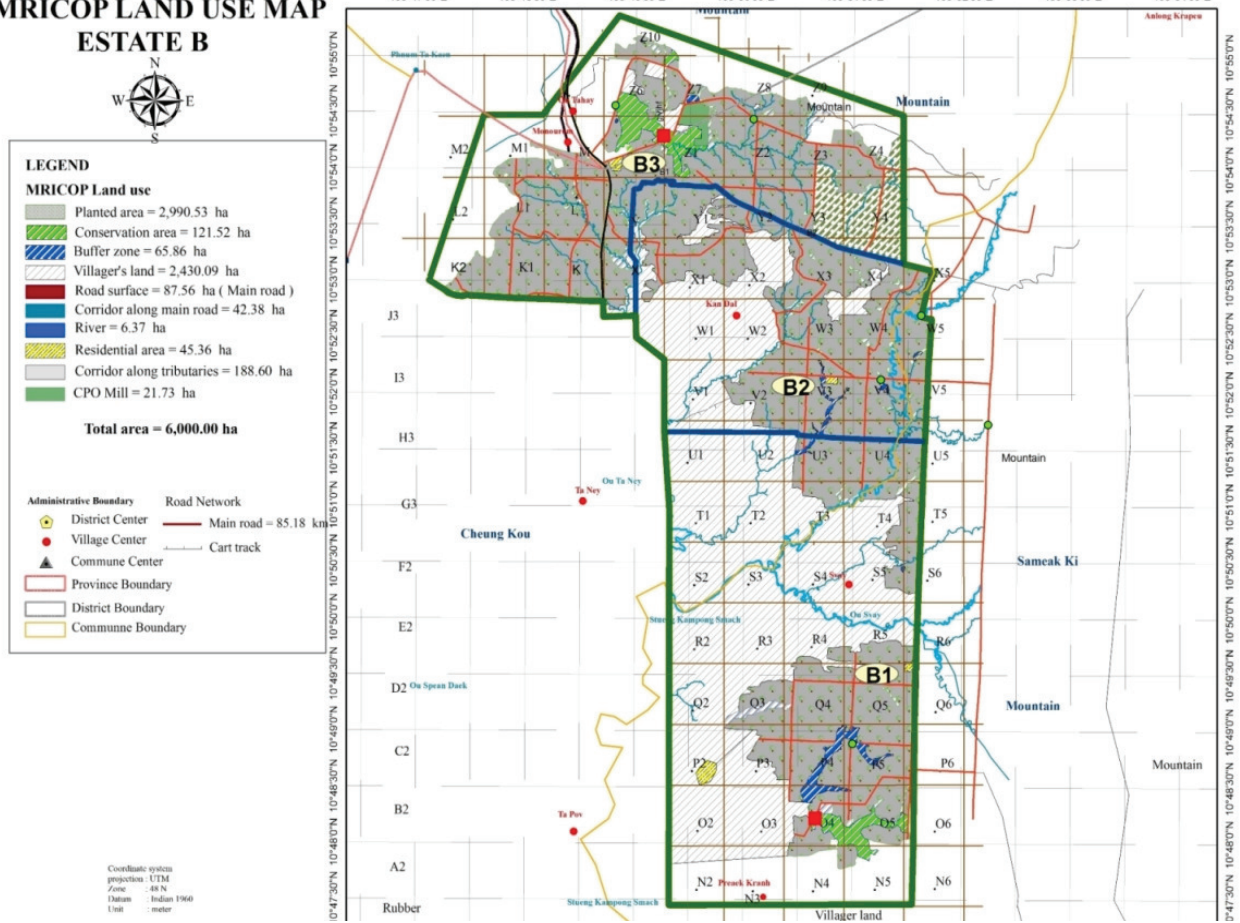
**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

