

**MALAYSIAN SUSTAINABLE PALM OIL  
4<sup>th</sup> ANNUAL SURVEILLANCE ASSESSMENT (ASA4)  
Public Summary Report**

<b>TDM PLANTATION SDN BHD</b>
Client Company Address: Head Office: Level 3, Bangunan UMNO Terengganu Lot 3224, Jalan Masjid Abidin, 20100 Kuala Terengganu Terengganu, Malaysia
Certification Unit: Sungai Tong Palm Oil Mill & Plantations: Jaya Estate, Fikri Estate, Tayor Estate, Pelung Estate, Jerangau Estate, Pinang Emas Estate and Bukit Bidong Estate
Date Final Report: 10/12/2021

**Report prepared by:**  
**Nor Halis Abu Zar** (Lead Auditor)

**Report Number: SMO 3561102**

**Assessment Conducted by:**  
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## Section 1: Executive Summary

<b>1.1 Organizational Information and Contact Person</b>			
Company Name	TDM Plantation Sdn Bhd		
Mill/Estate	MPOB License No.	Expiry Date	
	Sungai Tong POM	500042704000	31/03/2022
	Jaya Estate	501497502000	31/03/2022
	Fikri Estate	503379102000	31/08/2022
	Tayor Estate	501496702000	31/03/2022
	Pelung Estate	502826702000	31/03/2022
	Jerangau Estate	502250102000	31/08/2022
	Pinang Emas Estate	502606002000	28/02/2022
	Bukit Bidong Estate	619539102000	26/12/2021
Address	Level 3, Bangunan UMNO Terengganu, Lot 3224, Jalan Masjid Abidin, 20100 Kuala Terengganu, Terengganu, Malaysia		
Certification Unit	Sungai Tong Palm Oil Mill, Jaya Estate, Fikri Estate, Tayor Estate, Pelung Estate, Jerangau Estate, Pinang Emas Estate and Bukit Bidong Estate		
Contact Person Name	Mohd Izwan Haffez bin Che Azmi		
Website	www.tdmbherhad.com.my	E-mail	izwan.tdmp@tdmbherhad.com.my
Telephone	09-6204 800/ 019-9515 898	Facsimile	09-6204 803

<b>1.2 Certification Information</b>			
Certificate Number	Mill: MSPO 678754 Estate: MSPO 686825		
Issue Date	27/12/2017	Expiry date	26/12/2022
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Standard	MS 2530-4:2013 Part 4: General principles for palm oil mills MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholders		
Stage 1 Date	N/A (The certification unit is RSPO certified)		
Stage 2 / Initial Assessment Visit Date (IAV)	24-25/09/2017		
Continuous Assessment Visit Date (CAV) 1	09-11/12/2018		
Continuous Assessment Visit Date (CAV) 2	23-26/09/2019		
Continuous Assessment Visit Date (CAV) 3	28/09-01/10/2020		

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Continuous Assessment Visit Date (CAV) 4	08-11/11/2021		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 595564	RSPO Principles & Criteria for Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019; with Mass Balance Supply Chain Module	BSI Services Malaysia Sdn. Bhd.	26/12/2023

1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Sungai Tong Palm Oil Mill	Lot 7663, Batu 23, Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 18' 29.88" N	102° 54' 37.80" E
Jaya Estate	Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 21' 15.84" N	102° 53' 30.12" E
Fikri Estate	Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 19' 21.00" N	102° 53' 51.36" E
Tayor Estate	Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 15' 57.60" N	102° 53' 27.60" E
Pelung Estate	Jalan Kuala Terengganu-Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 16' 55.56" N	102° 49' 59.52" E
Jerangau Estate	Jalan Jerangau, 21810 Ajil, Hulu Terengganu, Terengganu, Malaysia	4° 57' 39.60" N	103° 9' 46.79" E
Pinang Emas Estate	Bukit Besi, 23000 Dungun, Terengganu, Malaysia	4° 45' 39.96" N	103° 13' 25.68" E
Bukit Bidong Estate	Lot 2092, Jalan Merang-Terengganu, Kampung Gong Tengah, 22100 Permaisuri, Terengganu, Malaysia	5° 29' 20.51" N	102° 55' 30.2" E

Note: Bukit Bidong Estate has been certified under Sungai Tong certification Unit on year 2020.

1.4 Certified Area					
Estates	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Jaya Estate	3,365.50	-	90.29	3,455.79	97.39
Fikri Estate*	3,111.25	-	599.80	3,711.05	83.83

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Tayor Estate	2,124.27	5.00	90.65	2,219.92	95.69
Pelung Estate**	1,342.24	-	1,669.96	3,012.20	44.56
Jerangau Estate	1,436.57	-	44.36	1,480.93	97.00
Pinang Emas Estate	2,823.91	-	1,046.27	3,870.18	72.97
Bukit Bidong Estate***	2,307.00	-	287.50	2,594.50	88.92
<b>TOTAL</b>	<b>16,510.74</b>	<b>5.00</b>	<b>3,828.83</b>	<b>20,344.57</b>	<b>81.16</b>

**Notes:**

- \* Fikri Estate - Total planted for 2020 is 3,102.72ha (3,111.25 – 3,102.72=8.53ha).  
5.47ha (Biogas Project) + 2.43ha (Abandoned vacant areas 2005A1) + 15.44ha (Abandoned areas 95A1) = 23.34ha  
31.87ha-23.34ha=8.53ha
- \*\* Pelung Estate - The difference is 5.00ha compared to last year due to the changes of land tittle. New land tittle received in May 2021. FY2020 total area is 3,017.20 while FY2021 total area is 3,012.20
- \*\*\* Bukit Bidong Estate has been certified under Sungai Tong certification Unit on year 2020.

### 1.5 Plantings & Cycle

Estates	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Jaya Estate	-	-	1,648.77	1,601.43	115.30	3,365.50	-
Fikri Estate	899.77	-	92.93	1,893.23	225.32	2,211.48	899.77
Tayor Estate	636.62	-	10.59	1,477.06	-	1,487.65	636.62
Pelung Estate	975.44	62.26	-	304.54	-	366.80	975.44
Jerangau Estate	689.08	479.61	-	59.72	208.16	747.49	689.08
Pinang Emas Estate	914.49	253.58	133.20	1,487.50	35.14	1,909.42	914.49
Bukit Bidong Estate	61.01	699.16	1,546.83	-	-	2,245.99	61.01
<b>Total (ha)</b>	<b>4176.41</b>	<b>1494.61</b>	<b>3432.32</b>	<b>6823.48</b>	<b>583.92</b>	<b>12334.33</b>	<b>4176.41</b>

### 1.6 Certified Tonnage of FFB

Estates	Tonnage / year		
	Estimated (Dec 2020 - Nov 2021)	Actual (Sept 2020 - Oct 2021)	Forecast (Dec 2021 - Nov 2022)
Jaya Estate	68,900.00	68,022.10	63,400.00
Fikri Estate	39,910.00	38,777.11	33,700.00
Tayor Estate	26,900.00	28,416.86	22,700.00
Pelung Estate	4,360.00	4,226.54	3,950.00
Jerangau Estate	12,400.00	12,632.26	15,380.00
Pinang Emas Estate	4,600.00	10,207.46	23,100.00

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Bukit Bidong Estate	-	16,967.30	26,910.00
Gajah Mati Estate	-	3,319.69	-
Pelantoh Estate	-	706.79	-
Tebak Estate	-	1,157.23	-
Jernih Estate	-	1,171.61	-
<b>Total</b>	<b>157,070.00</b>	<b>185,604.95</b>	<b>189,140.00</b>

### 1.7 Uncertified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Dec 2020 - Nov 2021)	Actual (Sept 2020 - Oct 2021)	Forecast (Dec 2021 - Nov 2022)
Third parties	NA	18,852.71	25,750.00
<b>Total</b>	<b>NA</b>	<b>18,852.71</b>	<b>25,750.00</b>

Note: N/A

### 1.8 Certified Tonnage

	Estimated (Dec 2020 - Nov 2021)	Actual (Sept 2020 - Oct 2021)	Forecast (Dec 2021 - Nov 2022)
	FFB	FFB	FFB
<b>Mill Capacity: 60 MT/hr</b>	157,070.00	185,604.95	189,140.00
<b>SCC Model: MB</b>	<b>CPO (OER: 19.08%)</b>	<b>CPO (OER: 18.86%)</b>	<b>CPO (OER: 19.42%)</b>
	29,970.10	35,001.66	36,736.82
	<b>PK (KER: 4.28%)</b>	<b>PK (KER: 4.39%)</b>	<b>PK (KER: 4.38%)</b>
	6,730.24	8,140.85	8,275.23

### 1.9 Actual Sold Volume (CPO)

MSP0 Certified	Other Schemes Certified		Conventional	Total
	ISCC	RSPO		
35,001.66	0	26,573.69	0	26,573.69

### 1.10 Actual Sold Volume (PK)

MSP0 Certified	Other Schemes Certified		Conventional	Total
	ISCC	RSPO		
8,140.85	0	7,619.09	0	7,619.09

## Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 190 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

### Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 08-11/11/2021. The audit programme is included as Section 2.3. The approach to the audit was to treat the Certification Unit, TDM Plantation Sdn Bhd - Sungai Tong POM and Estates (Jaya Estate, Fikri Estate, Tayor Estate, Pelung Estate, Jerangau Estate, Pinang Emas Estate and Bukit Bidong Estate) FFB supply bases as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. MS 2530-3:2013 and MS 2530-4:2013 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The estates or smallholders' sample were determined based on formula  $S = r\sqrt{n}$  where  $n$  is the number of estates while when applicable, the smallholders' sample were determined following the MSPO Certification Requirement. The sampling of smallholders was based on the formula  $(r\sqrt{n})$ ; where  $r$  is the risk factor (may defers 1, 1.5 and 2 depending on risk), where  $n$  is total number of group members. The sampled smallholder listed in Appendix C.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

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

All the previous nonconformities are remains closed. The assessment findings from the initial assessment are detailed in Section 4.2.

This report is structured to provide a summary of assessment finding as attached in the Section 3. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by BSI.

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

<b>Assessment Program</b>					
<b>Name (Mill / Plantation / Group smallholders)</b>	<b>Year 1 (Certification)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Sungai Tong Palm Oil Mill	✓	✓	✓	✓	✓
Jaya Estate	✓		✓		✓
Fikri Estate	✓		✓		✓
Tayor Estate	✓		✓		
Pelung Estate		✓		✓	
Jerangau Estate		✓		✓	
Pinang Emas Estate		✓		✓	✓
Bukit Bidong Estate				✓	
<p>Notes:</p> <p>For ASA 4, originally Tayor Estate will be one of the samples selected but due to COVID-19 outbreak there, replaced with Pinang Emas Estate</p> <p>Bukit Bidong Estate has been certified under Sungai Tong certification Unit on year 2020.</p>					

**Tentative Date of Next Visit: September 27, 2022 - September 30, 2022**

**Total No. of Mandays: 15 mandays**

**2.1 BSI Assessment Team**

<b>Team Member Name</b>	<b>Role</b> <i>(Team Leader or Team member)</i>	<b>Qualifications</b> <i>(Short description of the team members)</i>
Nor Halis Abu Zar (NHA)	Team Leader	He holds Bachelor of Science, Plantation Technology and Management, graduated from Universiti Teknologi Mara. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, He had accumulated more than 6 years of sustainability implementation experience including workers' welfare, workers' occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. He is a qualified Lead Auditor for MS2530:2013 and has accumulated more than 300 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia. He has completed ISO IMS 9001, 14001 Lead Auditor Course in January 2019, MSP0 2530:2013 Lead Auditor Course in February 2019 and endorsed RSPO Lead Auditor Course in October 2020. Fluent in Bahasa Malaysia and English Languages. During this assessment, he assessed on the aspects of Safety and Health, Training, Environment, Biodiversity, Estates and Mill Best Practices and Financial



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		Matters, Legal Requirements, land & Legal issue and MSPO requirements. He is fluent in Bahasa Malaysia and English.
Mohd Nazib Marwan (MNM)	Team Member	He holds Diploma in Mechanical Engineering graduated from Sultan Salahuddin Abdul Aziz Shah in 2007. He has 5 years working experience with Department of Occupational Safety and Health Malaysia and has visited /audited many types of industries including plantation industry. He also has more than 11 years of experiences as auditor for several standards including ISO9001, ISO14001, ISO45001, MSPO and RSPO with previous certification body. During this assessment, he assessed on Policy and commitment, Social requirements, contract agreement, human rights, workers' welfare, smallholder welfare, Stakeholder Consultation, Legal Requirements, land & Legal issue and MSPO requirements. He is fluent in Bahasa Malaysia and English.

## 2.2 Accompanying Persons

No.	Name	Role
1	Mohamed Hidir Zainal Abidin (MHZ)	Qualifying Reviewer

## 2.3 Assessment Plan

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

Date	Time	Subjects	(NHA)	(MNM)
Sunday, 07/11/2021	-	Auditors travel to Kuala Terengganu and check in at Hotel	√	√
Monday, 08/11/2021 <b>Sg Tong POM</b>	08:30 - 09:00	Opening Meeting at Akademi TDM Plantation Sdn Bhd <ul style="list-style-type: none"> <li>• Presentation by BSI Lead Auditor - introduction of team member and assessment agenda</li> <li>• Confirmation of assessment scope and finalizing audit scope</li> </ul>	√	√
	09:00 - 12:30	Mill Assessment: Plant visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√
	10:00 - 12:00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	
	12:30 - 13:30	Lunch break	√	√
	13:30 - 16:30	Document review (MS2530:2011 Part 4): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices,	√	√

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	16:30 - 17:00	Interim closing meeting	√	√
Tuesday, 09/11/2021 <b>Fikri Estate</b>	09:00 - 12:30	Estate assessment: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	12:30 - 13:30	Lunch break	√	√
	13:30 - 16:30	Document Review (MS2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices Best practices, P7: Development of New Planting	√	√
	16:30 - 17:00	Interim closing meeting	√	√
Wednesday, 10/11/2021 <b>Pinang Emas Estate</b>	09:00 - 12:30	Estate assessment: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	12:30 - 13:30	Lunch break	√	√
	13:30 - 16:30	Document Review (MS2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices Best practices, P7: Development of New Planting	√	√
	16:30 - 17:00	Interim closing meeting	√	√
Thursday, 11/11/2021 <b>Jaya Estate</b>	09:00 - 12:30	Estate assessment: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	12:30 - 13:30	Lunch break	√	√

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Date	Time	Subjects	(NHA)	(MNM)
	13:30 - 16:30	Document Review (MS2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices Best practices, P7: Development of New Planting	√	√
	16:30 - 17:00	Assessment team discussion, preparation and closing meeting	√	√

### Section 3: Assessment Findings

#### 3.1 Details of audit results

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

- MSPO MS 2530-2:2013 – General Principles for Independent Smallholders
- MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders
- MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills

#### 3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the ASA 4 there were zero (0) Major, one (2) Minor nonconformities and three (3) OFI raised. The Certification Unit submitted Corrective Action Plans for the minor nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment.

<b>Minor Nonconformities:</b>		
<b>Ref:</b> 2130030-202111-N1	<b>Area/Process:</b> Pinang Emas Estate	<b>Clause:</b> MSPO 2530 Part 3-4.4.5.4
	<b>Issue Date:</b> 11/11/2021	<b>Due Date:</b> Next assessment visit
<b>Requirements:</b>	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	
<b>Statement of Nonconformity:</b>	There is no evidence to show EPF and SOCSO contribution was made to the contractor’s workers.	
<b>Objective Evidence:</b>	Payslip verified for the month of July, August and September 2021 for Mr. Abdul Wahab Bin Muda (SF Suria Enterprise) was found without any contribution to EPF and SOCSO as per legal requirements (EPF Act 1991 (Act 452) and SOCSO Act 1969 (Act 4).	
<b>Corrections:</b>	A meeting has been conducted with the contractor, SF Suria Enterprise on 9/11/2021 to discuss further about the requirement of Employment Act 1955 for them to fulfil taking into consideration that TDM Plantation Sdn. Bhd. is one of MSPO certified company.	
<b>Root cause analysis:</b>	There is no understanding of the contractor on the obligations of the Employment Act 1955 even though the requirement has been explained by the estate.	
<b>Corrective Actions:</b>	To assist the contractor to make proper deduction and contribution (SOCSO & EPF) as per requirement under Employment Act 1955.	
<b>Assessment Conclusion:</b>	The correction and corrective action are accepted. The evidence of effective implementation shall be verified in the next assessment visit.	

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<b>Minor Nonconformities:</b>		
<b>Ref:</b> 2130030-202111-N2	<b>Area/Process:</b> Sg Tong POM	<b>Clause:</b> MSPO 2530 Part 4-4.5.3.4
	<b>Issue Date:</b> 11/11/2021	<b>Due Date:</b> Next assessment visit
Requirements:	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.	
Statement of Nonconformity:	The level of awareness on restriction of open burning activities was not effectively implemented.	
Objective Evidence:	Sighted commitment by management on Zero Burning. Refer item no 5 in Polisi Biodiversiti & Alam Sekitar dated 01/04/2021 "Memastikan Pembakaran Sifar sentiasa diberi keutamaan". Training has been conducted on 08/03/2021. Refer "Laporan Latihan Dalaman; Bahan Buangan Terjadual dan Larangan Pembakaran terbuka". However it was found portion of domestic waste burning activities at the Labour Quarters No. K62 that indicates the level of awareness on restriction of open burning activities was not satisfactory.	
Corrections:	A warning letter dated 8/11/2021 has been issued to the related worker that require him to take immediate action to clean up the burning traces. As stated in <i>Perjanjian Menduduki Rumah Kediaman Kilang Kelapa Sawit Sungai Tong</i> , the workers are not permissible to perform burning activities in residential areas. This agreement has been signed by the related worker on 1/3/2021. The signage on restriction of open burning had been installed at the line site to show that the management disallowed these activities. The restriction of open burning also were informed to the workers during morning briefing as a reminder.	
Root cause analysis:	The enforcement on restriction of open burning activities is not fully deployed that cause the workers underestimate the restriction. They still conduct domestic waste burning activities, even though the collection of domestic waste has been provided through Majlis Daerah Setiu (MDS).	
Corrective Actions:	The enforcement on restriction of open burning activities will be conducted through weekly line-site inspection. The existing line-site inspection will be reviewed and revised accordingly. If there are any burning activities were found in residential areas, the management will produce show cause letter and impose necessary action to the affected worker.	
Assessment Conclusion:	The correction and corrective action are accepted. The evidence of effective implementation shall be verified in the next assessment visit.	

<b>Opportunity for Improvement</b>		
<b>Ref:</b> 2130030-202111-I1	<b>Area/Process:</b> Jaya Estate, Fikri Estate and Pinang Emas Estate	<b>Clause:</b> MSPO 2530 Part 3-4.4.1.1
Objective Evidence:	Review of SIA was conducted based on issues identified in the initial report prepared by consultant. SIA review conducted on yearly basis could include current issues/facilities/conditions for each estates to mitigate negative impact and promote the positive ones.	

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<b>Opportunity for Improvement</b>		
<b>Ref:</b> 2130030-202111-I2	<b>Area/Process:</b> Sg Tong POM	<b>Clause:</b> MSPO 2530 Part 4-4.4.1.1
Objective Evidence:	Review of SIA was conducted based on issues identified in the initial report prepared by consultant. SIA review conducted on yearly basis could include current issues/facilities/conditions to mitigate negative impact and promote the positive ones.	

