

MALAYSIAN SUSTAINABLE PALM OIL
MSPO OPMC Public Summary Report

- Initial Assessment**
- Annual Surveillance Assessment** (Choose an item.)
- Recertification Assessment (RA 1)**
- Extension of Scope**

SIME DARBY PLANTATION BERHAD
Client Company (HQ) Address: Level 11, Main Block, Plantation Tower No. 2, Jalan PJU 1A/7 47301 Ara Damansara, Selangor, Malaysia
Certification Unit: Strategic Operating Unit (SOU 7) Bukit Kerayong Palm Oil Mill & Plantations: Bukit Kerayong Estate & Bukit Cheraka Estate
Date of Final Report: 17/3/2023

Report prepared by:
Mohd Nur Amin Mohd Halim (Lead Auditor)

Report Number: 3717752

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Sime Darby Plantation Berhad - SOU 7 Bukit Kerayong Palm Oil Mill		
Mill/Estate	Certification Unit	MPOB License No.	Expiry Date
	Bukit Kerayong Palm Oil Mill	562906004000	31/07/2023
	Bukit Cheraka Estate	526188002000	31/01/2024
	Bukit Kerayong Estate	525572002000	31/12/2023
Address	Bukit Kerayong Palm Oil Mill, Jalan Bukit Kerayong, 42200 Kapar, Klang, Selangor, Malaysia		
Management Representative	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM) Mdm. Ra'anon Gandon (Regional SQM)		
Website	www.simedarbyplantation.com	E-mail	shylaja.vasudevan@simedarbyplantation.com raanon.gandon@simedarbyplantation.com
Telephone	03-784840000 (Head Office), 019-3964753	Facsimile	03-78484356 (Head Office)

1.2 Certification Information			
Certificate Number	Mill: MSPO 682049 Plantation: MSPO 690368	Certificate Start Date	14/03/2023
Date of First Certification	14/03/2018	Certificate Expiry Date	13/03/2028
Scope of Certification	<input checked="" type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
Visit Objectives	<p>The objective of the assessment was to conduct a re-assessment of the existing certification to ensure the elements of the proposed scope of registration and the requirements of the management standard are effectively addressed by the Sime Darby Plantation Berhad's management system.</p> <p>Through the observations, documentation review and onsite interview, the audit objectives have been achieved and the certificate scope remains appropriate. The audit team concludes based on the results of this audit that Bukit Kerayong Palm Oil Mill and its supply bases does fulfil the standards and audit criteria identified within the audit report and it is deemed that the management system continues to achieve its intended outcomes.</p>		
Standard	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		

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Recertification Assessment Visit Date (RAV) 1	13/02/2023 - 16/02/2023
Continuous Assessment Visit Date (CAV) 1_1	-
Continuous Assessment Visit Date (CAV) 1_2	-
Continuous Assessment Visit Date (CAV) 1_3	-
Continuous Assessment Visit Date (CAV) 1_4	-

1.3 Other Certifications

Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 550181	RSPO Principles & Criteria for Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019; with Mass Balance Supply Chain Module	BSI Services Malaysia Sdn Bhd	14/04/2026
MSPO 714128	MSPO Supply Chain Certification Standard (MSPO SCCS) 1 October 2018	BSI Services Malaysia Sdn Bhd	31/07/2024

1.4 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
Bukit Kerayong Palm Oil Mill	Jalan Bukit Kerayong, 42200 Kapar, Klang, Selangor, Malaysia	3° 11' 13.06" N	101° 22' 23.48" E
Bukit Kerayong Estate	P.O. Box 204, 42200 Kapar, Klang, Selangor, Malaysia	3° 13' 37.20" N	101° 20' 56.00" E
Bukit Cheraka Estate	P.O. Box 202, 45809 Jeram, Selangor, Malaysia	3° 13' 37.2" N	101° 21' 56.12" E

1.5 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Bukit Kerayong Estate	2,325.85	3.00	211.30	2,540.15	91.00
Bukit Cheraka Estate	3,401.28	55.52	191.45	3,648.25	93.00
Total (ha)	5,727.13	58.52	402.75	6,188.40	

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1.6 Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Bukit Kerayong Estate	89.32	1,892.46	344.07	-	-	2,236.53	89.32
Bukit Cheraka Estate	327.39	1,048.22	934.97	1,090.7	-	3,073.89	327.39
Total (ha)	416.71	2,940.68	1,279.04	1,090.70	0	5,310.42	416.71

1.7 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Mar 22 - Feb 23)	Actual (Jan 22 - Jan 23)	Forecast (Mar 23 - Feb 24)
Bukit Kerayong Estate	28,573.00	15,422.00	23,289.00
Bukit Cheraka	36,934.00	53,760.68	64,442.00
Bk Talang Estate		531.03	
Sg Buloh Estate		863.56	
Tennamaram Estate		368.32	
Dusun Durian Estate		635.57	
West Estate		220.20	
Clarity Crest Sdn. Bhd.	-	492.25	-
Meru Estate (1985) Sdn. Bhd.		165.31	
Gan Estate Contractor Sdn. Bhd.		1,069.88	
Gan Estate Contractor Sdn. Bhd. - Bandar Bukit Raja Estate		254.36	
Gan Estate Contractor Sdn. Bhd. - Bukit Lagong Estate		798.31	
Total (mt)	65,507.00	74,581.47	87,731.00

1.8 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Mar 22 - Feb 23)	Actual (Jan 22 - Jan 23)	Forecast (Mar 23 - Feb 24)
Eng Huat Latex Concentrate Sdn. Bhd. (Collection Center)		2,447.01	
Gan Estate Contractor Sdn. Bhd. - Kota Elmina Estate	-	429.56	-
Selamis Sawit Enterprise (Collection Center)		1,709.79	

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Gan Estate Contractor Sdn. Bhd. - Elmina West Estate		72.01	
Rasa Dinamis Sdn Bhd		3,414.97	
Landta Rasmi Sdn Bhd		314.57	
Syarikat Chuan Soon		13,387.50	
Budi Sawit Enterprise		311.47	
Bakti Mas Bina Sdn Bhd		25.47	
Klangrealty		359.24	
Timah Jaharah		4,970.54	
Total (mt)	0	27,444.13	0

1.9 Certified Tonnage			
Mill Capacity: 30 MT/hr SCC Model: MB	Estimated (Mar 22 - Feb 23)	Actual (Jan 22 - Jan 23)	Forecast (Mar 23 - Feb 24)
	FFB	FFB	FFB
	65,507.00	74,581.47	87,731.00
	CPO (OER: 14.66%)	CPO (OER: 18.69%)	CPO (OER: 19.20%)
	9,603.86	13,939.28	16,844.35
	PK (KER: 3.67%)	PK (KER: 4.56%)	PK (KER: 4.80%)
	2,400.96	3,400.91	4,211.00

1.10 Actual Sold Volume (CPO)					
CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
13,939.28	0.00	0.00	1,858.17	12,081.11	13,939.28

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
3,400.91	0.00	0.00	2,890.28	510.63	3,400.91

Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 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 13-16/02/2023. The audit programme is included as Section 2.4. The approach to the audit was to treat the SOU 07 Bukit Kerayong Palm Oil Mill and Its 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. Prior to on-site assessment, a global stakeholder consultation has been conducted through notification dated on 22/12/2022 via website as following: [01-04-mspo-public-notification recertification sime-darby sou-7-bukit-kerayong-pom--supply-base_english.pdf \(bsigroup.com\)](#)

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 Certification Unit not using MSPO certification marks for any type of on- and off-product communication. The Certification Unit are compliance with the use of the MSPO Logo and related claims.

The estates sample were determined based on formula $S = r\sqrt{n}$ where n is the number of estates while when applicable, the estates sample were determined following the MSPO Certification Requirement. The sampling of estates 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 estates.

Emails also sent to selected stakeholders among NGOs, local authorities and interested parties on 04/02/2023. No feedbacks or comments received from the global stakeholder consultation and email consultation except for on-site consultation as reported under section 3.5 of this report. 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 Section 3.6.

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.

All the previous nonconformities are remains closed. The assessment findings from the initial assessment are detailed in Section 4.2. Major NCs closure was conducted offsite based on evidence submitted.

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This report was externally reviewed by MSPO approved Peer Reviewer prior to certification and recertification decision by BSI. For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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

Assessment Program					
Name (Mill / Plantation)	Year 1 (Recertification)	Year 2 (ASA 1_1)	Year 3 (ASA 1_2)	Year 4 (ASA 1_3)	Year 5 (ASA 1_4)
Bukit Kerayong POM	✓	✓	✓	✓	✓
Bukit Kerayong Estate	✓	✓	✓	✓	✓
Bukit Cheraka Estate	✓	✓	✓	✓	✓

Tentative Date of Next Visit: January 15, 2024 - January 19, 2024

Total No. of Mandays: 11

2.1 BSI Assessment Team

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Mohd Nur Amin Bin Mohd Halim (MNA)	Team Leader	<p>Education: Diploma Office Management & Technology, UiTM.</p> <p>Work Experience: He gained his career as sustainability practitioner in Government Link Company related to palm oil plantation for over 6 years and 10 months majorly handling operational excellent, environment, safety and health at the upstream and downstream operations. He then joining an international certification body over the last 3 years and started his auditing career as qualified lead auditor for MSPO (OPMC and SCCS) scheme; and qualified auditor for ISCC Waste and Residue scheme. Concurrent, he was also a document controller and scheme coordinator for MSPO (OPMC and SCCS) prior to DSM accreditation.</p> <p>Training attended: He has completed Exemplar IMS (9001, 14001 & 45001) LA Course (2019), SA 8000 Course (2019), Endorse MSPO SCCS Course (2020), Endorse MSPO LA Course (2020), Endorse ISCC Waste and Residue Course (2020), HCV & HCS Course (2020), Endorse ISCC Basic & PLUS Course (2022), CQI & IRCA ISO 14001:2015 LA Course (2022), Endorse RSPO P&C LA Course (2022), Endorse RSPO SCCS LA Course (2022).</p> <p>Aspect covered in this audit:</p>

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		<p>Interview with smallholders and stakeholders, transparency & communications, social aspect & aspects, human rights, employees' welfare, trafficking & child labour, stakeholders' consultation. (Principle 2 and Principle 4).</p> <p>Language proficiency: He is fluent in both verbal/ written English and Bahasa Malaysia languages.</p>
Ahmad Ruffi Bin Abu Talib Khan (ARK)	Team Member	<p>Education: Bachelor's Degree in mechanical engineering from Universiti Teknologi MARA Shah Alam, graduated in 2015.</p> <p>Work Experience: He started his career as Assistant Mill Manager at Tradewinds Plantations Bhd (TPB), managing the day-to-day mill operations. In his three years' experience at TPB, he has experience handling the certification of ISO 9001, OHSAS 18001, ISO 14001 as well as Malaysia Sustainable Palm Oil (MSPO). He is then moved to United Malacca Berhad to work as Mill Engineer where he assisted mill manager in daily mill operation and together with his team at the mill, started the ISCC initiatives to certify the mill and the supply bases with the scheme. He is a qualified Lead Auditor for MS 2530:2013 and has accumulated more than 300 audit days throughout his current career as the auditor for multiple disciplines covering all over Malaysia.</p> <p>Training attended: He has completed CQI-IRCA approved ISO 9001, ISO 14001 and ISO 45001 Lead Auditor Course, MSPO 2530:2013 Lead Auditor Course, Endorsed RSPO Lead Auditor and RSPO SCC Auditor course.</p> <p>Aspect covered in this audit: Company policy & commitment, continuous improvement plan, traceability, legal requirement, land used rights, safety requirement, safety risk analysis, safety implementation, accident reporting and training, mill best practices, mill economy viability. (Principle 1, Principle 3, Principle 4, Principle 6 (Mill)).</p> <p>Language proficiency: He is fluent in both verbal/ written English and Bahasa Malaysia languages.</p>
Vijay Kanna Pakirisamy (VKP)	Team Member	<p>Education: Bachelor's Degree in Agribusiness Science Management with Honours from University Utara Malaysia in 2010.</p> <p>Work Experience: He gained his working exposure in the plantation sector, serving as an Assistant Manager with KL Kepong and IOI Plantations and as a Sr. Assistant Manager with United Plantations Berhad prior to joining BSI as a Client Manager.</p> <p>Training attended: He has completed ISO IMS 9001, 14001, 45001 (OHS 18001) LA Course (2019), Endorsed RSPO P&C LA Course (2019), Endorsed RSPO SCCS LA Course (2020), Endorsed MSPO LA Course (2019) and SMETA Requirements Training (2021).</p>

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		<p>Aspect covered in this audit: During this assessment, he assessed on the aspect of Traceability, estate best practices and long-term economic viability.</p> <p>Language proficiency: He is fluent in both verbal/ written English, Bahasa Malaysia and Tamil languages.</p>
Mohd Sabre Salim (MSS)	Peer Reviewer	<p>Education: Master's in Business Administration (MBA) from UiTM in 2006 and Bachelor Science Agribusiness from UPM in 1986.</p> <p>Work Experience: He gained his working exposure in the plantation sector, serving as an Plantation Manager with Hap Seng Plantation Berhad and currently as consultant, free-lance lecturer, and trainer at MDV Management Sdn Bhd. He has more than 50 MSPO report that has been reviewed.</p> <p>Training attended: He has completed Endorsed Lead Auditor Course and Endorsed MSPO Lead Auditor Course and MSPO Peer Review certificate by MPOCC. He has attended MSPO Peer Reviewer 1 - 2017 by MPOCC.</p> <p>Expertise: General management, leadership & financial management, occupational safety & health management, plantation (agriculture & agribusiness) management, Malaysian Sustainable Palm Oil (MSPO).</p>
Muhammad Sufyan Azmi (MSA)	Peer Reviewer	<p>Education: Master's in Business Administration (MBA) from Open University Of Malaysia and Bachelor Degree in Bioindustry from UPM in 2006.</p> <p>Work Experience: He gained his working exposure in the plantation sector with 15 years' experience, currently serving as a Plantation Manager with TSH Resources Berhad and previously as an Audit Executive with Kulim Malaysia Berhad.</p> <p>Training attended: He has attended MSPO Peer Reviewer 2 - 2017 by MPOCC.</p> <p>Expertise: General management, auditing, environment and plantation management.</p>

2.2 Impartiality and conflict of interest

During this assessment there was no circumstances or pressure that had influenced the independence or confidentiality of the assessment team.

2.3 Accompanying Persons

No.	Name	Role
	Nil	

2.4 Assessment Plan

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

Date	Time	Subjects	MNA	ARA	VKP
Sunday 12/02/2023	09:00 - 18:00	Audit team travel from Kuala Lumpur to Kuala Selangor, Selangor	✓	✓	✓
Monday 13/02/2023	07:30	Travel to Bukit Cheraka Estate (for Opening Meeting)	✓	✓	✓
	08:30 - 09:00	Opening Meeting <ul style="list-style-type: none"> • Presentation by Sime Darby Plantation Berhad’s management • Presentation by BSI Lead Auditor – Introduction of team member and assessment agenda • Confirmation of assessment scope and finalizing audit scope 	✓	✓	✓
	09:00 - 12:30	Bukit Cheraka Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant, etc.), agrochemical mixing area, wastes management, workers housing, clinic, landfill, etc.	✓	✓	✓
	12:30 - 13:30	Lunch break	✓	✓	✓
	13:30 - 16:30	Bukit Cheraka Estate Document review P1 – P7 (MS 2530 Part 3): General documentation e.g., Legal, Manual and Procedures, production and monitoring records, IPM & HCV records, SEIA documents and records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓	✓	✓
	16:30 - 17:00	Interim closing meeting	✓	✓	✓
Tuesday 14/02/2023	07:30	Travel to Bukit Cheraka Estate	-	✓	-
	09:00 - 16:30	Bukit Cheraka Estate (with Lunch Break) Continue document review P1 – P7 (MS 2530 Part 3): General documentation.	-	✓	-
	16:30 - 17:00	Interim closing meeting	-	✓	-

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Date	Time	Subjects	MNA	ARA	VKP
	07:30	Travel to Bukit Kerayong Estate	✓	-	✓
	10:00 - 12:00	Stakeholder consultation: Government agencies, village representatives, smallholders, Union Leader, contractors etc.	✓	-	✓
	09:00 - 17:00	Bukit Kerayong Estate (with Lunch Break) 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, wastes management, workers housing, clinic, landfill, etc. Document review P1 – P7 (MS 2530 Part 3): General documentation e.g., Legal, Manual and Procedures, production and monitoring records, IPM & HCV records, SEIA documents and records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.	✓	-	✓
Wednesday 15/02/2023	07:30	Travel to Bukit Kerayong Estate	✓	✓	-
	09:00 - 16:30	Bukit Kerayong Estate (with Lunch Break) Continue document review P1 – P7 (MS2530 Part 3): General documentation.	✓	✓	-
	16:30 - 17:00	Interim closing meeting	✓	✓	-
	07:30	Travel to Bukit Kerayong Palm Oil Mill	-	-	✓
	09:00 - 16:30	Bukit Kerayong Palm Oil Mill Document review P1 – P6 (MS 2530 Part 4): SOPs, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation, etc.	-	-	✓
Thursday 16/02/2023	07:30	Travel to Bukit Kerayong Palm Oil Mill	✓	✓	-
	08:30 - 12:30	Bukit Kerayong Palm Oil Mill Site 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.	✓	✓	-

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Date	Time	Subjects	MNA	ARA	VKP
		Document review P1 – P6 (MS 2530 Part 4): SOPs, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation, etc.	✓	✓	-
	12:30 - 13:30	Lunch Break	✓	✓	-
	13:30 - 15:30	<u>Bukit Kerayong Palm Oil Mill</u> Continue document review P1 – P6 (MS2530 Part 4) general documentation.	✓	✓	-
	15:30 - 16:00	Interim closing meeting with Bukit Kerayong Palm Oil Mill	✓	✓	-
	16:00 - 16:30	Assessment team discussion and preparation	✓	✓	-
	16:30 - 17:30	Closing meeting at Bukit Kerayong Palm Oil Mill	✓	✓	✓
	17:30	Audit team travel back to Kuala Lumpur	✓	✓	✓

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. The findings summary of the assessment by criteria are listed in Appendix A.

During the assessment there were zero (0) Major, three (3) Minor nonconformities; and zero (0) of OFI raised. The SOU 07 Bukit Kerayong Palm Oil Mill and Its Supply Bases Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted. The implementation of the corrective action plans to address the minor nonconformity (ies) will be followed up during the next surveillance assessment.

The below is the summary of the non-conformity raised during this assessment.

Non-Conformity Report			
NCR Ref #:	2310617-202302-N1	Issue Date:	16/02/2023
Due Date:	Next Surveillance	Date of Closure:	Open
Area/Process:	Bukit Cheraka Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.4.1 Minor
Requirements:	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.		
Statement of Nonconformity:	The OSH Plan was not comprehensively implemented.		
Objective Evidence:	Verified the Audiometric Test Report conducted on 19/01/2022 which the report has recommended for appointment of an OHD to do proper medical examination for 1 worker. Nevertheless, there were no evidence of the follow up being done as per recommendation. Further verification on the latest Audiometric Report (Dec 2022) shown the same worker’s audiometric results has deteriorated.		
Corrections:	The affected employee has been sent for next Audiometric Assessment. To send the affected employees from Audiometric Assessment Report result to Occupational Health Doctor as per recommendation by the report.		
Root cause analysis:	No proper communication or handover of pending task for action discussed in OSH Plan when changes in management personal i.e.: resigned or transfer of Assistant		
Corrective Actions:	<ol style="list-style-type: none"> 1. Management will assign Medical Assistant and an Assistant Manager to monitor and follow up any upcoming result from Audiometric Assessment Report. 2. To include the schedule of Audiometric Assessment and follow up schedule in OSH plan. 		

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	3. To ensure the effectiveness of OSH plan implementation by discuss during OSH Meeting
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment.