**Appendix C-2-2:**

**Land Use Map – Estate B**

**MRICOP LAND USE MAP  
ESTATE B**

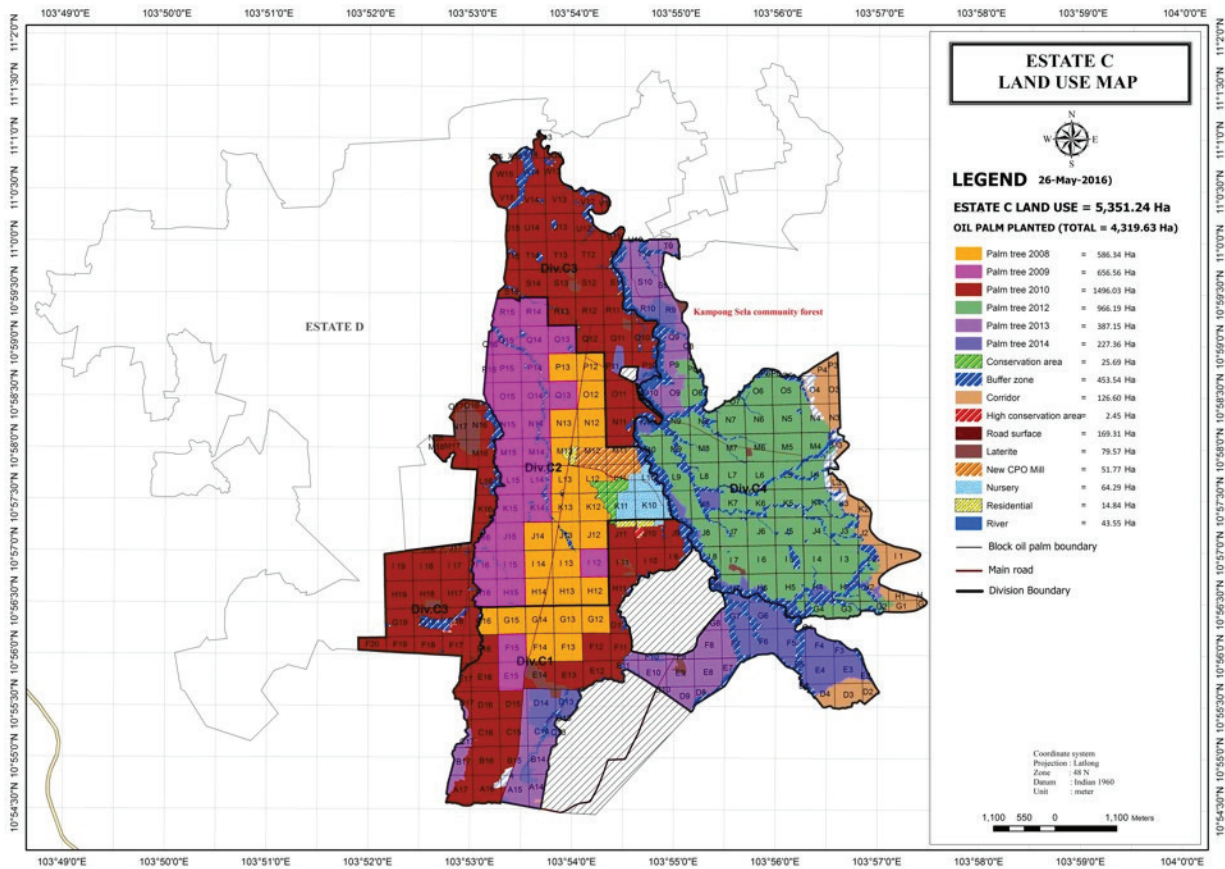


# INTERTEK CERTIFICATION INTERNATIONAL SDN BHD

(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 68 of 73  
 Annual Surveillance Assessment (ASA-04) cum Extension of Scope

