

**RSPO CERTIFICATION ASSESSMENT**  
**PUBLIC SUMMARY REPORT**

**MANAGEMENT UNIT**  
Mayvin Grouping, Sandakan, Sabah, Malaysia  
**IOI CORPORATION BERHAD**  
(9027-W)

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## MOODY INTERNATIONAL CERTIFICATION (MALAYSIA) SDN BHD

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## 1.0 SCOPE OF CERTIFICATION ASSESSMENT

### 1.1 Introduction

This certification assessment was conducted on the Mayvin Grouping-Plantation Management Unit (PMU) of IOI Corporation Berhad, on the 23<sup>rd</sup> to 27<sup>th</sup> August 2010, to assess if the organization's operations of the mill and its supply bases were in compliance against the Malaysian National Interpretation (MY-NI 2008) of the RSPO Principles and Criteria (2007).

The plantation management unit (PMU) or management unit is equivalent to a certification unit as defined in the RSPO Certification Systems Document. Each PMU consists of one mill and its supply bases which are made up of estates owned by IOI Corporation Berhad (IOI)

### 1.2 Location (address, GPS and map)

The MAYVIN GROUPING-PMU consist of one (1) palm oil mill namely Mayvin Palm Oil Mill and five (5) estates i.e. Mayvin 1, Mayvin 2/3, Mayvin 5, Mayvin 6 and the Tangkulap estate. Details of the addresses and locations are as indicated in **Table 1**. The location maps and HCV Areas are detailed in **Appendix C1 - C3**.

**Table 1: Address and GPS Location**

Name	Address	GPS Reference	
		Latitude	Longitude
Mayvin Palm Oil Mill	16km Off Sandakan/Telupid Road at 110km, WDT No 164, 90009 Sandakan, Sabah	N 05°34.621'	E 117°14.146'
Mayvin 1 Estate	16km Off Sandakan/Telupid Road at 110km, WDT No 164, 90009 Sandakan, Sabah	N 05°34.621'	E 117°14.146'
Mayvin 2/3 Estate	16km Off Sandakan/Telupid Road at 110km, WDT No 164, 90009 Sandakan, Sabah	N 05°32.999'	E 117°13.670'
Mayvin 5 Estate	16km Off Sandakan/Telupid Road at 110km, WDT No 164, 90009 Sandakan, Sabah	N 05°28.577'	E 117°20.408'
Mayvin 6 Estate	16km Off Sandakan/Telupid Road at 110km, WDT No 164, 90009 Sandakan, Sabah	N 05°28.656'	E 117°22.581'
Tangkulap Estate	16km Off Sandakan/Telupid Road at 110km, WDT No 164, 90009 Sandakan, Sabah	N 05°30.162'	E 117°15.154'

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

The 5 estates which are owned by IOI are the main sources of FFB to the POM at MAYVIN GROUPING-PMU as indicated in **Table 2**.

There were other estates owned by IOI, which also supplied FFB to the POM. These other supply bases have also been considered in the overall assessment on MAYVIN GROUPING-PMU and have been verified to be part of the Time Bound Plan committed by IOI for eventual certification. **(Refer to para.1.8)**

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**Table 2: Estate Area Summary and FFB Production**

Estate	Area Summary (ha)		FFB (tonnes)	Immature (ha)
	Total	Planted		
Mayvin 1 Estate	1642.56	1509	<b>41,017.61</b>	Nil
Mayvin 2/3 Estate	1812.81	1657	<b>44,842.26</b>	Nil
Mayvin 5 Estate	1765.00	1644	<b>41,581.03</b>	Nil
Mayvin 6 Estate	1837.00	1717	<b>45,501.40</b>	Nil
Tangkulap Estate	2277.45	2192	<b>58,008.51</b>	Nil
Total	9334.82	8719	<b>230,950.81</b>	Nil

Note: The FFB production figures above were the actual output submitted for the financial year June 2009 to July 2010.

### 1.4 Date of plantings and cycle

The 5 estates been developed between 1989 and 1998 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**

Year of Planting	Age of Palm (years)	Planted (Ha)				
		Mayvin 1	Mayvin 2/3	Mayvin 5	Mayvin 6	Tangkulap
1994 - 1998	12-16	1509	1657	1644	1717	238
1989 - 1993	17-21	-	-	-	-	1954
Total		1509	1657	1644	1717	2192

### 1.5 Other certifications held

MAYVIN GROUPING-PMU does not hold any other certifications.

### 1.6 Organisational information / Contact Person

Mr. Joshua Mathews  
 Research Controller  
 IOI Research Centre  
 73309 Batang Melaka  
 Negeri Sembilan  
 Malaysia  
 Tel: 606 4317 323  
 Fax: 606 4319 101  
 Email: [joshua.mathews@ioigroup.com](mailto:joshua.mathews@ioigroup.com)

### 1.7 Time Bound Plan for Other Management Units

IOI operates 12 palm oil mills and 77 oil palm estates throughout Malaysia and Indonesia. The organization is a pioneering member of RSPO and has been taking an active role in the RSPO certification processes since 2004. Currently, a significant number of its Plantation Management Units (PMU) is undergoing the RSPO certification process in accordance with its time bound plan to achieve RSPO certification for all its PMUs by the end of year 2011.

Details of the time bound plan as submitted by IOI are as per **Appendix F**.

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### 1.8 Tonnages Certified

The breakdown of the all the suppliers and their estimated tonnages of FFB supplied to the POM of the MAYVIN GROUPING-PMU from June 2009 to July 2010 were as follows:

#	Estate /Supplier	FFB Processed (tonne)
1	<b>Mayvin 1 Estate</b>	<b>41,017.61</b>
2	<b>Mayvin 2/3 Estate</b>	<b>44,842.26</b>
3	<b>Mayvin 5 Estate</b>	<b>41,581.03</b>
4	<b>Mayvin 6 Estate</b>	<b>45,501.40</b>
5	<b>Tangkulap Estate</b>	<b>58,008.51</b>
6	Labuk Estate	828.53
7	Meliau Pamol	2,709.62
8	Nangoh Estate	1,281.29
9	Bimbingan One	1,852.78
10	Bimbingan Two	745.31
11	Rungus Estate	1,463.96
12	Sakilan Estate	377.27
13	Ulu Estate	359.83
14	Bayok Estate	487.67
15	Tindakon Estate	237.18
	Total	241,294.25

The summary of the total estimated tonnages of FFB supplied from the 5 estates assessed and other suppliers at MAYVIN GROUPING-PMU is as per below:

#	Estate / Supplier	FFB Processed (tonne)
<b>1 - 5</b>	<b>As indicated above</b>	<b>230,950.81</b>
6 – 15	* Other Suppliers / Sources	10,343.44
	Total	241,294.25

\* Note:

- Suppliers' nos. 7, 8, 13, 14, 15 & 16 are under RSPO certified estates.
- MAYVIN GROUPING-PMU has made a commitment plan to ensure that the remaining other suppliers will meet to certifiable standards within the next 3 years.

Based on the above details, the approximate annual certified tonnages of CPO and PK production under the MAYVIN GROUPING-PMU from the 5 estates assessed are detailed as follows:

FFB Processed (tonne) from estates under certification	CPO Production claimed for certification (tonne)	PK Production claimed for certification (tonne)
<b>230,950.81</b>	<b>50,607.30</b>	<b>12,184.29</b>

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### 1.9 Abbreviations Used

ACCREDIA	Italian National Accreditation Council	MICM	Moody International Certification (Malaysia) Sdn Bhd
CPO	Crude Palm Oil	MSC	Marine Stewardship Council
CSDS	Chemical Safety Data Sheets	MTCS	Malaysia Timber Certification Scheme
COFRAC	Comite Francais d'Accreditation (France)	NCR	Non-Conformance Report
DOE	Department of Environment	NGO	Non-Government Organisation
ECC	Employees Consultative Council	NUPW	National Union Plantation Workers
EHS	Environmental Health & Safety	OER	Oil Extraction Rate
EFB	Empty Fruit Bunch	OHS	Occupational Health & Safety
EIA	Environmental Impact Assessment	PEFC	Programme for the Endorsement of Forest Certification
ERT	Endangered, Rare & Threatened species	PK	Palm Kernel
ETP	Effluent Treatment Plant	PKO	Palm Kernel Oil
FFB	Fresh Fruit Bunch	POM	Palm Oil Mill
GAP	Good Agriculture Practice	POME	Palm Oil Mill Effluent
HCV	High Conservation Values	PPE	Personal Protective Equipment
IPM	Integrated Pest Management	StOP	Standard Operating Procedures
IUCN	International Union for Conservation of Nature	SOCISO	Social Security Insurance
KER	Kernel Extraction Rate	TQEM	Total Quality Environment Management
LTA	Lost Time Accidents	UKAS	United Kingdom Accreditation Service
MSDS	Material Safety Data Sheets	WRAP	Worldwide Responsible Apparel Production

### 2.0 ASSESSMENT PROCESS

#### 2.1 Assessment Methodology, Programme and Site Visits

Assessment methodology included physical site inspections, observing relevant processes, including healthcare activities, interviewing the Mill Manager, Estate Managers, Executives, operational staff, foreign workers, female workers and their families, external stakeholders, including NGOs, review of documentation, verification of records, communications and monitoring data. Checklist and questionnaires were widely used. Samples for assessment were taken on a random basis. Details of assessment programme are given in **Appendix B**.