<b>Opportunity for Improvement</b>		
<b>Ref:</b> 2130030-202111-I3	<b>Area/Process:</b> Fikri Estate	<b>Clause:</b> MSPO 2530 Part 3-4.5.3.4
Objective Evidence:	Management could improve on awareness of managing empty chemical container to avoid any risk of contamination to the environment.	

<b>Noteworthy Positive Comments</b>	
1	Good cooperation by management team/staff/sustainability team
2	Good documentation upkeep and retrieval

**3.3 Status of Nonconformities Previously Identified and OFI**

<b>Minor Nonconformities:</b>		
<b>Ref:</b> 1953934-202009-N1	<b>Area/Process:</b> Pelung Estate	<b>Clause:</b> MS 2530:2013 Part-3-4.4.5.3
	<b>Issue Date:</b> 01/10/2020	<b>Date of Closure:</b> 11/11/2021
Requirements:	Management shall ensure that employees' pay, and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.	
Statement of Nonconformity:	The evidence that shows the employment contract agreement conditions are met was not adequately demonstrated.	
Objective Evidence:	Based on employment contract, workers shall be provided with 35 gallon/person/day of water. However, at Pelung Estate, there was no evidence to show that this condition is adhered to.	
Corrections:	Previously for the year 2018, the workers live in ' <i>rumah kongsi</i> ' which situated inside the field and the water supply comes from natural resources, thus there is no water deduction. However, after the workers quarters is completed, the workers then transferred to new housing and the water deduction is being made since the water supplied by SATU. Water deduction has been made to the workers without referring to legal requirement.	
Root cause analysis:	Water subsidy has been provided to the workers started from September 2020. The workers will receive their water subsidy money from previous deduction by October 2020.  Water subsidy will be given to the workers at RM2.10 person/ month equivalent to 35 gallons/person/day.	
Corrective Actions:	In this case, the water deduction has been made without referring to housing requirement and operation/ HR department what is the value of water subsidy. TDMP	

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	will prepare standardized water subsidy and distributed to all estates and mills, to prevent recurrence this matter in future.
Assessment Conclusion:	The correction and corrective action are accepted. The evidence of implementation shall be carried out in the next assessment.
Verification Statement	ASA 4 verification TDMP has prepared memorandum dated 03/01/2021 which indicate the water subsidy minimum of RM5.00 is given to each housing unit and water supply of minimum 35 gallons/person/day as stated in working contract. Thus, the corrective action on minor nonconformity raised on previous assessment was effectively implemented. Thus, Minor NC effectively closed on 11/11/2021.

Opportunity for Improvement		
<b>Ref:</b> 1953934-202009-I1	<b>Area/Process:</b> Jerangau Estate	<b>Clause:</b> MS 2530:2013 Part-3, 4.5.3.2
Objective Evidence:	Identification and monitoring of waste sources and pollution by Jerangau Estate based on operational activities could be further enhanced	
Verification Statement	ASA 4 Verification The Environmental Improvement Plan / Pollution Prevention Plan / Continuous Improvement 2021 has been established at Fikri Estate, Pinang Emas Estate and Jaya Estate. Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Evaluation And Identification Form. The plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.	

Opportunity for Improvement		
<b>Ref:</b> 1953934-202009-I2	<b>Area/Process:</b> Pelung Estate	<b>Clause:</b> MS 2530:2013 Part-3, 4.5.6.3
Objective Evidence:	Management plan established for HCV set-aside in Pelung Estate based on recommendation from assessor could be further enhanced.	
Verification Statement	ASA 4 Verification Sighted HCV Management Plan has been established by Pelung Estate. Verified HCV Management And Monitoring Plan 2021 dated 12/04/2021 Prepared by Muhammad Nasri Bin Sustrisno. Sighted Management Plan on Biodiversity Assessment Pinang Emas Estate dated January 2021. Sighted discussion on Set Aside Nature Conservation Area, Training, Planting Beneficial Plant, and Interface with animals. Sighted HCV Management and Monitoring Plan 2021, Jaya Estate has been established dated 12/04/2021. Thus, OFI was closed effectively.	

Opportunity for Improvement		
<b>Ref:</b> 1953934-202009-I3	<b>Area/Process:</b> Estates	<b>Clause:</b> MS 2530:2013 Part-3, 4.6.4.1
Objective Evidence:	The monitoring of load of FFB Transporters against the load limit stipulated in Land Public Transport Commission (SPAD) permit can be further improved.	
Verification Statement	ASA 4 Verification	

	FFB load delivered by FFB transporter was monitored using weighbridge at the estates/mill. Therefore, current practice was found adequate.
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Opportunity for Improvement		
<b>Ref:</b> 1953934-202009-I4	<b>Area/Process:</b> Sg Tong POM	<b>Clause:</b> MS 2530:2013 Part-4, 4.5.3.2
Objective Evidence:	Efficiency and recycling of potential by-products by Sungai Tong Palm Oil Mill based on generation of shredded EFB fibers, decanter cake and boiler ash could be further enhanced.	
Verification Statement	ASA 4 Verification Construction budget under CAPEX for Empty Bunch Dumping Leachate Drain System c/w Retaining Wall has been allocated in the Mill Budget 2021 amounted RM XX,XXX. Budget for Fuel Moving Floor has been allocated amounted RM XX,XXX for handling Fibre and Shredded Fibre. The project will be begin on next year. Thus, OFI was closed effectively.	

### 3.4 Summary of the Nonconformities and Status



CAR Ref.	CLASS	ISSUED	STATUS
1530255-201709-M1	Major	25/09/2017	Closed on 28/11/2017
1530255-201709-M2	Major	25/09/2017	Closed on 28/11/2017
1530255-201709-M3	Major	25/09/2017	Closed on 28/11/2017
1530255-201709-M4	Major	25/09/2017	Closed on 28/11/2017
1530255-201709-M5	Major	25/09/2017	Closed on 28/11/2017
1530255-201709-M6	Major	25/09/2017	Closed on 28/11/2017
1530255-201709-M7	Major	25/09/2017	Closed on 28/11/2017
1530255-201709-N1	Minor	25/09/2017	Closed on 11/12/2018
1530255-201709-N2	Minor	25/09/2017	Closed on 11/12/2018
1530255-201709-N3	Minor	25/09/2017	Closed on 11/12/2018
1720560-201812-M1	Major	11/12/2018	Closed on 10/03/2019
1821642-201909-M1	Major	26/09/2019	Closed on 24/12/2019
1821642-201909-M2	Major	26/09/2019	Closed on 24/12/2019
1821642-201909-M3	Major	26/09/2019	Closed on 24/12/2019
1821642-201909-M4	Major	26/09/2019	Closed on 24/12/2019
1953934-202009-N1	Minor	01/10/2020	Closed on 11/11/2021
2130030-202111-N1	Minor	11/11/2021	Open
2130030-202111-N2	Minor	11/11/2021	Open



**3.5 Issues Raised by Stakeholders**

IS #	Description
<p><b>1</b></p>	<p><b>Feedback:</b> School Representative (SK Kg Fikri)            Faeces from Bat and Owl at the school area makes smelly at school area and give bad image to the school.</p> <p><b>Management Responses:</b>            Management will discuss during stakeholder meeting.</p> <p><b>Audit Team Findings:</b>            Noted with the plan.</p>
<p><b>2</b></p>	<p><b>Feedback:</b> Contractors and vendors            They have been invited and attended the stakeholders meeting with the certification unit and had been explained about the MSP0 requirements. Business relationship between them and the certification unit has been good. Satisfied with the due diligence process, pricing mechanism and payments. They also aware of the complaint mechanism and TDM Plantation Sdn Bhd business ethics.</p> <p><b>Management Responses:</b>            No further action.</p> <p><b>Audit Team Findings:</b>            No further action.</p>
<p><b>3</b></p>	<p><b>Feedback:</b> Groceries            Debt issue by workers. Do not attend any training related MSP0 yet.</p> <p><b>Management Responses:</b>            Discussion during stakeholder meeting.</p> <p><b>Audit Team Findings:</b>            Noted with the plan.</p>
<p><b>4</b></p>	<p><b>Feedbacks:</b> Mosque and Village representatives            Positive feedback and have good relationship with the estates and POM. No complaint from villagers so far and estates management always try to solve any issues immediately.</p> <p><b>Management Responses:</b> Management will continue to maintain good relationship with the stakeholders.</p> <p><b>Audit Team Findings:</b> No other issues</p>
<p><b>5</b></p>	<p><b>Feedbacks: Workers and</b> Gender representatives            Positive feedbacks on the support given by the management in ensuring the female workers and workers dependents welfare are taken care.</p> <p><b>Management Responses:</b> Management will continue to maintain good relationship with the stakeholders</p> <p><b>Audit Team Findings:</b> No other issues</p>

**Section 4: Assessment Conclusion and Recommendation**

<b>Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings</b>	
Based on the findings during the assessment TDM Plantation Sdn Bhd - Sg Tong POM Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of TDM Plantation Sdn Bhd - Sg Tong POM Certification Unit is approved and continued.	
<b>Acknowledgement of Assessment Findings</b>	<b>Report Prepared by</b>
<b>Name:</b> Haji Shahbudin Bin Usop	<b>Name:</b> Nor Halis Abu Zar
<b>Company name:</b> TDM Plantation Sdn Bhd – Sg Tong POM	<b>Company name:</b> BSI Services Malaysia Sdn Bhd
<b>Title:</b> Manager	<b>Title:</b> Client Manager
<b>Signature:</b>  <b>Date:</b> 01-12-2021	<b>Signature:</b>  <b>Date:</b> 30/11/2021

**Appendix A: Summary of the findings by Principles and Criteria**

**MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Oil Palm Plantations and Organized Smallholders**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	A policy for the implementation of MSPO shall be established. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd (hereinafter referred as TDM) has established its MSPO policy approved by the Chief Executive Officer (Hj Mohd Ghozali Bin Yahaya) dated 01/04/2021.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize commitment to continual improvement. <b>- Major compliance -</b>	The established policy has included continual improvement emphasized on the adherence to the following key principles <ul style="list-style-type: none"> <li>- Management Commitment and Responsibility</li> <li>- Transparency</li> <li>- Compliance to Legal Requirements</li> <li>- Social Responsibility, Health, Safety and Employment Condition</li> <li>- Environment, Natural Resources, Biodiversity and Ecosystem Services.</li> <li>- Best Practices</li> <li>- Development of New Plantings</li> </ul>	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	Internal audits was planned to be conducted at least once a year. The objective of the internal audit is to determine the strong and weak points and potential area for further improvement.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	Latest internal audit was conducted at estates audited as follows: 1. Fikri Estate – 30/09/2021 2. Pinang Emas Estate – 06/10/2021 3. Jaya Estate – 05/09/2021	
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.  - <b>Major compliance</b> -	Internal audit procedure was established and maintained (MSPO Internal Audit Standard Operating Procedure (TDMP/01, Rev: TDMP-01/2017).  Total of eight (8) non-conformances was raised has been followed up with root cause and corrective action taken was documented in Sustainability Corrective Action Report”.	Complied
4.1.2.3	Report shall be made available to the management for their review.  - <b>Major compliance</b> -	Internal Audit report was available for verification and it was taken into consideration as part of the management review meeting agendas.	Complied
<b>Criterion 4.1.3 – Management Review</b>			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.  - <b>Major compliance</b> -	Management Review Meeting was planned to be conducted at least once a year. However, management review for year 2021 has been incorporated with the operational meeting at the complex (certification unit) level which has been conducted on monthly basis and known as “Marketing & Operation Meeting” (MOM). Such as meeting conducted on 12/09/2021 through Microsoft Teams was chaired by CEO, attended by managers, plantation controller and etc has discussed on effective implementation of MSPO, changes, improvement and modification was verified as per minutes of meeting.  TDM Plantation Sdn Bhd also has conducted Sustainability meeting North Zone (SCOM) (e.g. dated 19/09/2020) and Sustainability	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Committee Brief of Sustainability and Challenges (e.g. June 2021) when necessary to review the MSPO implementation.	
<b>Criterion 4.1.4 – Continual Improvement</b>			
<b>4.1.4.1</b>	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. <b>- Major compliance -</b>	Continuous improvement plan for year 2021/2022 has been established by all the visited estates. The plans were focusing on mitigation of social and environmental impacts. Among the plans established is as follows: <u>Fikri Estate</u> - Line site major repair (2 units) - Construction of 8 new units houses <u>Pinang Emas Estate</u> - Rain harvesting for chemical spraying and workshop use - Construction of 24 new units houses <u>Jaya Estate</u> - Construction of 4 units bungalow and 8 units of single storey terrace for workers. - Extension of office building for meeting room completed in October 2021. - To construct new workshop to replace current workshop - Replacement of old and rotten creche floor. - Construction/installation of bund wall at lubricant store	Complied
<b>4.1.4.2</b>	The company shall establish a system to improve practices in line with new information and techniques or new industry	The new information and techniques or new industry standards and technology was normally obtained through field visits and trainings by suppliers and Mechanisation Manager at HQ level.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	standards and technology (where applicable) that are available and feasible for adoption. <b>- Major compliance -</b>		
<b>4.1.4.3</b>	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. <b>- Major compliance -</b>	Should there be any new techniques or new industry standard or technology, training will be provided to all the relevant employees to ensure effective implementation.	Complied
<b>4.2 Principle 2: Transparency</b>			
<b>Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements</b>			
<b>4.2.1.1</b>	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. <b>- Major compliance -</b>	The estates maintained their records of request and response, land titles/land use right, SIA report, EIA report, etc. related to environmental and social issues, plans for pollution prevention, continuous improvement plan, complaints and grievances records that were made available upon request.	Complied
<b>4.2.1.2</b>	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. <b>- Major compliance -</b>	The information regarding sustainability and the company is available in website <a href="https://sustainability.tdemberhad.com.my/">https://sustainability.tdemberhad.com.my/</a> and publicly available at the mill. The policies were also publicly displayed at the office notice board.	Complied
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders.	TDM Plantation Sdn Bhd has developed a Communication Procedure for POM/Estates and Flowchart to Handle Social Issue. All issues shall	Complied

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	- <b>Major compliance</b> -	be resolved within maximum of 28 working days. All internal and external stakeholders had been briefed on this procedure.	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - <b>Minor compliance</b> -	The Estate Managers were appointed as the management officials to be responsible in handling issues related to indicator 4.2.2.1 as per appointment letter (ref no: TDMP/HR-GEN(MSPO/RSPO) dated 17/10/2021) approved by Head of Human Resources TDM Plantation Sdn. Bhd.	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - <b>Major compliance</b> -	Stakeholder list was developed where all the affected stakeholders were included in the list such as government authorities, local communities, contractors and supplier, neighbouring schools, etc. Stakeholder consultation was conducted through email and stakeholder feedback was received through survey form for the entire Sg. Tong Complex with the participation of internal and external stakeholders. Total of 10 feedbacks were received with no negative issues raised. Internal stakeholder consultation was verified as per "Employee Representative Meeting Minutes 2021" (e.g. dated 01/09/2021). The meeting has discussed any workers social issues arises.	Complied
<b>Criterion 4.2.3 – Traceability</b>			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - <b>Major compliance</b> -	SOP on the traceability of the FFB has established and describe in the TDM Plantation Sdn. Bhd. MSPO Standard Operating Procedure dated 01/8/2017. Assistant Manager is responsible, and the records were kept by the management. The weighbridge ticket provided the following details among others: 1. Product (FFB or Loose fruit)	Complied

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Criterion / Indicator		Assessment Findings	Compliance																				
		2. Delivery note from estates stating the weight and fruit grade (A or B). 3. D.O. Number 4. Date of the shipment																					
<b>4.2.3.2</b>	The management shall conduct regular inspections on compliance with the established traceability system. <b>- Major compliance -</b>	Estate supervisor will verify the records related to the traceability of FFB. Harvesting records for all the sampled estates were available for verification. Refer Quality Control Team Operation Audit Unit report at Fikri Estate, Pinang Emas Estate and Jaya Estate.	Complied																				
<b>4.2.3.3</b>	The management should identify and assign suitable employees to implement and maintain the traceability system. <b>- Minor compliance -</b>	As mentioned in the procedure, the appointed Traceability Person in Charge (TPIC) were the assistant managers. Sighted evidence of appointment letter: Fikri Estate: En Mohd Zailani Mat Ail dated 01/01/2021 Pinang Emas Estate: En Muhammad Adam Akmal Sani dated 19/09/2021. Jaya Estate: En Shahrudin Ramli dated 01/03/2021	Complied																				
<b>4.2.3.4</b>	Records of sales, delivery or transportation of FFB shall be maintained. <b>- Major compliance -</b>	Records of sales and delivery/transportation of FFB were maintained and updated on daily basis as part of estate production report. Sample weighbridge ticket as below: Fikri Estate <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Ticket no.</th> <th>Lorry no.</th> <th>Weight, Mt</th> </tr> </thead> <tbody> <tr> <td>26/05/2021</td> <td>P0323703</td> <td>TBM 2620</td> <td>7.46</td> </tr> <tr> <td>23/09/2021</td> <td>P0330251</td> <td>TBB2311</td> <td>2.96</td> </tr> </tbody> </table> Pinang Emas Estate <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Ticket no.</th> <th>Lorry no.</th> <th>Weight</th> </tr> </thead> <tbody> <tr> <td>29/08/2021</td> <td>P0293341</td> <td>TAN7028</td> <td>36.88</td> </tr> </tbody> </table>	Date	Ticket no.	Lorry no.	Weight, Mt	26/05/2021	P0323703	TBM 2620	7.46	23/09/2021	P0330251	TBB2311	2.96	Date	Ticket no.	Lorry no.	Weight	29/08/2021	P0293341	TAN7028	36.88	Complied
Date	Ticket no.	Lorry no.	Weight, Mt																				
26/05/2021	P0323703	TBM 2620	7.46																				
23/09/2021	P0330251	TBB2311	2.96																				
Date	Ticket no.	Lorry no.	Weight																				
29/08/2021	P0293341	TAN7028	36.88																				



Criterion / Indicator		Assessment Findings				Compliance
		27/04/2021	P0322280	TBR6028	34.81	
		Jaya Estate				
		Date	Ticket no.	Lorry no.	Weight	
		22/02/2021	P0318877	TD6155	6.07	
		22/09/2021	P0330151	NAL711	9.20	
<b>4.3 Principle 3: Compliance to legal requirements</b>						
<b>Criterion 4.3.1 – Regulatory requirements</b>						
<b>4.3.1.1</b>	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. <b>- Major compliance -</b>	<p>All operations generally found to be in compliance with applicable local, state and national regulations based on permits and license available as per samples sighted in Estate as following:</p> <p><u>Fikri Estate</u></p> <ol style="list-style-type: none"> <li>MPOB Licence No: 503379102000 Validity from 01/09/2021 to 31/08/2022</li> <li>Perakuan Kelayakan pengandung Tekanan Tak Berapi No: TG PMT 3948 Valid until 24/04/2022</li> <li>Permit Barang Kawalan Berjadual – Diesel No: T001093 with capacity 8190 liter valid until 06/11/2024.</li> <li>Potongan Upah Di Bawah Seksyen 24 Akta kerja 1955 from jabatan Tenaga Kerja Negeri Terengganu dated 22/10/2017.</li> </ol> <p><u>Pinang Emas Estate</u></p> <ol style="list-style-type: none"> <li>MPOB Licence No: 502606002000 Validity from 01/03/2021 to 28/02/2022</li> <li>Perakuan Penentuan Timbang dan Sukat, Series No. B631842523 dated 18/11/2020</li> </ol>				Complied