Non-Conformity Report			
NCR Ref #:	2310617-202302-N2	Issue Date:	16/02/2023
Due Date:	Next Surveillance	Date of Closure:	Open
Area/Process:	Bukit Kerayong POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.4.4.2 (b) Minor
Requirements:	<p>The occupational safety and health plan should cover the following:</p> <p>b) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance with 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>		
Statement of Nonconformity:	The Chemical Safety Management Procedure, in relation to USECHH Regulation 2000 was not adequately adhered to.		
Objective Evidence:	<p>During the site visit to the Mill Operations, – EFB Shovel Operation, found containers with diesel stored in containers without any label.</p> <p>It was not in line with OSH (USECHH) Regulations 2000, Part VI Labelling & Relabelling; 21,</p> <p>(1) An employer shall ensure that all chemicals hazardous to health supplied or purchased by him and used in the place of work are labelled and that the labels are not removed, defaced, modified or altered.</p> <p>(2) When the labels mentioned in sub regulation (1) are removed, defaced, modified or altered while the chemical hazardous to health is being used at the place of work, the employer shall re-label the chemical.</p>		
Corrections:	To instruct and ensure the contractor to remove the diesel container from their shovel immediately. To immediately conduct briefing session to contractor on chemical handling.		
Root cause analysis:	Contractor is unaware on the requirement of chemical storage as there is no communication by management before, they start their work.		
Corrective Actions:	<ol style="list-style-type: none"> 1. To provide chemical handling training to contractor before any start work. 2. To include monitoring of contractor’s compliance on chemical handling during workplace inspection. 3. To discuss the effectiveness of workplace inspection on contractor’s chemical handling in the OSH Meeting. 		
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment.		

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Non-Conformity Report			
NCR Ref #:	2310617-202302-N3	Issue Date:	16/02/2023
Due Date:	Next Surveillance	Date of Closure:	Open
Area/Process:	Bukit Kerayong POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.5.4.2 Minor
Requirements:	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.		
Statement of Nonconformity:	Pollution Management plan was not effectively monitored.		
Objective Evidence:	During site visit at CPO Despatch Bay, Bukit Kerayong POM, it was found that there is one unit of IBC Tank Containing CPO was placed on the land, next to monsoon drain, without any proper containment, and sighted there is spots of oil on ground.		
Corrections:	Mill to immediately clean up the leakages on the ground at the IBC tank area and relocate the IBC tank to proper designated area away from monsoon drain with safety signage and bund.		
Root cause analysis:	IBC tank was used to store any balance CPO in tanker during flushing and CPO sampling activity. There is no proper containment because the activity was not identified as pollutant in EAI/EIE.		
Corrective Actions:	<ol style="list-style-type: none"> 1. Assess the activity under EAI/EIE to identify and evaluate the impact of activity towards the environment. 2. To discuss the activity in the OSH Meeting in to monitor the effectiveness of action plan implementation. 		
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next assessment.		

Opportunity For Improvement			
Ref:	Nil	Clause:	MSPO Part __: N/A
Area/Process:	N/A		
Objective Evidence:	N/A		

Noteworthy Positive Comments	
1.	Good commitment from the management teams on the documentation and preparation of the audit.
2.	Positive feedbacks from external stakeholders.
3.	Positive feedbacks from employee on handling internal issues.

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report																																																																							
NCR Ref #:	2158932-202201-M1	Issue Date:	27/01/2022																																																																				
Due Date:	26/04/2022	Date of Closure:	18/4/2022																																																																				
Area/Process:	Bukit Cheraka Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.5.4 Major																																																																				
Requirements:	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.																																																																						
Statement of Nonconformity:	Compliance of legal requirements was not demonstrated effectively.																																																																						
Objective Evidence:	<p><u>Bukit Cheraka Estate:</u> Reviewed the employment contracts, payslips, attendance list, monthly productivity report and SOCSO contribution, Borang 8A found the following issues:</p> <ol style="list-style-type: none"> 1. Reviewed total 7 payslips of contractor’s workers (Puspavalle Enterprise) found that the details of wages and allowances earned during each wage period was not outlined in the payslips as per Employment Regulations 1957. The details such as rate of pay per piece/ volume during normal working hours of work, total number of piece/ volume during normal hours of work, amount of wages paid in lieu of annual leave with pay, details of deduction made, details of holidays, annual and sick leave with pay and signature of employee were not included in the payslip as per requirements of Employment Regulations 1957. 2. The SOCSO contribution made to the contractor’s workers (Puspavalle Enterprise) for April 2021 and July 2021 was not accordance to Employees’ Social Security Act 1969 (Act 4). The details as below: <table border="1" data-bbox="528 1303 1461 1904"> <thead> <tr> <th>Passport No.</th> <th>Month</th> <th>Wage Earned, RM</th> <th>Contribution Made, RM</th> <th>Actual Contribution should be made, RM</th> </tr> </thead> <tbody> <tr> <td rowspan="2">BQ 0156853</td> <td>April 2021</td> <td>5,103.94</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td>July 2021</td> <td>6,748.96</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td rowspan="2">BX 0263181</td> <td>April 2021</td> <td>4,953.94</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td>July 2021</td> <td>5,849.00</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td rowspan="2">BX 0323636</td> <td>April 2021</td> <td>4,953.94</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td>July 2021</td> <td>5,098.96</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td rowspan="2">EG 0498444</td> <td>April 2021</td> <td>4,953.94</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td>July 2021</td> <td>5,849.00</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td rowspan="2">EB 0971158</td> <td>April 2021</td> <td>4,953.94</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td>July 2021</td> <td>5,849.00</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td rowspan="2">BX 0323503</td> <td>April 2021</td> <td>4,953.94</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td>July 2021</td> <td>5,849.00</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td rowspan="2">BX 0361974</td> <td>April 2021</td> <td>4,953.94</td> <td>36.90</td> <td>49.40</td> </tr> <tr> <td>July 2021</td> <td>5,849.00</td> <td>36.90</td> <td>49.40</td> </tr> </tbody> </table> 3. Besides, based on the productivity and Attendance Sheet found that the wages for July 2021 were not distributed equally among the workers even though all of them have attended to work on the same number of days. 4. Reviewed the Productivity Record for Pruning activity and payslips for April 			Passport No.	Month	Wage Earned, RM	Contribution Made, RM	Actual Contribution should be made, RM	BQ 0156853	April 2021	5,103.94	36.90	49.40	July 2021	6,748.96	36.90	49.40	BX 0263181	April 2021	4,953.94	36.90	49.40	July 2021	5,849.00	36.90	49.40	BX 0323636	April 2021	4,953.94	36.90	49.40	July 2021	5,098.96	36.90	49.40	EG 0498444	April 2021	4,953.94	36.90	49.40	July 2021	5,849.00	36.90	49.40	EB 0971158	April 2021	4,953.94	36.90	49.40	July 2021	5,849.00	36.90	49.40	BX 0323503	April 2021	4,953.94	36.90	49.40	July 2021	5,849.00	36.90	49.40	BX 0361974	April 2021	4,953.94	36.90	49.40	July 2021	5,849.00	36.90	49.40
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	<p>2021, July 2021 and December 2021 found that the payment of the total of quantity of palm recorded in the payslips was different from the total quantity of palm recorded in the Productivity Record. The contractor did not pay to the workers as per actual productivity.</p> <table border="1" data-bbox="528 495 1469 696"> <thead> <tr> <th>Month</th> <th>Total Quantity of Palm recorded in Productivity Record</th> <th>Total Quantity of Palm ÷ 7 workers</th> <th>Total Quantity of Palm paid</th> </tr> </thead> <tbody> <tr> <td>April 2021</td> <td>19,214</td> <td>2,744.86</td> <td>988.20</td> </tr> <tr> <td>July 2021</td> <td>23,727</td> <td>3,389.57</td> <td>1,220.40</td> </tr> <tr> <td>December 2021</td> <td>32,740</td> <td>4,677.14</td> <td>1,683.72</td> </tr> </tbody> </table> <p>Employment contracts signed by the 7 contractor’s workers (Puspavalle Enterprise) in Bukit Cheraka Estate was not comprehensive where the terms and conditions of employment such as wage rates, entitlement of holidays, sick leave and annual leave with pay, duration of wage period, notice period and etc. was not outlined in the contract as per Employment Regulations 1957.</p>	Month	Total Quantity of Palm recorded in Productivity Record	Total Quantity of Palm ÷ 7 workers	Total Quantity of Palm paid	April 2021	19,214	2,744.86	988.20	July 2021	23,727	3,389.57	1,220.40	December 2021	32,740	4,677.14	1,683.72
Month	Total Quantity of Palm recorded in Productivity Record	Total Quantity of Palm ÷ 7 workers	Total Quantity of Palm paid														
April 2021	19,214	2,744.86	988.20														
July 2021	23,727	3,389.57	1,220.40														
December 2021	32,740	4,677.14	1,683.72														
<p>Corrections:</p>	<ol style="list-style-type: none"> The estate management has called upon the said contractor Puspavalle Enterprise on 29/1/2022 and briefed it on all legal requirements. We have reviewed all pay slips with respect to contractor employees in detail and we have outlined all the mandatory details that need to be stated in the pay slip such as rate of pay per piece/ volume during normal working hours of work, total number of piece/ volume during normal hours of work, amount of wages paid in lieu of annual leave with pay, details of deduction made, details of holidays, annual and sick leave with pay and signature of employee. We have requested the contractor to provide a detailed payslip and we will ensure that the contractor will issue a payslip as required by law with immediate effect. The crop for 2015A was not correctly distributed for July 2021 between Nadir Hussain and Shuvo where Shuvo had assisted Nadir in harvesting in 2015A and the crop (30mt) was mistakenly calculated to Nadir instead of Shuvo. Management has raised this issue with the Pusapavalle contractor and the contractor himself has agreed to pay the underpaid amount of wages to the employees according to actual productivity by February 2022. The total actual palm pruning for April, July and December 2021 was not properly distributed among the workers. Management has raised this issue with the contractor Puspavalle and the contractor himself has agreed to pay the underpaid amount of wages to the employees according to actual productivity by February 2022. The estate management has called upon the Puspavalle Enterprise contractor on 29th January 2022 and briefed it on all legal requirements. We have reviewed previous employment contracts and we have demanded a comprehensive new employment contract where the terms and conditions of employment such as salary rate, leave entitlement, sick leave, and annual leave with pay, duration of wages period, notice period and etc. are outlined as under the Employment Regulations 1957. 																
<p>Root cause analysis:</p>	<p>No enforcement on compliance to legal by the management.</p>																
<p>Corrective Actions:</p>	<ol style="list-style-type: none"> To conduct contractor legal compliance assessment by Group Sustainability Department annually, any non-conformity needs to be address by contractor within three month after the assessment. To carry out a legal briefing to the contractors every 6 months to remind them the compulsory legal requirement. 																

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	3. To have contractor KPI on legal compliance, work performance, no of complaint, number of accident and to submit to Region Office on monthly basis.
Assessment Conclusion:	<p>Evidence of implementation were verified;</p> <ol style="list-style-type: none"> Contractor legal compliance assessment has been conducted by Group Sustainability Department on 25/3/2022. Legal briefing to the contractors to remind contractors on the compulsory legal requirement conducted on 25/2/2022. There were 8 contractors attended. Contractor KPI has been established on 6/4/2022 on legal compliance, work performance, no of complaint, number of accident and to submit to Region Office on monthly basis. <p>The implementation of corrective actions was found effective and thus, major nonconformance was closed on 18/4/2022.</p>
Verification Statement:	<p>Verification evidence of last Major NC.</p> <p>Document review on contractor monitoring document, verified Group Sustainability Department assessed on contractor’s compliance of Employment Contract, Payslip and Statutory. Verified minutes of Quarterly Agenda prepared by Regional Sustainability Quality Management Unit, includes the agenda discuss on contractor compliance with latest dated on 30/01/2023.</p> <p>Review on stakeholder meeting minutes attended all contractors on 07/02/2023, verified management commitment has describes contractor responsibility to follow RSPO/MSPO and SDPB mill/estate standard requirement.</p> <p>Document review on sample contractors’ workers’ employment contract and payslip, verified they used the revise template of employment contract and payslip correctly.</p> <p>There was no recurrence of non-conformity. Thus, the NCR remains closed.</p>

Non-Conformity Report			
NCR Ref #:	2158932-202201-M2	Issue Date:	27/01/2022
Due Date:	26/04/2022	Date of Closure:	18/4/2022
Area/Process:	Bukit Kerayong POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.3.1.1 Major
Requirements:	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.		
Statement of Nonconformity:	Compliance of the terms and conditions of legal license was not demonstrated effectively.		
Objective Evidence:	<p>Bukit Kerayong POM was found to have a tube well located in the mill compound. License for water abstraction was obtained from Lembaga Urus Air Selangor (LUAS), (license no: GWAL(P9)000312), expired on 15/02/2022.</p> <p>As a license holder, it is compulsory to comply with the requirements by the LUAS. Stated in the license, under "Syarat-syarat Khusus", point no 2, "Pemegang lesen hendaklah menyediakan laporan kualiti dan paras air bumi satu kali untuk setiap tahun dan diserahkan kepada Lembaga melalui borang Rekod Pemantauan Kualiti Air Bumi dan Rekod Pemantauan Paras Air Bumi (U011-F4-003-00). Laporan kualiti air hendaklah diisahkan oleh makmal swasta yang diakreditasi dan kos adalah ditanggung oleh pemegang lesen".</p>		

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	Despite the license had been renewed every year, the mill management did not manage to provide the water quality report and ground water table report as per required by the local authority.
Corrections:	To request 'Rekod Pemantauan Kualiti Air Bumi dan Rekod Pemantauan Paras Air Bumi' from the respective vendor.
Root cause analysis:	Unaware of the requirement clause as the process to obtain the license was out-source to third party.
Corrective Actions:	To assign dedicated person to monitor legal compliance e.g. license renewal, compliance to Jadual Pematuhan etc. To have a list of license/ certificate and prepare a checklist of requirement for its' renewal.
Assessment Conclusion:	Evidence of implementation were verified; Bukit Kerayong Estate done water analysis by Permulab Sdn Bhd report issued on 3/12/2020. Person in-charge to monitor legal compliance has been assigned to Muhammad Aliff Bin Abdul Halim, Site Safety & Sustainability Officer. List of license/certificate checklist of requirement for its' renewal has been established on 24/02/2022. The implementation of corrective actions was found effective and thus, major nonconformance was closed on 18/4/2022.
Verification Statement:	Verification evidence of last Major NC. Document review on contractor monitoring document, verified Bukit Kerayong POM sent for water analysis to Premulab Sdn Bhd (SAMM127) with result cert. no.: BVAQ 22-96807 dated 07/04/2022. From the result, verified water analysis test with various specification includes, total coliforms, Carbonate Alkalinity, Total Hardness, Total suspended solids, mercury, aluminium, zinc, pH, turbidity etc. From document review, Bukit Kerayong POM has issued payment to LUAS with form U4-F4-002-00 (Borang Terima Bayaran Fi Lewat) dated 30/05/2022 for licenses renewal. Review on the payment receipt from LUAS with receipt no.: RT220600033 dated 03/06/2022, verified the payment been accepted. Document review, Bukit Kerayong POM monitor water consumption from tube well with latest at 30/06/2022. This is verified the last usage water from tube well was on 06/04/2022 and 07/04/2022 with total accumulated 365.00 M3. There was no recurrence of non-conformity. Thus, the NCR remains closed.

Opportunity For Improvement			
Ref:	2158932-202201-11	Clause:	MSPO 2530 Part 3: 4.4.5.11
Area/Process:	SOU 7 Bukit Kerayong POM & Supply Bases		
Objective Evidence:	The linesite in Bukit Cheraka Estate, Bukit Cloh Division could be further improved to ensure the recyclable wastes and domestic wastes are properly disposed.		
Verification Statement:	Management closely monitors domestic waste disposal from linesite through comprehensive inspection by Employee Welfare Committee conducted every quarter and Management representative conducted weekly basis.		

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
2310617-202302-N1	4.4.4.1 Part 3 Minor	16/02/2023	Open
2310617-202302-N2	4.4.4.2 (b) Part 4 Minor	16/02/2023	Open
2310617-202302-N3	4.5.4.2 Part 4 Minor	16/02/2023	Open

3.5 Issues Raised by Stakeholders

IS #	Description
1	<p>Issues: Kuala Selangor District Police Officer (PDRM)</p> <p>SDPB has maintained good relationship with Police Department for both Kuala Selangor and Kapar District. The officer mention that every auxiliary police hired by SDPB is abide to Police Act which delivery their duty to the company within company asset. This given PDRM ease in patrolling and ensuring the security and safety of company asset within their authority area. The officer suggests to SDPB to established Environmental Design for Security Purpose as tools to prevent crime within company compound through environmental design. The officer inform, SDPB may refer to PDRM to have discussion on the design that appropriate to the nature of business which is complex and geographies.</p>
	<p>Management Responses:</p> <p>Management appreciates to PDRM on the suggestion and will refer to HQ Security Department.</p>
	<p>Audit Team Findings:</p> <p>No issues on the suggestion.</p>
2	<p>Issues: School teachers (SJK T Ladang Braufeton & SMK Jeram)</p> <p>Both teachers attended during the consultation informed they are agreed SDPB has very closed and good relations with the school’s management. Headmaster from SJK T Ladang Braufeton inform thanks to the management of Bukit Cheraka Estate management for allowing them to enter with high security access to teachers and students’ parents to enter estate areas due located inside estate compound. While SMK Jeram’s teacher informed, he thanks to Bukit Kerayong Estate management continuously support school’s activities and discussion regarding on the boundaries, cleanliness and others matter. No other suggestion from both teachers, only the hope this closed relation remain.</p>
	<p>Management Responses:</p> <p>Management appreciates with no issue to remain and continuously support education facilities, amenities, cleanliness, discussion and program conducted in the schools.</p>
	<p>Audit Team Findings:</p> <p>No issues on matters raised during the consultation.</p>
3	<p>Issues: Service Providers (BMSPU Enterprise and Rajport Transportation & Engineering)</p> <p>Both representative of Service Provider informed they are continuously support with estate and mill management to ensure services provided by them are meeting with SDPB policies and requirement. They informed currently has no issues related with requirement and agreement signed with SDPB because of their services will monitor closely by SDPB HQ covers their service performance, their workers’ compliance to regulations, safety & health and machineries. All their workers are local with national identification. Service providers’ representative informed are happy with current payment terms, because there is no delay regarding on the payment as per terms agreed with SDPB.</p>

	<p>Management Responses: Management appreciates with the service providers whose keep support SDPB in terms of providing mill and estates with good performance of task assigned based on agreement signed with HQ. Hope, service providers will always keep the good rapport with SDPB to fulfil the standard and requirement established.</p> <p>Audit Team Findings: No issues on the performance monitoring and support briefed during the consultation.</p>
<p>4</p>	<p>Issues: Local workers They apply work with estates and mill based on the vacancy information spread by the head of villagers. They have been briefed on the terms and conditions and working environment in the plantations during the interview before been offer with the job they acquired. Their wages are paid according to Minimum Wage Order 2021 and Collective Agreement. They interested to join as member of union, and they not been stop by management. During pick crop, they been offer voluntary to do job task outside working hour (overtime) for additional income.</p> <p>Management Responses: The management encourage local communities surrounded to apply for job to work with estates and mill will all amenities, benefit and good salary offered. Unfortunately, number of local workers applied below with manpower budget which still not enough to cover the operations job task. Management is always advertising the job vacancy in media social to attract local workers.</p> <p>Audit Team Findings: No issues on management decision to attract local people to join as workers in estate and mill.</p>
<p>5</p>	<p>Issues: Foreign workers They did not pay any recruitment fee for getting a job in Sime Darby Plantations. They have been briefed on the terms and conditions and working environment in the plantations while they were in home country. Their wages are paid according to Minimum Wage Order 2021 and Collective Agreement. During pick crop, they been offer for overtime on voluntary basis. They not been stopped to join as member of union by management. Some of them been selected as workers representative to the Joint Committee to discuss workers matter including benefits and wages by voting among themselves without management interfere.</p> <p>Management Responses: The management encourage local communities surrounded to apply for job to work with estates and mill will all amenities, benefit and good salary offered. Unfortunately, number of local workers applied below with manpower budget which still not enough to cover the operations job task. Management is always advertising the job vacancy in media social to attract local workers. Management are always open discussion with newly hired workers of any issued to maintain the number of current manpower due to long period of shortage of skilled workers for harvesting and loading activities.</p> <p>Audit Team Findings: No issues on management continuously communicate with foreigner workers for better understanding on task offered.</p>