This report has been independently reviewed for conformance with the RSPO certification system requirements and reviewed for its technical content by Mr. William Ng, MICM Scheme Manager for Food & Sustainability Program.

#### 2.2 Date of next scheduled visit

The next scheduled visit is the surveillance audit which will be carried out within 12 months from the date of RSPO acceptance of this public summary report.

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

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

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### 2.4 Certification Body

Moody International Certification is one of the leading international organizations offering management system certifications in quality, environmental, occupational safety & health and product certification, Marine Sustainability Chain-of-Custody, MTCS and PEFC Chain-of Custody certification in applicable industry sectors including the agricultural and forestry sectors. Moody International has nearly 100 years of experience in providing various types of inspections and certifications in over 65 countries worldwide. As a Group, Moody International Certification is multi accredited by leading accreditation bodies of the world such as UKAS (UK), COFRAC (France), Dakks (Germany), ACCREDIA (Italy), Marine Stewardship Council (MSC) and STANDARDS MALAYSIA (Malaysia) for specific accredited certification schemes.

### 2.5 Outline of how stakeholder consultation was managed

Stakeholder consultations began with notification of upcoming assessment through websites of RSPO, IOI and MICM. E-mails, facsimiles and letters of the same were sent to applicable stakeholders including government agencies and NGOs.

Telephone enquiries were made and received prior to the actual assessment from some stakeholders and were dealt with accordingly.

During the assessment stakeholders were interviewed and their feedbacks were recorded. Among the stakeholders consulted were workers, employee consultative committee leaders and members, women representatives, government departments / agencies and NGOs.

The list of stakeholders consulted was as follows:

#### Government Agencies (both Sabah & Peninsular Malaysia)

Department of Environment, Sandakan  
Department of Forestry, Telupid  
Department of Occupational Safety & Health, Kota Kinabalu  
Department of Wildlife & National Parks, Kota Kinabalu  
Department of Irrigation & Drainage, Sandakan  
Immigration Department, Sandakan  
Labour Department, Sandakan  
Land Office, Sandakan  
Police Department, Beluran, Telupid, Sandakan

#### NGOs

Borneo Child Aid Society (Humana)  
Malaysia Palm Oil Association Sabah (MPOA)  
Environmental Protection Society Malaysia (EPSM)  
Malaysian Nature Society  
Sustainable Development Network Malaysia (SUSDEN)  
Tenaganita Sdn Bhd  
Wetlands International (Malaysia)  
Wild Asia Sdn Bhd  
World Wildlife Fund (Malaysia)

#### Others

Agensi Pekerjaan MNK Sdn Bhd, Sandakan – Employment Agency  
Gender Committee Members  
Malaysia Crop Care and Public Health Association  
Pesticide Action Network

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### 3.0 ASSESSMENT FINDINGS

#### 3.1 Summary of findings

##### Principle 1: Commitment to transparency

Criterion	Assessment Findings and Comment	Compliance Outcome
<p>Criterion 1.1 Oil palm growers and millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages &amp; forms to allow for effective participation in decision making.</p>	<p>The procedure for providing information and handling responses and requests was available at the IOI- MAYVIN GROUPING-PMU and records of correspondences made were maintained.</p> <p>The mill and estate management have responded constructively and promptly to requests for information from other stakeholders. This was evident from records sighted among which were letters, correspondences and minutes of meetings held with the local authorities, employee consultative committees and local community leaders.</p>	Yes, complied
<p>Criterion 1.2 Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p>	<p>In line with the organization's policies IOI, MAYVIN GROUPING-PMU has hard copies of the 7 types of documents that are required to be made available to the public.</p> <p>Similar documents were available in the IOI website. The statement that these documents can be made available to the public upon request is also stipulated in the estates management plans.</p>	Yes, complied

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

Criterion	Assessment Findings and Comment	Compliance Outcome
<p>Criterion 2.1 There is compliance with all applicable local, national and ratified international laws and regulations.</p>	<p>The MAYVIN GROUPING-PMU has established a documented system explaining the mechanism for identifying, determining, reviewing and updating applicable legal and other requirements that the PMU has subscribed to.</p> <p>A legal register covering applicable local and international laws and regulations were available at the mill with the Mill Manager and at each estate with the Estate Managers. The Mill and Estate Managers maintain the tracking for any changes in legal requirements.</p> <p>These were reviewed on yearly basis and updated (when necessary) with the compliance status indicated. The relevant legislations identified and listed were among others regarding safety and health, environmental management, pollution management, chemical handling, usage and storage, schedule waste management.</p> <p>Based on the site observations, interviews and records checking at the field and mill, there was sufficient evidence of compliance with the relevant laws, regulations, local and international laws at that the POM and estates.</p> <p>Levy and other deductions have been taken with the consent of the workers in accordance with the Sabah Labour Ordinance (Chapter 67). Fomema fees, for the health screening of foreign workers which was borne by the company</p>	



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	<p>and carried out as per the Ministry of Health guidelines.</p> <p><b>The permit for Hiring of Foreign Workers (under Section 118, Sabah Labour Ordinance – Chapter 67), has expired since September 2009 for the POM and all the estates and at the time of assessment, the renewal was still pending. Hence a minor nonconformance was issued.</b></p> <p>The Social Impact Assessments and Management Plans were made available at all the estates. <b>However, the listing of the laws and regulations that were being monitored for changes had not included reference to the Sabah Labour Ordinance (Chapter 67).</b></p>	<p>See NCR # 1</p> <p>See OBS # 1</p>
<p>Criterion 2.2 The right to use the land can be demonstrated, and is not legitimately contested by local communities with demonstrable rights.</p>	<p>Copies of the land titles of all estates were sighted. The original copies are maintained by the Corporate Head office</p> <p>The palm oil mill (POM) is located at the Mayvin 1 Estate. The land has been planted with oil palm trees since 1989 and 1990's. There has been no recorded dispute over the ownership of the land.</p> <p>Legal boundary markers were sighted and maintained along the perimeters of estate lands which were mapped with a 1-metre differential Global Positioning System (GPS).</p>	Yes, complied
<p>Criterion 2.3 Use of the land for oil palm does not diminish the legal rights, or customary rights, of other users, without their free, prior and informed consent.</p>	<p>The estate lands at the PMU are legally owned by IOI and no other users were identified in the land area. The nearest local village (i.e. Tungod) was about 60 km away from the PMU. There has been no dispute on the land rights in the areas assessed.</p> <p>Letters of consent to use the access road as right of way has been produced during the assessment.</p>	Yes, complied

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

Criterion	Assessment Findings and Comment	Compliance Outcome
<p>Criterion 3.1 There is an implemented management plan that aims to achieve long term economic and financial viability.</p>	<p>Each estate and mill within the PMU has documented management plans with the annual budget for FFB, CPO, PK, OER and KER with projections for the next 5 years.</p> <p>A financial management system was sighted to monitor the actual performance results on a daily, monthly and annual basis. Reports by MAYVIN GROUPING - PMU to the IOI management on the production performance and the OER as a measure of production efficiency were evidenced.</p> <p>Replanting programs which was planned around year 2014, for the 5 estates over a 10 year period were sighted. Replanting percentages ranged from 5 to 10% of the total oil palm areas.</p>	Yes, complied

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

Criterion	Assessment Findings and Comment	Compliance Outcome
<p>Criterion 4.1 Operating procedures are appropriately documented and consistently implemented and monitored.</p>	<p>Standards Operating Procedures (StOP) for the estates and the mill were documented. Monitoring records were available such as store requisitions and store issuances of agro-chemicals were properly maintained and their implementation was noted to be consistent.</p> <p>It was noted that rat baiting would only be carried out when rat attacks are more than 5% based on quality checks on the FFB crop.</p>	<p>Yes, complied</p>
<p>Criterion 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>	<p>Annual fertilizer application program was monitored and implemented according to the fertilizer recommendations as provided by the Agronomist.</p> <p>Sampling of palm leaves for nutrient analysis was also carried out annually. Soil sampling was carried out as on 20% of the total fields each year and thus a single round of sampling was conducted on every field once in every 5 years.</p> <p>During field inspections, mulching with EFB noted at planted areas. There was no evidence of any open burning.</p> <p>The dosages of dry POME applied was noted to be in accordance with the recommendations of the research centre of IOI, which was based on their analytical findings on POME utilization, to maintain the nutrient status and microbiological health of the soil.</p>	<p>Yes, complied</p>
<p>Criterion 4.3 Practices minimise and control erosion and degradation of soils.</p>	<p>Inspection at sites provided evidence that soil erosion counter-measures were taken which included: FronD stacking and maintenance of inter-row vegetation was noted as part of the prevention of soil erosion programme. Fronds were also stacked along lips of terraced areas and parallel to streams to minimise soil runoff. Terrace planting was adopted at slopes which are more than 8 degrees. Stop bunds were constructed within the planting terraces Regular road and culvert maintenance was performed. Planting of 'vetiver' grass and natural riverine plants was observed to minimize stream and river bank erosion and to restore riparian areas and buffer zones demarcated. The PMU has made efforts to re-designate riparian strips which were adjacent to the estates.</p>	<p>Yes, complied</p>
<p>Criterion 4.4 Practices maintain the quality and availability of surface and ground water.</p>	<p>IOI's policy on slope protection and river buffer-zoning was available for inspection and for public viewing. The PMU has identified appropriate buffer zones along all natural waterways i.e. rivers and streams passing through the estates. Buffer zone demarcation was done in accordance with the Sabah, DID directive and specifications as per the letter dated 13<sup>th</sup> March 2001 [ref: JPS (SAB)03/GEN/JLD.08(310)] The palms had been planted up to about 3m from the banks in the late 1980's and early 1990's. Since early 2010, no spraying or manuring activities were performed within the demarcation zones. Appropriate markings and signages were found to be placed. The estates have Environmental management plans to maintain the buffer zones in which no replanting is permitted within the zones.</p>	<p>Yes, complied</p>