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		3. Permit Barang Kawalan Berjadual – Diesel No: T000127 with capacity 10000 liter valid until 06/10/2024. 4. Permit Barang Kawalan Berjadual – Petrol No: T001181 with capacity 150 liter/day valid until 16/03/2022 <u>Jaya Estate</u> 1. MPOB Licence No: 501497502000 Validity from 01/04/2021 to 31/03/2022 2. Perakuan Kelayakan Pengandung Tekanan Tak Berapi No: TG PMT 5172 Valid until 21/06/2022 3. Permit Barang Kawalan Berjadual – Diesel No: T000606 with capacity 8190 liter valid until 27/01/2022.	
<b>4.3.1.2</b>	The management shall list all laws applicable to their operations in a legal requirements register. <b>- Major compliance -</b>	Sighted procedure related legal register has been established. Refer SOP Legal and Other Requirement Rev 00/2021 Estate dated 01/01/2021. Relevant laws related to the operations of estates within Sg. Tong POM complex were listed in the Legal and Other Requirements Register updated on 25/09/2021 as prepared by Sustainability & Compliance Officer.	Complied
<b>4.3.1.3</b>	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. <b>- Major compliance -</b>	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records verification indicates that the system is appropriate to the operations. Tracking system on any changes in the law is well implemented.	Complied
<b>4.3.1.4</b>	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory	The estate management assigned person responsible to monitor compliance and to track update the changes in regulatory	Complied

Criterion / Indicator		Assessment Findings	Compliance
	requirements. - <b>Minor compliance</b> -	requirements of the estates within Sg. Tong POM complex as per letter of appointment: Fikri Estate: En Zailani Mat Ail dated 01/01/2021 Pinang Emas Estate: En Eduan Safri Fabir dated 23/02/2021 Jaya Estate: En Shahrudin Ramli dated 23/02/2021	
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - <b>Major compliance</b> -	TDM Plantation Sdn Bhd did not diminish the land use rights of other users. Communities surrounding the estates are able to move freely without any issues or problems. Verified during remote audit that no such limitations had occurred.	Complied
<b>4.3.2.2</b>	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - <b>Major compliance</b> -	The management ensures that their oil palm cultivation activities do not diminish the land use rights of other users by having the land titles in place. E.g.: - Fikri Estate has 23 land titles and 1 land title is under Ladang Jaya Estate with total area of 3711.05 Ha - Pinang Emas Estate has 6 land titles with a total area of 3870.18 Ha - Jaya Estate has 3 land titles with a total area of 3455.79 Ha The ownership is under Perbadanan Memajukan Iktisad Negeri Terengganu. The Lease Agreement between Perbadanan Memajukan Iktisad Negeri Terengganu and Kumpulan Ladang-ladang Terengganu Sdn Bhd was available for verification. The estates have planted the lands with oil palm which is in line with the conditions stipulated in the land titles.	Complied

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<b>4.3.2.3</b>	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. <b>- Major compliance -</b>	Based on site visit of the estates' boundaries with third parties' lands, among the method of demarcation are metal pegging (painted with blue & white), perimeter trench and electrical fencing.	Complied
<b>4.3.2.4</b>	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). <b>- Minor compliance -</b>	There was no land dispute at all the visited estates.	NA
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. <b>- Major compliance -</b>	NA. There was no land encumbered by customary rights.	NA
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. <b>- Minor compliance -</b>	NA. There was no land encumbered by customary rights.	NA
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. <b>- Major compliance -</b>	NA. There was no land encumbered by customary rights.	NA
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			

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<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. <b>- Minor compliance -</b>	Initial Social Impact Assessment (SIA) Kompleks Sungai Tong; Report dated May 2012 by SRA Consultancy. Based on this initial assessment, action plan was established on annual basis by all the sampled estates as evident in Action Plan Revision 2021/2022.  Some examples of area of concerns were housing and infrastructure (poor facilities and infrastructure not meeting legal requirement, poor waste dumpsite, etc), worship area (worship area not clean, building condition and require some repair), and etc. Action plan /recommendation, person in-charge, time frame and positive impact was identified.  Review of SIA was conducted based on issues identified in the initial report prepared by consultant. SIA review conducted on yearly basis could consider current issues/facilities/conditions for each estate. Thus, an opportunity for improvement was raised.	OFI
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	A system for dealing with complaints and grievances shall be established and documented. <b>- Major compliance -</b>	A system for dealing with complaints and grievances were established and documented in a Flowchart on Handling Social Issue and Complaint/Grievance Procedure. Any issue raised by stakeholders will be discussed within 2 weeks for the first meeting and issues to be resolved within 28 working days.	Complied
<b>4.4.2.2</b>	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. <b>- Major compliance -</b>	Based on the records of complaints, it was verified that all complaints and action able to be resolved in effective, timely and appropriate manner. Verification of resolution by Officer, Assistant Manager and Manager sighted.	Complied

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4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. <b>- Minor compliance -</b>	Complaint form is available and implemented such as: - Line site repair/house defect (Borang Aduan / Laporan Kerosakan Rumah) - General complaint (Borang Aduan Pelbagai or Complaint/ Request form) There was no complaint or grievance received from external stakeholders since last assessment. General complaint received from internal stakeholders such as livestock entering housing area and unsafe motorcycle riding.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. <b>- Minor compliance -</b>	Interview with internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure and they had been briefed by the management during stakeholder meeting.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. <b>- Major compliance -</b>	The complaint logbook/ complaint files that recorded complaints and solutions for the past 24 months were well maintained and available to affected stakeholders upon request.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. <b>- Minor compliance -</b>	Among the contributions delivered by the estates since the last audit were: - Request to cut field grass from Pusat Khidmat DUN Langkap for football training purposes. - Request to use tractor for grass cutting purposes from JPKK Kampung Langkap	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Transportation provided for workers school children</li> <li>- Provide working opportunity and experience for prisoners under parole</li> <li>- Provide sanitation works to prevent COVID-19 viruses at pre-school (Pinang Emas Estate)</li> <li>- Waqaf Al-Quran programme at Mosque</li> <li>- Drainage maintenance works at school (SK Kampung Bari), etc.</li> </ul>	
<b>Criterion 4.4.4:</b> Employees safety and health			
<b>4.4.4.1</b>	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>A documented Occupational Safety and Health Policy; Approved by Haji Mohd. Ghazali Bin Yahaya; CEO of TDM Plantation Sdn. Bhd.; Dated 01/04/2021 and OSH Plan 2021 found in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) has been communicated and implemented accordingly during several meetings and briefings sessions conducted by the estate management with all employees. Latest briefing on policies has been conducted on:</p> <p>Fikri Estate: 22/02/2021  Pinang Emas Estate: 24/05/2021  Jaya Estate: 11/07/2021</p> <p>The estates have established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2021. The management plan includes the ESH Risk Management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring, Health monitoring.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p><b>4.4.4.2</b> The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) A safety and health policy, which is communicated and implemented.</li> <li>b) The risks of all operations shall be assessed and documented.</li> <li>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:               <ul style="list-style-type: none"> <li>i. all employees involved shall be adequately trained on safe working practices</li> <li>ii. all precautions attached to products shall be properly observed and applied</li> </ul> </li> <li>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</li> <li>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</li> <li>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</li> <li>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare</li> </ul>	<p>The occupational safety and health plan cover the following:</p> <ul style="list-style-type: none"> <li>a) A documented Occupational Safety and Health Policy; Approved by Haji Mohd. Ghazali Bin Yahaya; CEO of TDM Plantation Sdn. Bhd.: Dated 01/04/2021 and OSH Plan 2021 found in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) has been communicated and implemented accordingly during several meetings and briefings sessions conducted by the estate management with all employees.               <ul style="list-style-type: none"> <li>– Fikri Estate: 22/02/2021</li> <li>– Pinang Emas Estate: 24/05/2021</li> <li>– Jaya Estate: 11/07/2021</li> </ul> </li> <li>b) TDM Plantation Sdn Bhd have established Standard Operating Procedure for HIRARC Edition TDMP/01 Revision TDMP 01/2018 dated 22/10/2018. Estates sampled have conducted risk assessments for all the operations and documented in the Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment covers all main operations and support operations. Among the activities verified in the HIRARC included Loading FFB, Harvesting (Carriers), Roofing Repairation, Pruning and Raking, Gardening, etc.                 HIRARC is reviewed on annually and as and when there are any accidents that occur in the estate. Verified the latest review of HIRARC for the estates as below.               <ul style="list-style-type: none"> <li>– Fikri Estate: SOP: COVID-19 Emergency Preparedness and Response Guidelines dated 23/08/2021, Roofing Repairation and Construction dated 03/02/2021.</li> </ul> </li> </ul>	<p>Complied</p>



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<p>are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<ul style="list-style-type: none"> <li>- Pinang Emas Estate: Loaded Tractor, Tractor, Hooklift Trailer, Loader Kubota dated 06/11/2021, SOP: COVID-19 Emergency Preparedness and Response Guidelines dated 29/08/2021</li> <li>- Jaya Estate: Tractor dated 08/11/2021, SOP: COVID-19 Emergency Preparedness and Response Guidelines dated 23/08/2021</li> </ul> <p>Chemical Health Risk Assessment was conducted in compliance to the OSHA Act 1994 and the Use and Standard of Exposure of Chemicals Hazardous to Health (USECHH) Regulations 2000 to assess the risks associated to hazardous chemicals used in the estate. The CHRA reports were available in the sampled estates as below:</p> <ul style="list-style-type: none"> <li>- Fikri Estate: The Chemical Health Risk Assessment Report (Ref. Number: HQ/10/ASS/00/8 2020/047) conducted by Occumed Consultancy &amp; Services Sdn Bhd on June 2020 was available for verification.</li> <li>- Pinang Emas Estate: The Chemical Health Risk Assessment Report (Ref. Number: HQ/10/ASS/00/8) conducted by Occumed Consultancy &amp; Services Sdn Bhd on 18/06/2019 was available for verification</li> <li>- Jaya Estate</li> <li>- The Chemical Health Risk Assessment Report (Ref. Number: HQ/12/ASS/00/306) conducted by Medi-Ihsan Occupational Safety and Health Sdn Bhd on 18/09/2019 was available for verification</li> </ul> <p>Medical Surveillance was conducted for workers exposed to chemicals and welding fumes in the estate as recommended in the CHRA. The medical surveillance was conducted to monitor the</p>	

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	<p>level of exposure on the workers towards the chemicals and fumes.</p> <ul style="list-style-type: none"> <li>- Fikri Estate            Medical Surveillance was conducted from 23/06/2021 at Klinik IBRA for 15 estate’s workers who have been exposed to pesticides (non-organophosphates). Results indicates that 8 of the workers have abnormal results but none of them are related occupations. Most problem related to their lifestyle.</li> <li>- Pinang Emas Estate            Medical Surveillance was conducted from 23/06/2021 at Klinik IBRA for 15 estate workers who have been exposed to pesticides (non-organophosphates). Results indicates that 8 of the workers have abnormal results but none of them are related occupations. Most problem related to their lifestyle.</li> <li>- Jaya Estate            Medical Surveillance was conducted from 17/12/2020 and 24/12/2020 at Klinik Hijraa for 9 and 17 estate workers who have been exposed to pesticides (non-organophosphates). Results indicates that 8 of the workers have abnormal results but none of them are related occupations.</li> </ul> <p>Noise Risk Assessment Report (NRA) was conducted in compliance to Occupational Safety &amp; Health (Noise Exposure) Regulations 2019 in the estates. The NRA Reports were available in the sampled estates as below.</p> <ul style="list-style-type: none"> <li>• Fikri Estate – Assessment conducted on 25/07/2020 by Emrest (M) Sdn Bhd. The assessment report (Ref. No: HQ/LPROYKPEB/20/00183) was available for verification.</li> </ul>	

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	<ul style="list-style-type: none"> <li>• Pinang Emas Estate – Assessment conducted on 12/09/2020 by EHS Quantum Venture. The assessment report (Ref. No: R-NE-20-TDM LPE-12) was available for verification.</li> <li>• Jaya Estate – Assessment conducted on 20/10/2020 by EHS Quantum Venture. The assessment report (Ref. No: R-NE-20-TDM LJY-17) was available for verification.</li> </ul> <p>Audiometric Test was conducted in the estates as per the recommendation in the Noise Risk Assessment as below.</p> <ul style="list-style-type: none"> <li>- Fikri Estate Audiometric test was conducted on 11/10/2021 by Nisafety Consultancy for 15 workers identified to be exposed to excessive noise in the estate. The results have not been obtained yet.</li> <li>- Pinang Emas Estate Baseline Audiometric Test was conducted by Si Energy Sdn Bhd (1202037P) on 19/10/2020 for 28 workers deemed to be exposed to excessive noise in the estate. The results indicated the 12 of them were found to have hearing impairment and 10 of them were noted to have Hearing Loss. As per Occupational Safety and Health (Noise Exposure) Regulation 2019, those with hearing loss, hearing impairment and permanent standard threshold shift are required to see Occupational Health Doctor for further Medical Examination. Sighted OHD Medical Examination For Abnormal Diagram has been set on 07/10/2021 by Klinik IBRA.</li> <li>- Jaya Estate Baseline Audiometric Test was conducted by Klinik Ihsan on 19/10/2020 for 7 workers deemed to be exposed to excessive</li> </ul>	

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	<p>noise in the estate. The results indicated the 3 of them were found to have Baseline Audiometric and 4 of them were noted to have Hearing Loss. As per Occupational Safety and Health (Noise Exposure) Regulation 2019, those with hearing loss, hearing impairment and permanent standard threshold shift are required to see Occupational Health Doctor for further Medical Examination. Sighted OHD Medical Examination For Abnormal Diagram conducted on 26/08/2021 at Klinik Ihsan.</p> <p>c) Estates sampled have established a training program for employees exposed to chemicals used at the palm oil estates to ensure continuous awareness to the employees. The training was conducted by the Manager, Asst. Manager, and representative from the chemical suppliers to the supervisors and operators. Sighted the training records as follows</p> <p><u>Fikri Estate:</u></p> <ul style="list-style-type: none"> <li>• First Aid Training: 19/04/2021</li> <li>• NRA Training: 12/04/2021</li> <li>• Spraying Training: 30/03/2021</li> <li>• Chemical handling: 15/02/2021</li> <li>• ERT Training: 08/02/2021</li> </ul> <p><u>Pinang Emas Estate</u></p> <ul style="list-style-type: none"> <li>• First Aid Training dated 29/08/2021</li> <li>• SOP Ramp Attendance Training dated 14/09/2021</li> <li>• Spraying Training and PPE dated 05/09/2021</li> <li>• Swab Test RKT Antigen (Saliva) Test kit Training dated 29/08/2021</li> </ul>	

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>• Safety Training on Harvesting dated 24/08/2021</li> </ul> <p><u>Jaya Estate:</u></p> <ul style="list-style-type: none"> <li>• Fire Drill Training dated 08/03/2021</li> <li>• Swab Test Training dated 05/09/2021</li> <li>• PPE Training dated 26/08/2021</li> <li>• Chemical Handling Training dated 26/08/2021</li> <li>• Spraying Technique training dated 03/05/2021</li> </ul> <p>d) Appropriate PPE were used by the workers where the management provide appropriate PPE to the workers based on the job type. The PPE given as per HIRARC and Standard Operating Procedure. PPE issuance was recorded in '<i>Borang Penyerahan Peralatan kerja dan Pengambilan Barang</i>' PPE by individual basis. Sighted the PPE issuance records documented in 'PPE Issuance Record' logbook. The PPE issued recorded by workers and job designation. Verified during site visit all workers were complete with PPE according to their job designation.</p> <p>e) Standard Operating Procedures for Handling of Chemicals were available in several documents. SOP in all operations including handling of chemicals has been established in estates within Sg. Tong POM complex to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labelling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) Responsible persons for workers' safety and health were appointed as per Safety Committee Members whom consist of</p>	

Criterion / Indicator	Assessment Findings	Compliance																
	<p>representatives of both management and employee side. Sighted appointment letter as OSH Representative of each estates:                      Fikri Estate: Tn Fadhilah Mukhtar dated 09/08/2021                      Pinang Emas Estate: Tn Adnam A Razik dated 09/08/2021                      Jaya Estate: En Mohd Rosli Mukhtar dated 09/08/2021</p> <p>g) The management conducted regular OSH committee meetings on quarterly basis and when necessary due to accidents that occur. The meeting discussed issues on employees' safety, health and welfare such as operational risks and health achievement report, estate security, safety compliance by contractors, workplace inspection, legal compliance, safety and health training. Sighted the OSH Meeting Minutes dated as follows:</p> <table border="1" data-bbox="1099 858 1861 994"> <thead> <tr> <th>Estate</th> <th>1<sup>st</sup> Meeting</th> <th>2<sup>nd</sup> Meeting</th> <th>3<sup>rd</sup> Meeting</th> </tr> </thead> <tbody> <tr> <td>Fikri</td> <td>28/01/2021</td> <td>08/04/2021</td> <td>23/08/2021</td> </tr> <tr> <td>Pinang Emas</td> <td>29/03/2021</td> <td>02/05/2021</td> <td>14/10/2021</td> </tr> <tr> <td>Jaya</td> <td>24/03/2021</td> <td>14/06/2021</td> <td>08/08/2021</td> </tr> </tbody> </table> <p>h) Accident and Emergency procedures were available in the SOP Emergency Preparedness &amp; Response Edition TDM/01, Revision TDMP-01/2018 dated 01/01/2018. The estates have established Emergency Response Team lead by the Estate Managers. The ERT chart and Fire Extinguisher Map was also available and verified.                      Emergency Response Training was conducted as below:                      Fikri Estate: 08/02/2021                      Pinang Emas Estate: 11/11/2021                      Jaya Estate: 08/03/2021</p> <p>i) First aiders were assigned to various workstation at the estates. The mandores and staffs were responsible for first aid boxes at</p>	Estate	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting	Fikri	28/01/2021	08/04/2021	23/08/2021	Pinang Emas	29/03/2021	02/05/2021	14/10/2021	Jaya	24/03/2021	14/06/2021	08/08/2021	
Estate	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting															
Fikri	28/01/2021	08/04/2021	23/08/2021															
Pinang Emas	29/03/2021	02/05/2021	14/10/2021															
Jaya	24/03/2021	14/06/2021	08/08/2021															

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	<p>each workstation assigned to them by the management. The first aid box was recently replenished with all stated items available in the box. First Aid trainings were conducted regularly at the sampled estates and documents of trainings were verified as below.</p> <p>Fikri Estate: 19/04/2021  Pinang Emas Estate: 29/08/2021  Jaya Estate: 11/05/2021</p> <p>j) Records of all accidents are kept. Accident incidences are reviewed during the safety meetings. Records of Lost Time Accident (LTA) metrics was maintained and based on JKPP 6, 7 &amp; 8. JKPP 8 for estates within Sg. Tong POM complex.</p> <p><u>Fikri Estate</u>  There were no case for the year 2020 reported in the estate. The JKPP 8 form has been submitted to DOSH for the year ending 2020 on 13/01/2021 and documents available for verification.  For the year 2021 there were no accident cases reported.</p> <p><u>Pinang Emas Estate</u>  There were 2 case for the year 2020 reported in the estate. Sighted JKPP 6 report dated 30/11/2020 and 19/01/2020. The JKPP 8 form has been submitted to DOSH for the year ending 2020 on 21/01/2021 and documents available for verification.  For the year 2021 there were no accident cases reported.</p> <p><u>Jaya Estate</u>  There were 3 case for the year 2020 reported in the estate. Sighted JKPP 6 report dated 04/06/2020, 23/07/2020 and 19/11/2020. The JKPP 8 form has been submitted to DOSH for the</p>	