3.6 List of Stakeholders Contacted

<p>Government Officer: ASP - Kuala Selangor District Office PDRM Lance Corporal - Kuala Selangor District Office PDRM Headmaster, SJK (T) Ladang Braufeton Teacher - SMK Jeram</p>	<p>Community/neighbouring village: -</p>
<p>Suppliers/Contractors/Vendors: Rajport Transportation & Engineering BMSPU Enterprise</p>	<p>Worker’s Representative/Gender Committee: Local Workers Foreign Workers</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
<p>Based on the findings during the assessment SOU 07 Bukit Kerayong Palm Oil Mill and Its Supply Bases Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of SOU 07 Bukit Kerayong Palm Oil Mill and Its Supply Bases Certification Unit is continued.</p>	
Acknowledgement of Assessment Findings	Report Prepared by
<p>Name: Shylaja Devi Vasudevan Nair</p>	<p>Name: Mohd Nur Amin Bin Mohd Halim</p>
<p>Company name: Sime Darby Plantation Berhad</p>	<p>Company name: BSI Services (M) Sdn. Bhd.</p>
<p>Title: Head, Sustainability Compliance Unit Group Sustainability Department</p>	<p>Title: Client Manager</p>
<p>Signature:</p>  <p>Date: 15 March 2023</p>	<p>Signature:</p>  <p>Date: 09/03/2023</p>

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
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	Sime Darby Plantation Berhad (SDPB) issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation. The memo describes company commitment to comply on the MSPO standards implementation and towards certified sustainable palm oil products. Document review, management communicate the policies to employees during morning muster as follow. 1. Bukit Kerayong Estate on 11/03/2022. 2. Bukit Cheraka Estate on 04/11/2022.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	SDPB issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation. From the memo describes company commitment on emphasizing to achieved systematic approach on ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	SDPB established Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/11/2017. The frequency of the internal audit shall be carried out at least once a year and when is required. Document review on the internal audit plan, sighted HQ Department conduct the internal audit as follow. 1. Bukit Cheraka Estate being audited on 09/11/2022. 2. Bukit Kerayong Estate being audited on 08/11/2022.	Complied
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. - Major compliance -	SDPB established Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/11/2017. Document review on the internal audit report, HQ Department has identified nonconformities as certification units has response to close all findings on 02/02/2023 with identified root causes, corrections and corrective actions. Based on the reports for both estate as follow. 1. Bukit Cheraka Estate has no finding been raised classified as major or minor or Opportunity for Improvement. 2. Bukit Kerayong Estate has five (5) findings been raised classified as majors and minors.	Complied
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	SDPB established Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/11/2017. Document review on the internal audit plan, sighted HQ Department conduct the internal audit as follow. 1. Bukit Cheraka Estate being audited on 09/11/2022. 2. Bukit Kerayong Estate being audited on 08/11/2022.	Complied

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		Document review on the internal audit report, HQ Department has identified nonconformities as certification units has response to close all findings on 02/02/2023 with identified root causes, corrections and corrective actions. The reports distributed to both estate managements for discussed and reviewed during management review meeting.	
Criterion 4.1.3 – Management Review			
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. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate’s managements conduct management review meetings on 23/12/2022. Document review on the meeting minutes, the agenda as follow. 1. Results of internal audits covering MSPO & MSPO SCCS 2. Customer feedback 3. Status of preventive and corrective actions 4. Follow-up actions from management reviews 5. Changes that could affect the management system 6. Recommendations for improvement 7. Improvement of the effectiveness of the management system and processes 8. Resources needs	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	SDPB issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation. From the memo describes company commitment on emphasizing to achieved systematic approach on ensuring continuous improvement in	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.</p> <p>Document review, Bukit Kerayong Estate and Bukit Cheraka Estate identified aspect covered on safety/health, social and environment in continual improvement plan. Based on the plan, managements identified their individual significant impact and necessary action to be taken.</p>	
4.1.4.2	<p>The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate established annual training plan based on the training needs analysis.</p> <p>Review on the plan, both estates have no new technology applied. The online platform for complaints submission continuously applied and included as a topic of training.</p>	Complied
4.1.4.3	<p>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.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate established annual training plan based on the training needs analysis.</p> <p>Review on the plan, sighted a new technology on online platform for complaints submission is included as a topic of training.</p> <p>Based on the plan, Bukit Kerayong Estate and Bukit Cheraka Estate conducted briefing on that online platform to workers as follow.</p> <ol style="list-style-type: none"> 1. Bukit Kerayong Estate on 11/03/2022. 2. Bukit Cheraka Estate on 04/11/2022. 	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	<p>The management shall communicate the information requested by the relevant stakeholders in the appropriate</p>	<p>SDPB established Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/11/2008. The objective of the procedure is</p>	Complied

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	languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate. The procedure describes timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation. Review on the procedure, describes estate manager as person in-charge and responsible to address the communication and requests from internal and external.	
4.2.1.2	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. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate disseminated the information of the documents that made publicly available such as management plan, OSH plan, audit reports and land titles upon request during the stakeholder meetings. Internal and external stakeholders could access to the SDPB' address website at https://simedarbyplantation.com/sustainability/reports-policies-and-statements/ to obtain information such as policies, annual report and complaint procedures.	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	SDPB established Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/11/2008. The objective of the procedure is to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate. The procedure describes timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the	Complied

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		<p>completion of the investigation for communication requiring investigation.</p> <p>Document review on external stakeholders’ feedback during stakeholders meeting, sighted in the minutes that the management has response directly to all feedbacks. The feedback which required top management approval been included into Continuous Improvement Plan to monitor status of the progress.</p> <p>Onsite interview with external stakeholders during stakeholders’ consultation informed managements response of their feedback has been taken into action in accordingly.</p>	
4.2.2.2	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p> <p>- Minor compliance -</p>	<p>Review on the procedure, describes estate manager as person in-charge and responsible to address the communication and requests from internal and external.</p> <p>However, estate managers assigned social officer to assist them to handle issues related to social in estate with appointment letter as follow.</p> <ol style="list-style-type: none"> 1. Bukit Kerayong Estate Senior Manager assigned Senior Assistant Manager on 01/01/2022. 2. Bukit Cheraka Estate Manager assigned Assistant Managers on 01/01/2022. 	Complied
4.2.2.3	<p>List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate maintained the Stakeholder list FY 2022 where stakeholders such as government authorities, local communities, contractors, suppliers and neighbouring estate was included in the list.</p> <p>External stakeholder meeting conducted on 07/02/2023 for SOU 7 Bukit Kerayong POM and supply bases include with Bukit Kerayong Estate and Bukit Cheraka Estate. The meeting been attended by local authorities, contractors, suppliers and local communities through invitation.</p>	Complied

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		From document review, sighted feedback from external stakeholders. The feedback been documented and discuss during the meeting. Review on the minutes, sighted the issues raised been included recorded with responses from SOU 07 managements.	
Criterion 4.2.3 – Traceability			
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). - Major compliance -	SDPB established Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: SD/SDP/GSD/SCCS/0522/01; Date: 2022. The objective of the procedure is to provide guideline for estates to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB).	Complied
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate conduct inspection on the compliance of the traceability system on daily basis. Onsite interview with weighbridge operator informed they key in all the related data into the system and verified by the executive at the end of the day. Review on the weighbridge records and FFB delivery notes, sighted incoming and outgoing document been signed by operators and executives.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate managers assigned senior assistant managers been appointed as person in charge for traceability system. Document review on the appointment letter as follow. 1. Bukit Kerayong Estate assigned senior assistant manager with letter dated 01/11/2022.	Complied

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		2. Bukit Cheraka Estate assigned senior assistant manager with letter dated 03/01/2023			
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	<p>Bukit Kerayong Estate and Bukit Cheraka Estate dispatched their harvested FFB to Bukit Kerayong POM.</p> <p>Review on the records, sighted both estate managements maintain the FFB delivery records to the mill with evidence as follows:</p> <table border="1"> <tr> <td> Supplier: xxx Estate No. of Bunch: 946 C/N. No.: 050337 Product ID: FFB B CROP Nett weight: 12,240.00 Mt Delivery date: 12/02/2023 Weighbridge ticket no.: 180459 MSPO certificate no.: MSPO 290368 MSPO certificate validity: 09/11/2018 – 13/03/2023 </td> </tr> <tr> <td> Supplier: xxx Estate FFB Count Chit No.: 4013 No. of Bunch: 839 C/N. No.: - Product ID: FFB B CROP Nett weight: 12,640.00 Mt Delivery date: 22/12/2022 Weighbridge ticket no.: - MSPO certificate no.: MSPO 290368 MSPO certificate validity: 09/11/2018 – 13/03/2023 </td> </tr> </table>	Supplier: xxx Estate No. of Bunch: 946 C/N. No.: 050337 Product ID: FFB B CROP Nett weight: 12,240.00 Mt Delivery date: 12/02/2023 Weighbridge ticket no.: 180459 MSPO certificate no.: MSPO 290368 MSPO certificate validity: 09/11/2018 – 13/03/2023	Supplier: xxx Estate FFB Count Chit No.: 4013 No. of Bunch: 839 C/N. No.: - Product ID: FFB B CROP Nett weight: 12,640.00 Mt Delivery date: 22/12/2022 Weighbridge ticket no.: - MSPO certificate no.: MSPO 290368 MSPO certificate validity: 09/11/2018 – 13/03/2023	Complied
Supplier: xxx Estate No. of Bunch: 946 C/N. No.: 050337 Product ID: FFB B CROP Nett weight: 12,240.00 Mt Delivery date: 12/02/2023 Weighbridge ticket no.: 180459 MSPO certificate no.: MSPO 290368 MSPO certificate validity: 09/11/2018 – 13/03/2023					
Supplier: xxx Estate FFB Count Chit No.: 4013 No. of Bunch: 839 C/N. No.: - Product ID: FFB B CROP Nett weight: 12,640.00 Mt Delivery date: 22/12/2022 Weighbridge ticket no.: - MSPO certificate no.: MSPO 290368 MSPO certificate validity: 09/11/2018 – 13/03/2023					
4.3 Principle 3: Compliance to legal requirements					

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Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	SDPB obtained approval from Jabatan Tenaga Kerja Semenanjung Malaysia to make deduction of wages for electricity bill. Approval letter with Ref. No.: BHG.PU/9/129 JLD 33 (53) dated 06/07/2017 was sighted. Bukit Kerayong Estate obtained approval from local authorities as follow. <ol style="list-style-type: none">1. Selangor Labour Department for deduction of wages with approval letter issued dated 29/05/2020.2. MPOB licenses no.: 525572002000 valid until 31/12/2023.3. Diesel license valid until 07/10/2023.4. Air compressor valid until 29/08/2023.5. Fire Extinguisher for 30 units valid until 13/12/2023. Bukit Cheraka Estate obtained approval from Jabatan Tenaga Kerja, Selangor for the deduction of wages for items issues dated 28/04/2021 and 19/02/2021.	Complied
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	Bukit Cerakah Estate and Bukit Kerayong Estate adopt SDPB HQ Legal & Other Requirements Register (LORR) with latest updated in January 2023. Review from the register document, sighted applicable requirement listed as follow. <ol style="list-style-type: none">1. Occupational Safety & Health Act 19942. Factories & Machinerics Act 19673. Pesticides Act 1974 (Act 149)4. Poisons Act 1952 (Revised 1989) (Act 366)	Complied

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		5. Petroleum (Safety Measures) Act, 1984 6. Prevention and Control of Infectious Diseases Act 1988 (Act 342) 7. Uniform Building By-Laws 1984 8. Code of Practice for Safe Working in A Confined Space, 2010 9. Environmental Quality Act (Act 127) 10. Water Act 1920 (Act 418) 11. Human resources related 12. Other requirements The list prepared by estate assistant managers and approved by estate managers with latest dated on 05/01/2023.	
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	Bukit Cerakah Estate and Bukit Kerayong Estate adopt SDPB HQ Legal & Other Requirements Register (LORR) with latest updated in January 2023. Review from the register document, sighted updated on newly applicable requirement listed as follow. 1. Minimum Wages Order 2022 2. Fire Services Act 1988 (Act 341) Amendment 2020 3. Pembangunan Sumber Manusia Berhad Act 2000 4. Anti-Sexual Harassment Act 2021 5. Employees’ Social Security (Amendment) Act 2022 6. Employment Insurance System (EIS) (Amendment) Act 2022 7. Control of Supplies Act 1961 8. Employment (Amendment) Act 2022	Complied
4.3.1.4	The management should assign a person responsible to	SDPB HQ Group Sustainability Department will update each operating	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>units on changes of applicable laws.</p> <p>The assigned person appointed at each operating units are responsible to update the changes into their respective Legal Register document.</p> <p>Bukit Kerayong Estate and Bukit Cheraka Estate’s senior assistant manager been appointed as the person in-charge for legal requirement updates. Document review sighted the role and responsibilities clearly stated. Follows are the appointment letter for both estate PIC.</p> <ol style="list-style-type: none"> 1. Bukit Kerayong Estate assigned senior assistant manager with letter dated 01/11/2022. 2. Bukit Cheraka Estate assigned senior assistant manager with letter dated 03/01/2023. 	
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate demonstrated with legal ownership or leases with legal documents.</p> <p>Therefore, both estates cultivation activities have not diminished the land use rights of other users.</p> <p>Onsite visit verified there no evidence to show that oil palm cultivation activities had diminished the land use rights of others.</p>	Complied
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate demonstrated with legal ownership or leases with legal documents.</p> <p>Document review on the land titles demonstrated with SDPB name written as evidence of the legal ownership of the lands as sample follow.</p> <p><u>Bukit Kerayong Estate:</u></p>	Complied

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		<p>Review on the land title verified there were no changes on the land area. Sighted there are 18 land titles in total kept by Bukit Kerayong Estate with sampled as follow.</p> <ol style="list-style-type: none"> 1. Land Title No.: GRN 52xxx 2. Land Title No.: GRN 51xxx 3. Land Title No.: GRN 41xxx 4. Land Title No.: GRN 41xxx 5. Land Title No.: GRN 47xxx 6. Land Title No.: GRN 41xxx 7. Land Title No.: GRN 41xxx <p><u>Bukit Cheraka Estate:</u></p> <p>Review on the land titles verified there were no changes on the land area. Sighted there are 133 land titles in total kept by Bukit Cheraka Estate with sampled as follow.</p> <ol style="list-style-type: none"> 1. Land title no.: GRN 55xxx 2. Land title no.: GRN 11xxx 3. Land title no.: GRN 55xxx 4. Land title no.: GRN 47xxx 5. Land title no.: GRN 3xxx 6. Land title no.: GRN 4xxx 7. Land title no.: GRN 4xxx 8. Land title no.: GRN 44xxx 	
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.	<p>Bukit Kerayong Estate and Bukit Cheraka Estate demonstrated with legal ownership or leases with legal documents.</p> <p>Document review on the land titles demonstrated with SDPB name written</p>	Complied

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	- Major compliance -	as evidence of the legal ownership of the lands with boundary stone map. Onsite visit to estates boundary observed both estates' management clearly demarcated with constructed by security trenches and concrete pegging visibly. Observed boundary stone location at Field 09/A in Bukit Kerayong Estate and Field 19/A in Bukit Cheraka Estate.	
4.3.2.4	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). - Minor compliance -	There was no land dispute at all sampled estates. SDPB has the legal ownership documents as demonstrated by possessing land titles.	Not Applicable
Criterion 4.3.3 – Customary rights			
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. - Major compliance -	Not applicable since there is no customary rights. Land has been legally owned by the company and has been verified by the land title.	Not applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	Not applicable since there is no customary rights. Land has been legally owned by the company and has been verified by the land title.	Not applicable
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	Not applicable since there is no customary rights. Land has been legally owned by the company and has been verified by the land title.	Not applicable

Criterion / Indicator	Assessment Findings	Compliance	
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	SDPB HQ Group Sustainability Department established Social Impact Assessment (SIA) for SOU 7 Bukit Kerayong certification unit dated 02/11/2015 - 04/11/2015. Social Management Action Plan 2022 updated accordingly on annually basis. The issue, actions, person in charge and the completion target date which been monitor by person in-charge and updated into the plan as follow. 1. Bukit Kerayong Estate on 04/01/2023. 2. Bukit Cheraka Estate on 03/01/2023. Bukit Kerayong Estate and Bukit Cheraka Estate conduct social dialogue to update the progress of action taken for the issues raised by workers. The initiative will discuss during management review meeting and action taken accordingly. Verified the records of monitoring of issues and evidence of actions taken to resolve the issues raised by the workers.	Complied
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	SDPB established Handling Social Issues Procedure, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The objective of the procedure is to ease the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner. SDBP established Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/11/2018. The objective of the procedure is	Complied

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		<p>to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill and estates. The procedure describes timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation.</p> <p>SDPB established whistleblowing platform named as 'Suara Kami' for internal and external stakeholders to lodge on any grievance. The grievance mechanism can be access through https://simeidarbyplantation.com/sustainability/human-rights-statement/.</p> <p>In additional, SDPB established new online platform named as 'Oil Palm Pal' (OPP) and Workers Housing Management Procedure dated 26/11/2021 as guideline to certification unit's management in providing a safe, liveable workers housing condition including the process of handling housing repair. The procedure describes the timeline to investigate/ inspect the housing defect based on the risk category.</p>	
4.4.2.2	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate adopt SDPB HQ Oil Palm Pal (OPP) online platform to record any housing repair from workers.</p> <p>Based on the records, all the complaints were lodged on defects of housing facility, and request of facility (e.g. transport to town, extension of electricity supply).</p> <p>There was no complaint or grievance lodged by external stakeholder since the last assessment. Verification of the records of complaints lodged the actions taken by the management were found to be appropriate and timely manner.</p>	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. - Minor compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate adopt SDPB HQ Oil Palm Pal (OPP) online platform to record any housing repair from workers. The platform is available with QR code and both estate management established manual complain platform through Complaint Book available at estate. Onsite interviewed with attended external stakeholders informed they are aware of the complaint mechanism. Onsite interviewed with sampled workers informed they aware on the online platform via OPP and 'Suara Kami'.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Employees and the surrounding communities were made aware that complaints or suggestions can be made any time through various meetings such as morning muster, training/briefing and stakeholder consultation. Based on interview with the stakeholders, it was noted that they were aware of the complaint's procedure. SOU 07 Bukit Kerayong management conduct briefing on Whistleblowing platform 'Suara Kami' and Oil Palm Pal (OPP) been briefed to workers during muster morning at each operating units as follow. 1. Bukit Kerayong Estate on 11/03/2022. 2. Bukit Cheraka Estate on 04/11/2022.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate maintained complaints and resolutions record over the past 24 months (i.e. from March 2020) and all the records are available as at audit.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			