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	<p>On-site Inspections confirm sighting of demarcations and restoration being done with the natural riverine plants seen growing at the banks. The workers were trained and informed to avoid spraying of agro-chemicals in the buffer zones.</p> <p>The POM had monitored and controlled discharges to waterways with installation of silt traps to reduce suspended solids and contaminants to meet the DOE limits. Daily checks for leakages were observed on the POME which was channeled to the Effluent Treatment Ponds (ETP) for desludging. Water and treated POME samples were taken monthly and sent to external laboratories for analysis.</p> <p>Estate river water analysis is carried out at 6 monthly intervals. Rainfall data is maintained daily and water management plans are available.</p> <p>The monitoring of the effluent quality at the POM was noted to be done with monthly analysis results submitted by an independent laboratory i.e. KL-Kepong (Sabah) Sdn Bhd, However, some parameters were found to exceed the specification limit e.g. the Biochemical Oxygen Demand (BOD) level in the some months e.g. in March, May and July 2010. Although further measures have been currently put in place such as the use of 'Hydro K-Green Tubes', these need to be closely monitored to ensure that all the specifications are consistently meeting the permitted limits by DOE.</p> <p>The water management plan dated July 2010 need to be improved i.e. approved, authorized, review period indicated, the team that developed the water management plan be identified clearly by their education, competence, trainings, experience and skills. The raw water intake(s) points used for treating water for human consumption in all the estates should be tested periodically (i.e. monthly) based on the Ministry of Health (MOH), Malaysia's requirements.</p>	<p style="text-align: center;">See OBS # 2</p> <p style="text-align: center;">See OBS # 3</p>
<p>Criterion 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</p>	<p>MAYVIN GROUPING-PMU had adopted the IOI group policy and Internal Environmental Management &amp; Monitoring Plan on IPM system which was made available.</p> <p>Inspection at site observed the following: Parasitoid host and beneficial predator plants such as <i>Tunera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> had been planted at some stretches along the access roads within the estates.</p> <p>Monitoring and records of areas where pesticides were being used and the usage per hectare basis were maintained. It was noted that the pest and weed infestations were minimal in these estates.</p> <p>Improvement of planning and implementation of the IPM at the estates should include measures such quantifying the type and percentage of beneficial plants needed to improve effectiveness of control at the estates.</p>	<p style="text-align: center;">Yes, complied</p>
<p>Criterion 4.6 Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where</p>	<p>The estates have procedures for the use of agrochemicals for pest control which stipulated the use of only pesticides officially registered under Section 53A of the Pesticide Act (1974); and in accordance with USECHH Regulations (2000). Pesticides storage was noted to be in accordance with the Occupational Safety and Health Act 1994 (Act 514) and Chemical Health and Risk Assessment (CHRA) guidelines.</p> <p>Inspection at sites observed that pesticides were kept under</p>	<p style="text-align: center;">Yes, complied</p>

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<p>agrochemicals are used that are categorised as World Health Organization Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives, and this is documented.</p>	<p>lock and key. Empty containers disposed off in accordance with the DOE requirements. Information regarding the chemicals and their usage, hazard and general names were displayed in the National Language (i.e. Bahasa Malaysia) and translated for the understanding of the foreign workers. Annual medical checkup has been carried out for pesticides operators. No pregnant or breastfeeding women were assigned to work with pesticides. Paraquat usage is minimum and restricted to use as a catalyst with other approved herbicides and is used only at the Tangkulap estate. No paraquat was used at the other estates. No aerial application of agrochemicals had been carried out. There was no testing of chemical residues in CPO as there were no requests made from the buyers. Daily records of pesticides usage were maintained.</p>	
<p>Criterion 4.7 An occupational health and safety plan is documented effectively communicated and implemented.</p>	<p>The Occupational Safety and Health (OSH) Policy were displayed at the POM and all the estates. The Occupational Safety and Health (OSH) Plan established have included the establishment of escape routes and locations of the firefighting equipment at the sites covered. Each estate and mill had identified and assessed their respective hazards and risks as per established procedures. Actions and precautions established to address the identified risks. All operations where health and safety is an issue have been assessed and procedures and actions are documented and implemented to address the identified issues. Noted evidence that each procedure is further supported with documented tasks and task elements and all possible risks assessed. All precautions attached to products are observed and applied to the workers. Noted in the training records that workers involved in the operations have been adequately trained in the OSH policy, programs and in safe working practices. Pesticide sprayers and fruit cutters selected at random at the estates were interviewed and they were able to demonstrate the correct safety precautions required. Adequate and appropriate PPE were available to labourers at the place of work to cover all potentially hazardous operations, such as pesticide application, chemical storage / handling, land preparation and harvesting. The responsible persons (i.e. mandores / field supervisors), conductors and store supervisor) were identified. There were records of regular meetings between the responsible person and workers where concerns of all parties about health, safety and welfare were briefed and discussed. Records detailing the occurrence and issues raised were properly maintained. Meeting minutes were available. Accident and Emergency procedures and First Aid procedures are present and instructions are clearly understood by all workers. Accident procedures are also available in Bahasa Malaysia, which is understood to the workers. Assigned operatives trained in First Aid are present in both field and other operations and first aid equipment are available at worksites. Sighted a list of sites where all First Aids boxes are placed. Records of accidents are kept and reviewed monthly. Fire Drills had been conducted at each site (Mill and Estates) with records observed in response to potential emergency. All workers (including the Indonesian foreign workers) were covered by the worker's compensation scheme. Calculation</p>	<p style="text-align: center;">Yes, complied</p>

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	<p>on Lost Time Accident was maintained. Workplaces, machinery, equipment, transportation vehicles were maintained to ensure safety and without undue risk to health. Chemical, physical and biological substances and agents were stored under controlled conditions. A safe and healthy working environment was provided for the workers regardless of whether they are estate full time employees or contract workers.</p> <p>Good Agriculture Practice (GAP) and Chemical Health Risk Assessment (CHRA) were among the references used in maintaining the safe working environment for the employees. Field inspection at BPE (D1A/1) observed circle spraying with Supreshade 41 (Glyphosate) + 2.4-D Amine (herbicide) and workers with appropriate PPE. Signboards indicated spraying of herbicides in progress and the harvesting supervisor (mandore) also carried the First Aid Box during supervision at the field.</p>	
<p>Criterion 4.8 All staff, workers, smallholders and contractors are appropriately trained.</p>	<p>The training schedule for the year 2009/2010 for POM and respective estates was available. Relevant topics are identified and training classes were conducted for the staff and workers and evidenced in the training records. There are no smallholders or contractors at the PMU.</p> <p>Safety matters are briefed at the morning muster and 'on-the-job' training is given. Records of training for the employees including the Estate Hospital Assistant (EHA) were maintained. Workers are given specific and relevant training before fieldwork. Continuous assessment and reactive training are also given in accordance with documented procedures and in compliance with the requirement of RSPO principles and criteria.</p>	<p>Yes, complied</p>

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

Criterion	Assessment Findings and Comment	Compliance Outcome
<p>Criterion 5.1 Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.</p>	<p>Documented Environmental Impact Assessment, Management Actions Plans and Continuous Improvement Plans dated May 2010 were prepared for the respective estates under MAYVIN GROUPING-PMU by the IOI Sustainability Team which is from the HQ at Batang Melaka, Negeri Sembilan, Malaysia.</p> <p>The findings of the assessment had included the identification of impacts that requires changes in current practices. The report also includes action plans and recommendations in order to mitigate negative effects and promote positive ones. A generic timetable / monitoring frequency were developed and noted.</p> <p>Environmental impact assessment covered activities such as POM, oil palm fields, open areas, patches of hill forest and forest edges / boundary to forest reserve areas were targeted by the assessment team in this study. Management action plans addressing issues raised which was monitored and projected to be reviewed annually.</p> <p>Stakeholder consultation i.e. between the estate and mill management &amp; the employees has a key role in identifying environmental impacts. The inclusion of consultation as</p>	<p>Yes, complied</p>