## Appendix C-2-3: Land Use Map – Estate C (after dividing previous Estate C into a smaller Estate C and new Estate D)

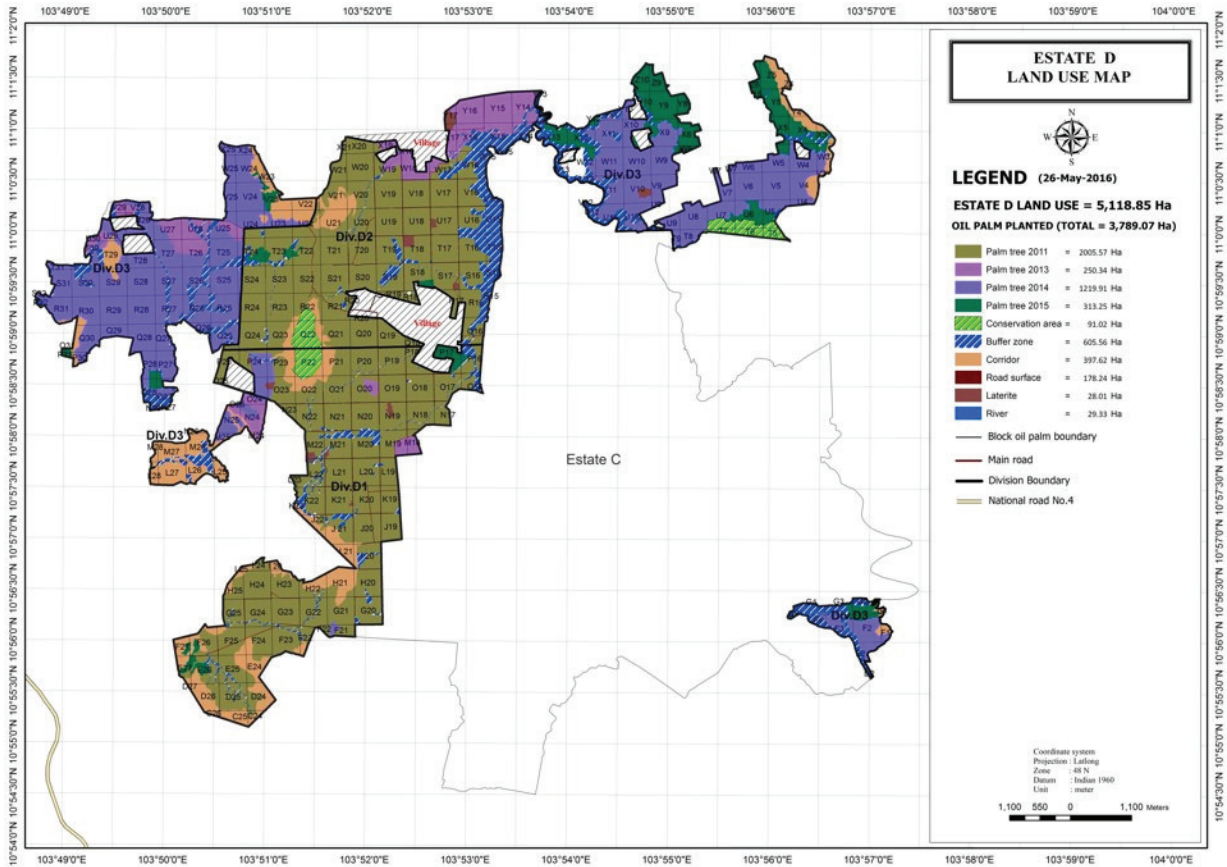




**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Annual Surveillance Assessment (ASA-04) cum Extension of Scope Page 69 of 73

**Appendix C-2-4:**  
**Land Use Map – Estate D**  
(after dividing previous Estate C into a smaller Estate C and new Estate D)



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Annual Surveillance Assessment (ASA-04) cum Extension of Scope Page 70 of 73

**Appendix D:**

**Photographs taken at MRICOP Grouping (ASA-04)**

	
<p>MRICOP Anlong Kropeu Palm Oil Mill.</p>	<p>Boundary of a small portion of Estate D next to the Bokor National Park.</p>
	
<p>Poorly managed landfill that is waterlogged.</p>	<p>Overflow for flood prevention.</p>
	
<p>Eastern sarus crane sighted during field visit. The bird is listed under the IUCN Red List as “Threatened”. According to Wildlife Conservation Society of Cambodia, this bird still exist in some parts of the Kampong Province (Kampong Trach).</p>	<p>Interviewing the School Principal (stakeholder).</p>



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP) Page 71 of 73  
Annual Surveillance Assessment (ASA-04) cum Extension of Scope

	
<p>At Estate B: Planting of Beneficial plants – <i>Antigonon leptopus</i> and <i>Cassia cobanensis</i></p>	<p>At Estate D: Planting of <i>Cassia cobanensis</i> and <i>Tunera subulata</i>.</p>
	
<p>At Estate B: PPE worn by the harvesters</p>	<p>At Estate D: PPE worn by the FFB and loose fruit collectors.</p>
	
<p>At Estate B: Demonstration of application of First Aid by the Field Supervisor on a worker.</p>	<p>At estate D: Breeding of weevils for pollination purposes.</p>



**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)      Page 72 of 73**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**



At Estate B: New loading ramp facility



Stakeholder consultation conducted with the local Community representatives and village heads.

**INTERTEK CERTIFICATION INTERNATIONAL SDN BHD**  
(188296-W)

**Report No.: R9280/12-6 Mong Reththy Investment Cambodia Oil Palm Co. Ltd. (MRICOP)**  
**Annual Surveillance Assessment (ASA-04) cum Extension of Scope**

Page 73 of 73

**Appendix E:**

**Time Bound Plan**

At present, there are no other management units owned under MRICOP.

---End of Report---