Criterion / Indicator		Assessment Findings	Compliance
4.4.3.1	<p>Growers should contribute to local development in consultation with the local communities.</p> <p>- Minor compliance -</p>	<p>SDPB with joint venture with Sime Darby Foundation initiate contributions to local sustainable development on social support initiatives includes promoting educations and offering scholarships to deserving students, promoting the rights and wee-being of marginalized communities, improving communities’ access to healthcare, assisting communities with disaster relief & prevention, donations to the needy and tree planting and etc.</p> <p>Bukit Kerayong Estate and Bukit Cheraka Estate offer job opportunity to local communities.</p> <p>Other contributions have been made are such as given 10kg of rice once every 2 months to all the workers.</p>	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>SDPB established on Health, Safety & Environment (HSE) Policy date 05/05/2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice boards within the estates.</p> <p>The GSD and Upstream Business Support team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.</p> <p>The estates have established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2023. The management plan includes the ESH Risk Management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring, Health monitoring.</p> <p><u>Minor Non-conformance (Minor NC)</u></p> <p>The OSH Plan was not comprehensively implemented.</p>	Minor NC

Criterion / Indicator	Assessment Findings	Compliance
	<p>Verified the Audiometric Test Report conducted on 19/01/2022 which the report has recommended for appointment of an OHD to do proper medical examination for 1 worker. Nevertheless, there were no evidence of the follow up being done as per recommendation. Further verification on the latest Audiometric Report (Dec 2022) shown the same worker's audiometric results has deteriorated.</p>	
<p>4.4.4.2</p> <p>The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall 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 	<p>SDPB HQ occupational safety and health plan cover the following:</p> <ul style="list-style-type: none"> a) SDPB established Health, Safety & Environment (HSE) Policy date 05/05/2020. The policy has been communicated to the staffs and workers through induction training for new workers, morning briefing and displayed at various notice boards within the estate. The policy has been briefed to all workers on 16/02/2022. b) SDPB established Standard Operating Procedure for Risk Assessment and documented in EQMS/SOM sub-section 5.4, Appendix 5.4.1a. Bukit Cheraka Estate and Bukit Kerayong Estate 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 Manuring, Harvesting, Spraying, etc. HIRARC is reviewed on annually and as and when there are any accidents that occur in the estate. <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.</p> <ol style="list-style-type: none"> 1. Bukit Cheraka Estate: The Chemical Health Risk Assessment Report conducted on 06/11/2020 was available for verification. 	<p>Complied</p>

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<p>Safety Health (Classification Packaging and Labeling) Regulation 1997 and 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 must 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 affecting their business such as employee's health, safety and welfare 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>- Major compliance -</p>	<p>2. Bukit Kerayong Estate: The Chemical Health Risk Assessment Report conducted on 24/08/2020 was available for verification. 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 level of exposure on the workers towards the chemicals and fumes.</p> <p>1. Bukit Cheraka Estate: Medical Surveillance was conducted on 14/12/2022 for 26 estate chemical handlers who have been exposed to chemicals. Results indicated that no workers had abnormal results (Occupational or Non occupational caused).</p> <p>2. Bukit Kerayong Estate: Medical Surveillance was conducted on 28/12/2022 for 12 estate workers exposed to chemicals in the estate. Results indicated that all workers were fit to work.</p> <p>Noise Risk Assessment Report (NRA) was conducted in compliance to Occupational Safety & Health (Noise Exposure) Regulations 2019 in the estates.</p> <p>1. Bukit Cheraka Estate: The assessment was conducted on 27/10/2021 with report available for verification.</p> <p>2. Bukit Kerayong Estate: The assessment was conducted on 26/10/2021 with report available for verification.</p> <p>Audiometric Test was done for workers exposed to excess noise at the workplace in compliance with the Noise Risk Assessment.</p> <p>1. Bukit Cheraka Estate: Annual & Baseline Audiometric Test was conducted on 15/12/2022 for a total of 27 workers and the Audiometric Test Report was available for verification.</p> <p>2. Bukit Kerayong Estate: Baseline Audiometric Testing was conducted on 20/01/2022 for total 34 workers and the</p>	

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	<p>Audiometric Report was available for verification. The report stated that there were 2 workers with abnormal results, required for retest within 3 months. The retest was conducted on 09/06/2022 where their results stated that 1 worker had hearing impairment which has been reported to DOSH via JKK7. The latest Audiometric Test was conducted on 07/02/2023 and the results have not been obtained as of the audit date.</p> <p>c) The estates have established a training program for employees exposed to chemicals used at the palm oil estate 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>Bukit Cheraka Estate</u></p> <ol style="list-style-type: none"> 1. Chemical & Spraying Training on 15/12/2022 2. Chemical Spillage (ERP) Training on 26/11/2022 3. Maintenance & Usage of Inter Pump Training on 10/05/2022 <p><u>Bukit Kerayong Estate</u></p> <ol style="list-style-type: none"> 1. Chemical Handling and Spillage Training on 20/01/2023 2. Chemical Awareness to Storekeeper on 26/01/2022 <p>d) SDPB established Personal Protective Equipment (PPE) procedure; Doc. No.: UM/HSE/OCP/03; Date: 2021. The estates have provided appropriate PPE to all workers according to the job type and requirements. The PPE given as per procedure, HIRARC and Pictorial Safety Standard (PSS) Palm Oil Estates dated 17.03.2008.</p>	

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	<p>Sighted the PPE issuance records documented in 'PPE Issuance Record' logbook. The PPE issued recorded by workers and job designation.</p> <p>e) Standard Operating Procedures for Handling of Chemicals were available in several documents such as:</p> <ul style="list-style-type: none"> • SDPB established Chemical Safety Management Procedure; Doc. No. UM/HSE/OCP/04; dated 2021. <p>f) Estate 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. The committee is guided by SDPB HQ Safety and health Committee Procedures; Doc. No.: UM/HSE/OCP/08; Date: 2021.</p> <ol style="list-style-type: none"> 1. <u>Bukit Cheraka Estate</u> The Estate Sr Manager been appointed as Chairman of OSH Committee with appointment letter signed by Regional CEO, Central East Region dated 03/11/2023. 2. <u>Bukit Kerayong Estate</u> The Estate Sr Manager been appointed as Chairman of OSH Committee with appointment letter signed by Regional CEO, Central East Region dated 01/11/2021. <p>g) Estates managements 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.</p>	

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	<p>1. <u>Bukit Cheraka Estate</u> Sighted the OSH Meeting Minutes dated 26/01/2023 (01/2023), 28/10/2022 (04/2022), 28/10/2022 (03/2022) and 25/05/2022 (02/2022).</p> <p>2. <u>Bukit Kerayong Estate</u> Sighted the OSH Meeting Minutes dated 27/12/2022 (04/2022), 27/09/2022 (03/2022), 16/06/2022 (02/2022) and 08/03/2022 (01/2022).</p> <p>h) SDPB established Emergency Preparedness & Response Procedures; Doc. No.: UM/HSE/SP/02; Document Date: 2021. The estates established Emergency Response Team lead by the Estate Managers. Emergency Response Plans were available for incidents such as pesticides spillages, Fire, Explosions, Diesel Spillage and Accidents. The ERT chart and Fire Extinguisher Map was also available and verified. Emergency Response Training was conducted as below:</p> <ol style="list-style-type: none"> 1. Bukit Cheraka Estate on 02/12/2022 2. Bukit Kerayong Estate on 06/12/2022 <p>i) First aiders were assigned to various workstation at the estates. The mandores and staffs were responsible for first aid boxes at 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> <ol style="list-style-type: none"> 1. Bukit Cheraka Estate on 17/10/2022. 2. Bukit Kerayong Estate on 21/07/2022. 	

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		<p>j) The estates recorded all accidents reports and reported to HQ using the PSQM-ESH Monthly update form via online through GSQM ESH Portal. The accident occurred was reviewed on quarterly basis during OSH committee meeting.</p> <ol style="list-style-type: none"> <u>Bukit Cheraka Estate</u> There were 13 accident (277 Days LTA) case for the year 2022 reported in the estate. The JKPP 8 form has been submitted to DOSH for the year ending 2022 on 05/01/2023 and documents available for verification. For the year 2023 there were 1 accident case reported as of to date. <u>Bukit Kerayong Estate</u> There were 15 accident (40 Days LTA) case for the year 2022 reported in the estate. The JKPP 8 form has been submitted to DOSH for the year ending 2022 on 11/01/2023 and documents available for verification. For the year 2023 there were 2 accident case reported as of to date. 	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<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>- Major compliance -</p>	<p>SDPB established Group Sustainability & Quality Policy signed Group Managing Director dated 02/12/2019. The policy is the commitment by the company in respecting, upholding & no-exploitation of fundamental human rights. This policy statement is guided by the commitment spells out in the Human Rights Charter (HRC) last revised 2020.</p> <p>SDPB established Policy on the Protection of Human Rights Defenders (HRDs) with effective date on 25/03/2020. The policy is the commitment of the company in respect and safeguard human rights, notion of democracy and its institution. They recognize that Human Rights Defenders have the role and responsibility of upholding human rights and</p>	Complied

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		<p>the need for them to be able to lodge complaints that may arise from their business activities and relationship with SDP. This Policy is applied to all stakeholders affected by the business activities and relationships including directors, employees, counterparties, business partners, workers in our operations and supply chains, and communities surrounding our operations.</p> <p>Document review, management communicate the policy to employees during morning muster as follow.</p> <ol style="list-style-type: none"> 1. Bukit Kerayong Estate on 11/03/2022. 2. Bukit Cheraka Estate on 04/11/2022. 	
4.4.5.2	<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>- Major compliance -</p>	<p>SDPB established Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They promote diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity union membership, political affiliation or age.</p> <p>The policy could be downloaded from HRC 2020 (simedarbyplantation.com)</p> <p>Document review, management communicate the policy to employees during morning muster as follow.</p> <ol style="list-style-type: none"> 1. Bukit Kerayong Estate on 11/03/2022. 2. Bukit Cheraka Estate on 04/11/2022. 	Complied
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed</p>	<p>SDPB established employment contract for workers. The employment contract adopts by Bukit Kerayong Estate and Bukit Cheraka Estate as</p>	Complied

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<p>Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>part as requirement to ensure the workers employment conditions received as accordingly.</p> <p>Review on the sampled of employment contracts verified terms and conditions outlined as per collective agreement and Employment Act 1955.</p> <p>The original copy kept by management demonstrated in workers' origin language and signed by the worker.</p> <p>Onsite interview with sampled workers informed they been briefed on the employment conditions and benefits as stated in employment contract. They have also been handed a copy of the contract for own selves keeping and reference.</p> <p>Review sampled of 25 workers' employment contract and payslips for February 2022, November 2022 and January 2023 at Bukit Kerayong Estate and Bukit Cheraka Estate verified paid within minimum wages requirement.</p> <p>Bukit Cheraka Estate: 13 sampled of workers.</p> <ol style="list-style-type: none"> 1. ID#3926, 710728-xx-xxxx, date of joined 18/11/1991 2. ID#3932, 680512-xx-xxxx, date of joined 05/10/1995 3. ID#5317, 740708-xx-xxxx, date of joined 01/09/1995 4. ID#13003, 770601-xx-xxxx, date of joined 01/06/2009 5. ID#87400, 860321-xx-xxxx, date of joined 01/02/2013 6. ID#75836, AR00xxxx, date of joined 01/12/2011 7. ID#100699, AS84xxxx, date of joined 15/03/2014 8. ID#144986, P794xxxx, date of joined 20/08/2018 9. ID#111800, 840917-xx-xxxx, date of joined 09/03/2015 10. ID#98165, 821206-xx-xxxx, date of joined 01/01/2014 	

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	<p>11. ID#156885, T106xxxx, date of joined 14/12/2019 12. ID#125655, 0644xxxx, date of joined 14/09/2016. 13. ID#5318, 800221-xx-xxxx, date of joined 01/08/1998</p> <p>Review on the sample employee payslip for ID#156885 with date of joined on 14/12/2019, sighted the information such as wages for piece rated and daily rated. Other's information includes paid holiday, rest day, sick leave, overtime, SOCSO (employer contribution) and deduction.</p> <p>Bukit Cheraka Estate: 12 sampled of workers.</p> <ol style="list-style-type: none"> 1. ID#110435, 670828-xx-xxxx, date of joined 03/01/2000 2. ID#165743, 011108-xx-xxxx, date of joined 20/10/2021 3. ID#169767, 980501-xx-xxxx, date of joined 20/06/2022 4. ID#173844, C756xxxx, date of joined 29/11/2022 5. ID#101996, AE889xxxx, date of joined 04/06/2014 6. ID#75836, N825xxxx, date of joined 01/12/2011 7. ID#141255, AU20xxxx, date of joined 16/03/2018 8. ID#154979, N089xxxx, date of joined 14/09/2019 9. ID#171529, C758xxxx, date of joined 20/09/2022 10. ID#107957, EG092xxxx, date of joined 22/11/2014 11. ID#88444, 720902-xx-xxxx, date of joined 01/03/2013 12. ID#172632, E059xxxx, date of joined 26/10/2022. <p>Review on the sampled employee payslip for ID#172632 with date of joined on 26/10/2022, sighted the information such as wages for</p>	

Criterion / Indicator		Assessment Findings	Compliance
		harvesting rated and total of bunches harvested. Other's information includes rest day, Vacation Leave Pay (VLP), Public Holiday, SOCSO (employer contribution) and wages deduction.	
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>- Minor compliance -</p>	<p>SDPB monitor contractors' workers' payslip with employment contract agreed by contractor and workers as follow estates.</p> <p>Based on review of the sampled payslip for all contractors' workers verified, is according to the requirement, which is applicable includes minimum wages, EPF and SOCSO contributions.</p> <p>Bukit Cheraka Estate.</p> <ol style="list-style-type: none"> 1. Harvesting contractor <ul style="list-style-type: none"> • U006xxxx with SOCSO contribution • 531201-xx-xxxx with SOCSO and EPF contribution 2. FFB Transporter <ul style="list-style-type: none"> • 760411-xx-xxxx with SOCSO and EPF contribution • 681014-xx-xxxx with SOCSO and EPF contribution 3. FFB Transporter FFB <ul style="list-style-type: none"> • 650128-xx-xxxx with SOCSO and EPF contribution • 891018-xx-xxxx with SOCSO and EPF contribution 	Complied
4.4.5.5	<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>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate registered all their workers into Employee Master Details Listing in SEMUA system.</p> <p>Review on the listing included workers' personal details such as full name, gender, date of birth, date join company, race, designation and wages were available.</p>	Complied

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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 is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate employed local and foreign workers and registered into Employee Master Details Listing in SEMUA system.</p> <p>Review on the listing, verified all workers are employed by SDPB's estates' management.</p> <p>Review on 25 sampled employment contracts verified signature of workers on the contract with terms and conditions applied according to Collective Agreement and Employment Act 1955.</p> <p>Onsite interview with sampled workers informed they signed on the employment contract prior to work and extension contract where the original contract has expired.</p>	Complied
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate employed local and foreign workers and registered into Employee Master Details Listing in SEMUA system. Worker's attendance will be recorded daily in Estate Daily Attendance Report.</p> <p>Review on the attendance report for monthly February 2022, November 2022 and January 2023; verified estate management recorded the number workday and hours of overtime.</p>	Complied
4.4.5.8	<p>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.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate employed local and foreign workers and registered into Employee Master Details Listing in SEMUA system. Worker's attendance will be recorded daily in Estate Daily Attendance Report.</p> <p>Onsite interview with sampled workers informed working time and break time is according to employment contract. Overtime offered to workers is voluntarily upon mutually agreement between management and workers.</p>	Complied

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4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate manage workers' payslip through SAP system. Daily attendance and total hours of overtime will be recorded into SAP system. Wages and overtime were paid according to the Daily Attendance Report and productivity reports.</p> <p>Copy printed of the payslip will be kept to workers upon payday as evidence for reference. Refer to indicator 4.4.5.3.</p>	Complied
4.4.5.10	<p>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.</p> <p>- Minor compliance -</p>	<p>SDPB through Bukit Kerayong Estate and Bukit Cheraka Estate provided to workers with free housing facilities and amenities, free water supply, free medical facilities free medical facilities, monthly phone allowance and a beg rice every two months. was provided to the workers.</p> <p>Besides, workers who have work more than four (4) years are entitled with retention bonus.</p>	Complied
4.4.5.11	<p>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>- Major compliance -</p>	<p>SDPB established Workers Housing Management Procedure 2022, Ver.01, dated 30/06/2022 as guidelines to continuously improve of living standards of their employee in estates and mill operations. Its shown company commitment in managing employee's housing repair and maintenance through digital platform named Digital Housing Complaint system or 'OilPalmPal'.</p> <p>To provide guidance to management in providing a safe, livable workers housing condition in accordance with Workers Minimum Standard of Housing & Amenities (Amendment) 2091 (Act A 1604).</p> <p>To integrate all past policies related to workers housing & amenities management in the operating units including.</p> <ol style="list-style-type: none"> Workers minimum standard of housing amenities guidelines – Jan 2015 IOM – employees housing inspection & welfare – Dec 2020 	Complied

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		<p>3. IOM – rules & regulations at employee house – June 2021 4. IOIM – Safe handling & storage of Petrol – Mar 2021 5. IOM – Safe Fogging Procedure – June 2021.</p> <p>The estates’ management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers. Linesite inspection was carried out on weekly basis by Medical Assistant using Housing Complex/ Nest/ Community Hall Inspections. The records of inspection from January 2022 to December 2022 were sighted in Bukit Kerayong Estate and Bukit Cheraka Estate.</p> <p>Employee Welfare Committee conduct meeting with agenda to discuss includes linesite cleanliness, welfare, and health activities. The meeting conduct as follow.</p> <ol style="list-style-type: none"> 1. 1st year 2022 dated 28/03/2022 2. 2nd year 2022 dated 30/06/2022 3. 3rd year 2022 dated 26/09/2022 4. 4th year 2022 dated 28/12/2022 <p>Bukit Cheraka Estate’s EWC committee conduct linesite housing inspection covers main division, Cloh division and Braunston division with dates 26/08/2022, 30/09/2022, 29/10/2022, 25/11/2022, 30/12/2022 and 27/01/2023.</p>	
4.4.5.12	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>SDPB has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They seek to create a working environment with zero tolerance for sexual harassment and abuse and in which violence is never used to resolve issues or conflict.</p>	Complied

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		Gender Committee was established in Bukit Kerayong Estate and Bukit Cheraka Estate to monitor if there is any case of sexual harassment reported. Combine meeting for SOU 7 Bukit Kerayong POM and its supply bases conducted on 07/01/2022, 26/04/2022, 23/08/2022, 16/12/2022 attended by Bkt Cheraka Estate, Bkt Kerayong Estate and Bukit Kerayong POM.	
4.4.5.13	<p>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>- Major compliance -</p>	<p>SDPB established Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They respect the rights of their employees to form and join unions and bargain collectively.</p> <p>Social Dialogue was carried out by the management of Bukit Cheraka Estate to workers with dates on 21/10/2022, 04/11/2022, 15/11/2022, 06/12/2022, 16/12/2022, 06/01/2023 and 03/02/2023.</p> <p>Review on the report, Social Dialogue Online Tracker System (SDOTS) established to capture all issues from Social Dialogue.</p> <p>Bukit Kerayong Estate and Bukit Cheraka Estate conduct social dialogue to update the progress of action taken for the issues raised by workers. The initiative will be discussed during management review meeting and action taken accordingly.</p> <p>Verified the records of monitoring of issues and evidence of actions taken to resolve the issues raised by the workers.</p> <p>The workers that involved in the Social Dialogue were NUPW representatives, Gender Committee representatives and others' nationalities representatives.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance																
<p>4.4.5.14 Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>SDPB established Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They recognize that protecting the wellbeing of children means safeguarding them from any form of maltreatment or exploitation, including child sex tourism, child trafficking and child pornography. They are eradicating child labour in all their supply chain and not employ anyone underage of 18 years.</p> <p>Onsite interview with sampled workers informed Bukit Kerayong Estate and Bukit Cheraka Estate has not employed any child labour in operations. They are prohibited to bring their children in field.</p>	<p>Complied</p>																
<p>Criterion 4.4.6: Training and competency</p>																		
<p>4.4.6.1 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.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate established training program for all workers based on the training need analysis conducted on a yearly basis.</p> <p>Records of trainings were maintained by the estate as follow.</p> <p>Bukit Cheraka Estate</p> <table border="1" data-bbox="1025 1107 1850 1310"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>SDS Training</td> <td>10/12/2022</td> </tr> <tr> <td>HIRARC Training</td> <td>27/11/2022</td> </tr> <tr> <td>SOPs Training</td> <td>04/11/2022</td> </tr> <tr> <td>Harvesting Training</td> <td>25/10/2022</td> </tr> <tr> <td>Scheduled Waste Training</td> <td>17/11/2022</td> </tr> </tbody> </table> <p>Bukit Kerayong Estate</p> <table border="1" data-bbox="1025 1358 1850 1391"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Training	Date	SDS Training	10/12/2022	HIRARC Training	27/11/2022	SOPs Training	04/11/2022	Harvesting Training	25/10/2022	Scheduled Waste Training	17/11/2022	Training	Date			<p>Complied</p>
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		Hearing Conservation Program	10/01/2023	
		Harvesting Training	05/11/2022	
		Bagworm Training	08/04/2022	
		Sexual Harassment Awareness Training	11/03/2022	
		Scheduled Waste Training	17/11/2022	
4.4.6.2	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. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established training need analysis for all employees, management and contractors. The training need analysis was conducted based on the job designation and training required by the job type. Sighted the Estate: Recommended Training Needs for the year 2023 for all estates.		Complied
4.4.6.3	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. - Minor compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established training programme has been developed and available in the Annual Sustainability Programme 2023. Review on the programme verified managements include topic on Environmental, GAP, SOP, Social and OSH.		Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services				
Criterion 4.5.1: Environmental Management Plan				
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	SDPB established Group Sustainability and Quality Statement signed by Group Managing Director dated 02/12/2019 and Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 01/06/2020. In the Policy stated as follows: 1. Protecting and enhancing biodiversity and ecosystem.		Complied