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	<p>practiced by the estate management via morning briefings and direct meetings with the senior management of MAYVIN GROUPING-PMU has shown process improvement in the identification of impacts and development of required mitigation measures.</p>	
<p>Criterion 5.2 The status of rare, threatened or endangered species and 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 their conservation taken into account in management plans and operations.</p>	<p>The HCV assessment report(s) have indicated that there were ERT / protected species at the external HCVs (forest reserves) at the areas covered by MAYVIN GROUPING-PMU estates. The collated information has included the planted area itself and relevant forest boundary considerations such as the boundary of the Tangkulap Forest Reserve adjacent to the Tangkulap estate.</p> <p><b>However a minor CAR issued at the Tangkulap Estate for not clearly identifying the natural pond that has a common boundary with Tangkulap Forest Estate as a HCV in their assessment report prepared on December 2009 and there were no signage(s) available on-site to identify the established HCV(s) by categories at Tangkulap estate.</b></p> <p><b>The HCV assessment reports can be enhanced by cooperation with the forestry department to gather information on the animal species near the boundaries as the department has installed surveillance cameras for these purposes. Knowledge of species i.e. ERT at the boundaries with Forest Reserve(s) could significantly affect conservation status (e.g. IUCN status) then that was noted in the report and this would require further studies to determine the applicable legal protection, population status and habitat requirements of rare, threatened, or endangered species.</b></p> <p>In addition the HCV assessment team should indicate more clearly the information gathering process on HCV habitats (including ERTs) and the consultations done with relevant government departments, research institutes, interested NGOs and any additional field survey work to be done in the future based on the current findings dated September 2009.</p> <p>There was one reported case of incursion by elephants a few years ago at the estate manager's residence. However no damage to property and plantation was reported. No other incursion reported ever since the implementation of RSPO for the MAYVIN GROUPING-PMU estates.</p> <p>Legal requirements relating to the protection of the species or habitat were met such as reporting the matter to the authorities such as the Sabah Wildlife Department.</p> <p>The relevant estate(s) management has undertaken appropriate measures to control any illegal or inappropriate hunting, fishing or collecting activities within MAYVIN GROUPING-PMU. IOI has "no hunting" policy and appropriate signages were prominently displayed to convey this policy especially at the forest reserve boundary areas.</p> <p><b>HCV biodiversity areas / forests type 4, 5 and 6 has been appropriately identified for MAYVIN GROUPING-PMU estates and mill based on the assessment conducted. However, the HCV(s) actual dimensions / hectare and</b></p>	<p>See NCR # (2 of 2)</p> <p>See OBS # 4</p> <p>See OBS # 5</p>

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	<b>the latitude &amp; longitude (where not determined yet) could be further defined for future reference.</b>	
<p>Criterion 5.3 Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.</p>	<p>The documented identification of all the waste products such as scheduled waste and sources of pollution such as from POME were appropriately implemented at MAYVIN GROUPING-PMU. The PMU has segregated its wastes as general wastes and scheduled wastes. Proper areas were identified for the storage of the respective wastes. Scheduled Waste such as 'spent hydraulic oil' (SW 305) were properly stored and labeled with secondary containment noted at the major scheduled waste storage areas. The schedule waste storage area had restricted access to authorized personnel only. MSDS/CSDS instructions were available and adhered to at MAYVIN GROUPING-PMU. Recycling bins of three different colour codes were available in the POM and estates and were used for solid waste segregation and recycling.</p> <p><b>The solid waste management at the dumpsite / 'landfill' requires a strategic disposal plan for the long term i.e. 2014 onwards to prevent potential leachate, pollution and to be located at a distance away from the planted/cultivated area at Tangkulap estate. More signages i.e. on Health, Safety and Environment rules is required at the current designated landfill/dumpsite as the area is still being harvested.</b></p> <p><b>The labeling of scheduled wastes at the estates should be enhanced as per Reg. 10 of EQ (Scheduled Wastes) Regulation 2005 and the waste information (7<sup>th</sup> Schedule of EQ (Scheduled Waste) Regulation 2005) should be established by categories and follow the prescribed format in the regulation.</b></p>	<p>Yes, complied</p> <p style="text-align: right;">See OBS # 6</p> <p style="text-align: right;">See OBS # 7</p>
<p>Criterion 5.4 Efficiency of energy use and use of renewable energy is maximised.</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 fibre and shell were used as fuel. Diesel generators were on standby basis to support the operation in the event of boiler / steam turbine system breakdown. Monthly records of KW usage of non-renewable and renewable fuel per metric tonne of palm product were available.</p>	<p>Yes, complied</p>
<p>Criterion 5.5 Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situations, as identified in the ASEAN guidelines or other regional best practice.</p>	<p>MAYVIN GROUPING-PMU had observed the IOI group policy of 'Zero open burning' in the estates. Inspections at site confirmed no evidence of open burning. No burning of waste including domestic waste was noted.</p>	<p>Yes, complied</p>
<p>Criterion 5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>	<p>Environmental impact assessment performed to identify potential pollution to water, gaseous emissions to air and contamination on land. Management Action Plans and Continuous Improvement Plans were developed to mitigate significant impacts identified. These exercises were reviewed periodically (annually) such as next review scheduled in April 2011.</p>	<p>Yes, complied</p>

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

Criterion	Assessment Findings and Comment	Compliance Outcome
<p>Criterion 6.1 Aspects of plantation and mill management, including replanting, that have social impacts 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 continuous improvement.</p>	<p>Under the MAYVIN GROUPING-PMU, the respective Social Impact Assessment reports and Management plans at all the estates and mill was specific and individually documented by the Sustainability Team of IOI.</p> <p>Stakeholder consultation meetings with the local communities and employees on the assessment were performed by the Estate managers with their Social Liaison Officers. Employee representation was through the Employees Consultative Council (ECC) which has representation from the different levels of workers who are elected by the workers.</p> <p>Participation from their official representatives expressed their views freely with records of meeting attendance and minutes of meeting being available.</p> <p>Records of meeting with stakeholders indicated discussions held were generally on matters pertaining to access roads and use rights, working conditions, cultural/festival activities, health facilities and other community concerns.</p> <p>A time table of activities identified was sighted with time frame on implementation plans. Site inspection carried out confirmed that the implementations were in progress.</p>	Yes, complied
<p>Criterion 6.2 There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.</p>	<p>IOI Mayvin grouping has adopted open and transparent methods of communication and consultation when dealing with relevant parties, e.g. its workers, government agencies, contractors, neighbouring plantations by personal invitation to attend the internal and external stakeholders' consultation meetings.</p> <p>The lists of stakeholders are updated on a monthly basis and records of meeting were maintained.</p>	Yes, complied
<p>Criterion 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.</p>	<p>All estates in Mayvin grouping have established complaints and grievances procedures and it was well implemented. Complaints and Grievances logbook were sighted in all estates in the grouping.</p> <p>Alternative to the logbook, estate workers and administration staff could also file their complaints and grievances through their respective ECC representatives.</p> <p>Timelines for response to complaints and grievances are either through the logbook or ECC representatives are appropriately established and implemented.</p>	Yes, complied
<p>Criterion 6.4 Any negotiations concerning compensation for loss of legal or customary 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>There were no borders at estates in Mayvin grouping which were adjacent to any villages or native land.</p> <p>Therefore no has been no records of any negotiation or compensation pertaining to this criteria.</p>	Yes, complied
<p>Criterion 6.5 Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent</p>	<p>Basic daily rate for all employees in Mayvin grouping estates have met the industry minimum standards which included extra pay under the statutory fringe benefits.</p> <p>The estate managements also provide free housing and treated water supply, subsidized electricity, medical benefits, community halls, mosques and welfare amenities constitutes a</p>	Yes, complied