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		<p>year ending 2020 on 13/01/2021 and documents available for verification.</p> <p>For the year 2021 there were 2 accident cases reported. Sighted report JKPP 6 dated 28/10/2021 and JKPP 7 dated 26/08/2021.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has established the Human Rights Policy (dated 01/04/2021) and Social Policy (dated 01/04/2021) which were signed by their CEO. Workers were briefed about the policy and records of briefing were available at the estates audited. The policies were also displayed at the office notice boards.</p> <p>Briefing on policies was conducted as follows:            Fikri Estate – 22/02/2021, 17/02/2021, 14/02/2021, 10/02/2021 and etc. for workers.</p>	Complied
<b>4.4.5.2</b>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>It was stated in the Human Rights and Social Policies that the management is committed to treat everyone equally without any discrimination and provide equal opportunities regardless of race, nationality, gender, etc. Interview with workers confirmed that no discrimination was practiced by the management.</p>	Complied
<b>4.4.5.3</b>	<p>Management shall ensure that employees’ pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p><b>- Major compliance -</b></p>	<p>The management have ensured that employees’ pay and conditions meet applicable legal requirements i.e. National Minimum Wages Order 2020. Based on verification of pay slips, the wages received by the workers found to be meeting all the legal minimum standards. The following workers’ pay slips were sampled for the month of October 2021:</p>	Complied



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		<p>Fikri Estate – FK1500935, FK1801137, FK1300739, FK00024, FK2001224.</p> <p>Pinang Emas Estate – PE2101480. PE0801171, PE0801283, PE1901391, PE1801314, PE0801240, PE1801334, PE2101478.</p> <p>Jaya Estate – JY00077, JY1100553, JY1901010, JY1200575, JY1000457</p> <p>Price bonus given to workers according to MAPA Circular No 61/2021 dated 21/09/2021 (MAPA/NUPW Agreement on the Wages of Harvesters, Harvesting Kanganies, Loaders and “Other Loaders” on Oil Palm Estates, 2019 (e.g. Wage Rates – October 2021)</p>	
<b>4.4.5.4</b>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>There is no evidence to show EPF and SOCSO contribution was made to the contractor’s workers. Payslip verified for the month of July, August and September 2021 for Mr. Abdul Wahab Bin Muda (SF Suria Enterprise) was found without any contribution to EPF and SOCSO as per legal requirements (EPF Act 1991 (Act 452) and SOCSO Act 1969 (Act 4). Thus, a minor nonconformity was raised.</p>	Minor Non Conformance
<b>4.4.5.5</b>	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p><b>- Major compliance -</b></p>	<p>Estates has updated list of employees which has the information about their name, division, NRIC/Passport, date of birth, EPF &amp; SOCSO, nationality, date joined, race and status in the HR/Payroll system.</p>	Complied
<b>4.4.5.6</b>	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p>	<p>All employees were provided with fair contracts that have been signed by both employee and employer. Based on interview, the employees confirmed that they were given a copy of the contract for their retention. The contract agreements of the following workers were verified:</p>	Complied

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	- <b>Major compliance</b> -	1. Fikri Estate – FK 1100658, FK1701019, FK0800335, FK03433, FK1300701 2. Pinang Emas Estate – PE2001443, PE2001444, PE2001445, PE2001447, PE2101449, PE2101455 3. Jaya Estate - JY00077, JY1100553, JY1901010, JY1200575, JY1000457	
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - <b>Major compliance</b> -	Recording system established and implemented through the check roll system with reports generated as the Time and Attendance Report for the computation of working hours and overtime that is transparent for both employees and employers.	Complied
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - <b>Major compliance</b> -	Working hours is 8 hours/day (06.30 a.m. – 02.30 p.m. with rest from 11.30 – 12.00 p.m.) from Monday to Saturday. Total monthly working hours is 208 hours / 48 hours weekly. The maximum overtime is 104 hours which is in-line with the Employment Act 1955. Interview with the workers revealed that overtime work is to be done on mutual agreement between the employees and the employer.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - <b>Major compliance</b> -	Based on verification of the pay slips and time recording, the overtime was found to be accurately paid in accordance to the legal regulations.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - <b>Minor compliance</b> -	Other forms of social benefits for workers including the insurance as following: - free housing - subsidy for electricity and treated water - free medical treatment	Complied

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<p><b>4.4.5.11</b> In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.</p> <p><b>- Major compliance -</b></p>	<p>On-site living quarters are provided and visit to the housing area/line site showed quarters are decently habitable and equipped with basic amenities of electricity and water supply including other facilities such as mosque, community hall, sundry store, canteen, children's crèche and football field.</p> <p>Weekly line-site inspection was recorded in "Jadual Pemeriksaan Kawasan Perumahan Mingguan" (e.g. dated 02/11/2021)</p>	<p>Complied</p>
<p><b>4.4.5.12</b> The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has developed Gender Policy and Reproductive Policy dated 01/04/2021 which is signed by the CEO. The management will ensure the workplace and surrounding are free from any types of harassment including ethnic harassment, religions, gender, country of origin, etc. There was no evidence of any kind of harassment recorded at the mill.</p>	<p>Complied</p>
<p><b>4.4.5.13</b> The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has developed Freedom of Association Policy dated 01/04/2021 which is signed by the CEO. Based on interview with the workers, there was no evidence that the employer is restricting anyone from joining any trade union.</p>	<p>Complied</p>
<p><b>4.4.5.14</b> Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education</p>	<p>TDM Plantation Sdn Bhd has developed Child Protection Policy dated 01/04/2021 which is signed by the CEO. Based on verification of workers register, there was no evidence that anyone below 18 years of age was recruited for employment.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
	programmes. Children shall not exposed to hazardous working conditions. <b>- Major compliance -</b>		
<b>Criterion 4.4.6: Training and competency</b>			
<b>4.4.6.1</b>	All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept. <b>- Major compliance -</b>	All estates within Sg. Tong POM complex has established an annual training program that covers all aspects of the operations as well certifications (MSPO & RSPO) requirements. The details was available for verification in the document below: 1. OSH Plan, Training Matrix & Training Schedule 2021 2. Training material Fikri Estate, Pinang Emas Estate, and Jaya Estate included Title, Date, Time, Place, Trainer name, Purpose of training, targeted audience. 3. Attendance & photo of training 4. Training need analysis 5. Training Evaluation Form	Complied
<b>4.4.6.2</b>	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. <b>- Major compliance -</b>	Training needs of individual employees was established as per sample Pelung Estate OSH Plan, Training Matrix & Training Schedule 20201/2022 (Updated on 28/01/2021). Trainings identified for all estate employees including manager, assistant managers, staffs and workers.	Complied
<b>4.4.6.3</b>	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure. <b>- Minor compliance -</b>	Among training identified and implemented in estates within Sg. Tong POM complex sighted as per sample as following: <u>Fikri Estate</u> 1. Safety Day Programme dated 17/06/2021	Complied

Criterion / Indicator		Assessment Findings	Compliance
		2. First Aid Training dated 19/04/2021 3. NRA Training dated 12/04/2021 <u>Pinang Emas Estate</u> 1. Safety SOP Training dated 04/10/2021 2. Tractor Driver training dated 29/03/2021 3. SOP Working at Height Training dated 28/12/2020 <u>Jaya Estate</u> 1. Mechanical Buffalo Training dated 24/03/2021 2. MSPO training dated 01/08/2021 3. Fertilizer Application Training dated 18/05/2021	
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. <b>- Major compliance -</b>	A documented Biodiversity and Environmental Policy; Approved by Haji Mohd. Ghozali Bin Yahaya; CEO of TDM Plantation Sdn. Bhd.; Dated 01/04/2021 and Environmental Management Plan 2021 found in line with Environmental Quality Act 1974 (Act 127) has been communicated and implemented accordingly during several meetings and briefings sessions conducted by the mill management with all employees. Awareness Training has been conducted on Environmental and Biodiversity on: Fikri Estate: 27/01/2021 Pinang Emas Estate: 31/05/2021 Jaya Estate: 11/07/2021	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) An environmental policy and objectives;</li> <li>b) The aspects and impacts analysis of all operations.</li> </ul> <p><b>- Major compliance -</b></p>	<p>The Environmental Improvement Plan / Pollution Prevention Plan / Continuous Improvement 2021 has been established at Fikri Estate, Pinang Emas Estate and Jaya Estate. Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Evaluation And Identification Form. The plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Last reviewed of Environmental Improvement Plan / Pollution Prevention Plan / Continuous Improvement 2021 was done on:</p> <p>Fikri Estate: 18/01/2021  Pinang Emas Estate: 15/04/2021  Jaya Estate: 15/08/2021</p>	Complied
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>The estates sampled has established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The management plan was established for the activity which give significant impact for the environment. The EAI and EIE were reviewed annually basis.</p> <p>The management plan stated the objectives of the environmental issue, mitigating measures, person responsible and monitoring period. The progress of the plan was monitored on quarterly basis. The plan was reviewed on annually basis. The management plan stated the Environmental management Plan, Objectives, Category, Location, Mitigation Plan, and Monitoring frequency.</p> <p>Sighted EIA and EIE has been reviewed:</p>	Complied

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		Fikri Estate: EIA on 11/01/2021, EIE on 24/02/2021 Pinang Emas estate: EIA on 06/07/2021 and EIE on 06/07/2021 Jaya Estate: EAI on 20/01/2021 and EIE on 21/01/2021	
<b>4.5.1.4</b>	A programme to promote the positive impacts should be included in the continual improvement plan. <b>- Minor compliance -</b>	Program to promote the positive impacts included in the continual improvement plans of estates within Sg. Tong POM complex including the Integrated Pest Management Program which continuously reduce the use of chemicals with introduction of biological pests such as barn owl for rat control. Other positive impacts including the use of organic fertilizer from Sg. Tong POM to reduce the use of inorganic fertilizers.	Complied
<b>4.5.1.5</b>	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. <b>- Major compliance -</b>	Awareness programs for estates within Sg. Tong POM complex employees has been included in the established annual training programs that covers all aspects of the operations as well certifications (MSPO & RSPO) requirements to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. Sample as below: <u>Fikri Estate</u> 1. IPM Training dated 26/10/2021 2. Slope and Buffer Zone Training dated 20/01/2021 3. Biodiversity & Environmental Policies Training dated 27/01/2021 <u>Pinang Emas Estate</u> 1. Biodiversity & Environmental Policies Training dated 10/11/2021 <u>Pinang Emas Estate</u> 1. Chemical handling, Triple Rising Training dated 26/08/2021 2. Schedule Waste Management Training dated 15/04/2021 3. Rat Baiting IPM Training dated 16/02/2021	Complied

Criterion / Indicator		Assessment Findings	Compliance																																												
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. <b>- Major compliance -</b>	Regular communications of environmental policies and objectives were conducted during daily muster briefings and during environmental committee meeting sessions among the committee members ( <i>Jawatankuasa Pengawasan Prestasi Alam Sekitar</i> ). Sighted sample of minutes meeting: Fikri Estate: 23/08/2021 Pinang Emas Estate: 14/10/2021 Jaya Estate: 08/08/2021	Complied																																												
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>																																															
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period. <b>- Major compliance -</b>	The monitoring of non-renewable energy usage is done monthly. Sighted the sampled monitoring records for diesel usage per FFB production for 2021 as follows: Fikri Estate <table border="1" data-bbox="1048 954 1877 1326"> <thead> <tr> <th>Month</th> <th>Diesel (Litres)</th> <th>Electricity (kWh)</th> <th>Water (m<sup>3</sup>)</th> </tr> </thead> <tbody> <tr><td>Jan 2021</td><td>2440</td><td>444293</td><td>16905</td></tr> <tr><td>Feb 2021</td><td>3596</td><td>627963</td><td>23831</td></tr> <tr><td>Mar 2021</td><td>3571</td><td>27892</td><td>15560</td></tr> <tr><td>Apr 2021</td><td>2612</td><td>26392</td><td>16627</td></tr> <tr><td>May 2021</td><td>3591</td><td>26460</td><td>15887</td></tr> <tr><td>Jun 2021</td><td>3554</td><td>20110</td><td>9087</td></tr> <tr><td>Jul 2021</td><td>2909</td><td>21735</td><td>15044</td></tr> <tr><td>Aug 2021</td><td>1570</td><td>29552</td><td>21494</td></tr> <tr><td>Sep 2021</td><td>5160</td><td>24405</td><td>22766</td></tr> <tr><td>Oct 2021</td><td>3018</td><td>22530</td><td>8804</td></tr> </tbody> </table> Pinang Estate	Month	Diesel (Litres)	Electricity (kWh)	Water (m <sup>3</sup> )	Jan 2021	2440	444293	16905	Feb 2021	3596	627963	23831	Mar 2021	3571	27892	15560	Apr 2021	2612	26392	16627	May 2021	3591	26460	15887	Jun 2021	3554	20110	9087	Jul 2021	2909	21735	15044	Aug 2021	1570	29552	21494	Sep 2021	5160	24405	22766	Oct 2021	3018	22530	8804	Complied
Month	Diesel (Litres)	Electricity (kWh)	Water (m <sup>3</sup> )																																												
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Criterion / Indicator		Assessment Findings				Compliance		
		Month	Diesel (Litres)	Electricity (kWh)	Water (m <sup>3</sup> )			
		Jan 2021	6834	19745	6594			
		Feb 2021	6603	24966	7048			
		Mar 2021	5516	29126	2691			
		Apr 2021	5230	24888	2271			
		May 2021	5116	27554	7041			
		Jun 2021	5254	31828	6141			
		Jul 2021	4755	30185	6892			
		Aug 2021	5794	22412	17682			
		Sep 2021	6462	31880	6920			
		Oct 2021	5603	Bill yet to receive	6195			
		<u>Jaya Estate</u>						
		Month	Diesel (Litres)	Electricity (kWh)	Water (m <sup>3</sup> )			
		Jan 2021	4705	28365	9246			
		Feb 2021	4126	29053	9090			
		Mar 2021	4576	28096	9786			
		Apr 2021	3922	27659	11854			
		May 2021	4395	28952	10905			
		Jun 2021	5326	20208	12567			
		Jul 2021	4626	30820	11036			
		Aug 2021	5942	31391	12947			
Sep 2021	5504	29154	10242					
Oct 2021	5698	30082	9692					
<b>4.5.2.2</b>	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.	The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors,				Complied		

Criterion / Indicator		Assessment Findings	Compliance
	This shall include fuel use by contractors, including all transport and machinery operations. <b>- Major compliance -</b>	including all transport and machinery operations was available in the respective estate yearly budgets.	
<b>4.5.2.3</b>	The use of renewable energy should be applied where possible. <b>- Minor compliance -</b>	No renewable energy used in the estate.	Complied
<b>Criterion 4.5.3: Waste management and disposal</b>			
<b>4.5.3.1</b>	All waste products and sources of pollution shall be identified and documented. <b>- Major compliance -</b>	All the estates sampled has identified the waste products and source pollution and documented in the Waste Management Plan 2021. Sighted SOP B9: Scheduled waste has been established Revision Nov 2021. The type of wastes been identified are Scheduled waste (SW102, SW103, SW305, SW306, SW404, SW408, SW409, SW410 and SW422).	Complied
<b>4.5.3.2</b>	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products <b>- Major compliance -</b>	All the estates have established the waste management plan and the plan was reviewed on annually basis. All the sampled estates have identified all waste products and source of pollution and documented in the Waste Management Plan. The waste identified has been categorized as follows: - Domestic Waste – Rubbish - Industrial Waste – EFB, Scrap Metal - Scheduled Waste Generated from Estate Operation – SW103, SW305, SW306, SW410, SW425, SW409 - Sewage Waste – Sewage from restroom. In the management plan stated the Type of waste, SW code, Item Description, Location, Action to be taken and Person In Charge.	Complied

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<p><b>4.5.3.3</b> The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p><b>- Major compliance -</b></p>	<p>Sighted SOP B9: Scheduled waste has been established Revision Nov 2021 for handling used chemicals has been established and documented. Therein the procedure described the requirements in Labeling, Legal requirement, Waste generator, Training required, DOE license much in line with the DOE Guidelines for Packaging, Labelling and Storage of Scheduled Wastes.</p> <p>Labels were sighted affixed properly on the container of SW inclusive of required details at the SW Store. Scheduled waste inventory being updated as per sample sighted for Fikri Estate, Pinang Emas Estate and Jaya Estate.</p> <p>Authorised Scheduled Waste disposal contractor Pentas Flora (Kelantan) Sdn. Bhd.; DOE license # 004878; License validity period: 1/5/2020 – 30/4/2021</p> <p>Sample scheduled waste inventory and disposal as below:</p> <p><u>Fikri Estate</u></p> <ul style="list-style-type: none"> <li>- Consignment Note # 20210823160SACHM; Date: 23/08/2021; Waste code: SW305 – Spent lubricating oil; Quantity: 0.20 mt; Facility: Pentas Flora (Kelantan) Sdn. Bhd.</li> <li>- Latest Inventory date 31/10/2021. Refer AS(B)T:31/152/000/025.</li> </ul> <p><u>Pinang Emas Estate</u></p> <ul style="list-style-type: none"> <li>- Consignment Note # 20210919110DIBZO; Date: 19/09/2021; Waste code: SW404 – Pathogenic Wastes, Clinical waste or quarantined materials; Quantity: 0.0113 mt; Facility: Edgenta Mediserve Sdn Bhd (Kamunting).</li> <li>- Consignment Note # 20210830015VUPE0M; Date: 30/08/2021; Waste code: SW305 – Spent Lubricating Oil; Quantity: 0.500 mt; Facility: Pentas Flora (Kelantan) Sdn Bhd.</li> </ul>	<p>Complied</p>

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		<ul style="list-style-type: none"> <li>- Latest Inventory date 27/10/2021. Refer AS(B)T:11/139/000/052. <u>Jaya Estate</u></li> <li>- Consignment Note # 2021102714ZEM42Y; Date: 22/09/2021; Waste code: SW409 – Disposed Containers; Quantity: 0.016 mt; Facility: Pentas Flora (Kelantan) Sdn Bhd.</li> <li>- Consignment Note # 20210922108J5S3Z Date: 22/09/2021; Waste code: SW404 – Pathogenic Wastes, Clinical waste or quarantined materials; Quantity: 0.0021 mt; Facility: Edgenta Mediserve Sdn Bhd (Kamunting).</li> <li>- Latest Inventory date 27/10/2021. Refer 110679-Wijaya.</li> </ul>	
<b>4.5.3.4</b>	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer’s labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p><b>- Major compliance -</b></p>	<p>All estates within Sg. Tong POM complex handled its empty pesticide containers based on the SOP – Chemical Handling (13) Disposal of empty containers, empty pesticide containers were either reused as premixing containers or been triple-rinsed and punctured prior to disposal as scheduled waste. Sighted records of disposal as per sample above.</p> <p><u>Fikri Estate</u></p> <p>Management could improve on awareness on managing empty chemical container to avoid any risk of contamination to the environment. Thus, an Opportunity for Improvement was raised.</p>	OFI
<b>4.5.3.5</b>	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p><b>- Minor compliance -</b></p>	<p>Disposal of domestic wastes is through landfill. TDM SOP June 2017; section B8: Guidance for establishing landfill within the estate states landfill site to be situated 3 km far from the watercourse and residential area. Waste is collected 3x /week from line site.</p> <p>Recyclable wastes such as plastic bottles, aluminium cans and paper are disposed through 3rd party contractor.</p>	Complied