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		2. No deforestation and no new development on peat land. 3. Enhancing resilience against climate change impact. 4. Adopting responsible consumption and production. Document review, management communicate the policies to employees during morning muster as follow. 1. Bukit Kerayong Estate on 11/03/2022. 2. Bukit Cheraka Estate on 04/11/2022.	
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established environmental management plan based on Environmental Aspect Impact Identification and Environmental Impact Evaluation conducted and documented in Pollution Prevention Plan. The EAI/EIE was reviewed by estates' management team. Review on the Environmental Management Plan for the year 2022, includes with sub categorized as follow. 1. Waste Management Plan 2. Energy Management Plan 3. Water Management Plan 4. HCV Management Plan 5. Pollution Prevention Plan 6. Chemical Reduction Plan 7. Integrated Pest Management Plan	Complied
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance -	Environmental Impact Aspect Assessment established included with development for to mitigate negative impacts and promote of positive impacts. The implementation and monitoring of the documented	Complied

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		<p>environmental improvement plan were reviewed annually and found to be satisfactorily implemented.</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>	
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>Evidence the positive impact has been included into the continual improvement plan under Environmental Impact Aspect Assessment, Management Action Plans and Continuous Improvement Plan for each estate.</p>	Complied
4.5.1.5	<p>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.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate conducted related trainings and briefings to workers.</p> <p>Sample of training conducted is sighted at Bukit Kerayong Estate:</p> <ol style="list-style-type: none"> 1. Chemical Handling and Spillage on 20/01/2023 2. HCV awareness on 13/07/2022 3. Schedule Waste handling on 14/02/2022. 4. eSWIS & Schedule Waste management on 17/11/2022 <p>Onsite interview with workers informed they able to demonstrate good understanding regarding on the environmental issues. They are aware on the waste management plan and prohibition of illegal hunting activities.</p>	Complied
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate discuss environmental issues during management review meeting with agenda includes on HCV area, waste management disposal status and workers' quarters</p>	Complied

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Criterion / Indicator		Assessment Findings				Compliance																																											
	- Major compliance -	conditions. The discussion been documented and minutes as follow. 1. Bukit Kerayong Estate conduct on 05/01/2023. 2. Bukit Cheraka Estate conduct on 19/01/2023.																																															
Criterion 4.5.2: Efficiency of energy use and use of renewable energy																																																	
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. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established energy management plan to optimize the non-renewable usage and to develop the baseline consumption. <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Month</th> <th>Bukit Cheraka Estate</th> <th>Baseline</th> <th>Bukit Kerayong Estate</th> <th>Baseline</th> </tr> </thead> <tbody> <tr> <td>January</td> <td>2.19</td> <td rowspan="12">1.72 l/mt FFB</td> <td>1.41</td> <td rowspan="12">1.60 l/mt FFB</td> </tr> <tr> <td>February</td> <td>1.88</td> <td>1.37</td> </tr> <tr> <td>March</td> <td>1.41</td> <td>0.95</td> </tr> <tr> <td>April</td> <td>1.58</td> <td>1.37</td> </tr> <tr> <td>May</td> <td>1.53</td> <td>1.51</td> </tr> <tr> <td>June</td> <td>1.49</td> <td>1.06</td> </tr> <tr> <td>July</td> <td>1.57</td> <td>1.42</td> </tr> <tr> <td>August</td> <td>1.56</td> <td>1.95</td> </tr> <tr> <td>September</td> <td>1.33</td> <td>1.85</td> </tr> <tr> <td>October</td> <td>1.50</td> <td>1.38</td> </tr> <tr> <td>November</td> <td>1.58</td> <td>1.52</td> </tr> <tr> <td>December</td> <td>1.84</td> <td>2.13</td> </tr> </tbody> </table>				Month	Bukit Cheraka Estate	Baseline	Bukit Kerayong Estate	Baseline	January	2.19	1.72 l/mt FFB	1.41	1.60 l/mt FFB	February	1.88	1.37	March	1.41	0.95	April	1.58	1.37	May	1.53	1.51	June	1.49	1.06	July	1.57	1.42	August	1.56	1.95	September	1.33	1.85	October	1.50	1.38	November	1.58	1.52	December	1.84	2.13	Complied
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4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel,	Bukit Kerayong Estate and Bukit Cheraka Estate established energy management plan to optimize the non-renewable usage and to develop				Complied																																											

Criterion / Indicator		Assessment Findings	Compliance										
	and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	the baseline consumption. Review on the plan, verified managements estimate direct usage of non-renewable energy efficiency for operations activities by using transports and machineries. The estimation includes fossil fuel and electricity by contractors.											
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate has no plan for usage of renewable energy to replace conventional method in estates operation activities.	Complied										
Criterion 4.5.3: Waste management and disposal													
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	<p>Bukit Kerayong Estate and Bukit Cheraka Estate established Environmental Management Plan includes Waste Management Plan. Document review verified objective of the plan is to maintain the effectiveness of EAI & EIE, proper disposal of waste in accordance to SOP & legal requirements and towards waste utilization (where possible). The plan includes source of waste products as follow.</p> <table border="1"> <thead> <tr> <th>Type of Waste</th> <th>Waste Products</th> </tr> </thead> <tbody> <tr> <td>Domestic</td> <td>Household rubbish, sewage from housing area, office and office.</td> </tr> <tr> <td>Industrial waste</td> <td>Scrap metal.</td> </tr> <tr> <td>Schedule waste</td> <td>Chemical container, fertilizer bag (inner), spent chemical, clinical waste.</td> </tr> <tr> <td>Recyclable waste</td> <td>Empty pesticide container (used for spraying activity), EFB and POME.</td> </tr> </tbody> </table>	Type of Waste	Waste Products	Domestic	Household rubbish, sewage from housing area, office and office.	Industrial waste	Scrap metal.	Schedule waste	Chemical container, fertilizer bag (inner), spent chemical, clinical waste.	Recyclable waste	Empty pesticide container (used for spraying activity), EFB and POME.	Complied
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Criterion / Indicator	Assessment Findings	Compliance
<p>4.5.3.2 A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <ul style="list-style-type: none"> 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 <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate established Waste Management Plan to identify source of pollutions.</p> <p>Document review the plan includes type of waste, description, source of pollution, action to be taken and person responsible.</p>	<p>Complied</p>
<p>4.5.3.3 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>- Major compliance -</p>	<p>SDPB established Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. The procedures as guidelines for Bukit Kerayong Estate and Bukit Cheraka Estate for handling waste disposal accordingly.</p> <p>Bukit Kerayong Estate and Bukit Cheraka Estate established scheduled waste store for safe keeping the temporary scheduled waste material before disposal by DOE authorized collector.</p> <p>Review on the scheduled waste inventory record as follow.</p> <ol style="list-style-type: none"> 1. Bukit Cheraka Estate maintain inventory record with sample for consignment note in January 2023 verified for scheduled waste under code SW102, SW305, SW404, SW409, SW410, SW416, SW417 with latest disposal on 30/11/2022. 2. Bukit Kerayong Estate maintain inventory record with sample for consignment note in February 2023 verified for schedule waste under code SW102, SW305, SW404, SW409, SW410. 	<p>Complied</p>
<p>4.5.3.4 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</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate established Environmental Management Plan includes Waste Management Plan. Document review verified objective of the plan is to maintain the effectiveness of EAI & EIE, proper disposal of waste in accordance to</p>	<p>Complied</p>

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	should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers. - Major compliance -	SOP & legal requirements and towards waste utilization (where possible). From the plan, includes empty pesticides container as recycle waste. All empty pesticides containers have been triple rinse, puncture and stored at designated stored before disposed to licensed contractors with approval from DOE dated 24/10/2018. Onsite visit to scheduled waste store, observed empty pesticides containers been triple rinse and store accordingly.	
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate disposed domestic waste from workers housing to municipal landfill every two weeks.	Complied
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established environmental management plan includes pollution prevention plan. Document review verified objective of the plan is to maintain the effectiveness of EAI & EIE, proper disposal of waste in accordance to SOP & legal requirements and towards waste utilization (where possible).	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established environmental management plan includes pollution prevention plan to reduce the identified significant impact.	Complied
Criterion 4.5.5: Natural water resources			
4.5.5.1	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:	Bukit Kerayong Estate and Bukit Cheraka Estate been supplied of water usage for domestic and operation purpose from Syarikat Air Selangor Berhad and tube well.	Complied

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Criterion / Indicator	Assessment Findings	Compliance																																							
<p>a. Assessment of water usage and sources of supply.</p> <p>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities.</p> <p>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.).</p> <p>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.</p> <p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>	<p>Document review on water usage as below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Month/2022</th> <th style="text-align: center;">Bukit Cheraka Estate (m³/FFB)</th> <th style="text-align: center;">Bukit Kerayong Estate (m³/FFB)</th> </tr> </thead> <tbody> <tr><td>January</td><td style="text-align: center;">2.31</td><td style="text-align: center;">1.58</td></tr> <tr><td>February</td><td style="text-align: center;">1.98</td><td style="text-align: center;">2.17</td></tr> <tr><td>March</td><td style="text-align: center;">1.88</td><td style="text-align: center;">1.40</td></tr> <tr><td>April</td><td style="text-align: center;">2.05</td><td style="text-align: center;">2.35</td></tr> <tr><td>May</td><td style="text-align: center;">4.32</td><td style="text-align: center;">3.03</td></tr> <tr><td>June</td><td style="text-align: center;">3.22</td><td style="text-align: center;">3.92</td></tr> <tr><td>July</td><td style="text-align: center;">2.57</td><td style="text-align: center;">3.61</td></tr> <tr><td>August</td><td style="text-align: center;">2.66</td><td style="text-align: center;">1.25</td></tr> <tr><td>September</td><td style="text-align: center;">3.06</td><td style="text-align: center;">2.18</td></tr> <tr><td>October</td><td style="text-align: center;">2.43</td><td style="text-align: center;">1.65</td></tr> <tr><td>November</td><td style="text-align: center;">3.11</td><td style="text-align: center;">3.22</td></tr> <tr><td>December</td><td style="text-align: center;">3.34</td><td style="text-align: center;">3.27</td></tr> </tbody> </table> <p>a. Sungai Serdang & Sungai Sembilang is located boundary while Sungai Tambak Jawa cross within Bukit Kerayong Estate. Whilst no river cross Bukit Cheraka Estate.</p> <p>b. Review water quality test report, Doc. No. (Report Ref No: IE867/2022) verified conduct on 20/06/2022 for Sungai Sembilang Sungai Serdang, Sungai Tambak Jawa. Based on the result review, verified all perimeter are within the specification.</p> <p>c. Protection of water courses and wetlands including the restoring appropriate buffer zones is applicable on the incident basis.</p> <p>d. Onsite visit to buffer zone area, observed no vegetation has been removed and estates maintained along to water course.</p> <p>Bukit Cheraka Estate conduct water sampling for tube well result document dated 01/06/2022. Review on the result verified within the</p>	Month/2022	Bukit Cheraka Estate (m ³ /FFB)	Bukit Kerayong Estate (m ³ /FFB)	January	2.31	1.58	February	1.98	2.17	March	1.88	1.40	April	2.05	2.35	May	4.32	3.03	June	3.22	3.92	July	2.57	3.61	August	2.66	1.25	September	3.06	2.18	October	2.43	1.65	November	3.11	3.22	December	3.34	3.27	
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Criterion / Indicator		Assessment Findings	Compliance
		permissible limit. Yearly ground water table measurement was conducted by the estate management as part of the compliance to renew the abstraction license.	
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	Bukit Kerayong Estate has no construct on bunds, weirs or damn along rivers passing by and passing through estate.	Complied
4.5.5.3	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). - Minor compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate construct field drain every two (2) palm rows in order to contain water and to conserve the moist.	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			
4.5.6.1	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: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (e.g. 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. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established Biodiversity Management Plan. The plan identified seven (7) actions to conserve the environment as follow. a. Set aside nature conservation area. b. Inspection of the conservation area. c. Rehabilitation and habitat enhancement. d. Managing bordering forest reserve. e. Education and awareness. f. Compliance to SDP policies on river buffer zone and slope protection. g. Interface with animals.	Complied
4.5.6.2	If rare, threatened or endangered species, or high biodiversity	Bukit Kerayong Estate and Bukit Cheraka Estate conduct wildlife	Complied

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Criterion / Indicator		Assessment Findings	Compliance									
	<p>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>- Major compliance -</p>	<p>monitoring on monthly basis and documented in Biodiversity Assessment Record. Latest monitoring at Bukit Kerayong Estate on 13/02/2023.</p> <p>Review on the addendum HCV Re-Assessment for Selangor Central Zone: Strategic Operating Unit (SOU) 7 Bukit Kerayong, Final Report ver III dated December 2015 No RTE species were identified by SDPB HQ Group Sustainability Department updated January 2020.</p>										
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate established Biodiversity Management Plan includes HCV and Conservation Area Management Action Plan is consistent with site implementation.</p> <table border="1"> <thead> <tr> <th>Scope</th> <th>Objective</th> <th>Program</th> </tr> </thead> <tbody> <tr> <td>Forest border</td> <td>To ensure no hunting trespassing on the site</td> <td>Periodic patrolling will be done by the AP and staff to ensure no hunting or trespassing occur on the site.</td> </tr> <tr> <td>RTE species</td> <td>To ensure no hunting of RTE species occur in the estate.</td> <td>Conduct training about the endangered species to increase awareness among the estate workers.</td> </tr> </tbody> </table>	Scope	Objective	Program	Forest border	To ensure no hunting trespassing on the site	Periodic patrolling will be done by the AP and staff to ensure no hunting or trespassing occur on the site.	RTE species	To ensure no hunting of RTE species occur in the estate.	Conduct training about the endangered species to increase awareness among the estate workers.	Complied
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RTE species	To ensure no hunting of RTE species occur in the estate.	Conduct training about the endangered species to increase awareness among the estate workers.										
Criterion 4.5.7: Zero burning practices												
4.5.7.1	<p>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.</p> <p>- Major compliance -</p>	<p>SDPB established Zero Open Burning Policy and SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008.</p>	Complied									

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		Onsite visit, observed with no sign of burning being practiced in estates. For replanting land preparation, palms are felled, chipped and windrowed as required in the company's procedure.	
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. - Major compliance -	No areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. Therefore, not required treatment by burning method.	Not Applicable
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. - Major compliance -	There is no controlled burning carried out in preparation of replanting in Bukit Kerayong Estate and Bukit Cheraka Estate. There are no infected oil palms observed at field operations that required treatment by burning method. There is no application for approval of controlled burning.	Not Applicable
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Noted based on the records on the land clearing for the replanting at Bukit Kerayong Estate and Bukit Cheraka Estate, were felled, shredded, and left to decompose. There was no evidence that fire had been used to prepare land for replanting in the estate. No fire was used for waste disposal.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	SDPB established SOP Agricultural Manual in Sustainability Plantation Management System and EQMS (Estate Quality Management System). Both SOP and manual distributed to all operating units as a guidance	Complied

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		<p>document to conduct estate operation. The SOP covers land preparation, planting material, upkeep, harvesting, FFB transportation etc.</p> <p>SDPB established mechanism to monitor the implementation of their procedure by Plantation Advisor Visit, Performance Monitoring Visit and Agronomist Visit. The visit focusing on Yield Improvement, Crop Recovery, Replanting and Immature Palms Maintenance and Mature Upkeep.</p> <p>SDPB established revise SOP Communicable Disease (COVID-19) Prevention & Control Procedure and the SOP is available in estates offices.</p> <p>Onsite interview with workers and stakeholders informed they been briefed on SOP implemented and understand on the requirements of the SOP, Good Agricultural Practice and requirement on safety/health & environment.</p>	
4.6.1.2	<p>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.</p> <p>- Major compliance -</p>	<p>SDPB established Group Sustainability & Quality Policy Statement followed by commitment under SDP Responsible Agriculture Charter (RAC) Rev.:02 on year 2020. The revise charter describes company commitment as sighted in section 3.1 of Protect and conserve biodiversity and ecosystems. Which in subsection 3.1.2, SDPB enhanced on their commitment on managing of erosion by protecting of steep slopes and river reserves within their own operations and promoting restoration programs.</p> <p>Onsite visit to Bukit Kerayong Estate and Bukit Cheraka Estate offices observed the policy displayed at notice boards.</p> <p>Document review, management communicate the policy to employees during morning muster and townhall as follow.</p> <p>1. Bukit Kerayong Estate on 11/03/2022.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance																		
		2. Bukit Cheraka Estate on 04/11/2022.																			
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established visual identification and reference system for each established field/block and maps. Onsite visit to fields, observed field numbers and hectare were marked on palms and signboards.	Complied																		
Criterion 4.6.2: Economic and financial viability plan																					
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established business planning to ensure long-term economic and financial viability. The annual budgets for the period 2023 to 2027 were sighted. Review on the budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO/MSPO compliance etc. In addition, the budgets included projections on yield/ha, and total cost of production per MT & per ha. CAPEX - capital expenditure mainly for buildings, furniture and others asset related expenses.	Complied																		
4.6.2.2	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. - Major compliance -	Bukit Kerayong Estate and Bukit Cheraka Estate established a replanting program spanned over a five (5) years period from 2020 until 2025. Based on review, programs established as follow. <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Estate</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> </tr> </thead> <tbody> <tr> <td>Bukit Cheraka</td> <td>65.40</td> <td>95.19</td> <td>71.80</td> <td>150.02</td> <td>204.83</td> </tr> <tr> <td>Bukit Kerayong</td> <td>89.32</td> <td>-</td> <td>97.23</td> <td>-</td> <td>-</td> </tr> </tbody> </table>	Estate	2022	2023	2024	2025	2026	Bukit Cheraka	65.40	95.19	71.80	150.02	204.83	Bukit Kerayong	89.32	-	97.23	-	-	Complied
Estate	2022	2023	2024	2025	2026																
Bukit Cheraka	65.40	95.19	71.80	150.02	204.83																
Bukit Kerayong	89.32	-	97.23	-	-																
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB	Bukit Kerayong Estate and Bukit Cheraka Estate established business planning to ensure long-term economic and financial viability.	Complied																		