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living wages.	decent living for the employees.	
<p>Criterion 6.6 The employer respects the right 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>The published statements of policy which recognizes the employee's freedom of association, was noted to be available in a few native languages including Bahasa Malaysia, English and some local native languages. Due to the restrictions stated in Immigration Act 1959/63, in which foreign employees are not allowed to form or be affiliated to any society or association, the estate management had formed the ECC as an alternative mechanism to cater to the collective bargaining needs of the workers. Results of ECC meetings were minuted and available.</p>	Yes, complied
<p>Criterion 6.7.</p> <ul style="list-style-type: none"> <li>• Children are not employed or exploited.</li> <li>• Work by children is acceptable on family farms, under adult supervision, and when not interfering with education programmes.</li> <li>• Children are not exposed to hazardous working conditions.</li> </ul>	<p>There was no evidence of any child labor being used at the estates of Mayvin grouping. The Child Labour policy adopted by estate managements on had stated that the minimum age of workers is 19 years. Site inspection of the employment records in all estates confirmed that this has been complied. Humana schools and 'creche' were established to cater to the proper education of the workers children.</p>	Yes, complied
<p>Criterion 6.8 Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.</p>	<p>An Equal Job Opportunity Policy was adopted by the estate management was displayed in the places where workers usually gather such as the estate administration offices, community halls, crèche, health clinics and housing blocks. Payment slips were also inspected in all estates in order to ensure no discrimination in daily rate between workers, unfair deduction of wages and proper wage payment for work done during the rest days as reflected in the payment slips issued. There was no negative feedback on any form of discrimination from the private interviews conducted with the interviewees. or from the payment slips inspection.</p>	Yes, complied
<p>Criterion 6.9 A policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.</p>	<p>The established social policy has covered aspects on sexual harassment, gender and women reproductive rights. There was a documented procedure on the management of sexual harassment. Pregnant and breastfeeding women were exempted from work associated with potentially hazardous chemicals and were given light duties such as work in and around the office and crèche. There was a gender committee specifically to address areas of concern to women. This committee was headed by the manager and, has representatives from all areas of work. The minutes of meetings were documented and kept.</p>	Yes, complied
<p>Criterion 6.10 Growers and mills deal fairly and transparently with smallholders and other local businesses.</p>	<p>All the estates in the Mayvin grouping do not have any dealings with smallholders. There was also no evidence to suggest of any unfair business practices with the local businesses.</p>	Yes, complied
<p>Criterion 6.11 Growers and millers contribute to local sustainable development wherever appropriate.</p>	<p>All estates in Mayvin grouping have no adjacent borders with any village. The closest village is 'Tungod' which is located about 60km away from the estates.</p>	Yes, complied

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### Principle 7: Responsible development of new plantings

MAYVIN GROUPING-PMU has a procedure for this development but has not carried any new plantings since November 2005. Therefore no details of implementation were available for Principle 7.

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

Criterion	Assessment Findings and Comment	Compliance Outcome
Criterion 8.1 Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.	Continuous improvements in key operations have been developed at the Mayvin Grouping-PMU which were regularly monitored and reviewed. Under the Integrated Pest Management (IPM) program, for pest control and reduction in the consumption of chemical pesticides. There were increasing efforts made through the use of direct bio-control methods such as the cultivation of beneficial plants, the introduction of waste pollution and reduction programs including the recycling of materials i.e. the central collection and disposal of scrap iron collected from the renovations of older buildings and structures (refer also section 4.6).	Yes, complied

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

A total of **2 Minor noncompliances** were identified against the MYNI Compliance Indicators

NCR #	MYNI Indicator	Details of NCR		
01	2.1.3	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -
		Nonconformance: License for the Hiring of Foreign Workers under Section 118, Sabah Labour Ordinance (Chap. 67) had expired on 9 September 2009 for the POM and Estates. Though required documents for renewal were submitted since May 2010 to the Sandakan Regional Office, the renewal was still pending.		
		Corrective Action (replied): The license was renewed with a valid period from 20 <sup>th</sup> September 2010 till 19 September 2011 with the Human Resource Department, Sabah. A copy was submitted for reference.		
		Verification: Documented evidence submitted was acceptable after review and verification.		

NCR #	MYNI Indicator	Details of NCR		
02	5.2.1	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -
		Nonconformance: 1) At Tangkulap Estate, HCV 4 (natural pond) which has a common boundary with Tangkulap Forest Reserve was not clearly identified in the Tangkulap HCV Assessment Report which was dated 4 <sup>th</sup> December 2009. 2) Signages were not available on-site, to identify the established HCVs by their respective categories at the Tangkulap estate.		

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		<p>Corrective Action (replied):</p> <p>The updated HCV documentation dated 13<sup>th</sup> September 2010 was done and submitted. However further clarification / details were requested from IOI and supporting evidences and actions taken were submitted on 5<sup>th</sup> October 2010.</p>
		<p>Verification:</p> <p>Documented evidence submitted was acceptable after review and verification.</p>

**Observations / Opportunities for Improvement:**

A total of 7 Observations (OBS) were identified. The progress to be made on the OBS as listed below will be checked during the surveillance assessment.

OBS	MYNI Indicator	Details of Observation		
01	2.1.2	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -
		<p>Observation:</p> <p>The Social Impact Assessments and Management Plans were made available at all the estates. However, the listing of the laws and regulations that were being monitored for changes had not included reference to the Sabah Labour Ordinance (Chapter 67).</p>		
		<p>Follow up Verification:</p> <p>(During next surveillance)</p>		
02	4.4.3	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed:
		<p>Observation:</p> <p>The monitoring of the effluent quality at the POM was noted to be done with monthly analysis results submitted by an independent laboratory i.e. KL-Kepong (Sabah) Sdn Bhd, However, some parameters were found to exceed the specification limit e.g. the Biochemical Oxygen Demand (BOD) level in the some months e.g. in March, May and July 2010. Although further measures have been currently put in place such as the use of 'Hydro K-Green Tubes', these need to be closely monitored to ensure that all the specifications are consistently meeting the permitted limits by DOE.</p>		
		<p>Follow up Verification:</p> <p>(During next surveillance)</p>		
03	4.4.7	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -
		<p>Observation:</p> <p>The water management plan dated July 2010 need to be improved i.e approved, authorized, review period indicated, the team that developed the water management plan be identified clearly by their education, competence, trainings, experience and skills.</p> <p>The raw water intake(s) points used for treating water for human consumption in all the estates should be tested periodically (i.e. monthly) based on the Ministry of Health (MOH), Malaysia's requirements.</p>		
		<p>Follow up Verification:</p> <p>(During next surveillance)</p>		
04	5.2	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -

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		<p>Observation:</p> <p>The HCV assessment reports can be enhanced by cooperation with the forestry department to gather information on the animal species near the boundaries as the department has installed surveillance cameras for these purposes. Knowledge of species i.e. ERT at the boundaries with Forest Reserve(s) could significantly affect conservation status (e.g. IUCN status) then that was noted in the report and this would require further studies to determine the applicable legal protection, population status and habitat requirements of rare, threatened, or endangered species.</p> <p>In addition the HCV assessment team should indicate more clearly the information gathering process on HCV habitats (including ERTs) and the consultations done with relevant government departments, research institutes, interested NGOs and any additional field survey work to be done in the future based on the current findings dated September 2009</p>		
		<p>Follow up Verification:</p> <p>(During next surveillance)</p>		
05	5.2.1	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -
		<p>Observation:</p> <p>HCV biodiversity areas / forests type 4, 5 and 6 has been appropriately identified for MAYVIN GROUPING-PMU estates and mill based on the assessment conducted. However, the HCV(s) actual dimensions / hectarage and the latitude &amp; longitude (where not determined yet) could be further defined for future reference. i.e. HCV 6</p>		
		<p>Follow up Verification:</p> <p>(During next surveillance)</p>		
06	5.3.2	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -
		<p>Observation:</p> <p>The solid waste management at the dumpsite / 'landfill' requires a strategic disposal plan for the long term i.e. 2014 onwards to prevent potential leachate, pollution and to be located at a distance away from the planted/cultivated area at Tangkulap estate. More signages i.e. on HSE rules required at the current designated landfill/dumpsite as the area is still being harvested.</p>		
		<p>Follow up Verification:</p> <p>(During next surveillance)</p>		
07	5.3.2	Date issued: 26 August 2010	Date due: 1 <sup>st</sup> Surveillance	Date closed: -
		<p>Observation:</p> <p>The labeling of scheduled wastes at the estates should be enhanced as per Reg. 10 of EQ (Scheduled Wastes) Regulation 2005 and the waste information (7<sup>th</sup> Schedule of EQ (Scheduled Waste) Regulation 2005) should be established by categories and follow the prescribed format in the regulation</p>		
		<p>Follow up Verification:</p> <p>(During next surveillance)</p>		

### Identified Positive Elements

1. The various types of support provided to HUMANA schools for the foreign estate workers children, e.g. free premise, text books, funding transferred directly to HUMANA administration.
2. Proper Housing, Crèche and Medical facilities
3. High priority given on the training and awareness of the workers health and safety aspects of their jobs.

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4. Establishment of the Employees Consultative Committee (ECC) which has included gender and workers representation for solving internal disputes and making improvements.
5. Proper groundcover vegetation for Soil Conservation.

### 3.3 Issues Raised by Stakeholders and Findings related to each issue

In the course of the assessment for the MAYVIN GROUPING-PMU, MICM did receive some written comments from stakeholders such as the NGOs and Local Authorities concerning IOI which had been followed up during the assessment accordingly.

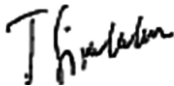
The issues raised by the stakeholders had been responded by IOI in a suitable manner. Details are under **Appendix E: Stakeholders comments and IOI / MAYVIN GROUPING-PMU response.**

### 4.0 Assessment Conclusion and Recommendation

Moody International Certification (Malaysia) Sdn Bhd (MICM) has successfully conducted an assessment on MAYVIN GROUPING-PMU operations of 1 palm oil mill and 5 oil palm estates. MAYVIN GROUPING-PMU has been able to demonstrate its compliance with the Malaysian National Interpretation (MY-NI 2008) of the RSPO Principles and Criteria (2007).