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		<p>Fikri Estate: Domestic waste were disposed at Majlis Daerah Setiu and also at Landfill at field 2000 A 2.</p> <p>Pinang Emas Estate: Domestic waste were disposed at Landfill at field 99 A 2.</p> <p>Jaya Estate: Domestic waste were disposed at Landfill at Field 05A1.</p>	
<b>Criterion 4.5.4:</b> Reduction of pollution and emission			
<b>4.5.4.1</b>	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p><b>- Major compliance -</b></p>	<p>The Environmental Improvement Plan / Pollution Prevention Plan / Continuous Improvement 2021 has been established at Fikri Estate, Pinang Emas Estate and Jaya Estate. Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Evaluation And Identification Form. The plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Last reviewed of Environmental Improvement Plan / Pollution Prevention Plan / Continuous Improvement 2021 was done on:</p> <p>Fikri Estate: 18/01/2021 Pinang Emas Estate: 22/07/2021 Jaya Estate: 04/09/2021</p>	Complied
<b>4.5.4.2</b>	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p><b>- Major compliance -</b></p>	<p>The Environmental Improvement Plan / Pollution Prevention Plan / Continuous Improvement 2021 has been established at Fikri Estate, Pinang Emas Estate and Jaya Estate. Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Evaluation and Identification Form. The plan was implemented</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.	
<b>Criterion 4.5.5: Natural water resources</b>			
<b>4.5.5.1</b>	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> <li>a. Assessment of water usage and sources of supply.</li> <li>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities.</li> <li>c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</li> <li>d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</li> <li>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</li> <li>f. Where bore well is being use for water supply, the level of</li> </ul>	<p>Sighted water management plan has been established. Refer Water Management Plan: Contingency Plan During Water Shortage 2021 dated 02/01/2021.</p> <ul style="list-style-type: none"> <li>a) Verified that water source for Fikri Estate, Pinang Emas Estate and Jaya Estate by Syarikat Air Terengganu (SATU). Water consumption record based on monthly bill was maintained and recorded.</li> <li>b) Outgoing water from the estates were monitored which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. Verified availability of River Water Quality Monitoring Report:                      Fikri Estate: Report No: ERAKT/TDM/FIKRI/21/08-02 dated August 2021 by ERALAB (KT) Sdn Bhd. 4 sample point examined found comply with the limit stated in Class IIA / IIB of NWQSM.                      Pinang Emas Estate: Report No: 21/06/W0417 dated 13/07/2021 by ERALAB (KT) Sdn Bhd. 2 sample point examined found comply with the limit stated in Class IIA / IIB of NWQSM.                      Jaya Estate: Report No: ERAKT/TDM/JAYA/21/08-05 dated 22/09/2021 by ERALAB (KT) Sdn Bhd. 2 sample point examined found comply with the limit stated in Class IIA / IIB of NWQSM.</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>the ground water table should be measured at least annually.</p> <p><b>- Major compliance -</b></p>	<p>c) Ways to optimize water usage has been stated in the Water Management Plan 2021 covering on Water shortage / Dry Spell and Severe water Pollution</p> <p>d) During the field visit in sampled estates, it was sighted that the river buffer zone was properly maintained with no spraying and/or manuring conducted within the area. Sighted Monitoring Inspection checklist was conducted on monthly basis. Buffer zones were demarcated with paint markings on the palm tree. Analysis conducted annually by third party laboratory as River Water Quality Monitoring Report.</p> <p>e) There is no removal of natural vegetation at the sampled estates.</p> <p>f) No Bore Well used at sampled estates. Water source from Syarikat Air Terengganu (SATU).</p>	
<b>4.5.5.2</b>	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p><b>- Minor compliance -</b></p>	<p>Verified that there is no construction of bunds, weirs and dams across main rivers or waterways passing through at the sampled estates.</p>	Complied
<b>4.5.5.3</b>	<p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p> <p><b>- Minor compliance -</b></p>	<p>During site visit in sampled estates, it was found that road conservation water harvesting was implemented.</p>	Complied
<b>Criterion 4.5.6:</b> Status of rare, threatened, or endangered species and high biodiversity value			
<b>4.5.6.1</b>	<p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p>	<p>Information was collated in a Bio-Diversity Assessment by SRA Consultancy on 18/3/12 – 19/4/2012 which had covered all estates under Sg Tong Complex, including the POM. HCV Toolkit for Malaysia by WWF – Malaysia was used. There were appropriate consultation processes as per the HCV Toolkit- Malaysia which covers the three</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p><b>- Major compliance -</b></p>	<p>main components of identification, management and monitoring. Based on the report Biodiversity Assessment Sg. Tong Complex by SRA Consultancy; Report date: May 2012; Findings:</p> <p>Findings on Fikri Estate:</p> <ul style="list-style-type: none"> <li>- Surau – HCV 6</li> </ul> <p>Findings on Pinang Emas Estate:</p> <ul style="list-style-type: none"> <li>- Border to forest reserve: Conservation Area</li> <li>- Sungai Air Jernih – HCV 4</li> <li>- Waste Land – Conservation Area</li> <li>- Surau – HCV 6</li> <li>- Muslim Cemetery – HCV 6</li> </ul> <p>Findings on Jaya Estate:</p> <ul style="list-style-type: none"> <li>- Graveyard – HCV 6</li> <li>- Worship Area – HCV 6</li> </ul>	
<p><b>4.5.6.2</b> If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p><b>- Major compliance -</b></p>	<p>The high biodiversity is included in the HCV Re-assessment report dated May 2012. Refer Section 4.3 Endangered, Rare and Threaten Species (ERT) and Birds, mammals, reptiles, insect (least concern and vulnerable) and totally protected and protected wildlife were identified based on the latest HCV report. For example, vulnerable animal; bearded pig (mammals) under category totally protected.</p> <p>There is no RTE recorded. Evidence during site verification, discourage illegal or hunting, fishing or collecting activities signboard were maintained and implemented.</p> <p>Sighted HCV Inspection Checklist latest conducted on September 2021. Refer "Jadual Pemeriksaan Kawasan HCV/ Conservation Area".</p>	<p>Complied</p>



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Criterion / Indicator		Assessment Findings	Compliance
4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required. <b>- Major compliance -</b>	Sighted Management Plan on Biodiversity Assessment Pinang Emas Estate dated January 2021. Sighted discussion on Set Aside Nature Conservation Area, Training, Planting Beneficial Plant, Interface with animals. Sighted HCV Management and Monitoring Plan 2021, Jaya Estate has been established dated 12/04/2021. Sighted evidence on monitoring of RTE in the estates. As to-date there is no RTE sighted based on the record verification. Sighted HCV Inspection Checklist latest conducted on September 2021. Refer "Jadual Pemeriksaan Kawasan HCV/ Conservation Area".	Complied
<b>Criterion 4.5.7: Zero burning practices</b>			
4.5.7.1	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has established Zero Burning Policy and documented in Occupational Safety, Health and Environmental Policy signed by the CEO on 5th June 2017. No evidence of open burning sighted during site visit	Complied
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. <b>- Major compliance -</b>	Visit to the estates within Sg. Tong POM complex confirmed that no previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop hence, no special approval been obtained so far. Hence this requirement is not applicable.	N/A
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. <b>- Major compliance -</b>	Since no special approval been obtained so far for burning, hence this requirement is not applicable.	N/A

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<b>4.5.7.4</b>	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. <b>- Minor compliance -</b>	Visit to the estates within Sg. Tong POM complex confirmed that previous oil palm trees were felled and chipped prior to replanting.	Complied
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Site Management</b>			
<b>4.6.1.1</b>	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. <b>- Major compliance -</b>	SOP for estates operation was based on TDM Plantation Sdn. Bhd. Agriculture Policy # 01.01 – 14.03. Monitoring of implementation was conducted on periodical basis through inspection visits by Plantation Advisor, Agricultural Services Personnel as well as certification audits internally and externally.	Complied
<b>4.6.1.2</b>	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals. <b>- Major compliance -</b>	The SOP covers all main and support operations i.e. Boundary marking, Replanting at slope, Soil Conservation at slope area, Water management, Manuring, Weeding and Harvesting.	Complied
<b>4.6.1.3</b>	A visual identification or reference system shall be established for each field. <b>- Major compliance -</b>	During the field visit in sampled estates, it was sighted that the oil palm tree blocks were either demarcated with paint markings on one of the palm tree at the angle or corner and a signboard identifying block name and planted year were installed for each blocks.	Complied
<b>Criterion 4.6.2: Economic and financial viability plan</b>			

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Criterion / Indicator		Assessment Findings	Compliance																								
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p><b>- Major compliance -</b></p>	<p>Documented business or management were established as following samples:</p> <p>All estates audited, business or management plan was documented as Budget (Business Plan) 2021 – 2026; Updated Aug 2021 which includes the estimate for estate field hectarage (FFB tonnage, yield (mt/ha)), General Charges (general overheads, labour overheads), Summary of Upkeep and Cultivation (harvesting and collection) Summary of upkeep of Immature Area and Capital Budget. (e.g. Pinang Emas Estate: budgeted yield = 13.62 mt/ha; actual to date October 2021 = 9.15 mt/ha)</p>	Complied																								
4.6.2.2	<p>Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.</p> <p><b>- Major compliance -</b></p>	<p>Long term replanting programme were established and reviewed annually as following samples:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Year / Estate</th> <th>Fikri Estate</th> <th>Pinang Emas</th> <th>Jaya Estate</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>225.32</td> <td>320.72</td> <td>-</td> </tr> <tr> <td>2023</td> <td>259.50</td> <td>336.57</td> <td>366.02</td> </tr> <tr> <td>2024</td> <td>-</td> <td>284.41</td> <td>-</td> </tr> <tr> <td>2025</td> <td>402.22</td> <td>269.51</td> <td>236.06</td> </tr> <tr> <td>2026</td> <td>272.72</td> <td>311.49</td> <td>508.46</td> </tr> </tbody> </table>	Year / Estate	Fikri Estate	Pinang Emas	Jaya Estate	2022	225.32	320.72	-	2023	259.50	336.57	366.02	2024	-	284.41	-	2025	402.22	269.51	236.06	2026	272.72	311.49	508.46	Complied
Year / Estate	Fikri Estate	Pinang Emas	Jaya Estate																								
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4.6.2.3	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> <li>a) Attention to quality of planting materials and FFB</li> <li>b) Crop projection: site yield potential, age profile, FFB yield trends</li> <li>c) Cost of production : cost per tonne of FFB</li> <li>d) Price forecast</li> <li>e) e) Financial indicators : cost benefit, discounted cash flow, return on investment</li> </ul>	<p>The business plan covers hectarage statement, FFB yield per Ha, CPO yield per Ha, PK yield per Ha, Mature area expenditures, Immature area expenditures, Capital Expenditures including crop projection for next year, Cost of production/mt, and gross operational profit and loss P&amp;L.</p>	Complied																								

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	TDM Plantation Sdn Bhd monitored the estate performance against the targets. The estates performance is recorded in the monthly progress report. Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein. The management also provides variance report on the performance and reviewed monthly. The supervisory personnel maintained a daily cost sheet for the field operations. The Estate Managers sit monthly with the CEO reviewing performance, operational issues, and financial positions.	Complied
<b>Criterion 4.6.3: Transparent and fair price dealing</b>			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Generally, the pricing mechanism is guided by TDM Plantation Sdn Bhd Delegation of Authority Limit Policy, rev. 2017/02, dated 15/8/2017 and Procurement Unit SOP Guideline, doc. No.: TDM/PU/2019/01, rev. PP/2019/Rev 01, dated 19/9/2019. Based on verification of contract awards and interview with contractors, the implementation of the tender procedure is satisfactorily demonstrated.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Verification of contract agreement, records of payment and interview with contractors showed that contracts was fair, legal and transparent and agreed payments were made in timely manner.	Complied
<b>Criterion 4.6.4: Contractor</b>			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	All the sampled estates have made their contractors understand the MSPO requirements mainly through trainings and meeting. Records of training and meeting were available for verification. Based on interview during external stakeholder consultation, the engaged contractors	Complied

Criterion / Indicator		Assessment Findings	Compliance
		were able to demonstrate a good understanding on the MSPO requirements. Latest briefing to contractor was conducted on 09/11/2021 attended by SF Suria Enterprise and Abdullah Bin Muda.	
<b>4.6.4.2</b>	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	All of the engaged contractors such as FFB transporters were provided with agreed contracts. Verification of the contracts and records of payment showed that the implementation of the stipulated terms and conditions of the contract was effective. Fikri Estate – Koperasi Ladang Sungai Tong (Menjalankan Kerja-kerja menyewa Backhoe untuk menjalankan kerja membaiki jalan, mengangkat baja Bio, membuat roadside drain serta kerja-kerja yang berkaitan), P/O No: FK36/21. Pinang Emas Estate – Abdullah Bin Muda (P/O No: 057/21) and SF Suria Enterprise (P/O No: 058/21), Work Scope: Provision of Transportation of FFB from Sungai Pinang Estate ramp to Kemaman POM for October 2021	Complied
<b>4.6.4.3</b>	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. <b>- Minor compliance -</b>	The requirement of accepting MSPO accredited auditors to audit against the contractors was mentioned in the work order and addendum in jobs specifications.	Complied
<b>4.6.4.4</b>	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. <b>- Major compliance -</b>	All works performed at the estates are checked and verified by the management before any payment is approved. The records of performance evaluation were made available for verification. (e.g. Receipt No: 21101 – repair roads 004B1 – 6 hours, verified by Asst Manager)	Complied
<b>4.7 Principle 7: Development of new planting</b>			

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.7.1: High biodiversity value</b>			
<b>4.7.1.1</b>	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA
<b>4.7.1.2</b>	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA
<b>Criterion 4.7.2: Peat Land</b>			
<b>4.7.2.1</b>	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA
<b>Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)</b>			
<b>4.7.3.1</b>	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA

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4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	There is no development of new planting at all the sampled estates.	NA
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	There is no development of new planting at all the sampled estates.	NA
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -	There is no development of new planting at all the sampled estates.	NA
<b>Criterion 4.7.4: Soil and topographic information</b>			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	There is no development of new planting at all the sampled estates.	NA
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	There is no development of new planting at all the sampled estates.	NA

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.7.5:</b> Planting on steep terrain, marginal and fragile soils			
<b>4.7.5.1</b>	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA
<b>4.7.5.2</b>	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA
<b>4.7.5.3</b>	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA
<b>Criterion 4.7.6:</b> Customary land			
<b>4.7.6.1</b>	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. <b>- Major compliance -</b>	There is no development of new planting at all the sampled estates.	NA
<b>4.7.6.2</b>	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites.	There is no development of new planting at all the sampled estates.	NA



Criterion / Indicator		Assessment Findings	Compliance
	- <b>Minor compliance</b> -		
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - <b>Major compliance</b> -	There is no development of new planting at all the sampled estates.	NA
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - <b>Major compliance</b> -	There is no development of new planting at all the sampled estates.	NA
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - <b>Major compliance</b> -	There is no development of new planting at all the sampled estates.	NA
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - <b>Major compliance</b> -	There is no development of new planting at all the sampled estates.	NA
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - <b>Major compliance</b> -	There is no development of new planting at all the sampled estates.	NA
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - <b>Minor compliance</b> -	There is no development of new planting at all the sampled estates.	NA

**MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	Policy for the implementation of MSPO shall be established. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd (hereinafter referred as TDM) has established its MSPO policy which approved by the Chief Executive Officer (Hj Mohd Ghozali Bin Yahaya) dated 01/04/2021.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. <b>- Major compliance -</b>	The established policy has included continual improvement emphasized on the adherence to the following key principles <ul style="list-style-type: none"> <li>- Management Commitment and Responsibility</li> <li>- Transparency</li> <li>- Compliance to Legal Requirements</li> <li>- Social Responsibility, Health, Safety and Employment Condition</li> <li>- Environment, Natural Resources, Biodiversity and Ecosystem Services.</li> <li>- Best Practices</li> <li>- Development of New Plantings</li> </ul>	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. <b>- Major compliance -</b>	Internal audits was planned to be conducted at least once a year. Latest internal audit for Sungai Tong POM was conducted on 10/10/2021. The objective of the internal audit is to determine the strong and weak points and potential area for further improvement as mentioned in its MSPO Internal Audit SOP.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - <b>Major compliance</b> -	Internal audit procedure was established and maintained (MSPO Internal Audit Standard Operating Procedure -TDMP/01, Rev: TDMP-01/2017). Total of eight (8) non-compliances raised with root cause and corrective action taken was documented in Sustainability Corrective Action Report" dated 04/11/2021	Complied
4.1.2.3	Reports shall be made available to the management for their review. - <b>Major compliance</b> -	Internal Audit report was available for verification and it was taken into consideration as part of the management review meeting agendas.	Complied
<b>Criterion 4.1.3 – Management Review</b>			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - <b>Major compliance</b> -	Management Review meeting was planned to be conducted at least once a year. However, management review for year 2021 has been incorporated with the operational meeting at the complex (certification unit) level which has been conducted on monthly basis and known as "Marketing & Operation Meeting" (MOM). Such as meeting conducted on 12/09/2021 through Microsoft Teams was chaired by CEO, attended by managers, plantation controller and etc has discussed on effective implementation of MSPO, changes, improvement and modification was verified as per minutes of meeting.	Complied
<b>Criterion 4.1.4 – Continual Improvement</b>			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - <b>Major compliance</b> -	Continuous improvement plan for year 2021 has been established by the mill. The plans were focusing on mitigation of social and environmental impacts. Generally, among the plans established were: - To upgrade / refurbish Surau condition	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- To install CCTV at strategic location</li> <li>- To erect acoustic room to place the operator</li> <li>- To replace new roofing for workshop and store</li> <li>- Relocation of Bunch conditioner at Sterilizer Station</li> <li>- Bio-Gas Project at Mill Effluent</li> <li>- To install Boiler Particulate Emission System/Scrubber to reduce emission</li> </ul>	
<b>4.1.4.2</b>	<p>The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.</p> <p><b>- Major compliance -</b></p>	<p>The new information and techniques or new industry standards and technology was normally obtained through field visits and trainings by suppliers/contractor.</p>	Complied
<b>4.2 Principle 2: Transparency</b>			
<b>Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements</b>			
<b>4.2.1.1</b>	<p>The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.</p> <p><b>- Major compliance -</b></p>	<p>Sg Tong POM maintained their records of request and response, land titles/land use right, SIA report, EIA report, etc. related to environmental and social issues, plans for pollution prevention, continuous improvement plan, complaints and grievances records that were made available upon request.</p>	Complied
<b>4.2.1.2</b>	<p>The management documents shall be 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><b>- Major compliance -</b></p>	<p>The information regarding sustainability and the company is available in website <a href="https://sustainability.tdmberhad.com.my/">https://sustainability.tdmberhad.com.my/</a> and publicly available at the mill. The policies were also publicly displayed at the office notice board.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders. - <b>Major compliance -</b>	TDM Plantation Sdn Bhd has developed a Communication Procedure for POM/Estates and Flowchart to Handle Social Issue. Maximum of 28 working days shall be taken to resolve issues. All internal and external stakeholders had been briefed on this procedure.	Complied
<b>4.2.2.2</b>	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> . - <b>Minor compliance -</b>	Sg Tong POM Manager was appointed as the management official to be the person responsible in handling issues related to indicator 4.2.2.1 as per appointment letter (ref no: TDMP/HR-GEN(MSPO/RSPO) dated 17/10/2021) approved by Head of Human Resources TDM Plantation Sdn. Bhd.	Complied
<b>4.2.2.3</b>	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - <b>Major compliance -</b>	Stakeholder list was developed where all the affected stakeholders were included in the list such as government authorities, local communities, contractors and supplier, neighbouring schools, etc. for the mill.  Stakeholder consultation was conducted through email and stakeholder feedback was received through survey form for the entire Sg. Tong Complex with the participation of internal and external stakeholders. Total of 9 feedbacks were received with no negative issues raised.  Internal stakeholder consultation was verified as per "Employee Representative Meeting Minutes 2021" which was conducted on 01/09/2021. The meeting has discussed current workers social issues arises.	Complied
<b>Criterion 4.2.3 – Traceability</b>			