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Criterion / Indicator		Assessment Findings	Compliance
	b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production: cost per tonne of FFB d) Price forecast e) Financial indicators: cost benefit, discounted cash flow, return on investment - Major compliance -	The annual budgets for the period 2023 to 2027 were sighted. Review on the budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO/MSPO compliance etc. In addition, the budgets included projections on yield/ha, and total cost of production per MT & per ha.	
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 -	Bukit Kerayong Estate and Bukit Cheraka Estate performance recorded in monthly progress report. Based on progress report review as follow. 1. Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein. 2. The management also provides variance report on the performance and reviewed on a monthly basis. 3. The supervisory personnel maintained a daily cost for the field operations. Review on SOU meeting minutes, sighted discussion between Managers and Regional CEO to review estate operations performance monthly basis.	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	SDPB established pricing mechanism and conducted as per contract agreement with contractors. Review on the contract agreement, sighted pricing of the job task is available. Sampled contract/Letter of Award to contractors as follows.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<u>Bukit Cheraka Estate</u> 1. Letter of Award to Rxxx Enterprise dated 30/12/2022 2. Letter of Award to Kxx Enterprise Sdn Bhd dated 22/02/2022. <u>Bukit Kerayong Estate</u> 1. Letter of Award to Bxxx Enterprise dated 06/01/2022 2. Letter of Award to Kxx Enterprise Sdn Bhd dated 22/02/2022.	
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	SDPB established pricing mechanism and conducted as per contract agreement with contractors. Review on the contract agreement, sighted pricing of the job task is available. Payment terms for contract work were stated in the contract agreement. Onsite interview with contractors informed their payments were made as per payment terms stated in the contracts. No delayed of payments recorded.	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	SDPB established contractor agreement with letter of Award & Acceptance (LOA) with contractor as follow. 1. Pxxxxxxxx Enterprise for Harvesting for Bukit Cheraka Estate with contract completion period is January 2022 until December 2022. 2. Yxx Cxxxxxxxx Sdn Bhd for Ganoderma Deboling for Replanting Area at Bukit Cheraka Estate. 3. Kxx Enterprise Sdn Bhd for Ganoderma Deboling for Replanting Area at Bukit Cheraka Estate dated 21/03/2022. The contract for Fresh Fruit Bunch Transportation Services for Sime Darby Plantation Berhad's Estates.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>4. Bxxxx Enterprise for Loading, Transport and Application of Empty Fruit Bunches (EFB) to collect from KKS Bukit Kerayong to Bukit Cheraka Estate and Bukit Kerayong Estate.</p> <p>SDPB established Ikrar Integriti Vendor which signed by contractor for each estate as follow.</p> <ol style="list-style-type: none"> 1. Bukit Cheraka Estate signed with Pxxxxxxxxx Enterprise with dated on 29/03/2022. 2. Bukit Cheraka Estate signed with Yxx Cxxxxxxxxx Sdn Bhd with dated on 17/01/2022. 3. Bukit Cheraka Estate signed with Kxx Enterprise Sdn Bhd with dated on 22/02/2022. 4. Bukit Kerayong Estate signed with Bxxxx Enterprise with dated on 24/01/2022 <p>The contractors engaged by the estates' management has signed on a letter for the compliance of RSPO/ ISCC/ MSPO/ SCCS. All the contractors need to follow the RSPO/ ISCC/ MSPO/ SCCS requirements in accordance with SDPB of Estate Quality Management System.</p> <p>Onsite interviewed with contractors informed they were understood the MSPO requirements.</p>	
4.6.4.2	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong Estate and Bukit Cheraka Estate engaged contractors for works such as FFB & EFB transporting. Sampled of the agreement/ letter of award (LOA)/ contract between company and the contractors as below:</p> <ol style="list-style-type: none"> 1. Pxxxxxxxxx Enterprise for Harvesting for Bukit Cheraka Estate with contract completion period is January 2022 until December 2022. 2. Yxx Cxxxxxxxxx Sdn Bhd for Ganoderma Deboling for Replanting Area at Bukit Cheraka Estate. 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Pricing of the works/ services and mechanism were clearly stated in the LOA and Terms & Conditions of Purchase Order and agreed by the contractors.	
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	Contractors have signed on the letter for the compliance of RSPO/ ISCC/ MSPO/ SCCS requirements in accordance with SDPB HQ Estate Quality Management System which mentioned the contractor shall provide access to the RSPO/ ISCC/ MSPO/ SCCS auditors to contractors' operation site(s) and employees whenever deemed necessary. Seen the letter and signed as follow. Bukit Cheraka Estate signed with contractor as follow. 1. Pxxxxxxx Enterprise dated 20/08/2021. 2. Yxx Cxxxxxxx Sdn Bhd dated 08/07/2019. 3. Kxx Enterprise Sdn Bhd dated 08/07/2019. 4. Bxxxx Enterprise dated 20/01/2022.	Complied
4.6.4.4	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. - Major compliance -	SDPB responsible for the observance of the control points applicable to the tasks performed by the contract, checking and signing the assessment of the contractor for each task and season contracted. All works performed of estates are checked and verified by the estate's personnel.	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	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.	There is no development of new planting at both visited estates.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.1.2	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. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
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 both visited estates.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
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 both visited estates.	Not Applicable
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 both visited estates.	Not Applicable
Criterion 4.7.4: Soil and topographic information			
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 both visited estates.	Not Applicable
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 both visited estates.	Not Applicable
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
4.7.5.2	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. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
Criterion 4.7.6: Customary land			
4.7.6.1	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. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	There is no development of new planting at both visited estates.	Not Applicable
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. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
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. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	There is no development of new planting at both visited estates.	Not Applicable
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. - Minor compliance -	There is no development of new planting at both visited estates.	Not Applicable

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	Sime Darby Plantation Berhad (SDPB) issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation. The memo describes company commitment to comply on the MSPO standards implementation and towards certified sustainable palm oil products. Document review, management communicate the policies to employees during morning muster on 17/01/2023.	Complied
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - Major compliance -	SDPB issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation. From the memo describes company commitment on emphasizing to achieved systematic approach on ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	SDPB established Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/11/2017. The frequency of the internal audit shall be carried out at least once a year and when is	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	required. Document review on the internal audit plan, sighted HQ Department conduct the internal audit on 07/11/2022.	
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. - Major compliance -	SDPB established Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/11/2017. Document review on the internal audit report, HQ Department has identified nonconformities as mill has response to close all findings on 02/02/2023 with identified root causes, corrections and corrective actions. Based on the reports Bukit Kerayong POM has four (4) findings been raised classified as majors and minor together with five (5) opportunities for improvement raised.	Complied
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	SDPB established Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/11/2017. The frequency of the internal audit shall be carried out at least once a year and when is required. Document review on the internal audit plan, sighted HQ Department conduct the internal audit on 07/11/2022. Document review on the internal audit report, HQ Department has identified nonconformities as mill has response to close all findings on 02/02/2023 with identified root causes, corrections and corrective actions. The reports distributed to mill managements for discussed and reviewed during management review meeting.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective	Bukit Kerayong POM’s management conduct management review	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>implementation of MSPO and decide on any changes, improvement and modification.</p> <p>- Major compliance -</p>	<p>meeting on 06/01/2023.</p> <p>Document review on the meeting minutes, the agenda as follow.</p> <ol style="list-style-type: none"> 1. Results of internal audits covering MSPO/ RSPO/ SCCS 2. Customer feedback 3. Status of preventive and corrective actions 4. Follow-up actions from management reviews 5. Changes that could affect the management system 6. Recommendations for improvement 7. Improvement of the effectiveness of the management system and processes 8. Resources needs 	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company.</p> <p>- Major compliance -</p>	<p>SDPB issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation.</p> <p>From the memo describes company commitment on emphasizing to achieved systematic approach on ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.</p> <p>Document review, Bukit Kerayong POM identified aspect covered on safety/health, social and environment in continual improvement plan. Based on the plan, managements identified their individual significant impact and necessary action to be taken.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	Bukit Kerayong POM established annual training plan based on the training needs analysis. Review on the plan, the mill has no new technology applied. The online platform for complaints submission continuously applied and included as a topic of training.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	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. - Major compliance -	SDPB established Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/11/2008. The objective of the procedure is to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. The procedure describes timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation. Review on the procedure, describes mill manager as person in-charge and responsible to address the communication and requests from internal and external.	Complied
4.2.1.2	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. - Major compliance -	Bukit Kerayong POM disseminated the information of the documents that made publicly available such as management plan, OSH plan, audit reports and land titles upon request during the stakeholder meetings.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Internal and external stakeholders could access to the SDPB' address website at https://simedarbyplantation.com/sustainability/reports-policies-and-statements/ to obtain information such as policies, annual report and complaint procedures.	
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	SDPB established Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/11/2008. The objective of the procedure is to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. The procedure describes timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation. Document review on external stakeholders' feedback during stakeholders meeting, sighted in the minutes that the management has response directly to all feedbacks. The feedback which required top management approval been included into Continuous Improvement Plan to monitor status of the progress. Onsite interview with external stakeholders during stakeholders' consultation informed managements response of their feedback has been taken into action in accordingly.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.2.2.2	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> . - Minor compliance -	Review on the procedure, describes mill manager as person in-charge and responsible to address the communication and requests from internal and external. However, mill manager assigned assistant engineer as social officer to assist on handling issues related to social in mill with appointment letter dated 01/10/2020.	Complied
4.2.2.3	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. - Major compliance -	Bukit Kerayong POM maintained the Stakeholder list FY 2022 where stakeholders such as government authorities, local communities, contractors, suppliers and buyers was included in the list. External stakeholder meeting conducted on 07/02/2023 for SOU 7 Bukit Kerayong POM and supply bases include with Bukit Kerayong POM. The meeting been attended by local authorities, contractors, suppliers and local communities through invitation. From document review, sighted feedback from external stakeholders. The feedback been documented and discuss during the meeting. Review on the minutes, sighted the issues raised been included recorded with responses from SOU 07 managements.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - Major compliance -	SDPB established Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: SD/SDP/GSD/SCCS/0522/01; Date: 2022. The objective of the procedure is to provide guideline for estates to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB). The Standard Operating Procedures also specifies the identified CCPs of which	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		the risk of mixing of certified and non-certified FFB is possible as well as the control of the flow and transportation of the FFB from the harvesting block to the weighbridge and subsequently to the POM.	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Bukit Kerayong POM conduct inspection on the compliance of the traceability system were made on daily basis. Onsite interview with weighbridge operator informed they key in all the related data into the system and verified by the executive at the end of the day. Review on the weighbridge records and FFB delivery notes for incoming FFB and outgoing CPO & PK document been signed by operators and executives.	Complied
4.2.3.3	The management shall identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Bukit Kerayong POM manager assigned assistant engineer as person in charge for traceability system with appointment letter dated 15/02/2022.	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	SDPB established Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: SD/SDP/GSD/SCCS/0522/01; Date: 2022. The procedure describes on validation of certificate of supplying estate. The procedure had identified critical control points to prevent contamination of non-certified FFB. The current traceability system is Sime Weigh System. Review on the records, sighted mill management maintain the CPO and PK sold delivery records with evidence as follows:	Complied

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Criterion / Indicator		Assessment Findings		Compliance
		<u>CPO</u> Customer: XXX Product: Crude Palm Oil (CPO) Weighbridge no.: 014648 Date: 16/01/2023 Nett weigh: 37,620 kg MSPO cert. no.: NA Validity period: NA	<u>PK</u> Customer: XXX Product: Palm Kernel Weighbridge no.: 014659 Date: 19/01/2023 Nett weigh: 38,340 kg MSPO cert. no.: NA Validity period: NA	
4.3 Principle 3: Compliance to legal requirements				
Criterion 4.3.1 – Regulatory requirements				
4.3.1.1	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations. - Major compliance -	SDPB obtained approval from authority, Bukit Kerayong POM kept the permits and license as follow. 1. 'Perakaun penentuan timbang & sukat', certificate valid on 12/10/2023. 2. 'Permit barang kawalan berjadual – Diesel 15,000 L' valid until 22/07/2023. 3. MPOB license no: 562906004000, valid until 31/07/2023. 4. DOE License compliance valid till 30/06/2023 5. DOE license compliance valid until 30/06/2023. 6. Water abstraction license valid until 31/07/2023. 7. Suruhanjaya Tenaga License valid till 05/07/2023 8. Machinery certificate of fitness:- i. SL PMT 85xxx valid till 08/11/2023 ii. PMA 3xxx valid till 08/11/2023		Complied

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Criterion / Indicator		Assessment Findings	Compliance
		iii. PMA 3xxx valid till 08/11/2023 iv. SL PMT 24xxx valid till 08/11/2023	
4.3.1.2	The management shall list all relevant laws related to their operations in a legal requirements register. - Major compliance -	Bukit Kerayong POM adopt SDPB HQ Legal & Other Requirements Register (LORR) with latest updated in January 2023. Review from the register document, sighted applicable requirement listed as follow. 1. Occupational Safety & Health Act 1994 2. Factories & Machinerics Act 1967 3. Pesticides Act 1974 (Act 149) 4. Poisons Act 1952 (Revised 1989) (Act 366) 5. Petroleum (Safety Measures) Act, 1984 6. Prevention and Control of Infectious Diseases Act 1988 (Act 342) 7. Uniform Building By-Laws 1984 8. Code of Practice for Safe Working in A Confined Space, 2010 9. Environmental Quality Act (Act 127) 10. Water Act 1920 (Act 418) 11. Human resources related 12. Other requirements	Complied
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. - Major compliance -	Bukit Kerayong POM adopt SDPB HQ Legal & Other Requirements Register (LORR) with latest updated in January 2023. Review from the register document, sighted updated on newly applicable requirement listed as follow. 1. Minimum Wages Order 2022.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		2. Fire Services Act 1988 (Act 341) Amendment 2020 3. Pembangunan Sumber Manusia Berhad Act 2000 4. Anti-Sexual Harassment Act 2021 5. Employees’ Social Security (Amendment) Act 2022 6. Employment Insurance System (EIS) (Amendment) Act 2022 7. Control of Supplies Act 1961 8. Employment (Amendment) Act 2022	
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. - Minor compliance -	SDPB HQ Group Sustainability Department will update each operating units on changes of applicable laws. The assigned person appointed at each operating units are responsible to update the changes into their respective Legal Register document. Bukit Kerayong POM senior assistant manager been appointed as the person in-charge for legal requirement updates. Document review sighted the role and responsibilities clearly stated. Follows are the appointment letter dated 15/02/2022. The function of the position includes in assisting in ensuring full compliance with legal and other statutory requirements	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	Bukit Kerayong POM demonstrated with legal ownership or leases with legal documents. Therefore, milling activities has not diminished the land use rights of other users. Onsite visit verified there no evidence to show that milling activities had diminished the land use rights of others.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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. - Major compliance -	Bukit Kerayong POM demonstrated with legal ownership or leases with legal documents. Document review on the land titles demonstrated with SDPB name written as evidence of the legal ownership of the lands with no claims issued by external party. Review on the land title verified there were no changes on the land area. Bukit Kerayong POM is located inside of the land of Bukit Kerayong Estate. Sighted the copy of the land title with Title No.: 52xxx.	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Bukit Kerayong POM demonstrated with legal ownership or leases with legal documents. Document review on the land titles demonstrated with SDPB name written as evidence of the legal ownership of the lands with no claims issued by external party. Onsite visit to mill boundary observed clear demarcated with fences constructed.	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). - Minor compliance -	There is no land dispute in the Bukit Kerayong POM. SDPB has the legal ownership documents as demonstrated by possessing land titles.	Not applicable
Criterion 4.3.3 – Customary rights			

Criterion / Indicator		Assessment Findings	Compliance
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. - Major compliance -	Not applicable since there is no customary rights. Land has been legally owned by the company and has been verified by the land title.	Not applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	Not applicable since there is no customary rights. Land has been legally owned by the company and has been verified by the land title.	Not applicable
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	Not applicable since there is no customary rights. Land has been legally owned by the company and has been verified by the land title.	Not applicable
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	SDPB HQ Group Sustainability Department established Social Impact Assessment (SIA) for SOU 7 Bukit Kerayong certification unit dated 02/11/2015 - 04/11/2015. Social Management Action Plan 2022 updated accordingly on annually basis. The issue, actions, person in charge and the completion target date which been monitor by person in-charge and updated into the plan on 02/01/2023. Bukit Kerayong POM conduct social dialogue to update the progress of action taken for the issues raised by workers. The initiative will discuss during management review meeting and action taken accordingly.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Verified the records of monitoring of issues and evidence of actions taken to resolve the issues raised by the workers.	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>SDPB established Handling Social Issues Procedure, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The objective of the procedure is to ease the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.</p> <p>SDBP established Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/11/2018. The objective of the procedure is to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill and estates. The procedure describes timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation.</p> <p>SDPB established whistleblowing platform named as 'Suara Kami' for internal and external stakeholders to lodge on any grievance. The grievance mechanism can be access through Human Rights Statement Sime Darby Plantation</p> <p>In additional, SDPB established new online platform named as 'Oil Palm Pal' (OPP) and Workers Housing Management Procedure dated 26/11/2021 as guideline to certification unit's management in providing a safe, liveable workers housing condition including the process of handling housing repair. The procedure describes the</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		timeline to investigate/ inspect the housing defect based on the risk category.	
4.4.2.2	The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties. - Major compliance -	Bukit Kerayong POM adopt SDPB HQ Oil Palm Pal (OPP) online platform to record any housing repair from workers. Based on the records, all the complaints were lodged on defects of housing facility, and request of facility (e.g. transport to town, extension of electricity supply). There was no complaint or grievance lodged by external stakeholder since the last assessment. Verification of the records of complaints lodged the actions taken by the management were found to be appropriate and timely manner.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	Bukit Kerayong POM adopt SDPB HQ Oil Palm Pal (OPP) online platform to record any housing repair from workers. The platform is available with QR code and mill management established manual complain platform through Complaint Book available at estate. Onsite interviewed with attended external stakeholders informed they are aware of the complaint mechanism. Onsite interviewed with sampled workers informed they aware on the online platform via OPP and 'Suara Kami'.	Complied
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. - Minor compliance -	Employees and the surrounding communities were made aware that complaints or suggestions can be made any time through various meetings such as morning muster, training/briefing and stakeholder consultation. Based on interview with the stakeholders, it was noted that they were aware of the complaint's procedure.	Complied

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		Bukit Kerayong POM conduct briefing on Whistleblowing platform 'Suara Kami' and Oil Palm Pal (OPP) been briefed to workers during muster morning.	
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance -	Bukit Kerayong POM maintained complaints and resolutions record over the past 24 months (i.e. from March 2020) and all the records are available as at audit.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	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. - Minor compliance -	SDPB with joint venture with Sime Darby Foundation initiate contributions to local sustainable development on social support initiatives includes promoting educations and offering scholarships to deserving students, promoting the rights and well-being of marginalized communities, improving communities' access to healthcare, assisting communities with disaster relief & prevention, donations to the needy and tree planting and etc. Bukit Kerayong POM offer job opportunity to local communities. Other contributions have been made are such as given 10kg of rice once every 2 months to all the workers.	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	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. - Major compliance -	SDPB established on Health, Safety & Environment (HSE) Policy date 05/05/2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice boards within the mill. The GSM team is also committed in establishing various working standards through procedures or pictorial method to improve safe	Complied

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		<p>working condition.</p> <p>The mill has established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2023. The management plan includes the ESH Risk Management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring, Health monitoring.</p>	
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. 	<p>SDPB HQ occupational safety and health plan cover the following:</p> <ul style="list-style-type: none"> a) SDPB established Health, Safety & Environment (HSE) Policy date 05/05/2020. The policy has been communicated to the staffs and workers through induction training for new workers, morning briefing and displayed at various notice boards within the mill. The policy has been briefed to all workers on 02/11/2022. b) SDPB have established Standard Operating Procedure for Risk Assessment and documented in EQMS/SOM sub-section 5.4, Appendix 5.4.1a. Bukit Kerayong POM 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 Boiler Station, Sterilizer Station, Fruit Handling, Thresher and FFB Ramp. HIRARC is reviewed on annually and as and when there are any accidents that occur in the mill. Latest review was dated 04/11/2022 for Water Treatment Plant. 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 	Minor NC

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<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>- Major compliance -</p>	<p>to assess the risks associated to hazardous chemicals used in the estate.</p> <ul style="list-style-type: none"> The Chemical Health Risk Assessment Report conducted on 04/11/2020 was available for verification. <p>Medical Surveillance was conducted for workers exposed to chemicals and welding fumes in the mill as recommended in the CHRA. The medical surveillance was conducted to monitor the level of exposure on the workers towards the chemicals and fumes.</p> <ul style="list-style-type: none"> Medical Surveillance was conducted on 07/02/2023 for 10 mill workers exposed to chemicals in the mill laboratory and workshop. Results have not been obtained as the audit date. The 2022 medical surveillance was conducted for 3 mill workers exposed to Hexane and Manganese fumes on 21/01/2022. The results indicated that all workers were safe to work. <p>Noise Risk Assessment Report (NRA) was conducted in compliance to Occupational Safety & Health (Noise Exposure) Regulations 2019 in the estates.</p> <ul style="list-style-type: none"> The assessment was conducted on 05/10/2022 with report available for verification. <p>Audiometric Test was done for workers exposed to excess noise at the workplace in compliance with the Noise Risk Assessment.</p> <p>Annual & Baseline Audiometric Testing was conducted on 04/08/2022 for total 59 workers and the Audiometric Report was available for verification. The report stated that there were 5 workers with abnormal results, required for OHD referral. The</p>	

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	<p>mill is in the midst of arranging for the workers to be sent for referral.</p> <p>c) The mill has established a training 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. Sighted the training records as follows:</p> <ol style="list-style-type: none"> 1. Chemical Handling Training by NALCO – 28/09/2022 2. Chemical Spillage (ERP) Training – 25/11/2022 <p>d) SDPB established Personal Protective Equipment (PPE) procedure; Doc. No.: UM/HSE/OCP/03; Date: 2021. The mill has provided appropriate PPE to all workers according to the job type and requirements.</p> <p>Sighted the PPE issuance records documented in 'PPE Issuance Record' logbook. The PPE issued recorded by workers and job designation.</p> <p>e) Standard Operating Procedures for Handling of Chemicals were available in several documents such as:</p> <ul style="list-style-type: none"> • SDPB established Chemical Safety Management Procedure; Doc. No. UM/HSE/OCP/04; dated 2021. <p>f) 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 Mill Manager. The committee is guided by SDPB HQ Safety and health Committee Procedures; Doc. No.: UM/HSE/OCP/08; Date: 2021.</p>	

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	<p>Mill Manager been appointed as Chairman of OSH Committee with appointment letter signed by Regional CEO, Central East Region dated 03/01/2023.</p> <p>g) Mill 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.</p> <p>Sighted the OSH Meeting Minutes dated 03/12/2022 (04/2022), 31/12/2022 (03/2022), 09/09/2022 (02/2022) and 10/06/2022 (03/2022).</p> <p>h) SDPB established Emergency Preparedness & Response Procedures; Doc. No.: UM/HSE/SP/02; Document Date: 2021.</p> <p>The mill established Emergency Response Team lead by the Mill Manager. Emergency Response Plans were available for incidents such as pesticides spillages, Fire, Explosions, Diesel Spillage and Accidents. The ERT chart and Fire Extinguisher Map was also available and verified.</p> <p>Emergency Response Training for topic of Fire Response and Fire Extinguisher Usage dated 13/02/2023.</p> <p>i) First aiders were assigned to various workstation at the mill. The supervisors and staffs were responsible for first aid boxes at 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 and documents which conducted on 14/11/2022.</p>	

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		<p>j) The mill recorded all accidents reports and reported to HQ using the PSQM-ESH Monthly update form via online through GSQM ESH Portal. The accident occurred was reviewed on quarterly basis during OSH committee meeting.</p> <p>There were two (2) accidents involved lost time injuries more than 215 Days reported in year 2022. Based on the incident, accident document been review verified JKKP 8 form submitted to DOSH on 12/01/2023. As at year 2023, verified no accident cases reported.</p> <p><u>Minor Non-conformance (Minor NC)</u></p> <p>The Chemical Safety Management Procedure, in relation to USECHH Regulation 2000 was not adequately adhered to.</p> <p>During the site visit to the Mill Operations, – EFB Shovel Operation, found containers with diesel stored in containers without any label. It was not in line with OSH (USECHH) Regulations 2000, Part VI Labelling & Relabeling; 21,</p> <p>(1) An employer shall ensure that all chemicals hazardous to health supplied or purchased by him and used in the place of work are labelled and that the labels are not removed, defaced, modified or altered.</p> <p>(2) When the labels mentioned in sub regulation (1) are removed, defaced, modified or altered while the chemical hazardous to health is being used at the place of work, the employer shall re-label the chemical.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy	SDPB established Group Sustainability & Quality Policy signed Group Managing Director dated 02/12/2019. The policy is the commitment by the company in respecting, upholding & no-	Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>shall be signed by the top management and communicated to the employees.</p> <p>- Major compliance -</p>	<p>exploitation of fundamental human rights. This policy statement is guided by the commitment spells out in the Human Rights Charter (HRC) last revised 2020.</p> <p>SDPB established Policy on the Protection of Human Rights Defenders (HRDs) with effective date on 25/03/2020. The policy is the commitment of the company in respect and safeguard human rights, notion of democracy and its institution. They recognize that Human Rights Defenders have the role and responsibility of upholding human rights and the need for them to be able to lodge complaints that may arise from their business activities and relationship with SDP. This Policy is applied to all stakeholders affected by the business activities and relationships including directors, employees, counterparties, business partners, workers in our operations and supply chains, and communities surrounding our operations.</p> <p>Document review, management communicate the policy to employees during morning muster on 23/12/2022.</p>	
4.4.5.2	<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>- Major compliance -</p>	<p>SDPB established Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They promote diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity union membership, political affiliation or age.</p>	Complied

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		<p>The policy could be downloaded from https://simeдарbyplantation.com/wp-content/uploads/2021/12/HRC-2020-1.pdf.</p> <p>Document review, management communicate the policy to employees during morning muster on 23/12/2022.</p>	
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>- Major compliance -</p>	<p>SDPB established employment contract for workers. The employment contract adopts by Bukit Kerayong POM as part as requirement to ensure the workers employment conditions received as accordingly.</p> <p>Review on the sampled of employment contracts verified terms and conditions outlined as per collective agreement and Employment Act 1955.</p> <p>The original copy kept by management demonstrated in workers’ origin language and signed by the worker.</p> <p>Onsite interview with sampled workers informed they been briefed on the employment conditions and benefits as stated in employment contract. They have also been handed a copy of the contract for own selves keeping and reference.</p> <p>Review sampled of six (6) workers’ employment contract and payslips for March, August and October 2022 verified paid within minimum wages requirement.</p> <p>Samples as follow.</p> <ol style="list-style-type: none"> 1. ID#64307, C150xxxx, date of joined 09/04/2011 2. ID#154356, C711xxxx, date of joined 10/09/2019 3. ID#157996, T845xxxx, date of joined 17/02/2020 4. ID#159741, 020708-xx-xxxx, date of joined 03/09/2020 	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>5. ID#166036, 991011-xx-xxxx, date of joined 08/11/2021. 6. ID#176111, 720825-xx-xxxx, date of joined 03/09/2022</p> <p>Review on the sample employee payslip for ID#64307, ID#154356 and ID#157996, with date of joined 09/04/2011, 10/09/2019 and 17/02/2020; sighted the information such as wages for daily rated. Other's information includes shift allowance rest day overtime, SOCSO (Employer contribution) and deduction.</p> <p>Bukit Kerayong POM conduct briefing on wages and overtime to workers during muster morning as follow.</p> <ol style="list-style-type: none"> 1. Wages on 02/12/2022. 2. Overtime with general gang workers dated 15/12/2022. 	
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>- Minor compliance -</p>	<p>SDPB monitor contractors' workers' payslip with employment contract agreed by contractor and workers as follow estates.</p> <p>Based on review of the sampled payslip for all contractors' workers verified, is according to the requirement, which is applicable includes minimum wages, EPF and SOCSO contributions.</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>- Major compliance -</p>	<p>Bukit Kerayong POM registered all their workers into Employee Master Details Listing in SEMUA system.</p> <p>Review on the listing included workers' personal details such as full name, gender, date of birth, date join company, race, designation and wages were available.</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</p>	<p>Bukit Kerayong POM employed local and foreign workers and</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	contract shall be made available for each and every employee indicated in the employment records. - Major compliance -	registered into Employee Master Details Listing in SEMUA system. Review on the listing, verified all workers are employed by SDPB's mill's management. Review on six (6) sampled employment contracts verified signature of workers on the contract with terms and conditions applied according to Collective Agreement and Employment Act 1955. Onsite interview with sampled workers informed they signed on the employment contract prior to work and extension contract where the original contract has expired.	
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers. - Major compliance -	Bukit Kerayong POM employed local and foreign workers and registered into Employee Master Details Listing in SEMUA system. Worker's attendance will be recorded daily in Mill Daily Attendance Report. Review on the attendance report for monthly March, August and October 2022; verified estate management recorded the number workday and hours of overtime.	Complied
4.4.5.8	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. - Major compliance -	Bukit Kerayong POM employed local and foreign workers and registered into Employee Master Details Listing in SEMUA system. Worker's attendance will be recorded daily in Mill Daily Attendance Report. Onsite interview with sampled workers informed working time and break time is according to employment contract. Overtime offered to workers is voluntarily upon mutually agreement between management and workers.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	Bukit Kerayong POM manage workers' payslip through SAP system. Daily attendance and total hours of overtime will be recorded into	Complied

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	- Major compliance -	SAP system. Wages and overtime were paid according to the Daily Attendance Report and productivity reports. Copy printed of the payslip will be kept to workers upon payday as evidence for reference. Refer to indicator 4.4.5.3.	
4.4.5.10	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. - Minor compliance -	SDPB through Bukit Kerayong POM provided to workers with free housing facilities amenities, free water supply, free medical facilities free medical facilities, monthly phone allowance and a beg rice every two months. was provided to the workers.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. - Major compliance -	SDPB established Workers Housing Management Procedure 2022, Ver.01, dated 30/06/2022 as guidelines to continuously improve the living standards of our employee in the operations the management had established the housing repair and maintenance policy in the form of workers housing management procedure and a digital platform for workers to lodge their complaints with regards to housing, called the 'OilPalmPal' Digital Housing Complaint system. To provide guidance to management in providing a safe, livable workers housing condition in accordance with Workers Minimum Standard of Housing & Amenities (Amendment) 2091 (Act A 1604). To integrate all past policies related to workers housing & amenities management in the operating units including. 1. Workers minimum standard of housing amenities guidelines – Jan 2015 2. IOM – employees housing inspection & welfare – dec 2020 3. IOM – rules & regulations at employee house – June 2021	Complied

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		<p>4. IOIM – Safe handling & storage of Petrol – Mar 2021</p> <p>5. IOM – Safe Fogging Procedure – June 2021.</p> <p>Bukit Kerayong POM management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers.</p>	
4.4.5.12	<p>The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>SDPB has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They seek to create a working environment with zero tolerance for sexual harassment and abuse and in which violence is never used to resolve issues or conflict.</p> <p>Gender Committee was established in Bukit Kerayong POM together with the estates to monitor if there is any case of sexual harassment reported. Combine meeting for SOU 7 Central East Region was conducted on 07/01/2022, 26/04/2022, 23/08/2022, 16/12/2022 attended by Bkt Cheraka Estate, Bkt Kerayong Estate and Bukit Kerayong POM.</p>	Complied
4.4.5.13	<p>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.</p>	<p>SDPB established Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They respect the rights of their employees to form and join unions and bargain collectively.</p> <p>Social Dialogue was carried out by the management of Bukit Kerayong POM on 16/12/2022 and 22/09/2022 with the workers in</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>Bukit Kerayong POM. Seen the report from the Social Dialogue and the management has developed Social Dialogue Action Tracker System to update the progress of action taken for the issues raised by workers. The workers that involved in the Social Dialogue were NUPW representatives, Gender Committee representatives and others' nationalities representatives. Issues raised were resolved accordingly and interviewed with representatives confirmed that all the issues were resolved.</p> <p>Bukit Kerayong POM conduct meeting with NUPW representative on 03/08/2022 to discuss the agenda on working hours.</p> <p>Bukit Kerayong POM conduct meeting with AMESU representative on 23/08/2022 to discuss the agenda on salary adjustment, new collective agreement, ex-gratia, arrears calculation and contribution to workers.</p>	
<p>4.4.5.14</p> <p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.</p> <p>- Major compliance -</p>	<p>SDPB established Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They recognize that protecting the wellbeing of children means safeguarding them from any form of maltreatment or exploitation, including child sex tourism, child trafficking and child pornography. They are eradicating child labour in all their supply chain and not employ anyone underage of 18 years.</p> <p>Review on Employee Master List, sighted with no evidence of employees below the age of 18 hired for mill.</p> <p>Onsite interview with sampled workers informed Bukit Kerayong POM has not employed any child labour in operation.</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance												
Criterion 4.4.6: Training and competency															
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	Bukit Kerayong POM established training program for all workers based on the training need analysis conducted on a yearly basis. Records of trainings were maintained by the management as follow. <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Permit To Work (PTW) Training</td> <td>19/07/2022</td> </tr> <tr> <td>LOTO Training</td> <td>18/07/2022</td> </tr> <tr> <td>MSPO SCCS SOP Training</td> <td>04/01/2023</td> </tr> <tr> <td>Scheduled Waste Management Training</td> <td>02/11/2022</td> </tr> <tr> <td>eSwis Training</td> <td>17/11/2022</td> </tr> </tbody> </table>	Training	Date	Permit To Work (PTW) Training	19/07/2022	LOTO Training	18/07/2022	MSPO SCCS SOP Training	04/01/2023	Scheduled Waste Management Training	02/11/2022	eSwis Training	17/11/2022	Complied
Training	Date														
Permit To Work (PTW) Training	19/07/2022														
LOTO Training	18/07/2022														
MSPO SCCS SOP Training	04/01/2023														
Scheduled Waste Management Training	02/11/2022														
eSwis Training	17/11/2022														
4.4.6.2	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. - Major compliance -	Bukit Kerayong POM has conducted training need analysis for all employees, management and contractors. The training need analysis was conducted based on the job designation and training required by the job type. Sighted the Mill: Training Requirement for Operating Units (for the year 2023).	Complied												
4.4.6.3	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. - Minor compliance -	Bukit Kerayong POM established training programme and requirement for ESH Activities in Year 2023. Review on the programme verified management include topic on Gender to be briefed to staffs, workers and contractors.	Complied												
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services															
Criterion 4.5.1: Environmental Management Plan															

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.1	<p>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.</p> <p>- Major compliance -</p>	<p>SDPB established Group Sustainability and Quality Statement signed by Group Managing Director dated 02/12/2019 and Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 01/06/2020.</p> <p>In the Policy stated as follows:</p> <ol style="list-style-type: none"> 1. Protecting and enhancing biodiversity and ecosystem. 2. No deforestation and no new development on peat land. 3. Enhancing resilience against climate change impact. 4. Adopting responsible consumption and production. <p>Review on Environmental Management Plan verified Bukit Kerayong POM established to achieved objective targets, action steps, date completion and tracking date. Based on the management plan, the mill established Environmental Impact Assessment to evaluate the current condition of the mill and to mitigate negative impacts</p>	Complied
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ol style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations <p>- Major compliance -</p>	<p>Bukit Kerayong POM Established Environmental Management plan based on Environmental Aspect Impact Identification and Environmental Impact Evaluation conducted and documented in Pollution Prevention Plan. The EAI/EIE was reviewed by mill management team.</p> <p>Review on the Environmental Management Plan for the year 2022 with latest updated 07/01/2022. The plan includes with sub categorized as follow.</p> <ol style="list-style-type: none"> 1. Waste Management Plan 2. Energy Management Plan 3. Water Management Plan 4. Pollution Prevention Plan 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		5. Chemical Reduction Plan	
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. - Major compliance -	Environmental Impact Aspect Assessment established included with development for to mitigate negative impacts and promote of positive impacts. The implementation and monitoring of the documented environmental improvement plan were reviewed annually and found to be satisfactorily implemented. 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. Bukit Kerayong POM established action plan to control emission from the boiler chimney by using recycle by-product consist of more fiber and less shell. From renewable energy record, verified Bukit Kerayong POM utilised 17,826.06 Mt of fiber and 8,260.18 Mt of shell in year 2022.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Evidence the positive impact has been included into the continual improvement plan under Environmental Impact Aspect Assessment, Management Action Plans and Continuous Improvement Plan and describes at indicator 4.1.4.1.	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. - Major compliance -	Bukit Kerayong POM continues provided training to ensure the awareness regarding the environmental policy among the employees. The mill management established annual training program which covers the environmental awareness and compliance related trainings to the executives, staffs and workers.	Complied

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Criterion / Indicator		Assessment Findings	Compliance														
4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. - Major compliance -	Bukit Kerayong POM discuss environmental issue during Environmental Performance Monitoring Committee meeting with agenda includes on concerns about environmental quality. Review on the attendance verified meeting been attended by representative from management and employees.	Complied														
Criterion 4.5.2: Efficiency of energy use and use of renewable energy																	
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. - Major compliance -	<p>Bukit Kerayong POM established record of energy usage and reported monthly to head office through SAP system.</p> <p>Review on the record, verified Bukit Kerayong POM monitor usage of non-renewable energy usage monthly basis with evidence as follow.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Consumption</th> <th>FFB Process (mt)</th> <th>Cons/mt FFB</th> </tr> </thead> <tbody> <tr> <td>Diesel</td> <td>3,208 liter</td> <td rowspan="3">82,035.09</td> <td>0.21</td> </tr> <tr> <td>Water</td> <td>138,334 m³</td> <td>1.69</td> </tr> <tr> <td>Electricity</td> <td>890,428.80 kWh</td> <td>10.85</td> </tr> </tbody> </table>	Item	Consumption	FFB Process (mt)	Cons/mt FFB	Diesel	3,208 liter	82,035.09	0.21	Water	138,334 m ³	1.69	Electricity	890,428.80 kWh	10.85	Complied
Item	Consumption	FFB Process (mt)	Cons/mt FFB														
Diesel	3,208 liter	82,035.09	0.21														
Water	138,334 m ³		1.69														
Electricity	890,428.80 kWh		10.85														
4.5.2.2	Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. - Major compliance -	<p>Bukit Kerayong POM established energy management plan to optimize the non-renewable usage and to develop the baseline consumption.</p> <p>Review on the plan, verified management estimate direct usage of non-renewable energy efficiency for operations activities include fossil fuel, electricity, transports and machineries. The estimation includes fossil fuel and electricity by contractors.</p>	Complied														
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Bukit Kerayong POM maintain to use fiber and shell as the renewal source for boiler fuel.	Complied														

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.5.3: Waste management and disposal			
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Bukit Kerayong POM established Environmental Management Plan includes waste management plan. From the plan, management classified three (3) types of waste consist of scheduled waste, domestic waste and recycled waste. Review on the plan verified management identified source of waste products, source pollution and environmental impact into Waste Management Plan.	Complied
4.5.3.2	A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for: a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products. - Major compliance -	Bukit Kerayong POM established Environmental Management Plan includes Waste Management Plan to identify source of pollutions. Review on the plan verified management identified sourced of scheduled waste, domestic waste and recycle waste based of type of each waste. The plan includes with action plan on identified source of waste products, source pollution and environmental impact for each type of waste and PIC.	Complied
4.5.3.3	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 - Major compliance -	SDPB established Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. The procedures as guidelines for Bukit Kerayong POM for handling waste disposal accordingly. Bukit Kerayong POM established scheduled waste store for safe keeping the temporary scheduled waste material before disposal by DOE authorized collector. Review on the inventory record with sample for consignment note dated 30/12/2022 verified management keep the document scheduled waste code for SW410, SW322 and SW409.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	Bukit Kerayong POM disposed domestic waste from workers housing to municipal landfill every two weeks.	Complied
Criterion 4.5.4: Reduction of pollution and emission including greenhouse gas			
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	Bukit Kerayong POM established Environmental Management Plan includes with the assessment plan for all identified polluting activities was established based on the Environment Aspect and Impact assessment. The mill established pollution prevention plan to identified necessary action plan for reducing significant pollutant and emissions. Review on the plan, the mill has identified and monitor polluting activities as per DOE compliance include scheduled waste storage and disposal record, POME final discharge BOD, boiler stack sampling, Green House Gas emission and recyclable waste.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Bukit Kerayong POM have established Environment Management Plan includes Pollution Prevention Plan. Review on the plan, the mill identified to mitigate necessary action on environment issues includes dust from movement of vehicles, EFB Spillage at EFB Hopper, Loose Fruit Spillage at FFB Conveyor Area. <u>Minor Non-conformance (Minor NC)</u> Pollution Management plan was not effectively monitored. During site visit at CPO Despatch Bay, Bukit Kerayong POM, it was found that there is one unit of IBC Tank Containing CPO was placed	Minor NC

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Criterion / Indicator		Assessment Findings	Compliance
		on the land, next to monsoon drain, without any proper containment, and sighted there is spots of oil on ground.	
4.5.4.3	<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>- Major compliance -</p>	<p>Bukit Kerayong POM have established Environment Management Plan includes Pollution Prevention Plan.</p> <p>Review on the plan, the mill has identified and monitor polluting activities as per DOE compliance include scheduled waste storage and disposal record, POME final discharge BOD.</p> <p>Review on the environmental performance, the mill is permitted to discharge their POME to the field using trenching method. Permitted BOD level by the DOE is not more than 5000 mg/l.</p> <p>The mill submitted monthly final discharge sample for verification with the result shown BOD reading as follow.</p> <ol style="list-style-type: none"> 14/01/2023 is 80mg/L 24/12/2022 is 94 mg/L. 	Complied
Criterion 4.5.5: Natural water resources			
4.5.5.1	<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> <ol style="list-style-type: none"> Assessment of water usage and sources. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities. Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, 	<p>Bukit Kerayong POM been supplied of water usage for domestic and operation purpose from Syarikat Air Selangor Berhad and tube well.</p> <p>The mill management obtained water abstraction license to used water from tube well from Lembaga Urus Air Selangor. Review on water usage record it was verified the mill has utilized 138,334 m³ of water to process 82,035.09 Mt of FFB.</p> <p>The mill management discharged POME to the field with written permission from DOE. Review on result of sampled POME discharged for January 2023 and December 2022, verified the result for BOD reading as follow.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	<p>maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<p>1. 14/01/2023 is 80mg/L</p> <p>2. 24/12/2022 is 94 mg/L.</p> <p>The mill established Water Contingency Plan to identify necessary action during the water shortage as follow.</p> <p>1. Outsourcing the water from nearby estates/mill</p> <p>2. Purchase water from outside</p> <p>3. Train workers & staffs on reducing the usage of water</p>	
4.5.5.2	<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>- Major compliance -</p>	<p>Not applicable since the POME discharged through furrow system in the estate.</p>	Not Applicable
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Mill Management			
4.6.1.1	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong POM adopt two (2) set of SDPB HQ SOPs: Sustainability Plantation Management System, with Doc. No.: MQMS/SOM/08 v.1 dated 1/11/2008; and Mill Quality Management Manual Ver. 01 with Doc. No.: 2008/MQMS/QMM/08 as a guidance document to operate the mill.</p>	Complied
4.6.1.2	<p>All palm oil mills shall implement best practices.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong POM established monitoring on the mill processing through supervision by Mill Assistant Engineer. It was verified that all process parameters are monitor, documented and summarized in daily report.</p> <p>Document review on monitoring reporting it was verified the mill been visited by Mill advisor, Structured Oil Recovery Assessment</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		(SORA) and Planning & Monitoring Department in accordingly. Based on the report, the visitors and advisor inspect best practices implemented by Bukit Kerayong POM at all stations.	
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	Bukit Kerayong POM established business planning to ensure long-term economic and financial viability prepared as guidance for future planning. The annual budgets for the period 2023 to 2027 were sighted. The projection for 5 years business plan for FY2023 contains FFB yield, CPO, OER, and KER, costs of production, milling utilization and etc. It also includes environment, social (workers and staff's welfare), and health and safety component and associated capital expenditure.	Complied
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	SDPB established pricing mechanism and conducted as per contract agreement with contractors. Bukit Kerayong POM has received and processed FFB from owned supplying estates and external FFB suppliers. Pricing of the contract displayed in the First Schedule of contract and acknowledged by both suppliers and contractors. Review on the sampled the contract agreements/Letter of Award for services provider and external FFB suppliers as below: 1. CPO Transporter valid until 31/10/2023. 2. Gxx Exxxxx Cxxxxxxxxx Sdn Bhd (xxx Estate) to supply FFB valid until 31/12/2023.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	SDPB established pricing mechanism and conducted as per contract agreement with contractors. Review on the contract agreement, sighted pricing of the job task is available. Payment terms were clearly stated in the agreement signed by the contractor and suppliers. Verified of sampled invoice and payment records as follow. Gxx Exxxxx Cxxxxxxxxx Sdn Bhd (xxx Estate) to supply FFB with payment slip Ref. dated 15/12/2022; Based on the slip, payment was made on 22/12/2022.	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	SDPB established contractor agreement with letter of Award & Acceptance (LOA) with contractor. All contractors shall abide to MSPO requirements and shall provide the required documentation and information through meetings and trainings. Review records of attendance of the meetings were available for verification. SDPB established Ikrar Integriti Vendor which signed by contractor and to comply as follow requirement. a (i); Vendor Code of Business Conduct (VCOBC) a (ii); all applicable laws and regulations related anti-bribery, fraud and corruption. Reviewed the sampled contracts as below: 1. Agreement made between SDPB and Mxxx Exxxxx (1985) Sdn Bhd, dated: 01/01/2022. 2. Agreement made between SDPB and Gxx Exxxxx Cxxxxxxxxx Sdn Bhd., dated: 30/04/2022.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.6.4.2	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p>- Major compliance -</p>	<p>Bukit Kerayong POM engaged contractors for works such as FFB supplier and CPO transporting. Sampled of the agreement/ letter of award (LOA)/ contract between company and the contractors as below:</p> <ol style="list-style-type: none"> 1. CPO Transporter valid until 31/10/2023. 2. Gxx Exxxxx Cxxxxxxxxx Sdn Bhd (xxx Estate) to supply FFB valid until 31/12/2023. <p>Based on the contract review, verified the elements of sustainability describes to be abide by contractors/suppliers as obligations to legal compliance, workers' welfare, safety and environmental issues.</p>	Complied
4.6.4.3	<p>The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.</p> <p>- Minor compliance -</p>	<p>SDPB issued memorandum to all contractors and signed on the letter for the compliance of RSPO/ ISCC/ MSPO/ SCCS requirements in accordance with SDPB HQ Mill Quality Management System. In the memorandum describes contractors/suppliers to comply as follow.</p> <ol style="list-style-type: none"> 1. Comply with local legal requirements 2. Attend the RSPO/ISCC/MSPO/SCCS briefing, or training organized by the company 3. Having signed and enforceable agreement with the company 4. Provide access to the auditors to contractors' operation site(s) and employees whenever deemed necessary 5. Having related working permits 6. Ensure PPE utilization by contractors' employee while being in the company premise. 	Complied

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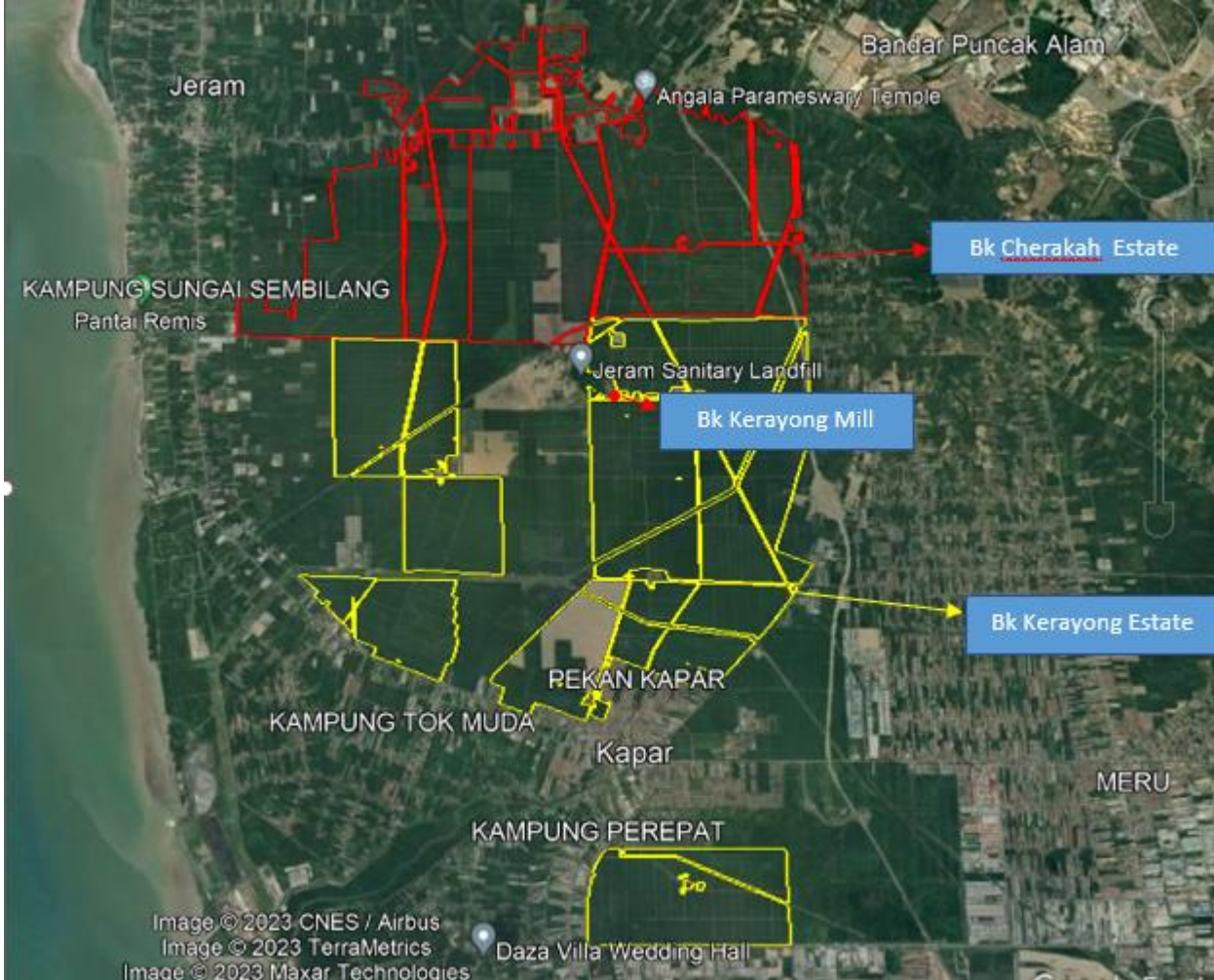
Criterion / Indicator	Assessment Findings	Compliance
	<p>Additionally, all contracted parties/vendors have signed the 'Agreement Letter to be Audited by MSPO/SCCS Auditor'.</p> <p>Bukit Kerayong POM monitor performance of contractors' assessment by SSSO dated 20/12/2022 and Regional SQM dated 27/01/2023 for two (2) sampled contractor as follow.</p> <ol style="list-style-type: none"> 1. Rxxxxx Exxxxxxxxxxx and Cxxxxxxxx 2. Lxxxxx Txx Enterprise 	

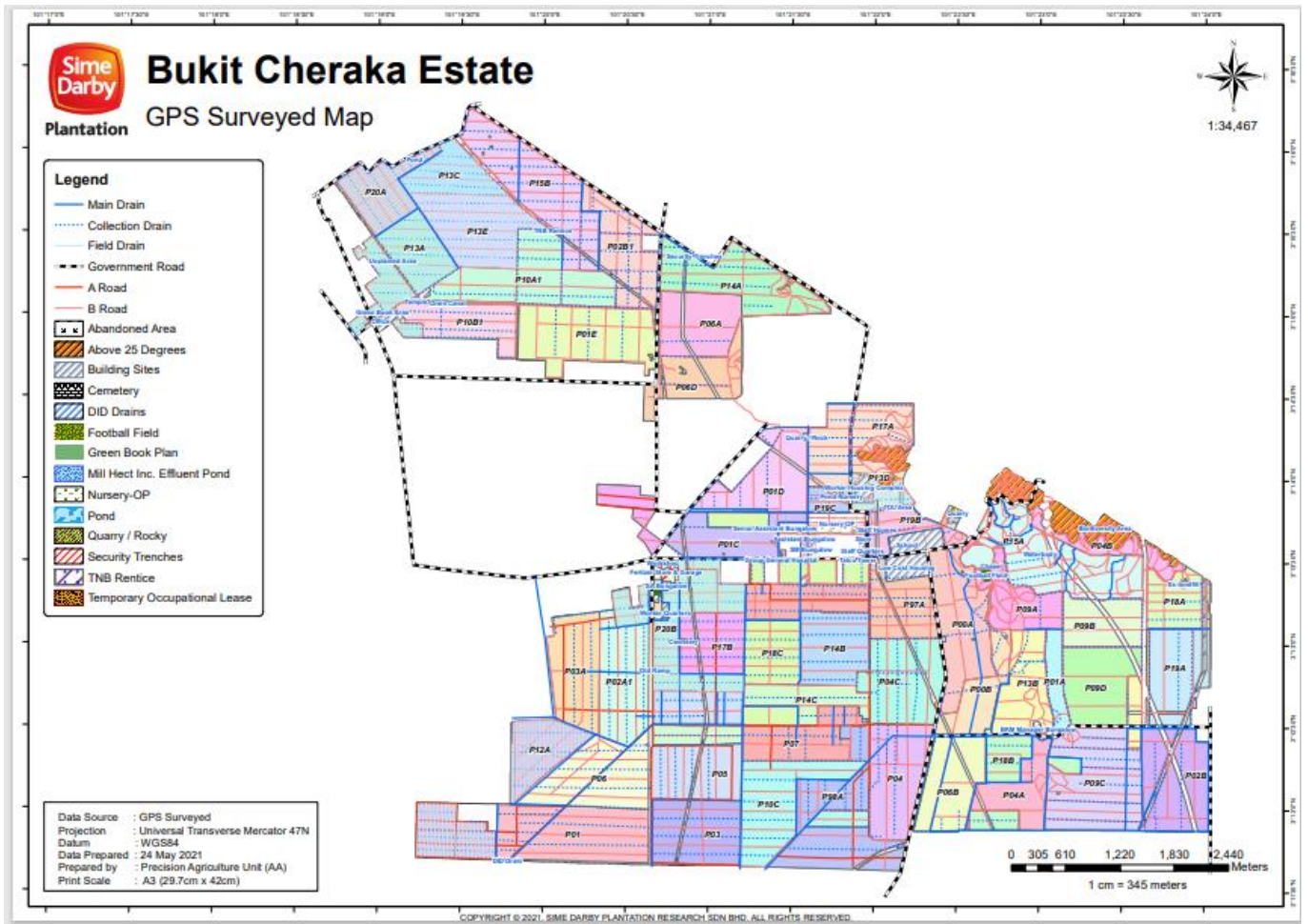
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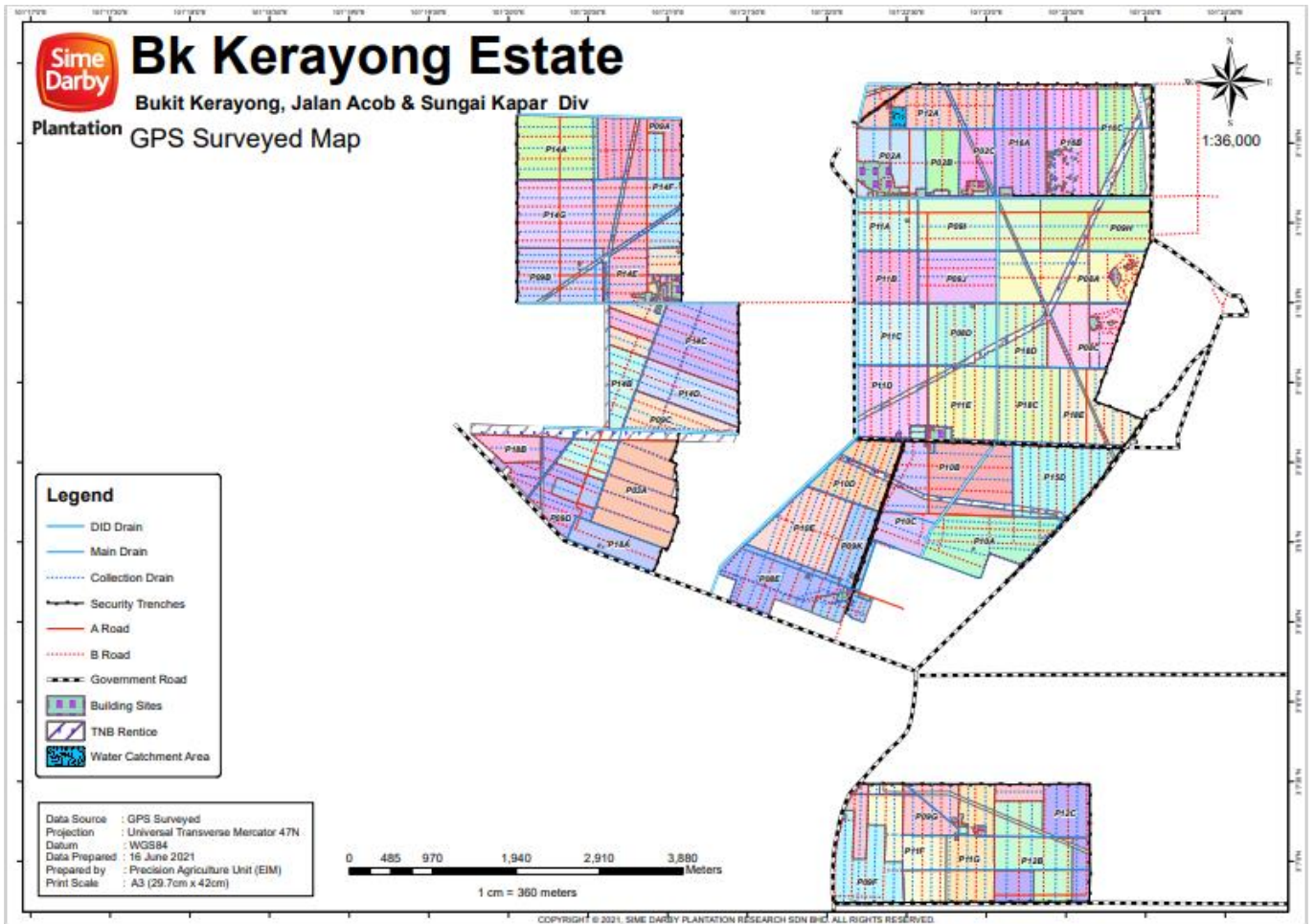
Appendix B: Smallholder Member Details

No.	Smallholder		Location of Planted Area (District)	GPS Coordinates		Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number		Latitude	Longitude		
	NA						

Appendix C: Location and Field Map







Appendix D: 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