The MICM assessment team recommends that MAYVIN GROUPING-PMU be approved as a producer of RSPO Certified Sustainable Palm Oil.

Signed for and on behalf of  
MOODY INTERNATIONAL CERTIFICATION  
(MALAYSIA) SDN BHD



Mr. Sivabalan Thavarajah  
Lead Assessor

Date: 30 October 2010

### 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  
IOI CORPORATION BERHAD



Mr. Joshua Mathews  
Research Controller

Date: 30 October 2010

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**Appendix A: Qualifications of Lead Assessor and Assessment Team****Mr. T. Sivabalan (SV) – Lead Assessor** – Environmental & Legal, HCV, OSH, Social Responsibility.

– BSc (Environmental Science), MSc (Quality Improvement &amp; Productivity)

**Mr. Augustine Loh (AL) – Assessor** – Environmental & Legal, OSH.

– MBA, Dip.NS (Maritime Studies)

**Mr. Lim Eng Leng (LEL) – Assessor** – Environmental & Legal, OSH.

– MBA, BSc (Applied Science), Dip.Sc (Applied Science)

**Mr. Jumat Majid – Assessor** – Social Responsibility and Workers Welfare

– BSc (Social Science)

**Mr. Chen Fai Kok (CFK) – Assessor / Technical Expert** – Good Agricultural Practices and IPM

– Dip (Agriculture)

**Mr. N. Retnasabapathy (NR) – Assessor / Technical Expert** – Good Agricultural Practices and IPM

– BSc (Agriculture)

Mr. T Sivabalan (SV) is a Third Party Assessment (TPA) Lead auditor for ISO 9001, ISO 14001, OHSAS 18001, WRAP and RCOC. He has over 8 years fieldwork experience in various ecosystems including plantations. He has successfully completed the IRCA accredited LAC in ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007, Requirement for Chain-of-Custody Certification (RCOC) by MTCC, WRAP Accredited Monitor Training and RSPO P&C MY-NI Lead Assessor course. He has performed over 500 auditing days in quality, environmental, safety & health, WRAP (accountability and social responsibility audit) and RCOC assessments in various sectors including forestry authorities and forestry research centers. He was part of the RSPO Assessment team which audited a RSPO certified Plantation Management Unit in 2009/2010.

Mr. Augustine Loh (AL) is a IRCA TPA Lead auditor and IRCA Lead tutor for ISO 9001 as well as Lead tutor for RSPO and Integrated Management System. He has over 10 years experience in Palm based product inspection and testing. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007, ISO 22000 and RSPO P&C MY-NI LAC. He has performed over 400 auditing days on quality, environmental and safety & health assessments in various sectors including oil palm plantations. He was part of the RSPO Assessment team which audited a RSPO certified Plantation Management Unit in 2009/2010.

Mr. Lim Eng Leng (LEL) is a TPA Lead auditor for ISO 9001, ISO 14001, OHSAS 18001 and RCOC. He is also an IRCA Lead tutor for ISO 9001 and ISO 14001. He has over 15 years experience in laboratory management and product testing including palm based products. He has successfully completed the IRCA accredited LAC in ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007, RCOC by MTCC and RSPO P&C MY-NI LAC. He has performed over 500 auditing days in quality, environmental, safety & health and RCOC assessments in various sectors including forestry authorities and forestry research centers. He was part of the RSPO Assessment team which audited a RSPO certified Plantation Management Unit in 2009/2010.

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.

Mr. Chen Fai Kok (CFK) has over 30 years work experience in the plantation sector. He has held a Senior Management role in the estate field operations including GAP and IPM. He had also served as the branch Chairman of the Incorporated Society of Planters (ISP) in several branches for over 20 years. He has successfully completed training in Estate Management and the RSPO P&C MY-NI Lead Assessor course. He was part of the RSPO Assessment team which audited a RSPO certified Plantation Management Unit in 2009/2010.

Mr. N. Retnasabapathy (NR) has over 25 years work experience in the plantation sector. He has held a Senior Management role in the estate field operations. He was a member of the Incorporated Society of Planters (ISP) and had implemented GAP, IPM and workers management system at various estates in Malaysia. He has successfully completed the IRCA accredited Lead Auditor course in ISO 9001:2008 and RSPO P&C MY-NI Lead Assessor course. He was part of the RSPO Assessment team which audited a RSPO certified Plantation Management Unit in 2009/2010.

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### Appendix B: Certification Assessment Programme (Actual)

Date	Time	Assessors and Assessment Activity		
		Augustine Loh (AUG) & Lim Eng Leng (LEL)	T. Sivabalan (SV) & Chen Fai Kok (CFK)	Jumat Majid (JM) & N.Retna (NR)
23 /08/10 Day 1	1 – 1.30 pm	<b>Location: Mayvin Oil Mill, Telupid Sandakan - Opening meeting</b>		
	1.30 – 6.00 pm	<b>Site assessment at Mayvin Oil Mill</b> <ul style="list-style-type: none"> <li>Documentation Review</li> <li>HR – Review of Pay &amp; Conditions, Worker Contracts, Training</li> <li>Mill Operations – Effluent Treatment &amp; Disposal (waste management)</li> <li>Interviews with Staff &amp; Workers, FFB Suppliers, Contractors</li> </ul> <b>Assessment on P1 to P8 at Mill</b> <ul style="list-style-type: none"> <li>Mill inspections &amp; verifications</li> <li>receiving FFB to PO storage</li> <li>boiler, workshop, etc</li> <li>chemical store, handling, labelling</li> </ul>	<b>Site assessment at Mayvin 2/3 Estate</b> <ul style="list-style-type: none"> <li>Documentation Review</li> <li>Field Inspections &amp; verifications</li> <li>Interviews with Staff &amp; Workers</li> <li>Interviews with Contractors, Government agencies, NGOs etc</li> <li>Housing, Clinics and Community facilities</li> </ul> <b>Assessment on P1 to P8</b> <ul style="list-style-type: none"> <li>chemical store, handling, labelling</li> </ul>	<b>Site assessment at Mayvin 2/3 Estate</b> <ul style="list-style-type: none"> <li>Documentation Review</li> <li>Field Inspections &amp; verifications</li> <li>Interviews with Staff &amp; Workers</li> <li>Interviews with Contractors, Government agencies, NGOs etc</li> <li>Housing, Clinics and Community facilities</li> </ul> <b>Assessment on P1 to P8</b> <ul style="list-style-type: none"> <li>including GAP</li> <li>chemical store, handling, labelling</li> </ul>
	6.00 – 7.30 pm	Break		
	7.30 – 10 pm	Team meeting and discussion		

**Note 1: Time allotted for the audit activities whenever situation warrants or planned**

Date	Time	Assessors and Assessment Activity		
		Augustine Loh (AUG) & Lim Eng Leng (LEL)	T. Sivabalan (TSV) & Chen Fai Kok (CFK)	Jumat Majid (JM) & N.Retna (NR)
24 /08/10 Day 2	8.am - 12 noon	<b>Assessment on P1 to P8 at Mill</b> <ul style="list-style-type: none"> <li>Mill inspections &amp; verifications</li> <li>including receiving FFB to PO storage</li> <li>including boiler, workshop, etc</li> <li>including chemical store, handling, labelling</li> </ul>	<b>Site assessment at Mayvin 5/6 Estate</b> <ul style="list-style-type: none"> <li>Documentation Review</li> <li>Field Inspections &amp; verifications</li> <li>Interviews with Staff &amp; Workers</li> <li>Interviews with Contractors, Government agencies, NGOs etc</li> <li>Housing, Clinics and Community facilities</li> </ul>	<b>Site assessment at Mayvin 5/6 Estate</b> <ul style="list-style-type: none"> <li>Documentation Review</li> <li>Field Inspections &amp; verifications</li> <li>Interviews with Staff &amp; Workers</li> <li>Interviews with Contractors, Government agencies, NGOs etc</li> <li>Housing, Clinics and Community facilities</li> </ul>
	12 – 1 pm	Break		

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	1 – 6.00 pm	Assessment on P1 to P8 <ul style="list-style-type: none"> <li>• Mill inspections &amp; verifications</li> <li>• GAP</li> <li>• chemical store, handling, labeling</li> </ul>	Assessment on P1 to P8 <ul style="list-style-type: none"> <li>• Field inspections &amp; verifications</li> <li>• GAP</li> <li>• IPM</li> <li>• HCV (if any) – special focus</li> <li>• chemical store, handling, labeling</li> </ul>	Assessment on P1 to P8 <ul style="list-style-type: none"> <li>• Field inspections &amp; verifications</li> <li>• GAP</li> <li>• IPM</li> <li>• HCV (if any)</li> <li>• chemical store, handling, labeling</li> </ul>
	6 – 7.30 pm	Break		
	7.30 – 10 pm	Team discussion		