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Criterion / Indicator	Assessment Findings	Compliance
<p><b>4.2.3.1</b> The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability.</p> <p><b>- Major compliance -</b></p>	<p>Procedures are controlled documents and controlled and updated by Sg Tong POM (MSPO Traceability SOP, TDM/STPOM/01 dated 1/8/2017). These procedures are current and include all elements of the traceability for controlling the receipt, sale and dispatch of palm products.</p> <p>For own supply base and diverted sister estates:            The weighbridge ticket provided the following details:  <u>For own supply base and diverted sister estates:</u></p> <ul style="list-style-type: none"> <li>- Supplied from which estate</li> <li>- Product (FFB or Loose fruit)</li> <li>- Delivery note from estates stating the weight and fruit grade (A or B).</li> <li>- D.O Number</li> <li>- Weight of the shipment</li> <li>- Date of the shipment</li> </ul> <p><u>For External Supply Base (OCP):</u></p> <ul style="list-style-type: none"> <li>- Supplied from which estate</li> <li>- Product (FFB or Loose fruit)</li> <li>- Delivery note from estates stating the weight and fruit grade (A or B).</li> <li>- D.O. Number</li> <li>- Weight of the shipment</li> <li>- Date of the shipment</li> </ul> <p>For despatch of CPO &amp; PK, the weighbridge ticket includes the following information to ensure traceability:</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance																								
		<ul style="list-style-type: none"> <li>- Customer Name</li> <li>- Destination of the CPO /PK</li> <li>- Product</li> <li>- DO number</li> <li>- PO number</li> <li>- Weight of the product.</li> </ul>																									
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. <b>- Major compliance -</b>	Sg Tong POM has conducted internal inspections on compliance with the traceability system.	Complied																								
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. <b>- Minor compliance -</b>	Sg Tong POM Manager has an overall responsibility for the traceability activities, e.g. planning and executing sales of CPO & PK, aspects of FFB receipts, processing and shipping of palm products. Interview with the Mill Manager showed that he is well versed with the MSPO traceability requirements.	Complied																								
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. <b>- Major compliance -</b>	Records of storage, sales, and delivery/transportation of FFB, CPO and PK were maintained and updated on daily basis as part of mill production report. Sample as below: FFB <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Receipt No.</th> <th>Lorry No.</th> <th>Supplier</th> </tr> </thead> <tbody> <tr> <td>04/02/2021</td> <td>P0318090</td> <td>DBF7902</td> <td>Cahaya Ikhtiar Sdn Bhd</td> </tr> <tr> <td>01/04/2021</td> <td>P0320829</td> <td>TBT3400</td> <td>LPE Ladang Pelung</td> </tr> <tr> <td>19/09/2021</td> <td>P0329943</td> <td>TAX6438</td> <td>Pertubuhan Peladang Maras</td> </tr> </tbody> </table> CPO & PK <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>Receipt No.</th> <th>Lorry No.</th> <th>Refinery</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Date	Receipt No.	Lorry No.	Supplier	04/02/2021	P0318090	DBF7902	Cahaya Ikhtiar Sdn Bhd	01/04/2021	P0320829	TBT3400	LPE Ladang Pelung	19/09/2021	P0329943	TAX6438	Pertubuhan Peladang Maras	Date	Receipt No.	Lorry No.	Refinery					Complied
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Criterion / Indicator		Assessment Findings				Compliance
		29/09/2021	S0057057	CDB8819	Wilmar Kuantan Edible Oils	
		28/09/2021	S0057049	JLG4363	Hup Lee	
<b>4.3 Principle 3: Compliance to legal requirements</b>						
<b>Criterion 4.3.1 – Regulatory requirements</b>						
<b>4.3.1.1</b>	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p><b>- Major compliance -</b></p>	<p>All operations generally found to be in compliance with applicable local, state and national regulations based on permits and license available as per samples sighted as following:</p> <ol style="list-style-type: none"> <li>1. MPOB license 500042704000; License activity: Menjual dan Mengalih FFB, PK, CPO, SPO, Membeli dan mengalih FFB, PK, CPO, Menyimpan, PK, CPO, SPO; Mengilang FFB; Processing capacity: 300,000 Mt/year; Validity period: 1/4/2021 – 31/3/2022</li> <li>2. Jadual Pematuhan: DOE license # 004079; Validity period: 5/6/2021 – 31/12/2021; Boiler particulate matter emission limit: 400 mg/m<sup>3</sup></li> <li>3. Fire Certificate # JBPM: TR/7/034/2018; Serial # 315974; Validity: 20/5/2021 – 19/5/2022</li> <li>4. Permit to Purchase, Store and Use of Sodium Hydroxide # 006464; Max Quantity: 3,042 kg (Solid); Reg. # TC0041/2020; dated 01/01/2021</li> <li>5. Perakuan Kelayakan Dandang; Reg. # TG PMD 61; Valid until 24/04/2022</li> <li>6. Perakuan Kelayakan Mesin Angkat; Reg. # TG PMA 80224; Valid until 24/04/2022</li> </ol>				Complied



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		<p>7. Permit Barang Kawalan Berjadual - Diesel; Serial # T001075; Ref. # KPDNKK.BST.800-1/8/23/14(SK/D); Quantity: 20,000 litres; Validity period: 24/2/2021 – 23/2/2022</p> <p>8. Energy Commission Private Installation License # 2020/00760; Serial # 49000; Installation capacity: 3,845 kW; Validity period: 14/03/2021 – 13/03/2021</p>	
<b>4.3.1.2</b>	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p><b>- Major compliance -</b></p>	Relevant laws related to the operations of Sg. Tong POM were listed in the Legal Register 2021 updated on 20/09/2021 as prepared by Compliance Executive.	Complied
<b>4.3.1.3</b>	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p><b>- Major compliance -</b></p>	The updated Legal and Other Requirements Register for Sg. Tong POM has been included with newly amended regulations. Refer Legal Register 2021 updated on 20/09/2021 as prepared by Compliance Executive.	Complied
<b>4.3.1.4</b>	<p>The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.</p> <p><b>- Minor compliance -</b></p>	The management assigned Pn. Norwati Mamat as the person responsible to monitor compliance and to track update the changes in regulatory requirements of Sg. Tong POM as per letter of appointment ref. TDMP/LRR/001/2021 dated 23/02/2021.	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	<p>The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.</p> <p><b>- Major compliance -</b></p>	Milling activities does not diminish the land use rights of other users. Ownership documents sighted i.e. State Title; Ownership # 6521; Lot #7663; Area: 58.7685 ha; District: Kuala Terengganu; Mukim Belara; Date: 18/11/1976; Owner: Perbadanan Memajukan Iktisad Negeri Terengganu; Leasing to: Kumpulan Ladang-ladang Terengganu Sdn. Bhd.	Complied

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4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. - <b>Major compliance</b> -	Legal ownership as mentioned above was made available by management for verification.	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - <b>Major compliance</b> -	Sg Tong POM building boundary is perimeter fenced whereas the POME treatment area parameter boundary is clearly demarcated and visibly maintained on the ground.	Complied
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). - <b>Minor compliance</b> -	There is no land dispute in the Sungai Tong Certification Units at the time of audit. The land belongs to TDM Plantation Sdn. Bhd. and land ownership documents verified.	Complied
<b>Criterion 4.3.3 – Customary rights</b>			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - <b>Major compliance</b> -	NA. There was no land encumbered by customary rights.	NA
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - <b>Minor compliance</b> -	NA. There was no land encumbered by customary rights.	NA
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - <b>Major compliance</b> -	NA. There was no land encumbered by customary rights.	NA

Criterion / Indicator	Assessment Findings	Compliance	
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	<p>Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.</p> <p><b>- Minor compliance -</b></p>	<p>Initial Social Impact Assessment (SIA) Kompleks Sungai Tong; Report dated May 2012 by SRA Consultancy. Based on this initial assessment, action plan was established on annual basis by all the sampled estates as evident in Action Plan Revision 2021/2022.</p> <p>Some examples of area of concerns were housing and infrastructure (poor facilities and infrastructure not meeting legal requirement, poor waste dumpsite, etc), worship area (worship area not clean, building condition and require some repair), and etc. Action plan /recommendation, person in-charge, time frame and positive impact was identified.</p> <p>Review of SIA was conducted based on issues identified in the initial report prepared by consultant. SIA review conducted on yearly basis could consider current issues/facilities/conditions for each estate. Thus, an opportunity for improvement was raised.</p>	OFI
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p><b>- Major compliance -</b></p>	<p>A system for dealing with complaints and grievances were established and documented in a Flowchart on Handling Social Issue and Complaint/Grievance Procedure. Any issue raised by stakeholders will be discussed within 2 weeks for the first meeting and issues to be resolved within 28 working days.</p>	Complied
<b>4.4.2.2</b>	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p>	<p>Based on the records of complaints, it was verified that all complaints and action able to be resolved in effective, timely and appropriate</p>	Complied

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	- <b>Major compliance</b> -	manner. Verification of resolution signatures by Officer, Assistant Manager and Manager were sighted.	
<b>4.4.2.3</b>	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - <b>Minor compliance</b> -	Complaint form for line site repair (Laporan Kerosakan Rumah) and Complaint/ Request form is available and well implemented. There was no complaint or grievance received from external stakeholders since last assessment.	Complied
<b>4.4.2.4</b>	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. - <b>Minor compliance</b> -	Interview with internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure and they had been briefed by the management during stakeholder meeting.	Complied
<b>4.4.2.5</b>	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - <b>Major compliance</b> -	The complaint logbook/ complaint files that recorded complaints and solutions for the past 24 months were well maintained and available to affected stakeholders upon request.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
<b>4.4.3.1</b>	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - <b>Minor compliance</b> -	Among the contributions delivered by the mill since the last audit were: - Sample provided (POME) to UMT for research purposes - Provided organic fertilizer to BOMBA Kuala Terengganu - Provide facilities (TDM Academy Main Hall) for School Headmaster event (South Langkap Zone) - Meeting with NUPW on 12/10/2021	Complied
<b>Criterion 4.4.4: Employees safety and health</b>			

Criterion / Indicator		Assessment Findings	Compliance
<b>4.4.4.1</b>	An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented. <b>- Major compliance -</b>	A documented Occupational Safety and Health Policy; Approved by Haji Mohd. Ghozali Bin Yahaya; CEO of TDM Plantation Sdn. Bhd.; Dated 01/04/2021 and OSH Plan 2021 found in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) has been communicated and implemented accordingly during several meetings and briefings sessions conducted by the mill management with all employees.	Complied
<b>4.4.4.2</b>	The occupational safety and health plan should cover the following: a) A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: i. All employees involved are adequately trained on safe working practices; ii. All precautions attached to products should be properly observed and applied; d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling)	The occupational safety and health plan cover the following: a) A documented Occupational Safety and Health Policy; Approved by Haji Mohd. Ghozali Bin Yahaya; CEO of TDM Plantation Sdn. Bhd.; Dated 01/04/2021. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the mill. The policy has been briefed to all workers on 11/04/2021. b) HIRARC was available for all operations within the Mill to identify the hazards, assess and recommended control measures to minimize the risks. Among the HIRARC sampled were Weighbridge, Ramp, Sterilization, Threshing Station and Pressing. HIRARCs have been recently reviewed latest on 09/08/2021.  Chemical Health Risk Assessment (CHRA) was conducted in compliance with Occupational Safety and Health (USECHH) regulation 2000 on 05/08/2019 by DOSH Registered Assessor, Muhamad Khairul Najib Ahmad (HQ/08/ASS/)/259) with the CHRA Report available for verification. The CHRA Report (Report Ref Number: HQ/08/ASS/00/259-2019/005) was available for verification.  Medical Surveillance was conducted to establish workers health status when they work in an environment where they are exposed	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept and the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<p>to particular hazards. The Mill has conducted the medical surveillance on 15/09/2021 for 26 of the workers at Klinik Ibra where no workers were recommended for removal.</p> <p>Noise Risk Assessment was conducted by SI Energy Sdn Bhd on 16/03/2020 by a Noise Risk Assessor, Mohd Hazry Yusof (NRA Reg: HQ/09/PEB/00/97). The NRA Report was available for verification.</p> <p>Annual &amp; Baseline Audiometric Testing was conducted for all workers exposed to excessive noise in the mill on July 2021. A total of 98 workers were examined and the results indicated that 18 workers had normal hearing and 47 workers had abnormal hearing. Out of the 47 workers with abnormal hearing, 20 workers were diagnosed with Standards Threshold Shift. The mill has planned for a retest for the workers on October and November 2021.</p> <p>c) Sg Tong POM has established a training and awareness program for employees exposed to chemicals used at the palm oil mill to ensure continuous awareness to the employees. The training was conducted by the Manager, Asst. Manager and representative from the chemical suppliers to the supervisors and operators. Refer "Laporan Latihan Dalaman" Training materials, attendance, and photos.</p> <p>d) Appropriate PPE were used by the workers where the management provide appropriate PPE to the workers based on the job type. The PPE given as per HIRARC and Standard Operating Procedure. PPE issuance was recorded in 'Borang Penyerahan Peralatan kerja dan Pengambilan Barang' PPE by individual basis.</p>	

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	<p>e) SOP in all operations including handling of chemicals has been established in Sg. Tong POM to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labelling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) Responsible persons for workers' safety and health were appointed as per Safety Committee Members who consist of representatives of both management and employee side. Mill management has appointed Safety Committee Members consists of OSH Coordinator, Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Estate Manager.</p> <p>g) Sg Tong POM Management conducted regular OSH committee meetings on quarterly basis and when necessary due to accidents that occur. In the meeting, discussed issue on employees' safety, health and welfare such as mill safety and health achievement report, mill security, safety compliance by contractors, workplace inspection, legal compliance, safety and health training. Sighted the OSH Meeting Minutes 1<sup>st</sup> meeting on 23/03/2021, 2<sup>nd</sup> meeting on 15/07/2021 and 3<sup>rd</sup> meeting on 30/09/2021. 4<sup>th</sup> meeting schedule on December 2021. The minutes of meeting available for verification.</p> <p>h) Accident and emergency procedures available with emergency drill been conducted on periodical basis. Fire drill was last conducted with Fire Extinguisher Company ACM Care Enterprise dated 25/10/2021. The mill has established Emergency Response Team lead by the Mill Engineer.</p> <p>i) First aiders were present at various workstations at the mill such</p>	

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		<p>as ramp, boiler station and workshop. The first aiders were responsible for first aid box at each workstation assigned to them by the management. The first aid box was recently replenished with records of monthly monitoring available for verification. The latest First Aid Training was conducted on 21/10/2021.</p> <p>j) Accident records are recorded and maintained in the mill and discussed during the quarterly held JKKP Meetings. There were 1 reported accident for the year 2020 in the workplace. The accident investigation report was available for verification. Sighted the JKKP 8 form submission to JKKP for the year 2020 as well, submitted on 14/01/2021. No accident cases were reported for the year 2021 as of to date with. The JKKP6 forms have been submitted to DOSH accordingly and were available for verification.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has developed Human Rights Policy dated 01/04/2021 and Social Policy dated 01/04/2021 which were signed by their CEO. Workers were briefed about the policy and records of briefing were available at the mill. The policies were also displayed at the office notice boards.</p>	Complied
<b>4.4.5.2</b>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>It is stated in the Human Rights and Social Policies that the management is committed to treat everyone equally without any discrimination and provide equal opportunities regardless of race, nationality, gender, etc. Interview with workers confirmed that no discrimination was practiced by the management.</p>	Complied



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4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p><b>- Major compliance -</b></p>	<p>The management have ensured that employees' pay and conditions meet applicable legal requirements i.e. National Minimum Wages Order 2020. Based on verification of pay slips, the wages received by the workers found to be meeting all the legal minimum standards. The following workers' pay slips were sampled for the month of May 2021: SM0900263, SM0900266, SM0900249, SM0900254, and SM0900255.</p>	Complied
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>The management ensures the employees of contractors are paid based on legal or industry minimum standard by obtaining the pay slips of the contractors' employees and verify against legal requirements.</p>	Complied
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p><b>- Major compliance -</b></p>	<p>Sg Tong POM has their list of employees which has the information about name, division, pay, NRIC/Passport no, employment category, nationality, date of birth, date joined age, race and status in the HR/Payroll system.</p>	Complied
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p> <p><b>- Major compliance -</b></p>	<p>All employees were provided with fair contracts that have been signed by both employee and employer. Based on interview, the employees confirmed that they were given a copy of the contract for their retention. The contract agreements of the following workers were verified: SM0900152, SM0900207, and SM0900161.</p>	Complied
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.</p> <p><b>- Major compliance -</b></p>	<p>Sg Tong POM is using thumbprint and check roll for the computation of working hours and overtime that is transparent for both employees and employers.</p>	Complied

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<b>4.4.5.8</b>	The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable. <b>- Major compliance -</b>	Working hours is 8 hours/day with normal working hours is from 8.00 a.m. – 4.00 p.m and 4.00 p.m. – 11.59 p.m and working days from Monday to Saturday. Total monthly working hours is 208 hours. The maximum overtime is 104 hours which is in-line with the Employment Act 1955. Interview with the workers revealed that overtime work is to be done on mutual agreement between the employees and the employer.	Complied
<b>4.4.5.9</b>	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. <b>- Major compliance -</b>	Based on verification of the pay slips and time recording, the wages and overtime payment was found to be accurately paid in accordance to the legal regulations.	Complied
<b>4.4.5.10</b>	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. <b>- Minor compliance -</b>	Other forms of social benefits for workers including the insurance as following: - Local workers & staff: Social Security Organization (SOCSO) Monthly Contribution sighted as per sample latest Form 8A - EPF monthly contribution sighted as per Borang A – my EPF for May 2021 maintained as 13% for employer contribution and 11% for employee contribution - Subsidy given for electricity bill (RM 5.00 per employee) - Monthly bonus price - Free medical treatment	Complied
<b>4.4.5.11</b>	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. <b>- Major compliance -</b>	On-site living quarters are provided and visit to the housing area/line site showed quarters are decently habitable and equipped with basic amenities of free water supply and subsidy given for electricity including other facilities such as mosque, community hall, sundry store, canteen, children’s crèche and football field.	Complied

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<b>4.4.5.12</b>	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has developed Gender Policy and Reproductive Policy dated 01/04/2021 which is signed by the CEO. The management will ensure the workplace and surrounding are free from any types of harassment including ethnic harassment, religions, gender, country of origin, etc. There was no evidence of any kind of harassment recorded at the mill.	Complied
<b>4.4.5.13</b>	The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has developed Freedom of Association Policy dated 01/04/2021 which is signed by the CEO. Based on interview with the workers, there was no evidence that the employer is restricting anyone from joining any trade union.	Complied
<b>4.4.5.14</b>	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has developed Child Protection Policy dated 01/04/2021 which is signed by the CEO. Based on verification of workers register, there was no evidence that anyone below 18 years of age was recruited for employment.	Complied
<b>Criterion 4.4.6: Training and competency</b>			
<b>4.4.6.1</b>	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. <b>- Major compliance -</b>	Sg. Tong POM has established an annual training program that covers all aspects of the operations as well certifications (MSPO & RSPO) requirements for the year 2021.	Complied

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<b>4.4.6.2</b>	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p><b>- Major compliance -</b></p>	<p>Training needs of individual employees was established as per Sg. Tong POM OSH Plan, Training Matrix &amp; Training Schedule 2021/2022 (Updated on 23/03/2021). Trainings identified for all mill employees including manager, assistant managers, staffs and workers. Sighted the Competency Certificates as per sample as following:</p> <ul style="list-style-type: none"> <li>- Fire Safety Watch Certificate of Completion; Mohd. Fauzi bin Jantan; Validity period: 23/7/2020 – 22/7/2022</li> <li>- Competency Certificate of Certified Environmental Professional in the Treatment of Palm Oil Mill Effluent (CePPOME); Serial # CePPOME/182862; Validity period: 20/12/2017 – 20/12/2018 (Extension due to FTR due date: 20/12/2021)</li> <li>- Competency Certificate of Certified Environmental Professional in Scheduled Waste Management (CePSWaM); Date: 28/8/2019</li> <li>- NIOSH Authorised Entrant and Standby Person for Confined Space Refresher; Serial # NW-ECRO-AE-R-2716-S; Due: 15/8/2022</li> <li>- Certificate of Proficiency Basic Occupational First Aid, CPR &amp; AED; Serial # 2019/FA/00128; Date: 9-10/1/2019</li> <li>- Certificate of Competency Steam Engineer Grade 2 # 056/2018; Ahmad Syahir bin Mohamad; Date: 15/12/2021</li> </ul>	Complied															
<b>4.4.6.3</b>	<p>A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p> <p><b>- Minor compliance -</b></p>	<p>Among training identified and implemented in Sg. Tong POM as per sample as following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Training</th> <th style="text-align: center;">Total No of Participant</th> <th style="text-align: center;">Date</th> </tr> </thead> <tbody> <tr> <td>Emergency Response Team Training</td> <td style="text-align: center;">20</td> <td style="text-align: center;">25/10/2021</td> </tr> <tr> <td>PPE Training</td> <td style="text-align: center;">12</td> <td style="text-align: center;">24/10/2021</td> </tr> <tr> <td>First Aid Training</td> <td style="text-align: center;">10</td> <td style="text-align: center;">21/10/2021</td> </tr> <tr> <td>MSPO Training to Stakeholders</td> <td style="text-align: center;">2</td> <td style="text-align: center;">26/08/2021</td> </tr> </tbody> </table>	Training	Total No of Participant	Date	Emergency Response Team Training	20	25/10/2021	PPE Training	12	24/10/2021	First Aid Training	10	21/10/2021	MSPO Training to Stakeholders	2	26/08/2021	Complied
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Criterion / Indicator		Assessment Findings			Compliance
		COVID-19 Test Kit Training	3	24/08/2021	
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>					
<b>Criterion 4.5.1: Environmental Management Plan</b>					
<b>4.5.1.1</b>	An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented. <b>- Major compliance -</b>	A documented Biodiversity and Environmental Policy; Approved by Haji Mohd. Ghozali Bin Yahaya; CEO of TDM Plantation Sdn. Bhd.; Dated 01/04/2021 and Environmental Management Plan 2021 found in line with Environmental Quality Act 1974 (Act 127) has been communicated and implemented accordingly during several meetings and briefings sessions conducted by the mill management with all employees.			Complied
<b>4.5.1.2</b>	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations <b>- Major compliance -</b>	The Environmental Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Evaluation And Identification Form. The plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Last reviewed was done on 02/08/2021.			Complied
<b>4.5.1.3</b>	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. <b>- Major compliance -</b>	The Environmental Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.			Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. <b>- Minor compliance -</b>	The Continual Improvement Plan has incorporated various programmes to promote the positive impacts towards the environment and was available in the Environment Management Plan that had been subcategorized to Waste Management, Water Management, HCV Area/ Biodiversity, Energy Management, GHG Reductions and Pollution Preventions.	Complied
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. <b>- Major compliance -</b>	The mill management has established annual ESH Training Plan from FY 2021 which covers the environmental awareness and compliance related trainings to the executives, staffs and workers. Among the awareness and trainings verified were: 1. Schedule Waste Handling Training, Inventory, Labelling, Disposal & Handling – 23/03/2021 2. “Laporan Latihan Dalaman; Bahan Buangan Terjadual dan Larangan Pembakaran terbuka” dated 08/03/2021.	Complied
4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. <b>- Major compliance -</b>	Regular communications of environmental policies and objectives were conducted during weekly workers assembly on Sundays and during environmental committee meeting sessions among the committee members ( <i>Jawatankuasa Pengawasan Prestasi Alam Sekitar</i> ) STPOM 2021/2022. Sighted latest Environmental training has been conducted on 30/09/2021.	Complied
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period	Sg Tong POM maintains records of energy usage, which is reported monthly to head office. The use of the steam turbine for electricity generation has been optimized in order to reduce the dependence on diesel fossil fuel.	Complied

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	- Major compliance -	<p>Sg Tong POM has established baseline for non-renewable energy base on average of last 3 years usage/FFB produce. The monitoring of non-renewable energy usage was conducted annually.</p> <p>Sighted the sampled monitoring records for diesel, electricity and water usage at Sg Tong POM for 2021 as follows:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Diesel (L)</th> <th>Electricity (kWh)</th> <th>Water (m<sup>3</sup>)</th> </tr> </thead> <tbody> <tr><td>Jan 21</td><td>17738</td><td>19840</td><td>29940</td></tr> <tr><td>Feb 21</td><td>13621</td><td>17170</td><td>26460</td></tr> <tr><td>Mar 21</td><td>18993</td><td>22100</td><td>37840</td></tr> <tr><td>Apr 21</td><td>16146</td><td>20900</td><td>35620</td></tr> <tr><td>May 21</td><td>10526</td><td>21330</td><td>38020</td></tr> <tr><td>Jun 21</td><td>11947</td><td>22340</td><td>23200</td></tr> <tr><td>Jul 21</td><td>15460</td><td>22510</td><td>39820</td></tr> <tr><td>Aug 21</td><td>18686</td><td>22270</td><td>47370</td></tr> <tr><td>Sept 21</td><td>15478</td><td>22700</td><td>42080</td></tr> <tr><td>Oct 21</td><td>10041</td><td>20860</td><td>48550</td></tr> </tbody> </table>	Month	Diesel (L)	Electricity (kWh)	Water (m <sup>3</sup> )	Jan 21	17738	19840	29940	Feb 21	13621	17170	26460	Mar 21	18993	22100	37840	Apr 21	16146	20900	35620	May 21	10526	21330	38020	Jun 21	11947	22340	23200	Jul 21	15460	22510	39820	Aug 21	18686	22270	47370	Sept 21	15478	22700	42080	Oct 21	10041	20860	48550	
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4.5.2.2	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p>- Major compliance -</p>	<p>Sg. Tong POM has estimation of total energy required. This estimation was compared to the actual usage on a monthly basis and reported to the head office for monitoring purposes. The estimation of total energy required is available in the annual budget prepared by the management of Sg. Tong POM.</p>	Complied																																												
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement. Apart from use of</p>	Complied																																												

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Criterion / Indicator		Assessment Findings	Compliance																																	
		<p>diesel for electricity, palm fiber and shells were also used to generate electricity through steam turbine and boiler.</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 PK shells were used as renewable energy/fuel. Monthly records of energy consumption of non-renewable and renewable fuel per metric ton of palm product at the Mill were available.</p> <p><u>Renewable Energy Summary</u></p> <table border="1"> <thead> <tr> <th>Month</th> <th>Fibre</th> <th>Shell</th> </tr> </thead> <tbody> <tr> <td>Jan 2021</td> <td>1228.26</td> <td>577.95</td> </tr> <tr> <td>Feb 2021</td> <td>1070.01</td> <td>508.04</td> </tr> <tr> <td>Mar 2021</td> <td>1650.43</td> <td>783.63</td> </tr> <tr> <td>Apr 2021</td> <td>647.83</td> <td>307.59</td> </tr> <tr> <td>May 2021</td> <td>1704.35</td> <td>809.22</td> </tr> <tr> <td>Jun 2021</td> <td>1139.37</td> <td>540.97</td> </tr> <tr> <td>Jul 2021</td> <td>2196.27</td> <td>1042.79</td> </tr> <tr> <td>Aug 2021</td> <td>2403.15</td> <td>1141.01</td> </tr> <tr> <td>Sept 2021</td> <td>2165.63</td> <td>1028.24</td> </tr> <tr> <td>Oct 2021</td> <td>2301.02</td> <td>1092.52</td> </tr> </tbody> </table>	Month	Fibre	Shell	Jan 2021	1228.26	577.95	Feb 2021	1070.01	508.04	Mar 2021	1650.43	783.63	Apr 2021	647.83	307.59	May 2021	1704.35	809.22	Jun 2021	1139.37	540.97	Jul 2021	2196.27	1042.79	Aug 2021	2403.15	1141.01	Sept 2021	2165.63	1028.24	Oct 2021	2301.02	1092.52	
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<b>Criterion 4.5.3: Waste management and disposal</b>																																				
<b>4.5.3.1</b>	All waste products and sources of pollution shall be identified and documented. <b>- Major compliance -</b>	All waste products and sources of pollution in Sg. Tong POM has been identified and documented in Identification and Management of Wastewater FY 2021/2022; Review date: 16/01/2021 and Waste Management Action Plan FY 2021/2022; Review date: 28/10/2021. Among categories of wastes identified including Scheduled Waste, Domestic Waste and Industrial Waste where there were some usable	Complied																																	



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		wastes or by-products generated from the mill process such as shredded EFB fibres, decanter cake and boiler ashes.	
4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution.</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p><b>- Major compliance -</b></p>	<p>All waste products and sources of pollution in Sg. Tong POM has been identified and documented in Identification and Management of Wastewater FY 2021/2022; Review date: 16/01/2021 and Waste Management Action Plan FY 2021/2022; Review date: 28/10/2021.</p> <p>Implementation of the waste management plan sighted as per sample scheduled waste disposal as following:</p> <p>E-Swiss Latest Inventory record dated 28/10/2021. Refer AS9B)T: 31/152/000/008.</p> <ol style="list-style-type: none"> <li>1. Consignment Note # 2021091209FBC2GV; Date: 08/09/2021; Waste code: SW410 – Spent Filter; Quantity: 0.0410 mt; Facility: Pentas Flora (Kelantan) Sdn. Bhd.</li> <li>2. Consignment Note # 2021091209JEDUT9; Date: 08/09/2021; Waste code: SW305 – Spent Lubricating oil; Quantity: 0.3350 mt; Facility: Pentas Flora (Kelantan) Sdn. Bhd.</li> <li>3. Consignment Note # 2021091209UC9ZA5; Date: 08/09/2021; Waste code: SW410 – Cotton Rags; Quantity: 0.0750 mt; Facility: Pentas Flora (Kelantan) Sdn. Bhd.</li> </ol> <p>Construction budget under CAPEX for Empty Bunch Dumping Leachate Drain System c/w Retaining Wall has been allocated in the Mill Budget 2021 amounted RM XX,XXX. Budget for Fuel Moving Floor has been allocated amounted RM XX,XXX for handling Fibre and Shredded Fibre. The project will be begin on next year. Purposely of this project to improve efficiency and recycling of potential by-products by Sg. Tong POM based on generation of shredded EFB fibres, decanter cake and boiler ash.</p>	Complied

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<p><b>4.5.3.3</b> The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p><b>- Major compliance -</b></p>	<p>The SOP Scheduled Waste (Edition TDMP-02, Rev TDMP-02/2017) for handling used chemicals has been established and documented. Therein the procedure described the requirements in Labeling, Legal requirement, Waste generator, Training required, DOE license much in line with the DOE Guidelines for Packaging, Labelling and Storage of Scheduled Wastes.</p> <p>Labels were sighted affixed properly on the container of SW inclusive of required details at the SW Store. Inventory records available and disposal of SW verified not exceeding 180 days or 20mt as per sample scheduled waste disposal as following:</p> <p>E-Swiss Latest Inventory record dated 28/10/2021. Refer AS9B)  T: 31/152/000/008.</p> <ol style="list-style-type: none"> <li>1. Consignment Note # 2021091209FBC2GV; Date: 08/09/2021; Waste code: SW410 – Spent Filter; Quantity: 0.0410 mt; Facility: Pentas Flora (Kelantan) Sdn. Bhd.</li> <li>2. Consignment Note # 2021091209JEDUT9; Date: 08/09/2021; Waste code: SW305 – Spent Lubricating oil; Quantity: 0.3350 mt; Facility: Pentas Flora (Kelantan) Sdn. Bhd.</li> <li>3. Consignment Note # 2021091209UC9ZA5; Date: 08/09/2021; Waste code: SW410 – Cotton Rags; Quantity: 0.0750 mt; Facility: Pentas Flora (Kelantan) Sdn. Bhd.</li> </ol> <p>Based on interviews with the workers, their understandings on proper handling, storage and disposal of wastes were satisfactory.</p>	<p>Complied</p>
<p><b>4.5.3.4</b> Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p><b>- Minor compliance -</b></p>	<p>Disposal of domestic wastes is through Majlis Daerah Setiu. Centralized rubbish bin has been allocated at the main road to workers quarters.</p>	<p>Minor Non Conformity</p>

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		<p>The level of awareness on restriction on open burning activities was not effectively implemented.</p> <p>Sighted commitment by management on Zero Burning. Refer item no 5 in Polisi Biodiversiti &amp; Alam Sekitar dated 01/04/2021 "Memastikan Pembakaran Sifar sentiasa diberi keutamaan". Training has been conducted on 08/03/2021. Refer "Laporan Latihan Dalaman; Bahan Buangan Terjadual dan Larangan Pembakaran terbuka". However it was found portion of domestic waste burning activities at the Labour Quarters No. K62 that indicates the level of awareness on restriction of open burning activities was not satisfactory. Thus, Minor NC was raised.</p>	
<b>Criterion 4.5.4:</b> Reduction of pollution and emission			
<b>4.5.4.1</b>	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p> <p><b>- Major compliance -</b></p>	<p>Based on the assessment done by the mill of all polluting activities from the Environment Aspect and Impact exercise, identified sources were SW, boiler chimney (particulate and soot) &amp; POME treatment/anaerobic process as the main GHG pollutants.</p> <p>Current monitoring was through online boiler smoke density and alarm and quarterly boiler stack monitoring of dust particulate. Other environmental assessment carried out as per Action Plan for Environmental Assessment 2021/2022 and Continuous Improvement Plan established as per Indicator 4.5.1.3 and 4.5.1.4 above.</p>	Complied
<b>4.5.4.2</b>	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p><b>- Major compliance -</b></p>	<p>The polluting activities identified in the Environmental Aspect and Impact assessment. Various monitoring has been conducted including the effluent analysis, stack monitoring and river water monitoring.</p> <p>For continuous emission reporting system, it always online and send to HQ of Department of Environment in Putrajaya. Measurement of</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>dust particulate concentration of Boiler Stacks conducted as per sighted sample monitoring records as following:</p> <ul style="list-style-type: none"> <li>- Measurement of Dust Particulates Concentration (MS 1506:2003) Stack Flue Gas of Boiler No. 1 for Semahir Niaga at Sg. Tong POM; Report ref. # L-GB-TC2107CSN-0153; Sampling date: 13/07/2021; Report date: 23/07/2021 by Environmental Science (M) Sdn. Bhd.</li> <li>- Measurement of Dust Particulates Concentration (MS 1506:2003) Stack Flue Gas of Boiler No. 2 for Semahir Niaga at Sg. Tong POM; Report ref. # L-GB-TC2109CSN-0103; Sampling date: 06/09/2021; Report date: 09/09/2021 by Environmental Science (M) Sdn. Bhd.</li> </ul> <p>Result of measurement shown the dust particulate concentration was complied with the limit under the EQ (Clean Air) Regulations 2014 as per DOE license.</p>	
<p><b>4.5.4.3</b></p>	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p><b>- Major compliance -</b></p>	<p>POME final discharge water sampling analysis conducted as per sighted sample monitoring records as following:</p> <ul style="list-style-type: none"> <li>- Certificate of Analysis APHA Standard Methods for the Examination of Water and Wastewater (2005) 21<sup>st</sup> Edition for Water Sample; Lab Report # 21/09/O0653; Date of sampling: 27/09/2021; Date issued: 04/10/2021 by ERALab (KT) Sdn. Bhd.</li> <li>- Certificate of Analysis APHA Standard Methods for the Examination of Water and Wastewater (2005) 21<sup>st</sup> Edition for Water Sample; Lab Report # 21/09/W0614; Date of sampling: 15/09/2021; Date issued: 12/10/2021 by ERALab (KT) Sdn. Bhd.</li> </ul> <p>Result of analysis shown the BDO concentration complied with the limit under the Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977 as per DOE license.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance	
<b>Criterion 4.5.5: Natural water resources</b>			
<b>4.5.5.1</b>	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> <li>a) Assessment of water usage and sources.</li> <li>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</li> <li>c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</li> </ul> <p><b>- Major compliance -</b></p>	<ol style="list-style-type: none"> <li>1. Water Management was established and verified to state the following:               <ul style="list-style-type: none"> <li>a. Protection of watercourse                   <ul style="list-style-type: none"> <li>• To monitor the water quality by sending water sampling for analysis by R&amp;D.</li> </ul> </li> <li>b. Contingency during water shortage                   <ul style="list-style-type: none"> <li>• To record water usage level to be capped at the volume permitted in license.</li> <li>• To renew license for abstracting of water from water bodies</li> <li>• Treated water to process</li> </ul> </li> </ul> </li> <li>2. Water Quality for Domestic use is provided by Syarikat Air Terengganu (SATU)</li> <li>3. Sighted water management plan. Refer Water Management Plan: Contingency During water Shortage FY2021/2022 dated 04/03/2021.</li> </ol>	<p>Complied</p>
<b>4.5.5.2</b>	<p>Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.</p> <p><b>- Major compliance -</b></p>	<p>The effluent is retained for treatment in a flow series through several / multiple stage ponds before being discharged into the watercourse and land application. The compliance requirement provided in the DOE Compliance Schedule (<i>Jadual Pematuhan</i>) license is BOD &lt;100 mg/l for final water discharge. Under the improvement plan the mill had the following plan in relation to the effluent management improvement.</p> <ul style="list-style-type: none"> <li>- Biogas plant – reduction in GHG into the atmosphere</li> <li>- Polishing plant – to comply to reduce BOD with 20 ppm for water discharge.</li> </ul>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
		- Effluent pond system – to remove solid content in cooling pond under desludging program.	
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Mill Management</b>			
<b>4.6.1.1</b>	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - <b>Major compliance</b> -	SOP has been established for the Sg. Tong POM as a guidance for the operating units to conduct daily operations. - Mill Standard Operating Procedure and Operation Manuals, TDM/STPOM/01 rev. 01/2011 issued on 11 May 2011 which covers mill operations by stations i.e Reception station, sterilization station, kernel recovery, water treatment plant, Laboratory, product quality and HIRARC. The latest reviewed was conducted on Nov 2012 and no changes was made. - Sustainability Standard Operating Procedure which covers sustainability management procedure i.e Water sampling, flood management, OSH committee, complaint, communication and handling of scheduled waste.	Complied
<b>4.6.1.2</b>	All palm oil mills shall implement best practices. - <b>Major compliance</b> -	The Head Engineering and Mill Services has been appointed for monitoring Mill Performance. It will covers on crop quality, Mill and processing, Manpower deployment, production performance, Quality of Input FFB, Quality of Palm Products, Process efficiency, Palm products storage and dispatch and Production Cost.	Complied
<b>Criterion 4.6.2: Economic and financial viability plan</b>			