Date	Time	Assessors and Assessment Activity		
		Augustine Loh (AUG) & Lim Eng Leng (LEL)	T. Sivabalan (TSV) & Chen Fai Kok (CFK)	Jumat Majid (JM) & N.Retna (NR)
25 /08/10 Day 3	8.am - 12 noon	<b>Site assessment at Tanglukap &amp; Mayvin 1 Estates</b> <ul style="list-style-type: none"> <li>• Documentation Review</li> <li>• HR – Review of Pay &amp; Conditions, Worker Contracts, Training</li> <li>• Interviews with Staff &amp; Workers</li> </ul>	<b>Site assessment at Tangkulap &amp; Mayvin 1 Estates</b> <ul style="list-style-type: none"> <li>• Documentation Review</li> <li>• Field Inspections &amp; verifications</li> <li>• Interviews with Staff &amp; Workers</li> <li>• Interviews with Contractors, Government agencies, NGOs etc</li> <li>• Housing, Clinics and Community facilities</li> </ul>	<b>Site assessment at Tangkulap &amp; Mayvin 1 Estates</b> <ul style="list-style-type: none"> <li>• Documentation Review</li> <li>• Field Inspections &amp; verifications</li> <li>• Interviews with Staff &amp; Workers</li> <li>• Interviews with Contractors, Government agencies, NGOs etc</li> <li>• Housing, Clinics and Community facilities</li> </ul>
	12 – 1 pm	Break		
	1 – 6 pm	Assessment on P1 to P8 <ul style="list-style-type: none"> <li>• Field inspections &amp; verifications including IPM</li> <li>• including chemical store, handling, labeling</li> </ul>	Assessment on P1 to P8 <ul style="list-style-type: none"> <li>• Field inspections &amp; verifications including GAP</li> <li>• including IPM</li> <li>• including HCV (if any) – special focus</li> <li>• including chemical store, handling, labeling</li> </ul>	Assessment on P1 to P8 <ul style="list-style-type: none"> <li>• Field inspections &amp; verifications including GAP</li> <li>• including IPM</li> <li>• including HCV (if any)</li> <li>• including chemical store, handling, labeling</li> </ul>
	6 – 7.30 pm	Break		
	7.30 – 10 pm	Team meeting and discussion		

Date	Time	Assessors and Assessment Activity		
		Augustine Loh (AUG) & Lim Eng Leng (LEL)	T. Sivabalan (TSV) & Chen Fai Kok (CFK)	Jumat Majid (JM) & N.Retna (NR)
26 /08/10 Day 4	8.am - 12 noon	<ul style="list-style-type: none"> <li>• Documentation Review</li> <li>• Follow-up/verification</li> </ul>	<ul style="list-style-type: none"> <li>• Documentation Review</li> <li>• Follow-up/verification</li> </ul>	<ul style="list-style-type: none"> <li>• Documentation Review</li> <li>• Follow-up/verification</li> </ul>



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	12 – 1 pm	Break	
	1 – 4 pm	Preparation for closing meeting	
	4 – 5 pm	Team Meeting and Discussion with IOI - PMU representatives	
	5 pm	Closing meeting	

Date	Time	Assessors and Assessment Activity	
		TSV, AUG & JM	
<b>27 /08/10 Day 5</b>	8.am - 12 noon	Follow-up and on-site verification on concerns raised by stakeholders with regard to the IOI Morrisem Estate located at the Lower Kinabatangan area	
	12 – 1 pm	Break	
	1 – 3 pm	Team Meeting and Discussion with IOI - PMU representatives	

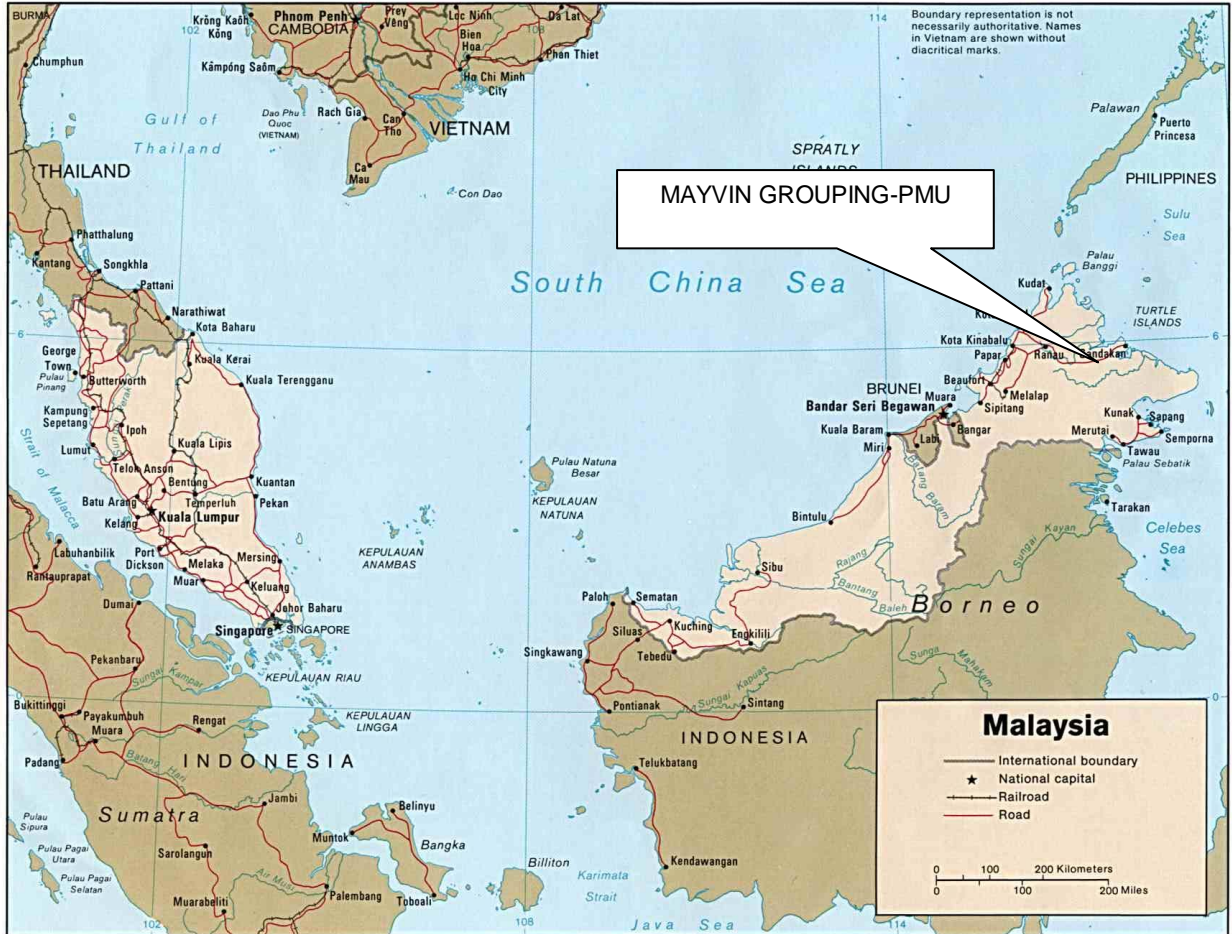
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**Appendix C1: Location Map 1 of MAYVIN GROUPING-PMU**



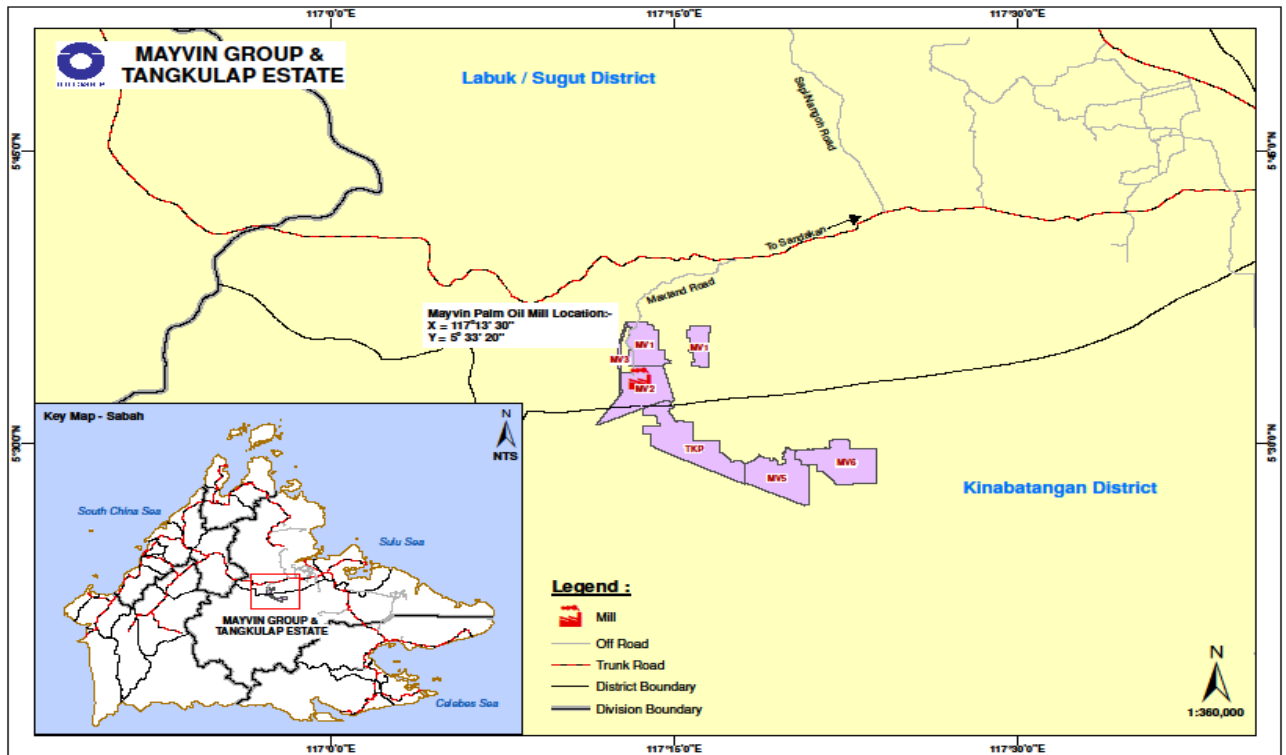
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Appendix C2: Location Map 2 of MAYVIN GROUPING-PMU



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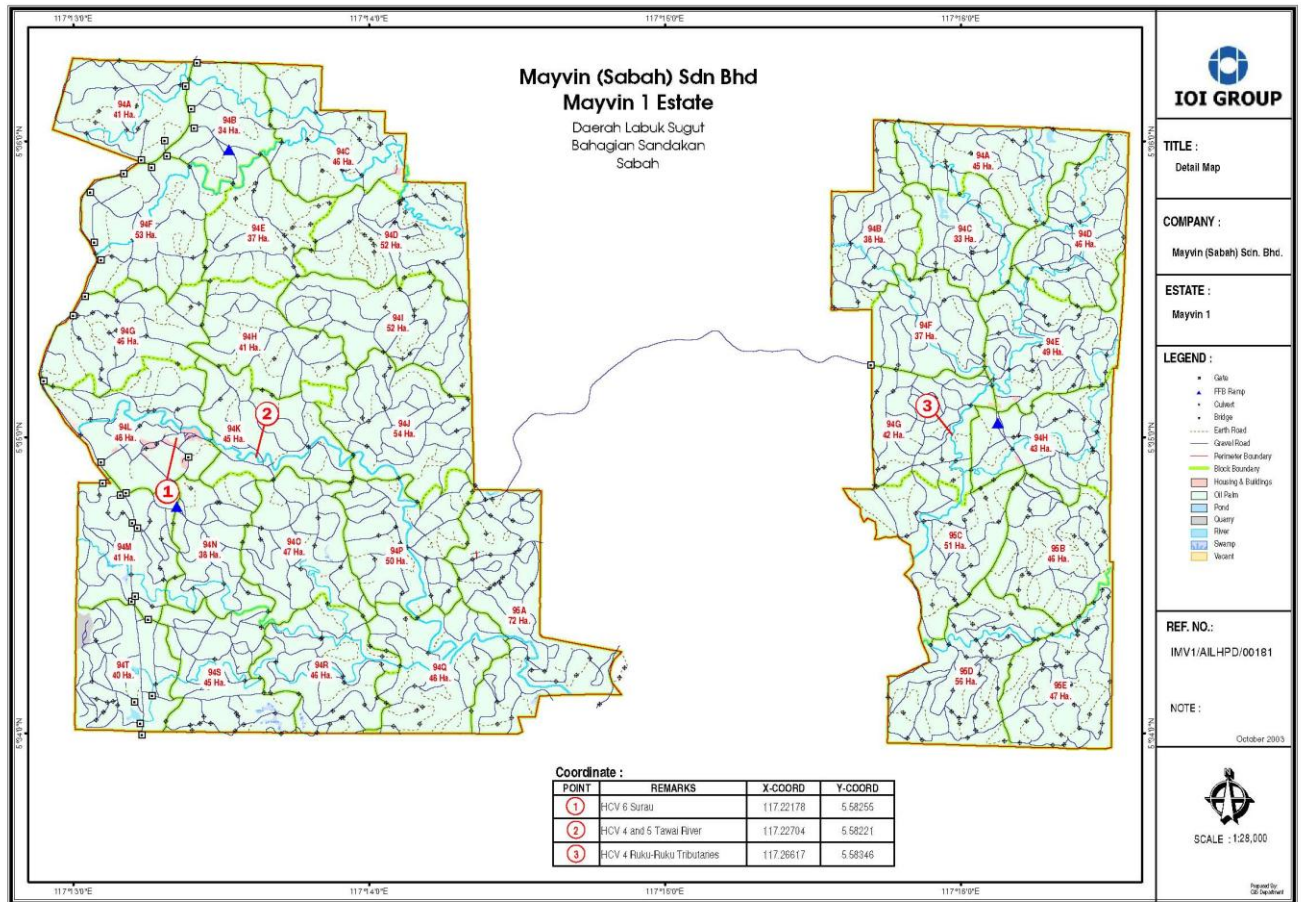
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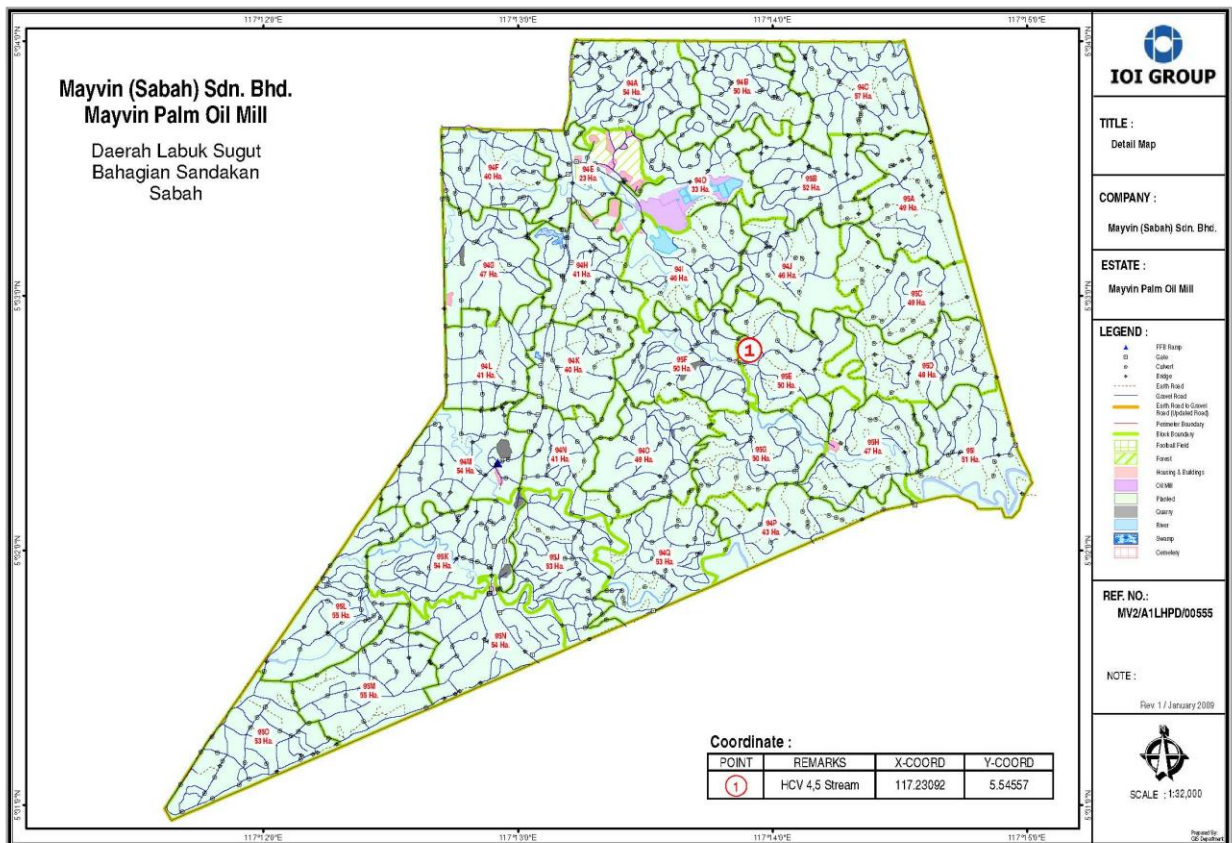
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**Appendix C3: Location Map 3 - Layout of Estates and HCV Areas near Estates**

**Map 3-1: Mayvin 1 Estate**



**Map 3-2: Mayvin 2/3 Estate**



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**Map 3-3: Mayvin 4 Estate**