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<b>4.6.2.1</b>	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. <b>- Major compliance -</b>	A business management plan established to demonstrate attention to economic and financial viability through long-term management planning was documented as per Sungai Tong Palm Oil Mill Budget Summary 2021-2022 which include projected FFB processed, targeted CPO & PK production and total processing cost (e.g. general charges, mill maintenance, process shift labour and general services) for period until the year 2025/2026.	Complied
<b>Criterion 4.6.3: Transparent and fair price dealing</b>			
<b>4.6.3.1</b>	Pricing mechanisms for the products and other services shall be documented and effectively implemented. <b>- Major compliance -</b>	Generally, the pricing mechanism is guided by TDM Plantation Sdn Bhd Delegation of Authority Limit Policy, rev. 2017/02, dated 15/8/2017 and Procurement Unit SOP Guideline, doc. No.: TDM/PU/2019/01, rev. PP/2019/Rev 01, dated 19/9/2019. Based on verification of contract awards and interview with contractors, the implementation of the tender procedure is satisfactorily demonstrated.	Complied
<b>4.6.3.2</b>	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. <b>- Major compliance -</b>	Verification of contract agreement, records of payment and interview with contractors showed that contracts was fair, legal and transparent and agreed payments were made in timely manner.	Complied
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. <b>- Major compliance -</b>	Sg. Tong POM has made their contractors understand the MSPO requirements mainly through trainings and meeting. Records of training and meeting were available for verification. Based on interview during external stakeholder consultation, the engaged contractors were able to demonstrate a good understanding on the MSPO requirements.	Complied

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		Briefing on MSPO requirements to contractors was provided and verified as per "Latihan dan Taklimat kepada Syarikat Pembekal/Kontraktor/Pengangkut MSM & Kernel/Pembekal FFB dated 26/08/2021 attended by representative from Wafian Padu Enterprise (Recondition, Overhaul and Balancing One Unit Sludge Separator Alfa Laval PASX410 Machine No 2)	
<b>4.6.4.2</b>	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	All of the engaged contractors such as grass cutting works, CPO/PK transporters, and engineering works were provided with agreed contracts. Verification of the contracts and records of payment showed that the implementation of the stipulated terms and conditions of the contract was effective. (e.g. Contract No: STOM 001/2021, Contractor: Ab Rahman B Embong)	Complied
<b>4.6.4.3</b>	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. <b>- Minor compliance -</b>	The requirement of accepting MSPO accredited auditors to audit against the contractors was mentioned in the work order and addendum in jobs specifications.	Complied



**Appendix B: List of Stakeholders Contacted**

<p><b>Government Officer:</b></p> <ul style="list-style-type: none"> <li>- SK Kg Fikri Sg Tong</li> </ul>	<p><b>Community/ neighbouring village:</b></p> <ul style="list-style-type: none"> <li>- JPKK Kg Bukit Nenas</li> <li>- JPKK Pak Ba</li> </ul>
<p><b>Suppliers/Contractors/Vendors:</b></p> <ul style="list-style-type: none"> <li>- ARJ Structure Sdn Bhd</li> <li>- Anika Agency</li> </ul>	<p><b>Worker’s Representative/Gender Committee:</b></p> <ul style="list-style-type: none"> <li>- Mill and estates workers</li> <li>- Mill and estates staff</li> <li>- Gender committee representative</li> </ul>

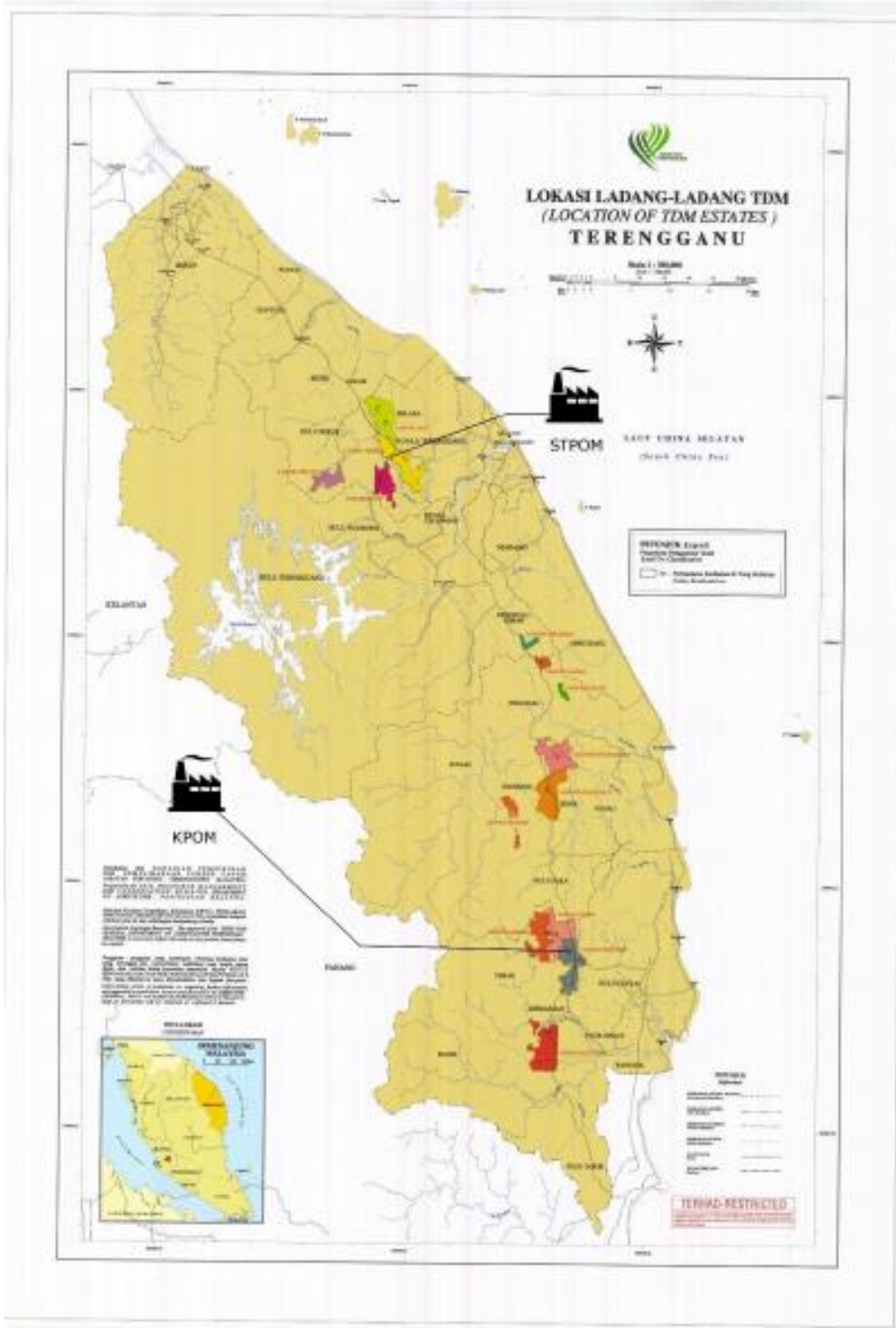
**Appendix C: Smallholder Member Details**

Not applicable

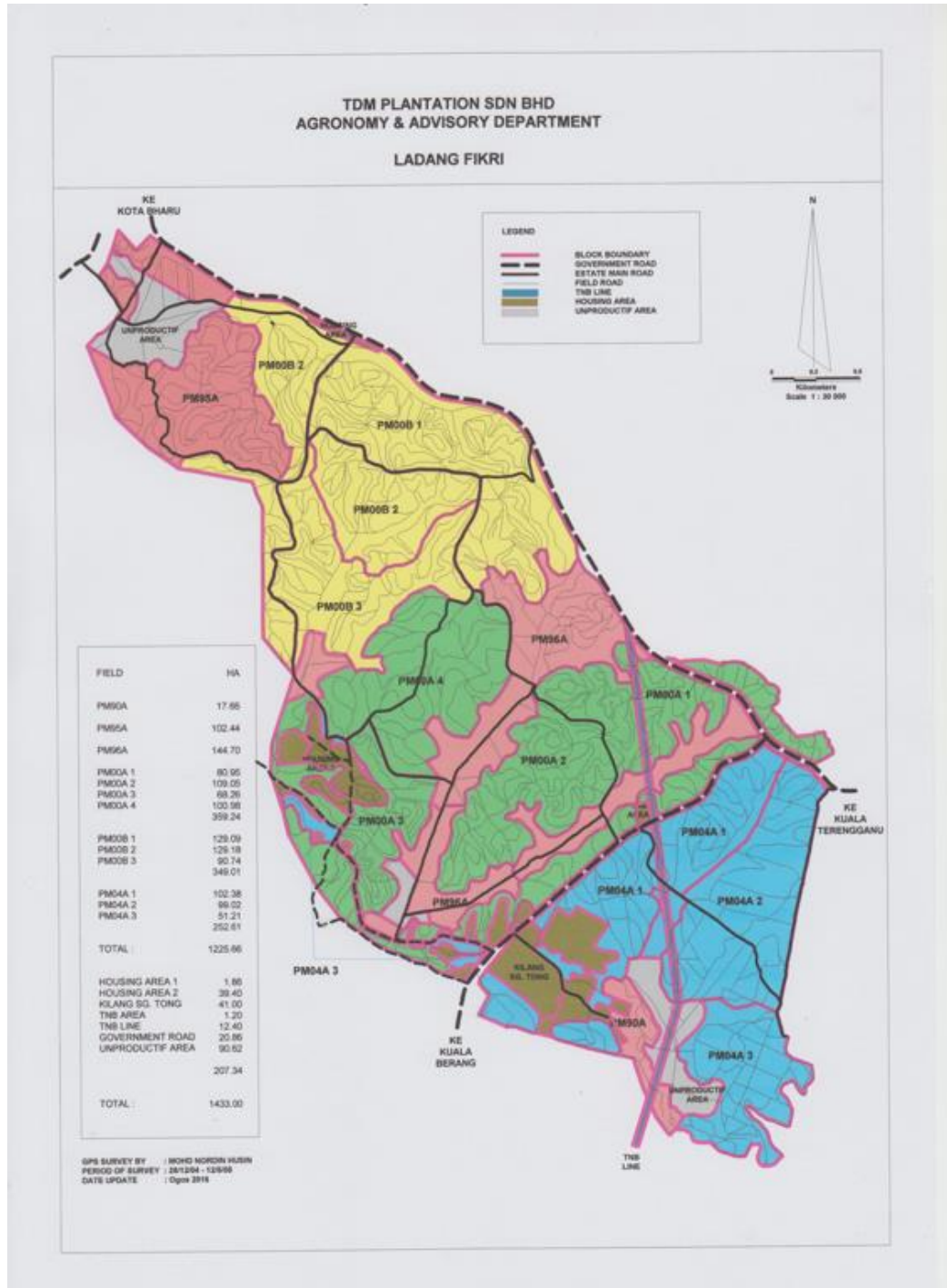
No.	Smallholder		Location of Planted Area (District)	GPS Coordinates	Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number				
	N/A					

**Appendix D: Locations and Field Maps**

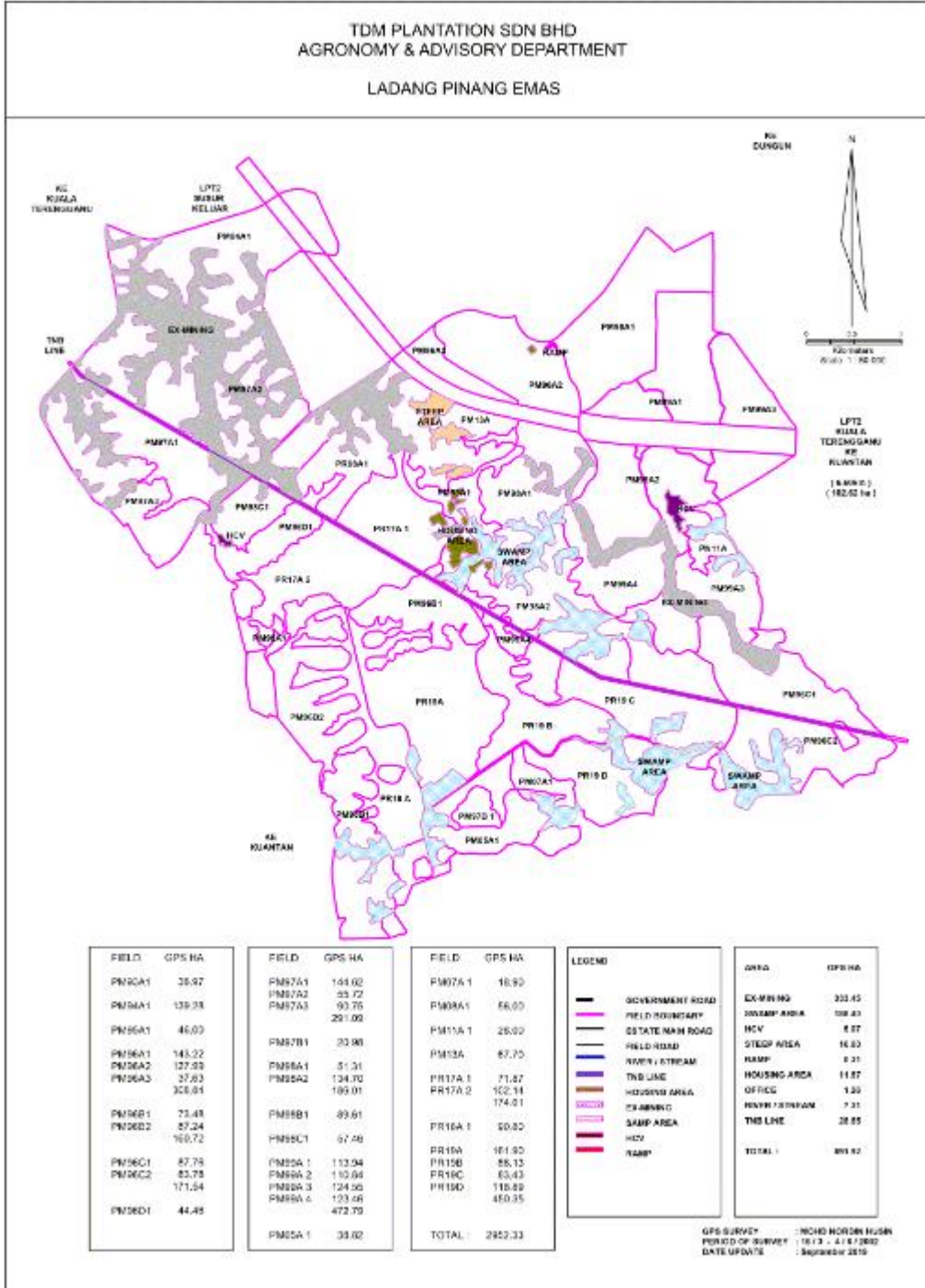
**Sg Tong POM**



**Fikri Estate**

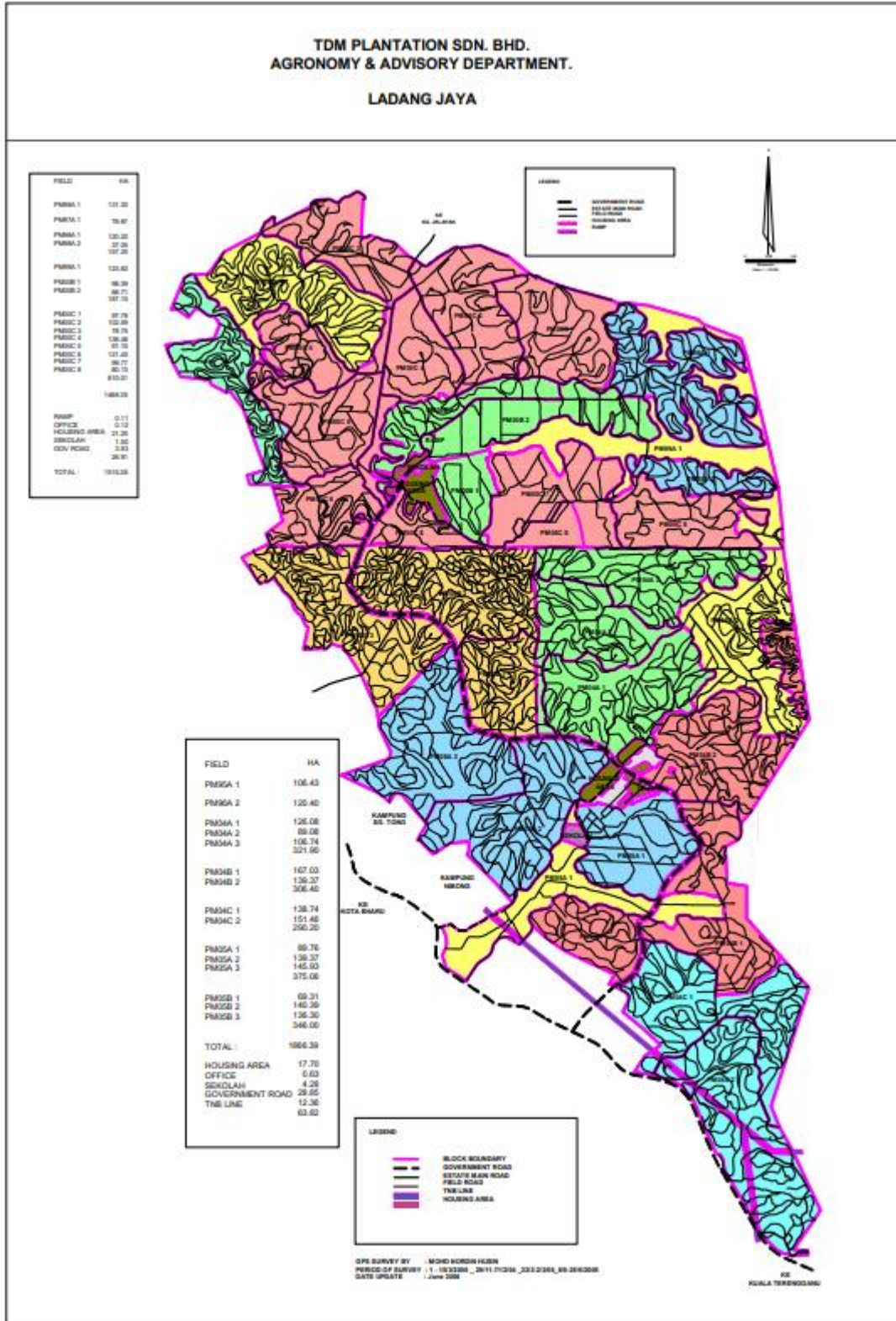


**Pinang Emas Estate**





**Jaya Estate**



**Appendix E: List of Abbreviations**

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RTE	Rare, Threatened or Endangered species
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure