

**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 19) Pagoh Palm Oil Mill and Plantations: Pagoh Estate, Pengkalan Bukit Estate and Lanadron Estate
Date of Final Report: 09/01/2023

Report prepared by:
AHMAD RUFİ BIN ABU TALİB KHAN (Lead Auditor)

Report Number: 3511581

Assessment Conducted by:
BSI Services Malaysia Sdn Bhd,
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Sime Darby Plantation Berhad		
Mill/Estate	Certification Unit	MPOB License No.	Expiry Date
	Pagoh Palm Oil Mill	565809104000	31/10/2023
	Pagoh Estate	508589902000	28/02/2023
	Pengkalan Bukit Estate	518941002000	28/02/2023
	Lanadron Estate	522273002000	31/07/2023
Address	Level 11, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7, 47301 Ara Damansara, Selangor, Malaysia		
Management Representative	Mdm. Shylaja Devi Vasudevan Nair		
Website	www.simedarbyplantation.com	E-mail	shylaja.vasudevan@simedarb yplantation.com
			kks.pagoh@simedarbyplantat ion.com fadzil.hasbullah@simedarbypl antation.com
Telephone	+603 7848 4463 (Head Office) +6019 6957380 (Mill Office)	Facsimile	+603-78484356 (Head Office)

1.2 Certification Information			
Certificate Number	Mill: MSPO 682037 Estate: MSPO 685822	Certificate Start Date	12/12/2022
Date of First Certification	12/12/2017	Certificate Expiry Date	11/12/2027
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 recertification assessment 1 and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by the organization's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organization's specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan and where applicable to identify potential areas for improvement of the management system.</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		

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	☒ MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills
Recertification 1 Assessment Visit Date (RAV)	11-14/10/2022
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 600305	RSPO Principles & Criteria for Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019; with Mass Balance Supply Chain Module	BSI Services Malaysia Sdn. Bhd.	27/01/2024
MSPO 714136	MSPO Supply Chain Certification Standard, dated 1/10/2018	BSI Services Malaysia Sdn. Bhd.	11/12/2027

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
Pagoh Palm Oil Mill	Lot 2159, Ladang Pagoh, Mukim Jalan Bakri, 84309 Muar, Johor, Malaysia	2° 04' 40.62" N	102° 43' 07.30" E
Pagoh Estate	Lot 2159, Ladang Pagoh, Mukim Jalan Bakri, 84309 Muar, Johor, Malaysia	2° 04' 40.62" N	102° 43' 07.30" E
Lanadron Estate	KM 4, Jalan Kg. Raja, Panchor, 84500 Muar, Johor, Malaysia	2° 10' 48.70" N	102° 44' 04.00" E
Pengkalan Bukit Estate	KM 19, Jalan Muar Labis, Mukim Jalan Bakri, 84309 Muar, Johor, Malaysia	2° 07' 29.80" N	102° 44' 32.00" E

1.5 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Pagoh Estate	1,988.02	9.10	328.81	2,325.93	85.47%
Lanadron Estate	1,561.96	19.41	117.22	*1,698.59	91.96%
Pengkalan Bukit Estate	2,961.60	2.87	147.94	**3,112.41	95.15%

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Total (ha)	6,511.58	31.38	593.97	7,136.93	
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Notes:

1. *Lanadron Estate – Lanadron Divison: The leasing of Lanadron was discontinued. The land was acquired by Sime Darby Property in September 2021.
2. **Pengkalan Bukit Estate: Difference in total area is due to land sold to KWJ Nursery & Land Acquired by Gov (BAKAJ Project).

1.6 Plantings & Cycle

Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Pagoh Estate	230.66	1,104.33	513.58	0	139.45	1,757.36	230.66
Lanadron Estate	236.92	467.83	754.52	102.69	0	1,325.04	236.92
Pengkalan Bukit Estate	395.46	1,031.63	1,123.13	372.38	39.00	2,566.14	395.46
Total (ha)	863.04	2,603.79	2,391.23	475.07	178.45	5,648.54	863.04

1.7 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Dec 21 - Nov 22)	Actual (Oct 21 - Sept 22)	Forecast (Dec 22 - Nov 23)
Pagoh Estate	40,600.00	25,741.29	37952.00
Lanadron Estate	50,070.00	20,179.58	26,964.42
Pengkalan Bukit Estate	55,000.00	31,814.51	41,695.92
Tangkah Estate	0.00	47.61	0.00
Muar River Estate	0.00	89.13	0.00
Total (mt)	145,670.00	77,872.12	106,612.34

1.8 Uncertified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Dec 21 - Nov 22)	Actual (Oct 21 - Sept 22)	Forecast (Dec 22 - Nov 23)
Outgrowers	0.00	58,780.71	0.00
Total (mt)	0.00	58,780.71	0.00

1.9 Certified Tonnage

Mill Capacity: 45 MT/hr	Estimated (Dec 21 - Nov 22)	Actual (Oct 21 - Sept 22)	Forecast (Dec 22 - Nov 23)
	FFB	FFB	FFB
	145,670.00	77,872.12	106,612.34

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SCC Model: MB	CPO (OER: 21.80%)	CPO (OER: 19.40%)	CPO (OER: 21.80%)
	31,800.00	15,107.19	23,273.65
	PK (KER: 5.32%)	PK (KER: 5.46%)	PK (KER: 5.32%)
	7,760.00	4,251.82	5,671.78

1.10 Actual Sold Volume (CPO)					
CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
15,107.19	0.00	0.00	2,487.34	7,067.78	9,555.12

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
4,251.82	0.00	0.00	4,251.82	0.00	4,251.82

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 11-14/10/2022. The audit programme is included as Section 2.4. The approach to the audit was to treat the Pagoh palm Oil Mill, Pagoh Estate, Pengkalan Bukit Estate and Lanadron Estate as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities. The Public Notification was posted on BSI website on 05/09/2022 which is more than 30 days prior to audit. The notification can be access through the [08-5-mspo-public-notification recertification sime-darby sou-19-pagoh-palm-oil-mill--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 or smallholders' sample were determined based on formula $S = r\sqrt{n}$ where n is the number of estates while when applicable, the smallholder's sample were determined following the MSPO Certification Requirement. The sampling of smallholders was based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members. The sampled smallholder listed in Appendix B.

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 reassessment is detailed in Section 4.2. Major nonconformities were closed offsite due to documentation evidence was sufficient.

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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 / Group smallholders)	Year 1 (Recertification)	Year 2 (ASA 1_1)	Year 3 (ASA 1_2)	Year 4 (ASA 1_3)	Year 5 (ASA 1_4)
Pagoh Palm Oil Mill	X	X	X	X	X
Lanadron Estate	X		X		X
Pengkalan Bukit Estate	X	X		X	X
Pagoh Estate		X	X	X	

Tentative Date of Next Visit: October 9, 2023 - October 12, 2023

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>
Ahmad Rofi Bin Abu Talib Khan (ARK)	Team Leader	<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, managing the day-to-day mill operations. In his five years’ experience, he has experience handling the certification of ISO 9001, OHSAS 18001, ISO 14001 as well as Malaysia Sustainable Palm Oil (MSPO). 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: Policy and commitment, Internal Audit, Management Review, Occupational safety and health, HIRADC, trainings, mill and estate best Practise.</p>

		<p>Language proficiency: Fluent in English and Bahasa Malaysia.</p>
Muhamad Naquiuddin Bin Mazeli (MNM)	Team Member	<p>Education: Bachelor Science Horticulture, UPM.</p> <p>Work Experience: 11 years working experience in oil palm plantation industry as sustainability team. Joining the sustainability team, managed, implement and monitors the RSPO, ISCC, MSPO and ISO 9001 and OHSAS 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also supports in providing training related to RSPO, MSPO and other certifications where applicable to the operations during previous company.</p> <p>Training attended: ISO 9001:2015 LA Training (2019), ISO 14001:2015 LA Training (2018), ISO 45001:2018 LA Training (2018), HCV & HCS Training (2019), RSPO P&C LA Training (2018), MSPO LA Training (2018), SMETA Training (2021), SCCS Training and Refresher (2019).</p> <p>Aspect covered in this audit: Occupation Health Safety requirement, Social Impact Assessment, social responsibility, aspects of social, legal, workers & stakeholders' consultation.</p> <p>Language proficiency: Fluent in both verbal/written Bahasa Malaysia and English Language.</p>
Hanafi bin Shufaat @ Mohd (HSM)	Team Member	<p>Education:</p> <ol style="list-style-type: none"> 1) Diploma in Plantation Technology and Management, graduated from Universiti Teknologi Mara in 2001. 2) Executive Masters Plantation Technology and Management graduated from Asean E-University in 2012. <p>Work Experience: Has 17 years working experience at managerial level of oil palm in the plantation industry in Malaysia and abroad and working with giant plantation players. The last position was Senior Manager in Primula Gemilang Sdn Bhd, Sibul, Sarawak and responsible for 12,000 hectare of oil palm plantation with 100-hectare nursery. Also had accumulated more than 3 years of sustainability implementation experience. Also qualified Lead Auditor for MS 2530:2013 and has accumulated more than 250 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia.</p> <p>Training attended:</p> <ol style="list-style-type: none"> 1) ISO 9001:2015 Lead Auditor Course 2) ISO IMS 9001 and 14001 Lead Auditor Course 3) MSPO 2530:2013 Lead Auditor Course <p>Aspect covered in this audit: Legal requirements, natural and HCV conservation, water & wastes management, environmental aspects, GAP, mill best practices, training, and economic management plan.</p>

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		<p>Language proficiency: Fluent in both verbal/written Bahasa Malaysia and English Language.</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
1.	Valence Shem	Qualifying Reviewer

2.4 Assessment Plan

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

Date	Time	Subjects	ARK	MNM	HSM
Monday, 10/10/2022		Audit team travel to Muar	√	√	√
Tuesday, 11/10/2022 Lanadron Estate - 3 Auditors	0800 - 0930	Audit team travel to Lanadron Estate Opening Meeting: <ul style="list-style-type: none"> • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation). • Verification on previous audit findings 	√	√	√
	0930 - 1230	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, Scheduled wastes management, worker housing, clinic, Landfill, etc.	√	√	√
	1230 - 1330	Lunch	√	√	√
	1330 - 1700	Document Review (MS 2530:2013 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices, P7: Development of New Planting	√	√	√
	1700 - 1730	Interim closing meeting	√	√	√
	Wednesday, 12/10/2022 Lanadron Estate - 1 Auditor (HSM) & Pengkalan Bukit Estate - 2 Auditors (ARK & MZM)	0900 - 1230	Document Review (MS 2530:2013 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices, P7: Development of New Planting	√	√
1230 - 1330		Lunch	√	√	√
1330 - 1700		Document Review (MS 2530:2013 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices, P7: Development of New Planting	√	√	√

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Date	Time	Subjects	ARK	MNM	HSM
	1700 - 1730	Interim closing meeting	√	√	√
Thursday, 13/10/2022	0900 - 1230	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, Scheduled wastes management, worker housing, clinic, Landfill, etc.	√		√
Pengkalan Bukit Estate - 2 Auditors (ARK & HSM)	1000 - 1200	Stakeholder Consultation Meeting – (Government, Village Rep, Smallholders, Union Leaders, Contractors) – Pagoh Palm Oil Mill		√	
Pagoh POM - 1 Auditor (MZM)	1230 - 1330	Lunch	√	√	√
	1330 - 1700	Document Review (MS 2530:2013 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices, P7: Development of New Planting Document review (MS2530:2013 Part 4): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices	√	√	√
	1700 - 1730	Interim closing meeting	√	√	√
Friday, 14/10/2022	0900 - 1230	Assessment: Plant visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√		√
Pagoh POM - 2 Auditors (ARK & HSM)	1230 - 1330	Lunch	√		√
	1330 - 1600	Document review (MS 2530:2013 Part 4): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices	√		√
	1600 - 1630	Auditor Meeting - Preparation for Closing Meeting	√		√

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Date	Time	Subjects	ARK	MNM	HSM
	1630 - 1700	Closing Meeting	√		√

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

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

During the assessment there were Two (2) Major, One (1) Minor nonconformities and Zero (0) OFI raised. The SOU 19 Pagoh Palm Oil Mill and 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 will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Non-conformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-Conformity Report			
NCR Ref #:	2263080-202210-M1	Issue Date:	14/10/2022
Due Date:	14/01/2023	Date of Closure:	26/12/2022
Area/Process:	Pengkalan Bukit Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.5.3.2 Major
Requirements:	a) A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: 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.		
Statement of Nonconformity:	Waste Management Plan found to be inadequately documented and implemented.		
Objective Evidence:	<u>Pengkalan Bukit Estate</u> 1) Waste Management Plan stated that Household Waste (Housing Compound) disposed via arrangement of contractor to collect domestic waste from worker housing complex. During the site visit at the housing complex, it was verified that the domestic waste was also disposed to a landfill opposite the housing compound. 2) Visit to the mentioned landfill at Pengkalan Bukit Estate, sighted that waste were not segregated prior to them being disposed at the landfill. Items such as Containers contaminated with mineral oil, recyclable waste such as plastic		

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	containers, tires, fertilizer bags and plastic bottles were seen disposed at the landfill. This was not in accordance with the Waste management Plan.
Corrections:	<ol style="list-style-type: none"> 1. Wastes were segregated into degradable waste, scheduled waste and recyclable waste. 2. The management had closed the pit hole on 13/10/2022 after completing the waste segregation. 3. Scheduled wastes was transferred and stored in a scheduled wastes store. 4. Recyclable wastes were disposed in a recycle bin.
Root cause analysis:	<p>The mentioned pit was an ex-deboling pit for Ganoderma palm which was not completely closed.</p> <p>The linesite sweeper was using this pit to dispose garden waste (dry leaves). Eventually due to lack of awareness and understanding on segregation practices by the Estate Management, he had also disposed recyclable & scheduled wastes during a cleaning activity at workers housing complex.</p>
Corrective Actions:	<ol style="list-style-type: none"> 1. The Estate Management to brief all workers on estates' waste management plan that have been implemented. 2. The Estate Management will monitor through Person In Charge of Accommodation (PIOA) to ensure waste management is in line with waste management plan.
Assessment Conclusion:	<p>Evidence submitted and verified:</p> <ol style="list-style-type: none"> 1. Training has been conducted on 28/10/2022 regarding the waste management plan and schedule waste to the workers. Sighted the training report stated that the training was given related to schedule waste and segregation of waste. 2. The person in charge of accommodation has been conducting the accommodation, verification of has been made through the checklist submitted dated 17,23,24,26/11/2022 <p>All the evidence has been verified. The corrective action plan was effectively implemented. The major non-conformity was effectively closed on 26/12/2022.</p>

Non-Conformity Report			
NCR Ref #:	2263080-202210-M2	Issue Date:	14/10/2022
Due Date:	14/01/2023	Date of Closure:	26/12/2022
Area/Process:	Pengkalan Bukit Estate	Clause & Category (Major / Minor)	MSPO 2530 Part 3: 4.4.4.2(b) Major
Requirements:	The occupational safety and health plan shall cover the following: (b) The risks of all operations shall be assessed and documented.		
Statement of Nonconformity:	The Mitigation plans and procedures on risk were not effectively demonstrated.		
Objective Evidence:	<p><u>Pengkalan Bukit Estate</u></p> <ol style="list-style-type: none"> 1. During site visit at Manuring Operation, Field 11B Division Pagoh, it was found 1 manurer was wearing surgical mask instead N95 mask and 3 workers was not wearing eye protection while apply Manuring Activities type NK Compact 10.5/30. It was not in line with HIRARC dated 13/08/2021 Activity 5 Applying Fertilizer, with the hazard of dusty fertilizer and the existing risk control of sufficient clean water supply, long sleeve shirt, cotton gloves, facemask N95, apron and eye goggle. 		

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	<p>2. During site visit at field P08B main Division, harvesting area, it was found that the loose fruit attendance standing on the fully jacked scissors lift hopper. The unsafe act was not captured in the HIRARC. At the same field, it was noticed that 2 scissors lift driver were wearing wellington shoes instead of safety shoes. It was not in line with "Prosedur Kerja Tatacara Kerja Pemandu Kenderaan (Traktor, Mini Traktor, JAMSA, LG) with reference PBE/OC/SOP-13, Semasa Memandu: (10) Jangan Sekali-kali membenarkan sesiapa berada di atas muatan yang anda bawa samaada sewaktu anda sedang berhenti atau sedang bergerak" and (2) Dilarang menggunakan selipar/ capal atau kasut yang tidak menepati ciri-ciri keselamatan yang di tetapkan. Pemakaian PPE seperti kasut keselamatan, topi keselamatan, penutup telinga dan jaket pemantul cahaya adalah diwajibkan".</p>
Corrections:	<p>1) Correction has been taken immediately to workers by providing N95 to manurers. 2) Correction has been taken immediately to machine attendant by providing rake with longer handle to clear any clogged debris at trailer. 3) Correction has been taken immediately to instruct workers to use safety shoes provided by the management.</p>
Root cause analysis:	<p><u>Pengkalan Bukit</u></p> <p>1) The worker did not request for replacement with Mandore when his N95 mask damaged during working, hence he wore surgical mask to protect himself. There was no supervision of PPE usage at work. 2) Loose fruits were clogged at the edge of scissor lift trailer. There is no tool to clear the clogged loose fruits off the trailer. Hence the machine attendant climb at the scissor lift to clear the clogged loose fruit off the trailer. 3) Lack of training/ awareness among workers on PPE Usage even after the management has provided PPE.</p>
Corrective Actions:	<p>Refresher training on PPE utilization among manurers and machine attendants.</p>
Assessment Conclusion:	<p>Evidence submitted and verified:</p> <p>1. Training has been conducted on 15/11/2022 regarding the Safe Working Procedure (SWP) Tata Kerja Mengangkat Biji Sawit (PBE/OC/SOP-LOADER) and HIRADC – Loose Fruit Loader. During the same training, the management has briefed the workers on replacing the PPE is available at store. Attendance list of 35 workers were sighted in the records.</p> <p>All the evidence has been verified. The corrective action plan was effectively implemented. The major non-conformity was effectively closed on 26/12/2022</p>

Non-Conformity Report			
NCR Ref #:	2263080-202210-N1	Issue Date:	14/10/2022
Due Date:	Next Assessment	Date of Closure:	Open
Area/Process:	Pagoh POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.6.1.1 Minor
Requirements:	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.		
Statement of Nonconformity:	The Mitigation plans and procedures on risk were not effectively demonstrated.		

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Objective Evidence:	During site tour at mill, sterilizer section. It was found one operator was not wearing earplug while working there. It was not in line with Prosedur Kerja Selamat Sterilization Mill Chargehand / Operator, Section 1 Pastikan pekerja yang bertugas di stesen ini menggunakan PPE yang sesuai seperti berikut: Topi Keselamatan, Sarung Tangan, Ear Plug and Safety Boots and HIRADC MS0003 Steriliser Station, dated 5/10/2022, activity 3 operasi steriliser, hazard – bunyi bising, kawalan risiko – job rotation, break time, noise risk assessment, audiometric test(annually), hearing conservation, warning signages, PPE – earplugs and ear muffs.
Corrections:	<u>Pagoh POM</u> Immediate action has been taken by mill management by informing the said employee to take and wear new sets of ear plugs. A warning letter has been issued to the said employee. Refresher briefing has been conducted immediately the next day morning to all sterilizer operators (both shifts) on 14/10/2022 on the importance of PPE usage with inspection on individual PPE availability during morning toolbox. Another round of briefing has been conducted to all employees on 17/10/2022 with a set of PPE inspection checklist.
Root cause analysis:	<u>Pagoh POM</u> Mill management has provided PPE to every employee and record of PPE issuance is available. There is an absence of PPE availability monitoring for each individual employee. Based on immediate investigation done on the same day, the employee said his ear plugs were damaged and he has yet to take new sets available from the store. This shows the lack of awareness on the importance of wearing hearing protection among the said employees.
Corrective Actions:	<u>Pagoh POM</u> Mill management has come out with daily PPE inspection checklist. Assistants Manager and Supervisors will check the usage of PPE including ear plugs/ earmuffs to all workers during morning toolbox briefing.
Assessment Conclusion:	CAP has been accepted on 01/11/2022, the effectiveness of CAP is to be verify in the next assessment.

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

Noteworthy Positive Comments	
1.	Good relationship being maintained with surrounding communities and stakeholders.
2.	Good commitment from the management on maintaining the certification.

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3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	2116522-202110-N1	Issue Date:	13/10/2021
Due Date:	14/10/2022	Date of Closure:	14/10/2022
Area/Process:	Pagoh POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.4.4.2 Minor
Requirements:	<p>The occupational safety and health plan should cover the following:</p> <ul style="list-style-type: none"> b) The risk of all operations shall be assessed and documented. c) 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 Labelling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000 		
Statement of Nonconformity:	Occupational Safety and health Plan were not effectively implemented.		
Objective Evidence:	<ol style="list-style-type: none"> 1. Sighted the HIRARC for Ramp – FFB Grading reviewed on 29/09/2021 due to a related incident that occurred on 20/09/2021. The reviewed HIRARC stated the recommended risk control as – wear safety goggles. Based on the verification and interview with the workers and the worker involved with the incident, they have not been provided with the goggles for the activity. 2. The storage of Petronas Diesel Euro 5 (B7) was not in accordance with the Mill Quality Management System under the Occupational Safety Health Manual, Chapter 9 (Chemical Safety Management) states under No. 6.0 Procedures for Handling, iii. <i>Ensure that containers is properly labelled, not damaged and no spillage during handling.</i> During the site visit to the Lubricant Store it was noticed that the diesel and lubricants were stored in containers that were not labelled accordingly. 		
Corrections:	<ol style="list-style-type: none"> 1. Ramp operators has been briefed on 11/10/2021 on the importance of using of suitable PPE and operation procedure. Goggles have been provided to Ramp Operators on 11/10/2021. 2. Person in charge for store, workshop operators & technical supervisor have been briefed on 11/10/2021 regarding labelling requirement. 		
Root cause analysis:	<ol style="list-style-type: none"> 1. The PIC did not aware of the changes in HIRARC. 2. There is no monitoring by PIC of the store for container without labelling. 		
Corrective Actions:	<ol style="list-style-type: none"> 1. To include the PIC when reviewing HIRARC. 2. Lubricant Store has been equipped with check list form and will be checked periodically PIC & verified by Assistant Engineer to ensure store in good condition. Inspection checklist has start implemented 18/10/2021. 		
Assessment Conclusion:	CAP has been accepted at 25/11/2021. The effectiveness of CAP to be verified in the next assessment.		
Verification Statement:	Verification has been conducted during the re-assessment audit. Interview session has been conducted to the FFB Ramp operators which found that the understanding and implementation of using the goggles are good. Workers were found to able to		

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	<p>brief the auditor regarding the safety requirement and reason behind the usage of eye goggles at FFB Ramp.</p> <p>Site visit at diesel storage areas found that the management has properly labelled all the storage, the area is clean, and well maintain, and all lubricant containers are labelled accordingly. This Minor NC is closed effectively.</p>
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Non-Conformity Report			
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NCR Ref #:	2116522-202110-N2	Issue Date:	13/10/2021										
Due Date:	14/10/2022	Date of Closure:	14/10/2022										
Area/Process:	Lanadron & Pagoh Estate	Clause & Category (Major / Minor)	MSPO 2530 Part 3: 4.5.5.1 Minor										
Requirements:	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p>												
Statement of Nonconformity:	Occupational Safety and health Plan were not effectively implemented.												
Objective Evidence:	<p><u>Lanadron Estate</u></p> <p>The results of the Incoming and Outgoing Water Quality along Muar River indicated the DO* does not conform with Class IIA/IIB of NWQS for natural waterways. The estate has raised a Corrective/Preventive Action Report on 24/09/2021 that indicated the root cause was due to the sampling being done on a rainy day. Nevertheless, the resampling was not conducted simultaneously as per the Water Sampling Procedure.</p> <p><u>Pagoh Estate</u></p> <p>Water Analysis Test Report (Report Number: IE739/2021); Date: 07/07/2021; Results indicated that the DO* does not conform with Class IIA/IIB of NWQS for natural waterways. The estate has not raised a Corrective/Preventive Action Report and has not conducted resampling as per the Water Sampling Procedure. Therefore, a minor nonconformity was raised.</p>												
Corrections:	PIC to arrange for water quality monitoring.												
Root cause analysis:	The PIC is not aware of the water sampling procedure.												
Corrective Actions:	Refresher training to the PIC on the water sampling procedure.												
Assessment Conclusion:	CAP has been accepted at 25/11/2021. The effectiveness of CAP to be verified in the next assessment.												
Verification Statement:	<p>An interview with the water sampler PIC, Pn Siti Fatimah binti Johal, Storekeeper, the PIC has been brief and trained by the management to ensure the water sampling taken as per procedure.</p> <p>Verified the SOP and the Water Sampling Plan for year 2022 was prepared by Lanadron Estate.</p> <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th>Item</th> <th>Water sampling 1</th> <th>Water sampling 2</th> <th>Water sampling 3</th> <th>Water sampling 4</th> </tr> </thead> <tbody> <tr> <td>Plan</td> <td>01/03/2022</td> <td>01/06/2022</td> <td>01/10/2022</td> <td>01/12/2022</td> </tr> </tbody> </table>			Item	Water sampling 1	Water sampling 2	Water sampling 3	Water sampling 4	Plan	01/03/2022	01/06/2022	01/10/2022	01/12/2022
Item	Water sampling 1	Water sampling 2	Water sampling 3	Water sampling 4									
Plan	01/03/2022	01/06/2022	01/10/2022	01/12/2022									

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Actual	29/03/2022	22/07/2022	03/10/2022																	
<p>The results indicated the DO* does not conform with Class IIA/IIB of NWQS for natural waterways.</p> <table border="1"> <thead> <tr> <th>Sample</th> <th>BOD (mg/l)</th> <th>COD (mg/l)</th> <th>DO* (mg/l)</th> </tr> </thead> <tbody> <tr> <td>Upstream</td> <td>4</td> <td>36</td> <td>3.21</td> </tr> <tr> <td>Midstream</td> <td>6</td> <td>72</td> <td>3.42</td> </tr> <tr> <td>Downstream</td> <td>5</td> <td>48</td> <td>3.72</td> </tr> </tbody> </table> <p>** - Threshold (Standard Quality) BOD – 3mg/L, COD-25mg/L, DO- 5.0-7.0mg/L</p> <p>Referring Corrective/Preventive Action Report for Non-Conforming Water Analysis Results - Form Code: WQ-01/CPAR (1) for test report no. IE1187/2022 verified the corrective action(s) taken:</p> <ol style="list-style-type: none"> 1. To do sampling when there is no rainy day 2. To monitor surrounding activity to prevent pollution either from estate or outsider. 3. To continue estate operation as is and monitor the water quality as the SPMS Appendix 7. <p>Finding/Conclusion</p> <p>The results as compared between incoming and outgoing waters have variances. Further investigation shall be done to gather info on:</p> <ol style="list-style-type: none"> 1. Continued practice to avoid further pollution by estate operation. 2. What are the activities that might have resulted poor result. 3. How the water treatment been conducted by water staff/PIC. <p>Estate has been visited by Department of Environment (DOE) and Badan Kawal Selia Air Johor (BAKAJ) ON 07/09/2022.</p> <ol style="list-style-type: none"> 1. En. Muhamad Izzat – Pen. Jurutera – BAKAJ 2. En. Nabil Abid – Pen. Jurutera - BAKAJ 3. En. M. Farris Izzuddin - Pen. Penguatkuasa – BAKAJ 4. En. Nazlie Shah – Pembantu Makmal - BAKAJ 5. En. Mohd Aizuddin Ab Razak – Ketua Cawangan – DOE 6. En. Mohd Norhakim – Pen.Jurutera – DOE 7. En. Muhammad Husaini Abd Kadir – Pen. Pegawai Kawalan – DOE. <p>The visit is due to follow up on the low pH level at the intake SAJ (4.9). After the test done for Lanadron Estate and Kampung Hujung Tambak. Form the result of the test verified that the pollution is from the Kampung Hujung Tambak which is the area occupied more people compared to Lanadron Estate.</p> <p>This Minor NC is effectively closed.</p>					Sample	BOD (mg/l)	COD (mg/l)	DO* (mg/l)	Upstream	4	36	3.21	Midstream	6	72	3.42	Downstream	5	48	3.72
Sample	BOD (mg/l)	COD (mg/l)	DO* (mg/l)																	
Upstream	4	36	3.21																	
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Downstream	5	48	3.72																	

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Opportunity For Improvement																																																									
Ref:	2116522-202110-I1	Clause:	MSPO 2530 Part 4: 4.5.4.3																																																						
Area/Process:	Pagoh POM																																																								
Objective Evidence:	<p>It was observed that the pH recorded levels slightly higher than the standard parameter at the Final Discharge Point for the month Apr 2021 – Sept 2021. The mill has justified that the levels does not affect the environment negatively. Nevertheless, the mill can conduct further monitoring and methods to ensure the pH levels are brought below the standard parameters.</p>																																																								
Verification Statement:	<p>The quality of discharged effluent was analyzed every month and the parameters are T, pH, BOD, COD, TS, SS, O&G, AN and TN. DOE standards. Monthly and quarterly report was submitted to DOE accordingly. Sighted the Analysis Test Report Results as follows:</p> <ol style="list-style-type: none"> Test Report Number: EP450/2022, EP,385/2022, EP360/2022, EP289/2022, EP241/2022 Date Sampled: 09/09/2022, 05/08/2022, 04/07/2022, 08/06/2022, 19/05/2022 Lab Code: C-W-EP-202209-002007, C-W-EP-202208-001685, C-W-EP-202206-001287, C-W-EP-202205-001040 <p>• Results</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Month</th> <th>pH</th> <th>BOD</th> <th>SS</th> <th>TN</th> <th>AN</th> <th>O&G</th> </tr> </thead> <tbody> <tr> <td>May 22</td> <td>9.2</td> <td>9</td> <td>30</td> <td>27</td> <td><1</td> <td>5</td> </tr> <tr> <td>Jun 22</td> <td>8.7</td> <td>9</td> <td>80</td> <td>18</td> <td><1</td> <td>15</td> </tr> <tr> <td>Jul 22</td> <td>8.0</td> <td>13</td> <td>40</td> <td>51</td> <td><1</td> <td>2</td> </tr> <tr> <td>Aug 22</td> <td>9.0</td> <td>14</td> <td>60</td> <td>51</td> <td><1</td> <td>6</td> </tr> <tr> <td>Sept 22</td> <td>9.26</td> <td>7</td> <td>35</td> <td>27</td> <td><1</td> <td>4</td> </tr> </tbody> </table> <p>Threshold level Final discharge – pH - 5.0 – 9.0 BOD - 20 TN - 200 AN - 150 SS - 200 O&G - 20</p> <p>The results indicated that the pH does not conform with the parameter limits for watercourse discharge. From the last year audit finding and OFI raised verified that estate has implement PD salt application to reduce pH level for final discharge. Referring to the record salt application w.e.f February 2022 the application of salt is based on the previous pH result.</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Month</th> <th>Salt application (kg)</th> </tr> </thead> <tbody> <tr> <td>Feb 22</td> <td>400</td> </tr> <tr> <td>Mar 22</td> <td>600</td> </tr> <tr> <td>Apr 22</td> <td>400</td> </tr> <tr> <td>Aug 22</td> <td>400</td> </tr> <tr> <td>Sep 22</td> <td>1,800</td> </tr> </tbody> </table>			Month	pH	BOD	SS	TN	AN	O&G	May 22	9.2	9	30	27	<1	5	Jun 22	8.7	9	80	18	<1	15	Jul 22	8.0	13	40	51	<1	2	Aug 22	9.0	14	60	51	<1	6	Sept 22	9.26	7	35	27	<1	4	Month	Salt application (kg)	Feb 22	400	Mar 22	600	Apr 22	400	Aug 22	400	Sep 22	1,800
Month	pH	BOD	SS	TN	AN	O&G																																																			
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	<p>From the final discharge report the pH reading are fluctuate, it was observed that the pH recorded levels already reduce compared to year 2021 than the standard parameter.</p> <p>From the table Final Discharge Point for the month May 2022 – Sept 2022. The mill has justified that the levels does not affect the environment negatively.</p> <p>Further monitoring and methods to ensure the pH levels are brought below the standard parameters are taken by writing letter to Director of Department of Environment on 29th March was inform on the effluent final discharge analysis report was sent for acknowledgement and sighted verification on the acknowledgment letter on the same date from the DOE office. Therefore, an OFI was raised for last year was closed.</p>
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3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
2263080-202210-M1	4.5.3.2 Part 3 Major	14/10/2022	26/12/2022
2263080-202210-M2	4.4.4.2(b) Part 3 Major	14/10/2022	26/12/2022
2263080-202210-N1	4.6.1.1 Part 4 Minor	14/10/2022	Open

3.5 Issues Raised by Stakeholders

IS #	Description
1	<p>Issues: <u>NUPW representative</u></p> <p>They informed that no pending issue during the time of audit. They will discuss with the management if there is any issue reported. Workers are paying in accordance with Minimum Wage Order 2022.</p>
	<p>Management Responses:</p> <p>Noted on the information.</p>
	<p>Audit Team Findings:</p> <p>No further information.</p>
2	<p>Issues: <u>Worker’s representative</u></p> <p>The workers are satisfied with the management, and they informed that their wages have achieved Minimum Wage Order 2020. They are aware of the complaint procedure. No discrimination from the management.</p>
	<p>Management Responses:</p> <p>Noted on the information.</p>
	<p>Audit Team Findings:</p> <p>No further information.</p>
3	<p>Issues: <u>Local Community Head (Kg Hujung Tambak)</u></p>

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	<p>There are some issues regarding to waterlog due to TNB new building nearby the estate and hope the management can clear the canal between estate and TNB area that block the water from the village. To ensure the road that been used by estate nearby village for FFB transportation in good condition.</p> <p>Management Responses: The management already communicate with TNB because the drain was under TNB management and already arrange the meeting between the village and TNB on end month of Oct 2022. The road was under government so the management will help fix which road that been using by the company only.</p> <p>Audit Team Findings: No further information.</p>
4	<p>Issues: <u>Contractors (MTJJ Enterprise, SM Angkut)</u> There is no late payment issue from Estate to contractors. Agreement is valid and signed by both parties. Contractor workers' pay slip were kept in office.</p> <p>Management Responses: Noted on the information.</p> <p>Audit Team Findings: No further information.</p>
5	<p>Issues: <u>Smallholder</u> The have the same issue with Kg Hujung Tambak regarding to waterlog and field flooding due to drain under TNB.</p> <p>Management Responses: The management already communicate with TNB because the drain was under TNB management and already arrange the meeting between the village and TNB on end month of Oct 2022.</p> <p>Audit Team Findings: No further information.</p>

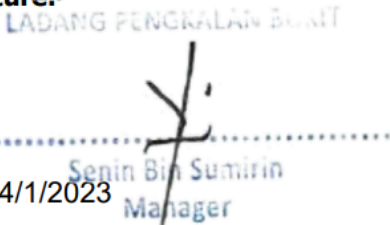

3.6 List of Stakeholders Contacted

<p>Government Officer: Nil</p>	<p>Community/neighbouring village: Kampung Hujung Tambak</p>
<p>Suppliers/Contractors/Vendors: MTJJ Enterprise SM Angkut</p>	<p>Worker's Representative/Gender Committee: NUPW Representative</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings

Based on the findings during the assessment SOU 19 Pagoh Palm Oil Mill and Supply Bases Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of SOU 19 Pagoh Palm Oil Mill and Supply Bases Certification Unit is continued.

Acknowledgement of Assessment Findings	Report Prepared by
Name: SENIN BIN SUMIRIN	Name: AHMAD RUFİ BIN ABU TALİB KHAN
Company name: SIME DARBY PLANTATION BHD	Company name: BSI SERVICES MALAYSIA SDN BHD
Title: MANAGER	Title: LEAD AUDITOR
Signature:  Date: 4/1/2023	Signature:  Date: 26/12/2022

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 -	Sighted Group Sustainability & Quality Policy Statement dated 02/12/2019 signed by Group Managing Director Mr. Mohamad Helmi Othman Basha.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The policy established mention that Sime Darby Plantation Berhad are committed to making: <ol style="list-style-type: none"> 1. Promoting Good Governance and Transparency 2. Contributing to a better society 3. Minimizing environmental harm 4. Delivering sustainability quality <p>This policy shall be guided by the commitment spelt out in the company's:</p> <ol style="list-style-type: none"> 1. Responsible Agriculture Charter (RAC) 2. Human Right Charter (HRC) 3. Innovation & Productivity Charter (IPC) 	Complied
Criterion 4.1.2 – Internal Audit			

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Criterion / Indicator		Assessment Findings	Compliance															
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 -	<p>RSPO + MSPO Internal Audit for SOU 19 Pagoh was carried out Sustainability and Quality Management (SQM) Department. The audit plan was submitted to region on 25/7/2022, by Lead Auditor - Mohd Saiful Bari Munir. The Internal Audit was conducted on 10/08/2022 at Lanadron Estate and 11/08/2022 at Pengkalan Bukit Estate. The audit was carried out based on the reference of MS 2530-3:2013 and MS 2530-4:2013.</p> <p>Summary of findings as below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Estates</th> <th>Date of audit</th> <th>Major NC</th> <th>Minor NC</th> <th>OFI</th> </tr> </thead> <tbody> <tr> <td>Lanadron</td> <td>10/8/2022</td> <td style="text-align: center;">01</td> <td style="text-align: center;">00</td> <td style="text-align: center;">00</td> </tr> <tr> <td>Pengkalan Bukit</td> <td>11/8/2022</td> <td style="text-align: center;">05</td> <td style="text-align: center;">03</td> <td style="text-align: center;">01</td> </tr> </tbody> </table> <p>Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.</p>	Estates	Date of audit	Major NC	Minor NC	OFI	Lanadron	10/8/2022	01	00	00	Pengkalan Bukit	11/8/2022	05	03	01	Complied
Estates	Date of audit	Major NC	Minor NC	OFI														
Lanadron	10/8/2022	01	00	00														
Pengkalan Bukit	11/8/2022	05	03	01														
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 -	<p>Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 1/9/2017. The frequency of the internal audit shall be carried out at least once a year and when is required.</p> <p>Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.</p>	Complied															
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The internal audit report has distributed to the estate's management. The Management Representative has acknowledged on the acceptance of the Internal Audit Report on 10/08/2022 in Lanadron Estate and 11/08/2022 at Pengkalan Bukit Estate. Management review meeting was conducted to review the findings of the internal audit.	Complied															

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Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>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.</p> <p>- Major compliance -</p>	<p>Both Lanadron Estate and Pengkalan Bukit Estate has conducted the Management Review Meeting each on 22/08/2022 and 26/08/2022 accordingly. The minutes of meeting was sighted, and the meeting agenda verified discussing the following:</p> <ol style="list-style-type: none"> 1. Opening Remarks by Chairman 2. Previous Meeting Minutes Review 3. Matters Arising from Previous Minutes of Meeting 4. Objective/ Management Program 5. Training Plan 6. Results from Internal Audits: RSPO & MSPO 7. Nonconformity, Corrective and Preventive Actions 8. Customers/ Stakeholders Feedback/ Complaints 9. Resource Needs 10. Changes that could affect the management systems 11. Recommendations for Improvement 12. Other matters 13. Conclusion 	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>The plans for continual improvements established as detailed below:</p> <p><u>Lanadron Estate</u></p> <ol style="list-style-type: none"> 1. Improvement Plan for Estate Operation 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> • Introduction of Land Surf to replace manual wheelbarrow to increase FFB evacuation at newly matured area. <p>2. Improvement Plan for Employees Welfare and Housing</p> <ul style="list-style-type: none"> • Roof and ceiling replacement • Provide steel cabinet for safekeeping • Appointment of gender representative • Briefing on prevention of sexual harassment. <p><u>Pengkalan Bukit Estate</u></p> <p>1. Improvement Plan for Estate Operation</p> <ul style="list-style-type: none"> • Introduction of drone spraying at immature area to counter labour shortage. • Using mechanization harvesting system to increase workers earnings and reduce labour • Using tractor (ST102) for circle & path spraying to reduce labour gain coverage <p>2. Improvement Plan for Employees Welfare</p> <ul style="list-style-type: none"> • Roof and ceiling replacement • Provide steel cabinet for safekeeping • Appointment of gender representative • Briefing on prevention of sexual harassment. 	
4.1.4.2	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.	This is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Dissemination of information by the RCEO and RGM are transacted during the monthly Managers meetings and emails.	
4.1.4.3	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. - Major compliance -	Where introduction of new machines and new work method, all level of employees will be trained to handle /implement the new techniques and work changes. Monitoring is made by the Estate Managers and Assistants throughout the on-the-job training and familiarization.	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 the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate and also Suara Kami Helpline dated 15/04/2020. 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. Manager is responsible for address the communication and requests. Latest record communication was on 06/10/2022 and on 02/08/2022 sampled in Lanadron Estate.	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.	The management has 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. Besides, internal and external stakeholders could access to	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	the company's website to obtain information such as policies, annual report and complaint procedures. The link for publicly available <u>Policies and Legislations Sime Darby Berhad.</u>	
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 -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate. 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. Dosh logbook available and the record showed was updated until 21/12/2021.	Complied
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	The estate visited has appointed personnel to be responsible for Social Issues as per appointment letter which state the responsible of the PIC as follows: <ol style="list-style-type: none"> 1. Investigate any complaint or grievances on social issue and suggest appropriate disciplinary action 2. Keep and keep secret every record of complaint or grievances on social issue 3. Give advice and counselling to workers 4. Organize social activity/program <u>Lanadron Estate</u>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>The estate has appointed the Assistant Manager as Person Responsible for Social Issue as per appointment letter dated 01/10/2019 signed by the Estate Manager.</p> <p><u>Pengkalan Bukit Estate</u></p> <p>The estate has appointed the Senior Assistant Manager as Person Responsible for Social Issue as per appointment letter dated 01/01/2022 signed by the Estate Manager.</p>	
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>The estates visited has established the list of Stakeholders and documented in the List of Stakeholders FY 2022. The stakeholders were categorized as Contractors, Vendors/Suppliers, Local Community and Other Interested Parties (Government Agencies, School, Hospitals, and Police Station etc. Stakeholders list for Lanadron Estate has been update on 01/08/2022 while at Pengkalan Bukit Estate on 01/10/2022. Consultation and communication were conducted through written reports and meetings.</p> <p><u>Lanadron Estate</u></p> <p>Sighted stakeholders meeting has been conducted on 02/08/2022 and 06/10/2022 with villagers, BAKAJ, smallholder and Jabatan Alam Sekitar Johor. Sighted evidence of minutes of meeting and attendance. Any communication/request/grievances from external stakeholder were recorded in the communication logbook. No complaints or grievances were recorded from external stakeholders.</p> <p>Latest record request from the stakeholder as per letter SJKTLN/100-9/6(6) dated 12/09/2022 regarding to domestic waste and the management already taken action on 13/09/2022.</p> <p>For internal stakeholders, main grievances recorded were regarding housing repair. Sighted the OPP (Oil Palm Pal) with latest report dated</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		05/10/2022. All complaints have been satisfactorily addressed by the estate.	
Criterion 4.2.3 – Traceability			
4.2.3.1	<p>The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).</p> <p>- Major compliance -</p>	<p>Both the sampled estates send their FFB to Pagoh POM. Weighbridge tickets were available for verification and maintained for traceability of all FFBs sent to the mill. Weighbridge tickets were sampled for both estates. The weighbridge ticket provided the following details among others:</p> <ol style="list-style-type: none"> 1. Product (FFB or Loose fruit) 2. Delivery notes from estates stating the weight and fruit grade (A or B). 3. D.O Number 4. Date of the shipment <p>Sample weighbridge ticket for: <u>Lanadron Estate:</u> Date: 05/10/2022 Product: FF A crop DO No.: 115102 Vehicle no.: MBY8837/LE3 Driver name: MUHAMAD REDUEN BIN SAHRUDDIN Seal no.: 032560 Harvesting round: 35 days Field: 07N1A</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
	<p>Bunches: 916 L/F: Y Estate abw: 12.76kg Mill abw: 12.75kg L/f estate weight: 2,100kg FFB Estate weight: 11,690kg L/F Mill weight: 2,096kg FFB Mill weight: 11,682kg Total estate weight: 13,790kg Total mill weight: 13,780kg</p> <p><u>Pengkalan Bukit Estate</u> Date: 07/10/2022 Product: FF A crop DO No.: 105164 Vehicle no.: BGM1127P17 Driver name: ASRI BIN BANJER Seal no.:101650 Harvesting round: 62 days Field: 2016D Bunches: 1,631 L/F: Y Estate abw: 7.24kg Mill abw: 7.24kg</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		<p>L/f estate weight: 1,000kg FFB Estate weight: 11,810kg L/F Mill weight: 1,000kg FFB Mill weight: 11,810kg Total estate weight: 12,810kg Total mill weight: 12,810kg</p> <p>The Sustainable Plantation Management System (Appendix 15) Dated March 2016 documented the procedure for traceability. The procedure requires 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. The responsible personal for the traceability is the Estate Manager of each supplying units.</p>	
4.2.3.2	<p>The management shall conduct regular inspections on compliance with the established traceability system.</p> <p>- Major compliance -</p>	<p>The method of inspection is by conducting MSPO internal audit. Verified the Internal Audit records as below:</p> <ol style="list-style-type: none"> 1. Lanadron Estate – 10/08/2022 2. Pagoh Estate – 11/08/2022 <p>Based on the inspection, there was no finding raised with regards to the implementation of traceability procedure.</p>	Complied
4.2.3.3	<p>The management should identify and assign suitable employees to implement and maintain the traceability system.</p> <p>- Minor compliance -</p>	<p>The overall personal in charge for the traceability is the Assistant Manager each estate, where in this case are the estate managers [Ref.: Clause 4 of SOP for Sustainable Supply Chain and Traceability]. Lanadron Estate - appointment letter - 01/08/2022 – Muhamad Affi bin Abdul Wafi.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Pengkalan Bukit Estate – appointment letter – 03/01/2019 – Shahir bin Mohamed Salleh.</p> <p>Based on the interview person in charge for traceability system for Lanadron Estate, verify that the estate has followed the SOP on the traceability system.</p>	
4.2.3.4	<p>Records of sales, delivery or transportation of FFB shall be maintained.</p> <p>- Major compliance -</p>	<p>The delivery records of the FFB are kept at the operating units and will be retained for 10 years according to the Standard Operation Manual Section 4; Sub-section 4.2.3 Control of Documents. Verification of FFB Consignment Note, Weighbridge Tickets, Crop Book and FFB dispatch in SAP and Check-roll System (CRS) system showed that the recording of FFB delivered to the mill is accurate.</p>	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad have established a mechanism to ensure compliancy to legal and other requirement and documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU19.</p> <p>PSQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Refer to Sime Darby Plantation, ESH Management System Manual, ESH Legal & Other Requirements; Guidelines and Procedures; Document ID: SD/SDP/SQM (ESH)/001-2-2; Revision: 0. Date: 01/07/2012.</p> <p>Among the license and permits sampled were: <u>Lanadron Estate</u></p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<ol style="list-style-type: none"> 1. MPOB License; License Number: 522273002000; Estate Area: 1698.59; License Validity Period: 07/10/2022 – 31/07/2023. 2. Air Receiver License; Registration Number: MK PMT 1881; License Expiry Date: 02/12/2022. 3. Air Receiver License; Registration Number: MK PMT 1873; License Expiry Date: 02/12/2022. 4. Permit Barang Kawalan Berjadual; Reference Number: MR/PD/P-0007/13 @ SKS 5; Serial Number P: J 002808; Description: Diesel (Euro 2M); Storage Quantity: 14, 000 Litres; License Validity Period: 18/06/2021 – 17/06/2024. 5. River Water Extraction and Diversion License; License Number: 07/A/Muar/071; File Number: BAKAJ: 334/300/05/03/07/1; Maximum Abstraction: 100m³/day; 31/12/2022. Longitude: 102°44'04" T Latitude: 2°10'54" U <p><u>Pengkalan Bukit Estate</u></p> <ol style="list-style-type: none"> 1. MPOB License; License Number: 518941002000; Estate Area: 3,128.22 License Expiry Date: 01/03/2022 – 28/02/2022. 2. MPOB License (Nursery); License Number: 620445011000; License Expiry Date: 01/05/2021 – 30/04/2022. 3. Permit Barang Kawalan Berjadual; Reference Number: MR/PD/SK – 0344 @ SKS 88; Serial Number P: J005024; Description: Diesel (Euro 2M); Storage Capacity: 8,000 Liters; License Validity Period: 14/09/2021 – 13/09/2024. 4. SPAN Jadual Kelima, Water Service Industry Perkhidmatan Air (Perlesenan) 2007 License Number: LK/3/22/01324; Maximum 	

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Criterion / Indicator		Assessment Findings	Compliance
		Abstraction: 0.09 million liter/day; License validity from 29/07/2020 until 28/07/2025.	
4.3.1.2	The management shall list all laws applicable to their operations in a legal requirements register. - Major compliance -	Documented Procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10/12/2008. All legal requirements were documented in Legal and Other Requirement Register available at the estates. The register is reviewed regularly and updated as and when there are new or amended legal requirements that are applicable to the estate operations. The latest review is as below: Lanadron Estate: 05/05/2022 Pagoh Estate: 05/05/2022	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 -	Documented procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10/12/2008. All legal requirement was documented in Legal and Other Requirement Register. Compliance to each applicable law and regulation is monitored by the operating units. The legal register at all sites were reviewed/updated on a yearly basis / as and when needed for new updates/licenses. Sighted the document 'Summary of Compliance' available at the estates undersigned by the Top Management. The document lists the latest applicable laws and amendments, revision dates and acknowledgement by the management. All the legal and other requirements were registered accordingly and documented in the legal requirement register including new updates	Complied

Criterion / Indicator		Assessment Findings	Compliance
		for Workers Minimum Standards of Housing and Amenities (Amendment) Act 2019, Minimum Wages Order 2022 and Auxiliary Police Regulations 1970 (Amendment) & Akta Pencegahan & Pengawalan Penyakit Berjangkit 1988.	
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records verification indicates that the system is appropriate to the operations. Tracking system on any changes in the law is well implemented. <u>Lanadron Estate</u> The management has appointed the Asst. Manager, Mr. Muhamad Afifi bin Abdul Wafi as the official officer responsible for legal compliance in the estate as stated in the appointment letter dated 01/08/2022 undersigned by the Estate Manager. <u>Pengkalan Bukit Estate</u> The management has appointed the Asst. Manager, En. Shahir bin Mohamed Salleh as the official officer responsible for legal compliance in the estate as stated in the appointment letter dated 03/01/2019 undersigned by the Estate Manager.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	There was no evidence to show that Oil Palm cultivation activities of both the estates had diminished the land use rights of others. The management had documents to show legal ownership of its land.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>4.3.2.2 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>Documents showing legal ownership or lease, history of land tenure and the actual legal use (agriculture) of the land were made available at all visited sites.</p> <p>Sample of land title based on the latest quit rent for 2022 are:</p> <p><u>Lanadron Estate</u></p> <p>There is total 13 land titles found in Estate for total 1,698.59 ha. All the land titles have been issued under the name of owner to Sime Darby Plantation Sdn Bhd. Among the titles were:</p> <p>No lot [04] PTD 00011994 (No DHM [08] HSD 00003813) Tangkak Area - E0826615</p> <p>No lot [01] LOT 00000216 (No DHM [02]GRN 00080779) Muar Area – E0826616</p> <p><u>Pengkalan Bukit Estate</u></p> <p>There is total 58 land titles found in Estate for total 3,112.41 ha. All the land titles have been issued under the name of owner to Sime Darby Plantation Sdn Bhd. Among the titles were:</p> <p>No lot [01] LOT 00001693 (No DHM [02] GRN 00088373) Pengkalan Bukit Area - E0526550.</p> <p>No lot [01] LOT 00000035 (No DHM [02] GRN 00094930) Jorak Area - E0526551.</p>	<p>Complied</p>
<p>4.3.2.3 Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p><u>Lanadron Estate & Pengkalan Bukit Estate</u></p> <p>Both estate maps clearly showing the estates boundary.</p> <p>The demarcation at Lanadron Estate and Pagoh Estate was by using concrete pegging and boundary trenching.</p> <p><u>Lanadron Estate</u></p>	<p>Complied</p>

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		<p>During field visit, a few physical boundary stones being checked and verify it with company's GPS coordinate and our own GPS coordinate. The coordinate checked by are matched to the data that prepared by Estate.</p> <p><u>Pengkalan Bukit Estate</u></p> <p>From the field visit to boundary at field 2019D, with Kampung Panjang Sari verified clear demarcation of the estate boundary.</p> <p>Latitude: 2°07'11.8" N Longitude: 102°45'34.1" E</p>	
4.3.2.4	<p>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).</p> <p>- Minor compliance -</p>	<p>There is no land dispute in the SOU 19 Estates at the time of audit. The land belongs to Sime Darby Plantation Berhad and land ownership documents verified.</p>	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	<p>Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.</p> <p>- Major compliance -</p>	<p>As at time of visit, there was no evidence to show that any land was encumbered by customary rights or land disputes.</p>	Not Applicable
4.3.3.2	<p>Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available.</p> <p>- Minor compliance -</p>	<p>As at time of visit, there was no evidence to show that any land was encumbered by customary rights or land disputes.</p>	Not Applicable

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4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	As at time of visit, there was no evidence to show that any land was encumbered by customary rights or land disputes.	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 impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	The estates visited has conducted Social Impact Assessment (SIA) conducted in May 2015. The assessment conducted was include the feedbacks from the stakeholder engagement meeting Besides providing socio-economic baseline data, the report highlighted various issues (complaints, requests and comments) raised by the stakeholders of the respective estates and mill (in SOU19) action plans for handling the identified issues were also presented in the report. There is the latest addendum of SIA assessment due to hand over Panchor div with hectarage 205.76 to Sime Darby Property. The assessment conducted on 28/9/2021 and there several issues been raised by the old workers such as clean water supply, housing facilities, transportation to work and others. The management already established the management plan to handle the issue been raised by the workers. 16/5/2022 training to workers regarding to policy and social matter.	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 -	The company has developed a documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The procedure has	Complied

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		<p>detailed the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.</p> <p>Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2018 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. 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>	
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>Estate has implemented External Complaint Book and Housing Defect Complaint Form to record complaints and requests reported by the stakeholders. The complaints or grievances were resolved within the time frame. Most of the complaints were related to housing repair. The complaint form has recorded the name of complainant, date of completion and acknowledgement from the complainant after action taken.</p>	Complied
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p>- Minor compliance -</p>	<p>Both estates have established communication book/form for internal and external complaint. The communication logbook/forms is available at estate’s office.</p> <p>In case the complainant would want to make an anonymity complaint it can be made through electronic Complaint form or email to Senior Director or Whistleblowing committee or toll-free number or fax or by mail.</p>	Complied

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4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Sime Darby Plantation Berhad has implemented Flowchart and Procedure on Handling Social Issues, version 1 and dated 1/11/2008. Initial negotiation between the management and the dispute parties should be taken within two weeks after outbreak of issue which the involvement of disputed parties, zone heads, third parties and stakeholders. Verified through stakeholder's interview. Latest awareness training has been conducted on 02/08/2022.	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 -	The complaint record for request for maintenance are available and kept for 10 years according to the Standard Operation Manual Section 4; Sub-section 4.2.3 Control of Documents. There is no complaint since 2020.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	Among contribution made to the local communities as follows: Gotong royong at Sekolah Rendah Panjang Seri dated 01/07/2022 Donation on Surau Al Amin at Seri Menanti Village on 31/03/2022	Complied
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	Sime Darby Plantation Berhad have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 01/06/2020. 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. The GSM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.	Complied

Criterion / Indicator	Assessment Findings	Compliance
	<p>The estates have established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2022. The management plan includes the ESH Risk Management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring, Health monitoring.</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 Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust 	<p>The occupational safety and health plan cover the following:</p> <ul style="list-style-type: none"> a) Sime Darby Plantation Berhad have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 01/06/2020. 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: <ul style="list-style-type: none"> - Lanadron Estate: 08/07/2022 - Pengkalan Bukit Estate: 16/05/2022 b) Sime Darby Plantation Berhad have established Standard Operating Procedure for Risk Assessment and documented in EQMS/SOM sub-section 5.4, Appendix 5.4.1a. Estates sampled have conducted risk assessments for all the operations and documented in the Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment covers all main operations and support operations. Among the activities verified in the HIRARC included Loading FFB, P&D Circle Application, Harvesting (Carriers), Gardening, etc. <p>HIRARC is reviewed on annually and as and when there are any accidents that occur in the estate. Verified the latest review of HIRARC for the estates as below.</p>	<p>Major Non-Conformities</p>

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<p>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>	<ul style="list-style-type: none"> - Lanadron Estate: 01/04/2021 – Gardener Cleaning Housing Area & 11/08/2021 – Frond Stacker. - Pagoh Estate: 21/06/2021 – Workshop. <p>Chemical Health Risk Assessment was conducted in compliance to the OSHA Act 1994 and the Use and Standard of Exposure of Chemicals Hazardous to Health (USECHH) Regulations 2000 to assess the risks associated to hazardous chemicals used in the estate. The CHRA reports were available in the sampled estates as below:</p> <ul style="list-style-type: none"> - Lanadron Estate: The Chemical Health Risk Assessment Report (Ref. Number: HQ/15/ASS/00/363-2020-070) conducted by Nisafety Consultancy (DOSH Registration: JH/07/04/121) on June 2020, assessor name: Nor Khairunnisa Liyana Bt Ahmad was available for verification. - Pengkalan Bukit Estate: The Chemical Health Risk Assessment Report (Ref. Number: HQ/15/ASS/00/363-2020-071) conducted by Nisafety Consultancy (DOSH Registration: JH/07/04/3696) in June 2020. The assessor’s name: Nor Khairunnisa Liyana Bt Ahmad <p>Medical Surveillance was conducted for workers exposed to chemicals and welding fumes in the estate as recommended in the CHRA. The medical surveillance was conducted to monitor the level of exposure on the workers towards the chemicals and fumes.</p> <ul style="list-style-type: none"> - <u>Lanadron Estate</u> Medical Surveillance was conducted from 2/8/2022 to 3/8/2022 at Klinik TTMC Ayer Keroh for 16 estate workers, namely sprayers, workshop attendants, mandores, trunk 	

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	<p>injectors, and manurers who have been exposed to chemicals and fumes. Results have not been obtained yet by the estate.</p> <ul style="list-style-type: none"> - <u>Pengkalan Bukit Estate</u> Medical Surveillance was conducted from 18/08/2021 and 24/08/2021 by KPJ Bandar Maharani Specialist Hospital for 49 workers exposed to pesticides and 2 workers exposed to organophosphate in the estate. Results indicated that all workers were fit to work with no major underlying conditions. <p>Noise Risk Assessment Report (NRA) was conducted in compliance to Occupational Safety & Health (Noise Exposure) Regulations 2019 in the estates. The NRA Reports were available in the sampled estates as below.</p> <ul style="list-style-type: none"> • Lanadron Estate – Assessment conducted on 25/07/2020 by Emrest (M) Sdn Bhd. The assessment report (Ref. No: HQ/LPROYKPEB/20/00183) was available for verification. • Pagoh Estate – Assessment conducted on 14/07/2020 by Emrest (M) Sdn Bhd. The assessment report (Ref. No: HQ/LPROYKPEB/20/00182) was available for verification. <p>Audiometric Test was conducted in the estates as per the recommendation in the Noise Risk Assessment as below.</p> <ul style="list-style-type: none"> - <u>Lanadron Estate</u> Audiometric test was conducted on 11/10/2021 by Nisafety Consultancy for 15 workers identified to be exposed to excessive noise in the estate. The results have not been obtained yet. - <u>Pengkalan Bukit Estate</u> 	

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	<p>Audiometric Programme was conducted by KPJ Bandar Maharani Specialist Hospital on 20/09/2021 – 23/09/2021. A total of 32 workers had undergone the audiometric test. 2 workers were diagnosed with Hearing impairment and 4 workers were recommended to be referred to the audiologist. The management has planned for the selected workers to be referred to the audiologist on 11 and 18/10/2021. The necessary JKKP7 form for the 2 workers with hearing impairment has been sent to DOSH and available for verification.</p> <p><u>Major NC</u></p> <p>The workers conducting the maneuering activity at block 11-B without complete PPE (Facemask/ Goggles)</p> <p>Sighted the Safety Data Sheet for NK Compound 1 10.5/30, prepared on 1/7/2022 from Diversatech (M) Sdn Bhd – Bahagian 8 – 3 Perlindungan Mata: Kaca Mata Keselamatan (Goggles) and manueing HIRADC dated 13/8/2021 Ref No: NA, activity 5, applying fertilizer, hazard of dusty fertilizer with the existing risk control of sufficient clean water supply, long sleeve shirts, cotton gloves, N95 Facemask, apron and eyeglasses. Sighted also the Safe Working Procedure Rev 1 dated 1/11/2021 No1 wear complete PPE as per the picture showed that complete PPE include the N95 mask, goggles, apron and rubber gloves.</p> <p>However, during the visit at block 11-B – Pagoh Division – Pengkalan Bukit Estate, sighted one worker without complete PPE which the workers did not wear the goggles and N95 facemask.</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p><u>Major NC</u></p> <p>Sighted workers standing on fully jacked scissors lift hopper without any harness during the FFB evacuation activity at Field P08-B.</p> <p>Fully jacked scissors lift hoppers without a safety shoes and wearing wellington boots. This whole activity is not align with the procedure Keselamatan Kerja tatacara kerja Pemandu Kenderaan (Traktor, Mini Traktor, Jamsa LG) Ref: PBE/OL/SOP-13 stated that on Clause 4 – Semasa Memandu, Pemandu bertanggungjawab sepenuhnya terhadap keselamatan diri sendiri, penumpang, muatan, attendant, loader dan pengguna lain and clause 10 stated that jangan sesekali membenarkan sesiapa berada di atas muatan yang anda bawa sama ada sewaktu anda berhenti atau sedang bergerak. The activity and hazard also is not fully described in the HIRADC.</p> <p>c) Estates sampled have established a training program for employees exposed to chemicals used at the palm oil estates to ensure continuous awareness to the employees. The training was conducted by the Manager, Asst. Manager, and representative from the chemical suppliers to the supervisors and operators. Sighted the training records as follows</p> <p><u>Lanadron Estate:</u></p> <ul style="list-style-type: none"> • Chemical Management Training: 8/10/2022 • Refresher Training on Enye protection: 23/09/2022 • Sprayer Training by ICP Agro Solution: 12/8/2022 	

Criterion / Indicator	Assessment Findings	Compliance
	<p><u>Pengkalan Bukit Estate</u></p> <ul style="list-style-type: none"> • Interpump Maintenance, Spraying and Safety Training: 17/09/2021 • Maneuring Training – 27/04/2022 <p>d) The estates have provided appropriate PPE to all workers according to the job type and requirements. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) Palm Oil Estates dated 17/03/2008.</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"> - Sime Darby Plantation Berhad, Chemical Safety Management; Document No. SD/SDP/PSQM (ESH)/202-OH4; dated 26/02/2015. <p>f) <u>Lanadron Estate</u></p> <p>The Estate Manager, En. Rahalim bin Salehudin was appointed to be the Chairman of OSH Committee at the estate as stated in the appointment letter dated 25/05/2021 undersigned by the Regional CEO, Central Region. 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.</p> <p><u>Pengkalan Bukit Estate</u></p> <p>The Estate Manager, Mr. Senin Bin Sumirin was appointed to be the Chairman of OSH Committee at the estate as stated in the</p>	

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	<p>appointment letter dated 11/06/2019 undersigned by the Regional CEO, Central West Region. 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.</p> <p>g) The management conducted regular OSH committee meetings on quarterly basis and when necessary due to accidents that occur. The meeting discussed issues on employees' safety, health and welfare such as operational risks and health achievement report, estate security, safety compliance by contractors, workplace inspection, legal compliance, safety and health training. Sighted the OSH Meeting Minutes dated as follows:</p> <ul style="list-style-type: none"> - Lanadron Estate <ul style="list-style-type: none"> 04/2021 – 6/12/2021 01/2022 – 29/03/2022 02/2022 – 24/06/2022 03/2022 – 22/09/2022 - Pengkalan Bukit Estate <ul style="list-style-type: none"> 04/2021 – 3/11/2021 01/2022 – 2/2/2022 02/2022 – 26/4/2022 03/2022 – 25/7/2022 <p>h) Accident and Emergency procedures were available in the ESH Management System Manual; Emergency Preparedness &</p>	

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	<p>Response Guidelines and Procedures; Doc No: SD/SDP/SQM (ESH)/001-2-6; Revision:0; Date 01/07/2012.</p> <p>The estates have established Emergency Response Team lead by the Estate Managers. The ERT chart and Fire Extinguisher Map was also available and verified.</p> <p>Emergency Response Training was conducted as below:</p> <p><u>Lanadron Estate</u></p> <ul style="list-style-type: none"> • Fire Extinguisher and Fire Fighting Training – 26/08/2021 <p><u>Pagoh Estate</u></p> <ul style="list-style-type: none"> • Fire Drill & Safety Training – 10/6/2022 <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. The management has conducted the internal training for the workers. Sighted the First Aid training were conducted at Pengkalan Bukit Estate dated 2/8/2022 with 24 attendances, training conducted internally by Medical Assistant.</p> <p>j) The estates sampled 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><u>Lanadron Estate</u></p> <p>There were 5 accidents (91 Days LTA) case for the year 2021 reported in the estate. The JKPP 8 form has been submitted to</p>	

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		<p>DOSH for the year ending 2021 on 15/01/2022 (Ref No: JKPP8/93287/2021) and documents available for verification.</p> <p><u>Pengkalan Bukit Estate</u></p> <p>There were 10 accident cases reported for the year 2021 in the estate. The JKPP 8 Form has been submitted to DOSH on 3/1/2022 with Ref no: JKPP8/91994/2021. There were 10 accidents reported for the year 2021. The accident investigations reports were available for verification. There are 5 accidents happened in the year 2021.</p>	
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>Sime Darby Plantation Berhad has established Group Sustainability & Quality Policy Statement dated 2/12/2019 by Group Managing Director where the company is 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. Besides, Policy on the Protection of Human Rights Defenders (HRDs) was established with effective date on 25/3/2020. Sime Darby Plantation 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 Sime Darby Plantation Berhad. This Policy is applied to all stakeholders affected by the business activities and relationships including directors, employees, counterparties, and business partners, workers in our operations and supply chains, and communities surrounding our operations.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
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>Sime Darby Plantation Berhad has implemented The Group Sustainability & Quality Policy Statement which signed on 02/12/2019. Sighted Human Right Charter Revised 2020 has been established to cover on Human Right consist of Preamble, Scope, Commitments, Approach, Implementation and Responsibilities & Reporting.</p> <p>Refer section 3.2 Respect and Uphold Labour Right where the management is committed to treat all employees fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, sexual orientation union membership, political view, religion and/or age.</p>	Complied
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>Employment contracts are available and explained in language that understood by workers and signed by the workers (Local, Indonesian and Bangladesh). Besides, for workers who workers more than 2 years (Indonesian) and 3 years (other nationalities) have signed an extension contract.</p> <p>There were employment contracts for staffs and workers. Pay and conditions are documented and achieved the Minimum Wage Order 2022. Sampled of employment contracts confirmed that terms and conditions are clearly outlined as per collective agreement and Employment Act 1955 which have been signed by the worker.</p> <p>Sampled of agreement and payslip for Oct 2021, Jan 2022 and June 2022 for Lanadron Estate and Jan 2022, Apr 2022 and May 2022 for Pengkalan Estate as below:</p> <p><u>Lanadron Estate:</u> Employee Id: 164008 Employee Id: 104507 Employee Id: 108433</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Employee Id: 108547 Employee Id: 113392 Employee Id: 139957 Employee Id: 153721 Employee Id: 154500 Employee Id: 170459 Employee Id: 170461 Employee Id: 170463 <u>Pengkalan Bukit Estate:</u> Employee Id: 131165 Employee Id: 153683 Employee Id: 128060 Employee Id: 142424 Employee Id: 155229 Employee Id: 110252 Employee Id: 118399 Employee Id: 102028 Employee Id: 108681	
4.4.5.4	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. - Minor compliance -	Contractor for the estate were mainly for works such as FFB evacuation and transportation and replanting works. Noted that all the contract workers were provided with appropriate employment contract. A copy of employment contract and pay slips were submitted to the estates visited for monitoring purpose. Based on the payment voucher checked, daily rate for contract workers is RM 57.69/day. Pay slip/cash	Complied

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		voucher of the workers were sighted that it is according to the employment contract. The records are documented and available for review. Refer employee of contractor's agreement as per contractor Kim Soon Lee Transport Sdn Bhd workers sampled below: - I/C no. 710720-10-xxxx, 970321-01-xxxx, and 831230-05-xxxx. For month July 2022 and May 2022.	
4.4.5.5	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. - Major compliance -	The estate has established the workers master list which contain information such as Checkroll type, designation, race, religion, nationality, sex, name, date of birth, date joined, work permit expiry date, passport expiry date, EPF no., Work permit no, SOCSO, IC/Permit no., Income tax no, Employment no.	Complied
4.4.5.6	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. - Major compliance -	All the workers were provided with fair contracts which has been explained, understand, agreed and signed by bot employee and employer. In the employment contracts confirmed that terms and conditions are clearly outlined as per collective agreement and Employment Act 1955 which have been signed by the worker. The sampled was followed as per indicator 4.4.5.3.	Complied
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	All the daily attendance and overtime work were recorded in Estate Daily Attendance Report. Sighted the payslip for the month of Oct 2021, Jan 2022 and June 2022 for the workers as follows: <u>Lanadron Estate:</u> Employee Id: 164008 Employee Id: 104507 Employee Id: 108433 Employee Id: 108547	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Employee Id: 113392 Employee Id: 139957 Employee Id: 153721 Employee Id: 154500 Employee Id: 170459 Employee Id: 170461 Employee Id: 170463 <u>Pengkalan Bukit Estate:</u> Employee Id: 131165 Employee Id: 153683 Employee Id: 128060 Employee Id: 142424 Employee Id: 155229 Employee Id: 110252 Employee Id: 118399 Employee Id: 102028 Employee Id: 108681	
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	All the daily attendance and overtime work were recorded in Estate Daily Attendance Report. Sighted the attendance for the month of Oct 2021, Jan 2022 and June 2022 for the workers as follows: <u>Lanadron Estate:</u> Employee Id: 164008 Employee Id: 104507	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Employee Id: 108433 Employee Id: 108547 Employee Id: 113392 Employee Id: 139957 Employee Id: 153721 Employee Id: 154500 Employee Id: 170459 Employee Id: 170461 Employee Id: 170463 <u>Pengkalan Bukit Estate:</u> Employee Id: 131165 Employee Id: 153683 Employee Id: 128060 Employee Id: 142424 Employee Id: 155229 Employee Id: 110252 Employee Id: 118399 Employee Id: 102028 Employee Id: 108681	
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Wages and overtime were paid according to the Estate Daily Attendance Report. Total hours of overtime and daily attendance has recorded in the Estate Daily Attendance. All of the sampled employees above have been paid in accordance to the Minimum Wage Order	Complied

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		2022. Hours of overtime has recorded in the payslip and the payment for overtime were paid according to the legal requirements.	
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	The management has contributed 10 kg of rice once every 2 months for all their workers. Apart from that, all the workers are provided with free medical facilities. In additional, all the workers are entitled with the phone allowance of RM5 for every month. Free housing facilities were provided to all the workers and their families.	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 in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	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 housing weekly inspections (PIOA) sample in Pengkalan Bukit Estate dated 08/10/2022 and 17/09/2022. Another monitoring was EWC (Employee Welfare Community) based 3 monthly once was on 10/08/2022 and previously was on 12/05/2022.	Complied
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Sime Darby Plantation Berhad 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. Gender Committee was established in Lanadron Estate and Pagoh Estate to monitor if there is any case of sexual harassment reported. The last meeting was carried out on 26/08/2022 on SOU basis at Pagoh estate. Issues reported were recorded in the minutes. Interviewed with	Complied

Criterion / Indicator		Assessment Findings	Compliance
		the female workers found that no sexual harassment or violence case reported so far.	
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>Sime Darby Plantation Berhad has implemented The Group Sustainability & Quality Policy Statement which signed on 02/12/2019 where the management is respecting Freedom of Association.</p> <p>Sighted Human Right Charter Revised 2020 has been established to cover on Human Right consist of Preamble, Scope, Commitments, Approach, Implementation and Responsibilities & Reporting.</p> <p>The latest Union Meeting dated 10/05/2022 in Pengkalan Bukit Estate at Pengkalan Bukit Estate Club.</p>	Complied
4.4.5.14	<p>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>Sime Darby Plantation Berhad 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 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 under age of 18 years.</p> <p>No employees below the age of 18 were sighted through verified the Employee Master Listing and interviewed with the workers.</p>	Complied
Criterion 4.4.6: Training and competency			

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Criterion / Indicator		Assessment Findings	Compliance																						
4.4.6.1	<p>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>Pagoh Certification Unit estates have established a 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 estates as below:</p> <p><u>Lanadron Estate</u></p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Chemical management Training</td> <td>8/10/2022</td> </tr> <tr> <td>Refresher Training On Eye protection</td> <td>23/9/2022</td> </tr> <tr> <td>Sprayer Training</td> <td>12/8/2022</td> </tr> <tr> <td>Emergency and First Aider Training</td> <td>8/8/2022</td> </tr> </tbody> </table> <p><u>Pengkalan Bukit Estate</u></p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>HCV Training</td> <td>7/10/2022</td> </tr> <tr> <td>Maintenance and usage of Inter</td> <td>3/10/2022</td> </tr> <tr> <td>Hearing Conservation Training</td> <td>26/9/2022</td> </tr> <tr> <td>Tractor Safety</td> <td>4/8/2022</td> </tr> <tr> <td>Manueing Training</td> <td>27/4/2022</td> </tr> </tbody> </table>	Training	Date	Chemical management Training	8/10/2022	Refresher Training On Eye protection	23/9/2022	Sprayer Training	12/8/2022	Emergency and First Aider Training	8/8/2022	Training	Date	HCV Training	7/10/2022	Maintenance and usage of Inter	3/10/2022	Hearing Conservation Training	26/9/2022	Tractor Safety	4/8/2022	Manueing Training	27/4/2022	Complied
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4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>The estates have 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 Estate: Recommended Training Needs for the year 2022 for all estates.</p>	Complied																						
4.4.6.3	<p>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.</p>	<p>A training programme has been developed and available in the Annual Sustainability Programme 2022. The trainings were sighted to have been sub categorised to trainings on Environmental, GAP, SOP, Social and OSH.</p>	Complied																						

Criterion / Indicator		Assessment Findings	Compliance
- Minor compliance -			
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 -	Sime Darby Plantation Berhad have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the Group Managing Director on 05/05/2022. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate. Documents associated with the trainings and briefing were available for verification dated as below. Lanadron Estate: 25/05/2022 Pagoh Estate: 16/05/2022	Complied
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 -	The estates have established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The management plan was established for the activity which give significant impact for the environment and documented in Pollution Prevention Plan. The EAI and EIE were reviewed annually basis by the EAI/EIE review team. The Environmental Management Plan for the year 2022 consist of sub categorized plans such as below. 1. Waste Management Plan 2. Energy Management Plan 3. Water Management Plan 4. HCV Management Plan	Complied

Criterion / Indicator		Assessment Findings	Compliance
		5. Pollution Prevention Plan 6. Chemical Reduction Plan 7. Integrated Pest Management Plan	
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 -	The estates sampled has established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The management plan was established for the activity which give significant impact for the environment. The EAI and EIE were reviewed annually basis. 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.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	All the estates sampled has established the environmental management plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. All the estates continue to promote activities that gives positive impact to the environment by continuously provided awareness to the employees which was communicated through training, briefing and signages.	Complied
4.5.1.5	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.	Training program is available in the estates Training Program updated on a yearly basis or revised as per the management requirement. Included in this program are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training. Guidance was provided by the SQM prior to the approval and implementation by	Complied

Criterion / Indicator		Assessment Findings	Compliance															
	- Major compliance -	<p>the estates. Trainings conducted in relation to environmental and its improvement plan are shown as follows.</p> <p><u>Lanadron Estate</u></p> <ol style="list-style-type: none"> 1. Conservation and Biodiversity Training – 14/09/2022 2. PM (Bagworm) Training – 14/06/2022 <p><u>Pagoh Estate</u></p> <ol style="list-style-type: none"> 1. Beneficial Plant and Safety Training – 08/06/2022 2. Communal Work (Linesite Cleaning) – 12/02/2022 3. Scheduled Waste Management & Safety Training – 07/10/2022 																
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>For both sampled estates has done an initiative for their stakeholder by providing “Buletin” on 06/10/2022 has done explanation environmental related issues that are issued every time conducting stakeholder meeting on yearly basis. The Environmental Issues were included in the meeting agenda and sighted in the brochure of the “Buletin”.</p>	Complied															
Criterion 4.5.2: Efficiency of energy use and use of renewable energy																		
4.5.2.1	<p>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.</p> <p>- Major compliance -</p>	<p>The monitoring of non-renewable energy usage is done on a monthly basis. Sighted the sampled monitoring records for diesel usage per FFB production for 2022 as follows:</p> <p><u>Lanadron Estate</u></p> <table border="1"> <thead> <tr> <th>Month</th> <th>FFB (mt)</th> <th>Diesel (Liters)</th> <th>Electricity (kWh)</th> <th>Water (m³)</th> </tr> </thead> <tbody> <tr> <td>Jan-22</td> <td>1,304.84</td> <td>2,989</td> <td>22,503</td> <td>11,756</td> </tr> <tr> <td>Feb-22</td> <td>1,484.92</td> <td>2,367</td> <td>27,211</td> <td>9,602</td> </tr> </tbody> </table>	Month	FFB (mt)	Diesel (Liters)	Electricity (kWh)	Water (m³)	Jan-22	1,304.84	2,989	22,503	11,756	Feb-22	1,484.92	2,367	27,211	9,602	Complied
Month	FFB (mt)	Diesel (Liters)	Electricity (kWh)	Water (m³)														
Jan-22	1,304.84	2,989	22,503	11,756														
Feb-22	1,484.92	2,367	27,211	9,602														

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Criterion / Indicator		Assessment Findings					Compliance
		Mar-22	1,954.88	2,637	26,033	10,233	
		Apr-22	1,829.06	2,916	23,480	8,844	
		May-22	1,840.79	2,950	21,692	7,747	
		Jun-22	1,756.06	3,472	24,852	10,716	
		Jul-22	1,623.77	3,478	23,826	10,613	
		Aug-22	1,655.30	3,312	23,310	8,617	
		Sept-22	1,663.64	2,908	22,406	8,739	
		<u>Pengkalan Bukit Estate</u>					
		Month	FFB (mt)	Diesel (Liters)	Electricity (kWh)	Water (m³)	
		Jan-22	2,399.98	3,061	40,582	4,844	
		Feb-22	2,367.20	3,173	44,027	5,725	
		Mar-22	2,801.36	4,106	41,167	3,612	
		Apr-22	2,854.43	4,502	38,729	4,162	
		May-22	2,593.98	4,141	38,359	9,057	
		Jun-22	3,109.85	3,910	35,401	6,447	
		Jul-22	2,418.79	3,697	40,998	6,543	
		Aug-22	2,482.45	3,782	39,657	5,844	
		Sept-22	2,103.13	1,618	34,431	6,565	
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective estate yearly budgets.					Complied
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	<u>Lanadron Estate & Pengkalan Bukit Estate</u>					Complied

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Criterion / Indicator		Assessment Findings	Compliance
		No renewable energy used in the estate.	
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 -	All the estates sampled has identified the waste products and source pollution and documented in the Waste Management Plan 2022. The type of wastes been identified are Scheduled waste (SW306, SW305, SW102, SW410, SW409, SW404, Scrap Iron), Domestic waste (rubbish, garden waste and sewage), Recycle waste (tires), Clinical waste (syringe) and Industrial waste (scrap iron).	Complied
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: 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 - Major compliance -	All the estates have established the waste management plan and the plan was reviewed on annually basis. All the sampled estates have identified all waste products and source of pollution and documented in the Waste Management Plan. The waste identified has been categorized as follows: i. Domestic Waste – Household Waste, Organic Waste ii. Industrial Waste – Scrap Metal iii. Scheduled Waste Generated from Estate Operation – Used Hydraulic, Clinical Waste, Oil Filter. iv. Recyclable Waste – Empty pesticide Containers. In the management plan stated the type of waste, source of waste, mitigation plan and person responsible. <u>Major NC</u> During site visit at Pengkalan Bukit Estate verification has been made and sighted:	Major Non-Compliance

Criterion / Indicator		Assessment Findings	Compliance
		<p>1. Waste Management Plan stated that Household Waste (Housing Compound) disposed via arrangement of contractor to collect domestic waste from worker housing complex. During the site visit at the housing complex, it was verified that the domestic waste was also disposed to a landfill opposite the housing compound.</p> <p>2. Visit to the mentioned landfill at Pengkalan Bukit Estate, sighted that waste were not segregated prior to them being disposed at the landfill. Items such as Containers contaminated with mineral oil, recyclable waste such as plastic containers, tires, fertilizer bags and plastic bottles were seen disposed at the landfill. This was not in accordance with the Waste management Plan.</p> <p>Thus, major NC is raised as inadequate implementation of management plan.</p>	
4.5.3.3	<p>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>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1) dated 26/02/2016. Proper disposal of waste material is carried out as per the company procedures. The procedures are fully understood by workers and managers.</p> <p>All the sampled estates have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>All the records were found adequate as per required by EQ (Scheduled Waste) Regulations 2005.</p> <p>Sighted the sampled scheduled waste disposal as below.</p> <p><u>Lanadron Estate</u> Latest record.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>1. SW404 – Clinical Waste; Date: 30/09/2022; Quantity: 0.0000 mt; Consignment Number: 20210826109NKAEL; Disposal Operator: Kualiti Alam Sdn Bhd.</p> <p>2. SW305 – Engine Oil; Date: 30/09/2022; Quantity: 0.077 mt; Consignment Number: 2021078120QREPA; Disposal Operator: Pentas Flora (Melaka) Sdn Bhd.</p> <p>3. SW409 – Empty Containers; Date: 30/09/2022; Quantity: 0.03 mt; Consignment Number: 20210708138H5Z9J; Disposal Operator: Pentas Flora (Melaka) Sdn Bhd.</p> <p>4. SW410 – Contaminated Filter & Rags; Date: 30/09/2022; Quantity: 0.0190 mt; Consignment Number: 2021070813CZMOXL; Disposal Operator: Pentas Flora (Melaka) Sdn Bhd.</p> <p><u>Pengkalan Bukit Estate</u></p> <p>1. SW404 – Cotton Rag; Date: 21/09/2022; Quantity: 0.00170Mt; Consignment Number: 20220914VW5Y48N; Facility Operator: Pentas Flora (Melaka) Sdn Bhd.</p> <p>2. SW410 – Machinery Filter; Date: 13/10/2022; Quantity: 0.00350Mt; Consignment Number: M04586; Facility Operator: Pentas Flora (Melaka) Sdn Bhd.</p> <p>3. SW305 – Lubricant Oil; Date: 13/07/2022; Quantity: 0.1400 Mt; Consignment Number: M04586; Facility Operator: Pentas Flora (Melaka) Sdn Bhd.</p> <p>4. SW404 – Clinical Waste; Date: 21/09/2022; Quantity: 0.0017 Mt; Consignment Number: 2022092116V964TL;</p>	

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Criterion / Indicator		Assessment Findings	Compliance
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer’s labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Excess chemical containers that were not used for premixing have been triple rinsed and punctured was categorized under scheduled waste and disposed through scheduled waste contractor as below:</p> <p><u>Lanadron Estate</u> Date: 30/09/2022; Contractor: Pentas Flora (Melaka) Sdn Bhd; Quantity: 20L Chemical Containers – 35.50 Kgs.</p> <p><u>Pengkalan Bukit Estate</u> Date: 21/09/2022; Contractor: SS Setia Teknologi Enterprise; Quantity: 20L Chemical Container – 30 pcs and Ally Bottles - 42kgs</p>	Complied
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p><u>Lanadron Estate</u> Disposal of domestic waste is via licensed 3rd party contractor, MTJJ Enterprise. The contract between Lanadron Estate and MTJJ Enterprise dated 01/04/2022 was available for verification. The Contractor collects the domestic waste twice a week at the estate and disposes them at their designated landfills. The latest tax invoice for rubbish collection was verified dated 30/07/2022 (Invoice Number: MTJJ/LD/RC/07/21).</p> <p><u>Pengkalan Bukit Estate</u> Domestic Waste is disposed via 3rd party Contractor, MTJJ Enterprise. The contract agreement between Sime Darby Plantation Berhad (Pengkalan Bukit Estate) and MTTJ Enterprise dated 01/02/2022 was available for verification. The rubbish collection is done twice in a week. The weighbridge tickets were available for verification.</p>	Complied
<p>Criterion 4.5.4: Reduction of pollution and emission</p>			

Criterion / Indicator		Assessment Findings	Compliance																				
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 -	All the sampled estates have established Environmental Management Plan, Pollution Prevention Plan and Chemical Reduction Plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was reviewed on annual basis. In the plan stated the objectives on the environmental issue, mitigating measures and person responsible. The plan was monitored on monthly basis.	Complied																				
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Sighted the implementation of Pollution Prevention Plan at all the sampled estates as follows: <ol style="list-style-type: none"> 1. To minimize soil erosion during replanting 2. To comply with EQA (Scheduled Waste) Reg 2005 3. To ensure the activities does not pollute the environment 4. To ensure no open burning at the workers housing complex area 5. To ensure pesticide/herbicide usage at optimum level In Pengkalan Bukit Estate has implemented EFB in field application: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Month</th> <th>EFB (mt)</th> </tr> </thead> <tbody> <tr><td>Jan 2022</td><td>1,406.83</td></tr> <tr><td>Feb 2022</td><td>90.40</td></tr> <tr><td>Mar 2022</td><td>1,167.02</td></tr> <tr><td>Apr 2022</td><td>1,492.51</td></tr> <tr><td>May 2022</td><td>1,167.43</td></tr> <tr><td>Jun 2022</td><td>1,6666.84</td></tr> <tr><td>Jul 2022</td><td>839.78</td></tr> <tr><td>Aug 2022</td><td>416.80</td></tr> <tr><td>Sept 2022</td><td>814.88</td></tr> </tbody> </table>	Month	EFB (mt)	Jan 2022	1,406.83	Feb 2022	90.40	Mar 2022	1,167.02	Apr 2022	1,492.51	May 2022	1,167.43	Jun 2022	1,6666.84	Jul 2022	839.78	Aug 2022	416.80	Sept 2022	814.88	Complied
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Criterion / Indicator	Assessment Findings	Compliance		
Criterion 4.5.5: Natural water resources				
<p>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:</p> <ul style="list-style-type: none"> a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate’s current activities. 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.). 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. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. <p>- Major compliance -</p>	<p>a) The Water Management Plan for the estates has been established. This is compiled on Group basis and amended to meet demands of specific issue in Operating Units. It was reviewed annually for the 2022 plan.</p> <ul style="list-style-type: none"> 1. The water management plan states that: <ul style="list-style-type: none"> a. To monitor the quality of main water inlet/outlet for pollutants from estate’s operations b. Contingency during water shortage c. To monitor the usage of water d. To reuse/recycle wastewater 2. Water for domestic consumption is provided by Syarikat Air Johor (SAJ). <p>b) Water for domestic use is obtained from Syarikat Air Johor (SAJ) and provided to all houses for daily usage. Monitoring of water usage is done monthly and data is provided in indicator 4.5.2.1. Incoming and Outgoing Water along Muar River is monitored on a quarterly basis where sample water is taken from the pre-determined sampling points and sent to the accredited lab for analysis.</p> <p>c) Documented in Sime Darby Plantation Berhad Slope and River Protection Policy dated 15/01/2015 signed by the Managing Director stated that buffer zone shall be maintained on both side of the riverbanks.</p> <table border="1" data-bbox="1093 1364 1868 1391"> <tr> <td data-bbox="1093 1364 1480 1391">River Width</td> <td data-bbox="1480 1364 1868 1391">Buffer Zone</td> </tr> </table>	River Width	Buffer Zone	<p>Complied</p>
River Width	Buffer Zone			

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Criterion / Indicator		Assessment Findings				Compliance															
		>40 meters		50 meters																	
		20-40 meters		40 meters																	
		10-20 meters		20 meters																	
		5-10 meters		10 meters																	
		< 5 meters		5 meters																	
		* > 3 meters		20 meters																	
		<p>* for Sabah Plantations Only</p> <p>d) The estates have established water management plans and the plans are reviewed annually. The management plan focuses on activities with impact to natural water sources, such as water contamination and action plans during water shortage. The action plan states no chemical interventions and manuring shall be carried out in the riparian reserved. Only manual weeding/slashing is allowed. It also states to maintain terrace bund along the waterways.</p> <p>e) The quality of out-going water into rivers was monitored quarterly by carrying out water analysis. River water sampling for analysis was done for upstream, midstream, and downstream.</p> <p>An interview with the water sampler PIC, Pn Siti Fatimah binti Johal, Storekeeper, the PIC was been brief and trained by the management to ensure the water sampling taken as per procedure. Verified the SOP and the Water Sampling Plan for year 2022 was prepared by Lanadron Estate.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Water sampling 1</th> <th>Water sampling 2</th> <th>Water sampling 3</th> <th>Water sampling 4</th> </tr> </thead> <tbody> <tr> <td>Plan</td> <td>01/03/2022</td> <td>01/06/2022</td> <td>01/10/2022</td> <td>01/12/2022</td> </tr> <tr> <td>Actual</td> <td>29/03/2022</td> <td>22/07/2022</td> <td>03/10/2022</td> <td></td> </tr> </tbody> </table>				Item	Water sampling 1	Water sampling 2	Water sampling 3	Water sampling 4	Plan	01/03/2022	01/06/2022	01/10/2022	01/12/2022	Actual	29/03/2022	22/07/2022	03/10/2022		
Item	Water sampling 1	Water sampling 2	Water sampling 3	Water sampling 4																	
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Criterion / Indicator		Assessment Findings	Compliance																
		<p>The results indicated the DO* does not conform with Class IIA/IIB of NWQS for natural waterways.</p> <table border="1"> <thead> <tr> <th>Sample</th> <th>BOD(mg/l)</th> <th>COD(mg/l)</th> <th>DO*(mg/l)</th> </tr> </thead> <tbody> <tr> <td>Upstream</td> <td>4</td> <td>36</td> <td>3.21</td> </tr> <tr> <td>Midstream</td> <td>6</td> <td>72</td> <td>3.42</td> </tr> <tr> <td>Downstream</td> <td>5</td> <td>48</td> <td>3.72</td> </tr> </tbody> </table> <p>** - Threshold (Standard Quality) BOD – 3mg/L COD-25mg/L DO- 5.0-7.0mg/L</p> <p>Referring Corrective/Preventive Action Report For Non-Conforming Water Analysis Results - Form Code: WQ-01/CPAR(1) for test report no. IE1187/2022 verified the corrective action(s) taken:</p> <ol style="list-style-type: none"> 1. To do sampling when there is no rainy day 2. To monitor surrounding activity to prevent pollution either from estate or outsider. 3. To continue estate operation as is and monitor the water quality as the SPMS Appendix 7. <p>Finding/Conclusion</p> <p>The results as compared between incoming and outgoing waters have variances. Further investigation shall be done to gather info on:</p> <ol style="list-style-type: none"> 1. Continued practice to avoid further pollution by estate operation. 2. What are the activities that might have resulted poor result. 	Sample	BOD(mg/l)	COD(mg/l)	DO*(mg/l)	Upstream	4	36	3.21	Midstream	6	72	3.42	Downstream	5	48	3.72	
Sample	BOD(mg/l)	COD(mg/l)	DO*(mg/l)																
Upstream	4	36	3.21																
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Criterion / Indicator	Assessment Findings	Compliance
	<p>3. How the water treatment been conducted by water staff/PIC. Estate has been visited by Department of Environment (DOE) and Badan Kawal Selia Air Johor (BAKAJ) ON 07/09/2022.</p> <ol style="list-style-type: none"> 1. En. Muhamad Izzat – Pen. Jurutera – BAKAJ 2. En. Nabil Abid – Pen. Jurutera - BAKAJ 3. En. M. Farris Izzuddin - Pen. Penguatkuasa – BAKAJ 4. En. Nazlie Shah – Pembantu Makmal - BAKAJ 5. En. Mohd Aizuddin Ab Razak – Ketua Cawangan – DOE 6. En. Mohd Norhakim – Pen.Jurutera – DOE 7. En. Muhammad Husaini Abd Kadir – Pen. Pegawai Kawalan – DOE. <p>The visit is due to follow up on the low pH level at the intake SAJ (4.9). After the test done for Lanadron Estate and Kampung Hujung Tambak. Form the result of the test verified that the pollution are from the Kampung Hujung Tambak which is the area occupied more people compared to Lanadron Estate.</p> <p><u>Pengkalan Bukit Estate</u></p> <ol style="list-style-type: none"> 1. The water management plan states that: <ol style="list-style-type: none"> a. To monitor the quality of main water inlet/outlet for pollutants from estate’s operations. b. Contingency during water shortage c. To monitor the usage of water d. To reuse/recycle wastewater. 	

Criterion / Indicator		Assessment Findings	Compliance
		2. Water for domestic consumption is provided by Syarikat Air Johor (SAJ). 3. Pesticide Analysis Test Report and Water Analysis Report was done at the water stream that runs through the estate. Results were available as below: a. Pesticide Analysis Test Report (Test Report No: PL438/2022) i. Date: 07/07/2022 ii. Results indicated that no pesticides were detected in all the samples. b. Water Analysis Test Report (Report Number: IE739/2022) Date: 07/07/2022	
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	No bunds were sighted across main rivers and waterways in both estates. There was a total of 8 sampling points as verified with the Sampling Points map.	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 -	The practice of water harvesting was evident in the Action plan to Reduce Fresh Water Usage for Financial Year 2022. The action plan was stated as below. Rainwater Collection 1. Large containers are to be placed at strategic locations to collect rainwater through rain gutter. 2. The rainwater shall be recycled for washing heavy machinery 3. Usage for chemical mixing and daily operation.	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			

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Criterion / Indicator	Assessment Findings	Compliance																
<p>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:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (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.</p> <p>- Major compliance -</p>	<p>HCV Re-assessment for Strategic Operating Unit (SOU) 19 was conducted by PSQM Department, Sime Darby Plantation Berhad and available in a report dated August 2016. The report has identified the Biodiversity Values, Ecosystem Services and Social & Cultural Values available within the SOU 19 landscape.</p> <p>Among the HCV areas that have been identified are as below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Estate</th> <th style="text-align: center;">Assessment Area</th> <th style="text-align: center;">Ha</th> <th style="text-align: center;">Present</th> </tr> </thead> <tbody> <tr> <td>Lanadron</td> <td>River Reserve</td> <td style="text-align: center;">19.41</td> <td style="text-align: center;">HCV 4</td> </tr> <tr> <td>Pengkalan</td> <td>Water Catchment</td> <td style="text-align: center;">1.64</td> <td style="text-align: center;">HCV 4</td> </tr> <tr> <td>Bukit</td> <td>Water Catchment</td> <td style="text-align: center;">1.23</td> <td style="text-align: center;">HCV 4</td> </tr> </tbody> </table> <p><u>Lanadron Estate</u></p> <p>Visit to the buffer zone along the Muar River adjacent to the estate indicated that the buffer zone has been well established with natural vegetation. Necessary Signages have been erected to create awareness on the prohibited activities along the buffer zone. There were no traces of chemical or fertilizer application along the buffer zone. Interview with the sprayers indicated that they are aware of the restrictions to apply chemicals along the buffer zones.</p> <p><u>Pengkalan Bukit Estate</u></p> <p>Visit to the buffer zone along Pond (water Catchments) in the estate indicated that the buffer zone has been well established with natural vegetation. Necessary Signages have been erected to create awareness on the prohibited activities along the buffer zone. There were no traces of chemical or fertilizer application along the buffer zone. Interview with the sprayers indicated that they are aware of the restrictions to apply chemicals along the buffer zones.</p>	Estate	Assessment Area	Ha	Present	Lanadron	River Reserve	19.41	HCV 4	Pengkalan	Water Catchment	1.64	HCV 4	Bukit	Water Catchment	1.23	HCV 4	<p>Complied</p>
Estate	Assessment Area	Ha	Present															
Lanadron	River Reserve	19.41	HCV 4															
Pengkalan	Water Catchment	1.64	HCV 4															
Bukit	Water Catchment	1.23	HCV 4															
<p>4.5.6.2 If rare, threatened or endangered species, or high biodiversity</p>		<p>Complied</p>																

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Criterion / Indicator		Assessment Findings	Compliance
	<p>value, are present, appropriate measures for management planning and operations should include:</p> <ul style="list-style-type: none"> a. Ensuring that any legal requirements relating to the protection of the species are met. b. Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts. <p>- Major compliance -</p>	<p>The high biodiversity is included in the HCV Re-assessment report dated August 2016. Birds, mammals, reptiles, insect (least concern and vulnerable) and totally protected and protected wildlife were identified based on the latest HCV report. For example, vulnerable animal; bearded pig (mammals) under category totally protected.</p> <p>There is no RTE recorded. Evidence during site verification, discourage illegal or hunting, fishing, or collecting activities signboard were maintained and implemented.</p>	
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>All operating units have developed Management Plan for the HCV and conservation area to protect from any encroachment. Habitat protection includes prevention of disturbance by workers through awareness campaigns and regular patrols of the area. The estates have installed signboards at prominent areas to prohibit hunting, disturbance of protected areas and the lighting of fires.</p> <p>Interview of residents confirmed workers were aware of the company policy that prohibits hunting and collecting activities. Monitoring is carried out by the security and staff in charge for the respective area.</p> <p>Sime Darby Plantation Berhad in addition established their own disciplinary measures if found any staff or workers found to capture, harm, collect or kill the RTE species in the estate. On-going monitoring for HCV areas for all three Estates has been verified. The monitoring was conducted on monthly basis.</p>	Complied
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>Zero Open Burning Policy as per SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974.</p>	Complied

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	- Major compliance -	No open burning noted based on the records on the land clearing and felling for the replanting at sampled estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	
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 -	There are 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. Thus, this indicator was not applicable.	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 -	No controlled burning noted based on the records on the land clearing and felling for the replanting at sampled estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction. Thus, this indicator was not applicable.	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 and felling for the replanting at sampled estates, method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	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 -	SOP was established for the Estates. & Agricultural Manual, Sustainability Plantation Management System and EQMS (Estate Quality Management System) were distributed to all operating units as a guidance document to conduct estate operation.	Complied

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		<p>The SOP covers land preparation, planting material, upkeep, harvesting, FFB transportation and etc. Sime Darby Plantation Berhad 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. Also sighted the latest addition of SOP Communicable Disease (COVID-19) Prevention & Control Procedure available.</p> <p>Interview with workers and stakeholders confirmed that the SOP had been implemented and they understood the requirements of the SOP, the bottom-line of which is Good Agricultural Practice and the care for their safety and health and the 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>Sime Darby Plantation Berhad has established policy on slope protection and documented in Slope and River Protection Policy signed by the Managing Director in Jan 2015.</p> <p>The policy stated for slope more than 25 degree must be exclude from any new plantation development and replanting program. All the existing crop and vegetation shall be maintained accordingly. All estates had complied with this policy to not plant on slopes above 25° and Buffer Zone.</p> <p>The policy was communicated to the employee during master briefing, townhall training and displayed in several notice board in the estate.</p>	Complied
4.6.1.3	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>Estates audited had a visual identification/reference system for each established field/block and maps established. Field numbers and hectare were marked on palms and in some areas on signboards as sighted in the fields.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance																																																																																																									
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 -	Business planning to ensure long-term economic and financial viability was evident. The annual budgets for the period 2021 to 2026 were sighted. The budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO/MSPO compliance etc. 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 -	All estates established a replanting program spanned over a 5-year period till 2027. All programs were available for verification: <table border="1" data-bbox="1048 863 1865 1367"> <thead> <tr> <th>Field</th> <th>Ha</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> <th>2027</th> </tr> </thead> <tbody> <tr><td>E13007N</td><td>59.16</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E13007N1</td><td>60.21</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E13007N1A</td><td>47.79</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E13007N2</td><td>44.35</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E13007N2A</td><td>65.35</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E13007NA</td><td>46.70</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302010A</td><td>48.76</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302010B</td><td>66.69</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302010C</td><td>59.70</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302011A</td><td>67.93</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302014A</td><td>82.00</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302014B</td><td>76.17</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302015A</td><td>93.81</td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td>E1302017A</td><td>67.96</td><td></td><td></td><td></td><td></td><td></td></tr> </tbody> </table>	Field	Ha	2023	2024	2025	2026	2027	E13007N	59.16						E13007N1	60.21						E13007N1A	47.79						E13007N2	44.35						E13007N2A	65.35						E13007NA	46.70						E1302010A	48.76						E1302010B	66.69						E1302010C	59.70						E1302011A	67.93						E1302014A	82.00						E1302014B	76.17						E1302015A	93.81						E1302017A	67.96						Complied
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		E130P00N1A	58.94																																															
		E130P01N	87.88																																															
		E130P01N1	99.70																																															
		E1302021A	38.70																																															
		E1302021B	74.30																																															
		- Replanting Program																																																
4.6.2.3	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> a) Attention to quality of planting materials and FFB 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 <p>- Major compliance -</p>	<p><u>Lanadron Estate</u></p> <p>a)</p> <table border="1"> <thead> <tr> <th>Field</th> <th>Ha</th> <th>Planting Material</th> </tr> </thead> <tbody> <tr><td>E13007N</td><td>59.16</td><td>DXP</td></tr> <tr><td>E13007N1</td><td>60.21</td><td>DXP</td></tr> <tr><td>E13007N1A</td><td>47.79</td><td>DXP</td></tr> <tr><td>E13007N2</td><td>44.35</td><td>DXP</td></tr> <tr><td>E13007N2A</td><td>65.65</td><td>DXP</td></tr> <tr><td>E13007NA</td><td>46.70</td><td>DXP</td></tr> <tr><td>E1302010A</td><td>48.76</td><td>DXP</td></tr> <tr><td>E1302010B</td><td>66.69</td><td>DXP</td></tr> <tr><td>E1302010C</td><td>59.70</td><td>DXP</td></tr> <tr><td>E1302011A</td><td>67.93</td><td>DXP</td></tr> <tr><td>E1302014A</td><td>82.00</td><td>SD PREMIUM</td></tr> <tr><td>E1302014B</td><td>76.17</td><td>SD PREMIUM</td></tr> <tr><td>E1302015A</td><td>93.81</td><td>SD PREMIUM</td></tr> </tbody> </table>						Field	Ha	Planting Material	E13007N	59.16	DXP	E13007N1	60.21	DXP	E13007N1A	47.79	DXP	E13007N2	44.35	DXP	E13007N2A	65.65	DXP	E13007NA	46.70	DXP	E1302010A	48.76	DXP	E1302010B	66.69	DXP	E1302010C	59.70	DXP	E1302011A	67.93	DXP	E1302014A	82.00	SD PREMIUM	E1302014B	76.17	SD PREMIUM	E1302015A	93.81	SD PREMIUM	Complied
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		E1302017B	50.00	0	6	16.02	
		E1302018A	97.89	0	5	9.32	
		E1302019A	54.40	0	4	9.32	
		E1302019B	69.52	0	4	9.39	
		E130P00N1	43.75	0	23	9.64	
		E130P00N1A	58.94	0	23	20.96	
		E130P01N	87.88	0	22	7.14	
		E130P01N1	99.70	0	22	-	
		E1302021A	38.70	0	2	-	
		E1302021B	74.30	0	2	-	
		<p>c) Cost of production year 2022 todate: Cost/mt actual as at Aug 2022: RM xxx.21 Cost/ha actual as at Aug 2022:RM xxx.19 Cost/mt Budget as at 2022: RM xxx.33 Cost/mt Budget as at 2022: RM xxx.91</p> <p>d) Price forecast for year 2022: CPO:RM x,xxx.00/mt KER: RM x,xxx.00/mt FFB price/mt: RM xxx.00 FFB/MT BUDGET: xx.53mt/ha CROP BUDGET: xx,xxx mt</p>					

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Criterion / Indicator		Assessment Findings	Compliance
		e) Financial indicators for year 2022 The financial indicator with the details of total FFB sales, cost and profit are well maintained and details in the budget book	
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 -	The estates performance is recorded in the monthly progress report. 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. 4. The SOU meeting involving the Managers sits monthly with the Regional CEO for the performance review.	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 -	The contract documents template was included with the provision for contractors to comply with all Sime Darby Plantation Berhad requirements including vendor integrity pledge where the contractor to adhere with integrity, transparency, responsibility, anti-bribery, etc. Pricing mechanism is stated in the appendix and agreed by both parties. Lanadron Estate and Pagoh Estate has engaged contractors for varieties of works such as replanting, FFB & EFB transporter and maintenance works. Sampled of the agreement between company and the contractors as below: <u>Lanadron Estate</u>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Agreement between Sime Darby Plantation Berhad with Diyana Trading (Kim Soon Lee Transport) dated 01/09/2022 for Transportation of FFB For Diyana Trading and Services.	
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Payment for FFB purchased has been stated in the contract agreement under section 9. Payment and set out in Section 5 of the First Schedule. Sighted the sampled payment made as per contract agreement as follows: Diyana Trading and Services Sdn. Bhd. for the month of July 2022. Payment Invoice DTSB/INV/2533 dated 30/07/2022.	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 -	The contractors engaged by the estates' management has signed on a letter regarding the compliance of RSPO/ MSPO/ SCCS. All the contractors need to follow the RSPO/ MSPO/ SCCS requirements in accordance with Sime Darby Plantation Berhad management system. Briefing of RSPO & MSPO was given to the contractors for SOU 19 on 06/06/2022. Seen the training attendance list and training materials. Interviewed with the contractors confirmed that they were provided with training and have signed on the letter.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Lanadron Estate and Pengkalan Bukit Estate has engaged contractors for varieties of works such as replanting, FFB & EFB transporter and maintenance works. Sampled of the agreement between company and the contractors as below: <u>Lanadron Estate</u>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Agreement between Sime Darby Plantation Berhad with Diyana Trading (Kim Soon Lee Transport) dated 01/09/2022 for Transportation of FFB For Diyana Trading and Services.</p> <p><u>Pengkalan Bukit Estate</u></p> <p>Agreement between Sime Darby Plantation Berhad with Kim Soon Lee Transport Sdn Bhd dated 01/09/2021 for FFB Transport valid until 31/12/2022.</p>	
4.6.4.3	<p>The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.</p> <p>- Minor compliance -</p>	<p>Contractors have signed on the letter on RSPO/ MSPO/ SCCS requirements in accordance with Sime Darby Plantation Berhad management system which mentioned all contractors shall ensure to reserve the right of the certification bodies (CBs) to audit the activities when it is announce in advance. Sampled the letters signed by contractors on 11/10/2021 for Diyana Trading and Services Sdn Bhd and 11/10/2021 for Kim Soon Lee Transport Sdn Bhd. The new sample for year 2022 still in preparation.</p>	Complied
4.6.4.4	<p>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.</p> <p>- Major compliance -</p>	<p>The contractors engaged by the estates' management has signed on a letter regarding the compliance of RSPO/ MSPO/ SCCS. All the contractors need to follow the RSPO/ MSPO/ SCCS requirements in accordance with Sime Darby Plantation Berhad management system. Briefing of RSPO & MSPO was given to the contractors for SOU 19 on 06/06/2022. Seen the training attendance list and training materials. Interviewed with the contractors confirmed that they were provided with training and have signed on the letter.</p>	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			

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Criterion / Indicator		Assessment Findings	Compliance
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. - Major compliance -	Not Applicable - No New Plantation	Not Applicable
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 -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	Not Applicable
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations,	Not Applicable - No New Plantation	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
	via participatory methodology which includes external stakeholders. - Major 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 -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	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	Not Applicable - No New Plantation	Not Applicable

Criterion / Indicator		Assessment Findings	Compliance
	shall be avoided unless permitted by local, state and national laws. - Major 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 -	Not Applicable - No New Plantation	Not Applicable
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	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	Not Applicable - No New Plantation	Not Applicable

Criterion / Indicator		Assessment Findings	Compliance
	available. - Major 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 -	Not Applicable - No New Plantation	Not Applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	Not Applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	Not Applicable - No New Plantation	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 -	Not Applicable - No New Plantation	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 -	Sighted Group Sustainability & Quality Policy Statement dated 02/12/2019 signed by Group Managing Director Mr. Mohamad Helmi Othman Basha.	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 -	The policy established mention that Sime Darby Plantation Berhad are committed to making: <ol style="list-style-type: none"> 1. Promoting Good Governance and Transparency 2. Contributing to a better society 3. Minimizing environmental harm 4. Delivering sustainability quality This policy shall be guided by the commitment spelt out in the company's: <ol style="list-style-type: none"> 1. Responsible Agriculture Charter (RAC) 2. Human Right Charter (HRC) 3. Innovation & Productivity Charter (IPC) 	Complied
Criterion 4.1.2 – Internal Audit			

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Criterion / Indicator		Assessment Findings	Compliance
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 -	RSPO + MSPO Internal Audit for SOU 19 Pagoh was carried out on 09/08/2022 in Pagoh POM by GSQM & RSQM. The audit was carried out based on the reference of MS 2530-4:2013. Total 3 major, 0 minor non-conformity and 0 Opportunity for Improvement raised. Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.	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 -	Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 1/9/2017. The frequency of the internal audit shall be carried out at least once a year and when is required. Total 3 major, 0 minor non-conformity and 0 Opportunity for Improvement raised. Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.	Complied
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The internal audit report has distributed to the mill's management. The Management Representative has acknowledged on the acceptance of the Internal Audit Report on 09/08/2022 at Pagoh POM. Management review meeting was conducted to review the findings of the internal audit.	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 implementation of MSPO and decide on any changes, improvement	Sime Darby Plantation Berhad has established SOP for Management Review documented in Standard Operation Manual, Sub-Section 5.6, dated: 25/5/2015. Based on the SOP established, the	Complied

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	and modification. - Major compliance -	frequency for management review needs to be carried out at least once a year. The latest management review meeting was carried out on 09/08/2022 at Pagoh POM where the agenda that discussed as below: 1. Opening by Chairman 2. Previous Meeting Minutes Review 3. Matters Arising from Previous Minutes of Meeting 4. Objective/ Management Program 5. Training Plan 6. Results from Internal Audits: RSPO & MSPO 7. Nonconformity, Corrective and Preventive Actions 8. Customers/ Stakeholders Feedback/ Complaints 9. Resource Needs 10. Changes that could affect the management systems 11. Recommendations for Improvement 12. Other matters 13. Conclusion	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance -	The continual improvement plan includes environmental, occupational health and safety and operation improvement. Sighted the Continual Improvement Plan for Pagoh POM, established on 16/08/2022 which includes items such as: 1. Improvement of workers living condition:	Complied

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		<ul style="list-style-type: none"> a) Installation of ceiling fan, bed and steel cabinet b) Continuous repairing job for estate quarters c) Installation of board (evacuation plan, emergency contact number) 2. Bund heightening at waste recovery pressing pit to avoid oil spillage into monsoon drain. 3. Improvise on digester control level by installation of censor to reduce human error. 4. Planted vetiver grass at stabilization pond to prevent soil erosion. 5. Bund heightening at sterilizer condensate pit to prevent spill from sterilizer. 6. To sell empty bunch to potential buyer. To reduce the EFB backlog.	
4.1.4.2	<p>The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.</p> <p>- Major compliance -</p>	<p>This is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings. Dissemination of information by the RCEO and RGM are transacted during the monthly Managers meetings and emails.</p>	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			

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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 -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate and also Suara Kami Helpline dated 15/04/2020. 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. Manager is responsible for address the communication and requests. Latest record communication was on 02/08/2022 sampled in Pagoh POM.	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 -	The management has 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. Besides, internal and external stakeholders could access to the company's website to obtain information such as policies, annual report and complaint procedures. The link for publicly available Policies and Legislations Sime Darby Berhad .	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 -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within	Complied

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		one week of the completion of the investigation for communication requiring investigation. Dosh logbook available and the record showed was updated until 21/12/2021.	
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 -	Assistant Mill Engineer, Mr Aizat Syahmi Bin Zaidi Ariss of the Pagoh POM has been appointed as Social Officer to handle any issue related to social in the mill. Seen the appointment letter dated 01/06/2022 issued by the Manager.	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 -	Sighted List of stakeholders for the year of 2022. The list was updated on 01/02/2022. Latest meeting with stakeholder conducted on 02/08/2022 and sighted sample of feedback from Kg Panjang Sari regarding to lorry of FFB been using village road and mill already contact the contractor to ensure using another road and not village road. Communication latest with contractor sighted on 6/10/2022.	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 -	Ref.: Sustainable Plantation Management System (SPMS), Appendix 15, SOP for Sustainable Supply Chain and Traceability, ver. 2, 2018; issue no. 5, April 2019. Pagoh POM is receiving FFB mainly from its certified supply base – Lanadron Estate, Pengkalan Bukit Estate and Pagoh Estate. The mill also receives crop diverted from its sister estates such as Welch Estate, Kempas Estate, Kemuning Estate and Tangkak Estate. Non-certified third party FFB is also received from OCP such as Eng Huat, PPMSB, Impressive Transform Sdn Bhd, Sin Chin Joo Sdn Bhd, Koperasi Membeli Tanah Grisek, Ledang Bhd, Tai Hwa and Tiong	Complied

Criterion / Indicator	Assessment Findings	Compliance
	<p>Oil Palm. Among the relevant documents to ensure traceability were sampled as follows:</p> <p>For own supply base and diverted sister estates: The weighbridge ticket provided the following details: For own supply base and diverted sister estates:</p> <ol style="list-style-type: none"> 1. Supplied from which estate 2. Product (FFB or Loose fruit) 3. Delivery note from estates stating the weight and fruit grade (A or B). 4. D.O Number 5. Weight of the shipment 6. Date of the shipment <p>For External Supply Base (OCP):</p> <ol style="list-style-type: none"> 1. Supplied from which estate 2. Product (FFB or Loose fruit) 3. Delivery notes from estates stating the weight and fruit grade (A or B). 4. D.O Number 5. Weight of the shipment 6. Date of the shipment <p>For despatch of CPO & PK, the weighbridge</p> <ol style="list-style-type: none"> 1. Customer Name 	

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Criterion / Indicator		Assessment Findings	Compliance
		2. Destination of the CPO /PK 3. Product 4. DO number 5. PO number 6. Weight of the product. Sample weighbridge ticket: Date: 07/10/2022 Customer: MEWAHOLEO-MEWAHOLEO INDUSTRIES SDN BHD Destination: MEWAHOLEOPLO 283, JALAN BESI SATU, PASIR GUDANG INDUSTRIAL ESTATE,81700 PASIR GUDANG, JOHOR. Product: 0007 – Crude Palm Oil Ffa%: 4.72 Dobi%:2.62 Admixture%: 0 Moisture%: 0.122% Impurities%: 0.014. PO No: 462076 Vehicle No: QTS 8200 Driver Name: Yap Tiew Chuan First Weight: 21,110kg Second Weight: 59,900kg Nett Weight: 38,880kg Contract No: S/PSD/2210/CPO0030B.	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	The method of inspection is by conducting MSPO internal audit. The last audits were conducted on 06/08/2022. Based on the	Complied

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		inspection, there was no finding raised with regards to the implementation of traceability procedure.	
4.2.3.3	The management shall identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	The overall personal in charge for the traceability is the Head of Operating Unit, where in this case are the mill managers [Ref.: Clause 4 of SOP for Sustainable Supply Chain and Traceability].	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	Stock movement of CSPO & CSPK is recorded Mass Balancing Records for Oil Mill and available for verification. Details of the production and sales of crude palm oil and palm kernel is detailed out in the summary report above.	Complied
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 -	Sime Darby Plantation Berhad have established a mechanism to ensure compliance to legal and other requirement and documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU19. SQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Refer to Sime Darby Plantation, ESH Management System Manual, ESH Legal & Other Requirements; Guidelines and Procedures; Document ID: SD/SDP/SQM (ESH)/001-2-2; Revision: 0. Date: 01/07/2012.	Complied

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		<p>As to date, Pagoh POM comply with all the applicable local, state, national and ratified international laws and regulations.</p> <p>Among the Permits and License sampled were:</p> <ol style="list-style-type: none"> 1. DOE Compliance Schedule; License Number: 002366; Reference Number: AS(B)J31/152/000/090; License Validity Period: 01/07/2022 – 30/06/2023; Effluent Discharge Method: discharged through Water Way. 2. MPOB License; License Number: 565809104000; Allowed Processing Capacity: 180,000 Mt/year; License Validity Period: 01/11/2021 – 31/10/2022. The renewal license still in progress. 3. River Water Diversion and Extraction License; License Number: 08/A/Muar/020; File Number: BAKAJ:334/300/05/03/08/2; Maximum Abstraction: 600m³/day; License Expiry Date: 31/12/2022. 4. Energy Commission – Private Installation License; Serial Number: 005325/2022; Installation Number: ST(SJB)P/S/JHR/01967; License valid for 2 years from 22/07/2021 until 22/07/2023. 5. Fire Certificate (BOMBA); Serial Number: 320900; Certificate Number: JBPM: JH/7/561/2020; License Validity Period: 22/10/2021 – 21/10/2022. 	
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Documented Procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10/12/2008.</p>	Complied

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		All legal requirements were documented in Legal and Other Requirement Register available at the estates. The register is reviewed regularly and updated as and when there are new or amended legal requirements that are applicable to the estate operations. The latest review was conducted on 01/05/2022.	
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 -	<p>Documented procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10/12/2008.</p> <p>All legal requirements were documented in Legal and Other Requirement Register. Compliance to each applicable law and regulation is monitored by the mill. The legal register at the mill were reviewed/updated on a yearly basis / as and when needed for new updates/licenses. Sighted the document 'Summary of Compliance' available at the mill undersigned by the Top Management. The document lists the latest applicable laws and amendments, revision dates and acknowledgement by the management.</p> <p>All the legal and other requirements were registered accordingly and documented in the legal requirement register including new updates for Workers Minimum Standards of Housing and Amenities (Amendment) Act 2019, Minimum Wages Order 2022 and Auxiliary Police Regulations 1970 (Amendment), Movement Control Order April 2022 & Akta Pencegahan & Pengawasan Penyakit Berjangkit 1988.</p>	Complied
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office.	Complied

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	- Minor compliance -	<p>On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law is well implemented.</p> <p>The mill management has appointed the Assistant Engineer, Mr. Ahmad Junaidy bin Jaapar on 15/01/2021 as the PIC to monitor any changes on the LORR and update the register as and when necessary, as stated in the job functions as RSPO/MSPO/SCCS Representative undersigned by the Mill Manager.</p>	
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>The management ensure that their oil palm cultivation activities do not diminish the land use rights of other users by ensuring the legal boundary is correct through land survey during the development.</p>	Complied
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land.</p> <p>- Major compliance -</p>	<p>Pagoh POM is located within Pagoh Estate. Pagoh Estate has been established since 1963/1964. The land title applicable to Pagoh POM with Grant number 93881 (lot 2159) registered to Sime Darby Plantation Sdn Bhd (now Sime Darby Plantation Berhad) on 03/07/2013. The usage of land is not stated. The land was granted by the Johor State. Hence it is applicable for any usage. The original land title was registered on 25/11/2002.</p>	Complied
4.3.2.3	<p>Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>The mill area is within the area of Pagoh Estate’s land title. The permanent fence had been constructed to demarcate the vicinity of the mill milling area.</p>	Complied
4.3.2.4	<p>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</p>	<p>From the record of communication not sighted any dispute or legal acquisition of land. There is no land dispute in the SOU 19 at the</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
	consent (FPIC). - Minor compliance -	time of audit. The land belongs to Sime Darby Plantation Berhad and land ownership documents verified.	
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 -	As at time of visit, there was no evidence to show that any land was encumbered by customary rights or land disputes.	Not Applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	As at time of visit, there was no evidence to show that any land was encumbered by customary rights or land disputes.	Not Applicable
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	As at time of visit, there was no evidence to show that any land was encumbered by customary rights or land disputes.	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 -	The mill has conducted Social Impact Assessment (SIA) conducted in June 2013. The assessment conducted was include the feedbacks from the stakeholder engagement meeting. Besides providing socio-economic baseline data, the report highlighted various issues (complaints, requests and comments) raised by the stakeholders of mill. The mill has established action plan for Social Assessment year 2022 dated 06/08/2022. The action plan taking consideration issue	Complied

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		such as issue from Workers, surrounding communities, government agencies, suppliers, contractors, staff and management.	
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 -	The company has developed a documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The procedure has detailed the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner. Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2018 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. 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.	Complied
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 -	Consultation and communication were conducted through written reports and meetings. Any communication/request/grievances from external stakeholder were recorded in the communication logbook or complaints form for stakeholders. Government Agencies such as DOSH and DOE recorded their visit reports in the logbook. DOE – last visit was on 10/02/2022 as per JAS/ATOP1/09/2015 from the comment no issue been raised by the DOE personnel. DOSH logbook latest visit was on 27/09/2022.	Complied

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		For internal stakeholders, main grievances recorded were regarding housing repair. Sighted the Housing Repair form with latest report dated 01/04/2021. All complaints have been satisfactorily addressed by the estate.	
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	The mill has established communication book/form for internal and external complaint. The communication logbook/forms is available at mill office. In case the complainant would want to make an anonymity complaint it can be made through electronic Complaint form or email to Senior Director or Whistleblowing committee or toll-free number or fax or by mail. OPP – latest complaint was on 04/10/2022 and the complaint resolve was on 06/10/2022.	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 -	Interview with the internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure, and they were briefed by the management during stakeholder meeting. "Talian Bantuan Pekerja" under Ulula was the latest system for workers to make any complaint and grievances, Awareness training has been conducted 01/06/2022 and 02/08/2022 for stakeholder.	Complied
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 -	Record review found that previous complaints and requests for the past 24 months were still available.	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	Since the last assessment, among the contributions from the mill were:	Complied

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	plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - Minor compliance -	Food basket to the quarantine and positive workers with COVID-19. Basic food basket was contained 10 kg Rice, bread, Milk, coffee, sugar, egg and others dated 16/08/2022. Total around RM 2100.	
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 -	Sime Darby Plantation Berhad have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 01/06/2020. 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 working condition. Pagoh POM has established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2022. The management plan includes the ESH risk management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring and Health monitoring.	Complied
4.4.4.2	The occupational safety and health plan should cover the following: a) A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:	The occupational safety and health plan cover the following: a) Sime Darby Plantation Berhad have established the Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 01/06/2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the mill. The policy has been briefed to all workers on 01/06/2022. b) HIRARC was available for all operations within the Mill to identify the hazards, assess and recommended control	Complied

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<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. 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. 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 ant the concerns of employees and any remedial actions taken shall be recorded. h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. 	<p>measures to minimize the risks. Among the HIRARC sampled were Weighbridge, Ramp, Sterilization, Threshing Station and Pressing. HIRARCs have been recently reviewed due to accidents that occur in regard to the related activity. Sighted the HIRARC for Ramp – FFB Grading reviewed on 29/09/2021 due to a related incident that occurred on 20/09/2021. The reviewed HIRARC stated the recommended risk control as – wear safety goggles. Based on the interview with the workers and the worker involved with the incident, workers have been given appropriate PPE and training has been conducted.</p> <p>Chemical Health Risk Assessment (CHRA) was conducted in compliance with Occupational Safety and Health (USECHH) regulation 2000 on 10-30/04/2018 by DOSH Registered Assessor, Tan Tiong Ping (HQ/03/ASS/00/160) with the CHRA Report available for verification. The CHRA Report (Report Ref Number: HQ/03/ASS/00/160-2018/057) was available for verification.</p> <p>Medical Surveillance was conducted to establish workers health status when they work in an environment where they are exposed to particular hazards such a Manganese. The Mill has conducted the medical surveillance on 8,9,10,14/03/2022 for 10 of the workers at Klinik Kuan Sdn Bhd where all are normal results. Nevertheless, no workers were recommended for removal.</p> <p>Noise Risk Assessment was conducted by PAC Testing & Consulting Sdn Bhd on 19/05/2021 for Pagoh POM by a Noise Risk Assessor, Pauzer Bin Ahmad (NRA Reg: HQ/09/PEB/00/67). The NRA Report (Ref. No: HQ/09/PEB/00/67-2020/014) was available for verification.</p>	

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<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>Annual & Baseline Audiometric Testing was conducted for all workers exposed to excessive noise in the mill dated 14/03/2022. A total of 56 workers were examined and the results indicated that 5 workers had to do further checkup.</p> <p>c) The mill has established a training and awareness program for employees exposed to chemicals used at the palm oil mill to ensure continuous awareness to the employees. The training was conducted by the Manager, Asst. Manager and representative from the chemical suppliers to the supervisors and operators.</p> <p>d) The mill has provided appropriate PPE to all workers according to the job type and requirements. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) Palm Oil Mill dated 17/03/2008. Sighted the PPE issuance records documented in 'PPE Issuance Record' logbook. The PPE issued recorded by workers and job designation.</p> <p>e) Procedures of chemical handling is presented in several documents, such as Sime Darby Plantation, Chemical Safety Management; Document No. SD/SDP/PSQM (ESH)/202-OH4; dated 26/02/2015.</p> <p>Nevertheless, the storage of Petronas Diesel Euro 5 (B7) was not in accordance with the Mill Quality Management System under the Occupational Safety Health Manual, Chapter 9 (Chemical Safety Management) states under No. 6.0 Procedures for Handling, iii. <i>Ensure that containers is properly labelled, not damaged and no spillage during handling.</i> During the site visit to the Lubricant Store it was noticed that the diesel</p>	

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	<p>and lubricants were stored in containers with that were not labelled accordingly.</p> <p>f) The Mill Manager, Mr. Mohd Fadzli Bin Hasbullah was appointed to be the Chairman of OSH Committee at the Mill as stated in the appointment letter dated 01/01/2020 undersigned by the Regional General Manager (Central West). 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.</p> <p>g) The Mill Management conducted regular OSH committee meetings on quarterly basis and when necessary due to accidents that occur. In the meeting, discussed issue on employees' safety, health and welfare such as mill safety and health achievement report, mill security, safety compliance by contractors, workplace inspection, legal compliance, safety and health training. Sighted the latest OSH Meeting Minutes dated 08/06/2022 and 07/09/2022 available for verification.</p> <p>h) Accident and emergency procedures are available in the ESH Management System Manual; Emergency Preparedness & Response Guidelines and Procedures; Doc No: SD/SDP/SQM (ESH)/001-2-6; Revision: 0; Date 01/07/2012. The mill has established Emergency Response Team lead by the Mill Engineer. Fire Drill was conducted on 04/10/2021 at the mill. Chemical Spill Drill was conducted on 15/02/2021</p> <p>i) First aiders were present at various workstations at the mill such as ramp, boiler station and workshop. The first aiders were responsible for first aid box at each workstation assigned</p>	

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		<p>to them by the management. The first aid box was recently replenished with records of monthly monitoring available for verification. The latest First Aid Training was conducted on 08/10/2021 and 08/02/2021.</p> <p>j) Accident records are recorded and maintained in the mill and discussed during the quarterly held JKKP Meetings. There were 6 reported accidents for the year 2021 in the workplace. The accident investigation report was available for verification. Sighted the JKKP 8 form submission to JKKP for the year 2021 as well, submitted on 17/01/2026. 6 accident cases were reported for the year 2021 as of to date with a total of 28 LTA. The JKKP6 forms have been submitted to DOSH accordingly and were available for verification.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has established Group Sustainability & Quality Policy Statement dated 2/12/2019 by Group Managing Director where the company is 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. Besides, Policy on the Protection of Human Rights Defenders (HRDs) was established with effective date on 25/3/2020. Sime Darby Plantation 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</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>directors, employees, counterparties, and business partners, workers in our operations and supply chains, and communities surrounding our operations.</p> <p>The policies were communicated to the employees during induction training for new employees and morning muster. Latest Policy Briefing was conducted at Pagoh POM on 01/06/2022.</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>Sime Darby Plantation Berhad 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 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. The policy has been briefed to all the employees and stakeholders.</p>	Complied
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>There were employment contracts for staffs and workers. Pay and conditions are documented and achieved the Minimum Wage Order 2022. Sampled of employment contracts confirmed that terms and conditions are clearly outlined as per collective agreement and Employment Act 1955 which have been signed by the worker.</p> <p>Sampled of agreement pay slips for Oct 2021, Jan 2022 and June 2022 as below:</p> <p>Employee Id: 163693 Employee Id: 126325 Employee Id: 155443</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Employee Id: 167126 Employee Id: 165319 Employee Id: 165189	
4.4.5.4	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. - Minor compliance -	Reviewed the payslips and employment contract for contractor's workers found that the workers were paid accordingly with Minimum Wages Order 2022. Deduction of EPF, SOCSO and EIS found in order. Verified pay slip month of September 2022, July 2022 and June 2022. Sample were taken as below: Contractor: Lotus Two Enterprise (Supply Skill Labor for Mill Maintenance Work). Sheikh Mohamed Suruz (EF0738666), employment contract dated 01/05/2022 valid until 30/04/2025.	Complied
4.4.5.5	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. - Major compliance -	The mill management has registered all their workers into Employee Master Details Listing in SEMUA system where personal details such as full name, gender, date of birth, date join company, race, designation, and wages were recorded.	Complied
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. - Major compliance -	The mill management has employed local and foreign workers from Indonesia and India. They are all under direct employment to the mill. All of them have signed on the employment contract prior to work and extension contract where the original contract has expired. Terms and conditions were according to Collective Agreement and Employment Act 1955.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 -	All the daily attendance were recorded by punch card system on daily basis and overtime was recorded in the individual card. Besides, the summary of Mill Daily Attendance Report for every month was developed and maintained as well.	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 -	All the daily attendance were recorded by punch card system on daily basis and overtime was recorded in the individual card. Sime Darby Plantation Berhad has obtain permit for overtime work not more than 130 hours per month from Peninsular Malaysia Labour Office as per letter dated 27/3/2017. Refer letter ref. no. BHG.PU/9/134 JLD 9 (11).	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Wages and overtime were paid according to the "Punch card system". Total hours of overtime and daily attendance has recorded in the individual card. All of the sampled employees above have been paid in accordance to the Minimum Wage Order 2022 i.e. RM1500/month or RM57.69/day. Hours of overtime has recorded in the payslip and the payment for overtime were paid according to the legal requirements. Sampled of agreement pay slips for Oct 2021, Jan 2022 and June 2022 as below: Employee Id: 163693 Employee Id: 126325 Employee Id: 155443 Employee Id: 167126 Employee Id: 165319	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Employee Id: 165189	
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 -	The management has contributed 10kg of rice once every 2 months for all their workers. Apart from that, all the workers are provided with free medical facilities. In addition, all the workers are entitled with the phone allowance of RM5 for every month. Free housing facilities were provided to all the workers and their families.	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 -	The mill’s management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers. The mill workers are using SAJ water. Linesite inspection was carried out on weekly basis by Medical Assistant using Housing Complex/ Nest/ Community Hall Inspections. PIOA, EWR, and Canteen – inspection conducted on 23/09/2022 EWC - housing complex inspection conducted on 27/06/2022 and the latest one was on 26/09/2022. This conducted by quarterly basis.	Complied
4.4.5.12	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Sime Darby Plantation Berhad 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. Latest Policy Briefing was conducted at Pagoh POM on 01/06/2022.	Complied

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Criterion / Indicator	Assessment Findings	Compliance												
<p>4.4.5.13 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>- Major compliance -</p>	<p>Union meeting conducted on 11/07/2022 at Pagoh POM. From the meeting the management already comply the request from the workers such as toilet at thresher area, garage for workers motorcycle and others. The management representative was Farid b. Md Zam.</p>	<p>Complied</p>												
<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.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has incorporated its policy on protecting the rights of children in the "Group Sustainability & Quality Policy Statement" mention in Indicator 4.1.1.2. Based on verification of workers register, there was no evidence that anyone below 18 years of age was recruited for employment.</p>	<p>Complied</p>												
<p>Criterion 4.4.6: Training and competency</p>														
<p>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.</p> <p>- Major compliance -</p>	<p>Pagoh POM have established a training program for all workers based on the training need analysis conducted on a yearly basis. Sighted the training matrix, training plan for the year 2022. Records of trainings were maintained by the estates as below: -</p> <table border="1" data-bbox="1086 1157 1877 1391"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>ILO – Saluran Aduan, Free movement, medical excess, dan pengiraan gaji</td> <td>12/05/2022</td> </tr> <tr> <td>LOTO System</td> <td>22/6/2022</td> </tr> <tr> <td>Peraturan Perumahan Pekerja</td> <td>2/3/2022</td> </tr> <tr> <td>HIRADC Training and review</td> <td>23/6/2022</td> </tr> <tr> <td>ILO Indicator Refreshment training</td> <td>7/3/2022</td> </tr> </tbody> </table>	Training	Date	ILO – Saluran Aduan, Free movement, medical excess, dan pengiraan gaji	12/05/2022	LOTO System	22/6/2022	Peraturan Perumahan Pekerja	2/3/2022	HIRADC Training and review	23/6/2022	ILO Indicator Refreshment training	7/3/2022	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>Pagoh 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 Training Requirement for Strategic Operating Units (Mill – SOU 19) for the year 2021 for verification.</p>	Complied
4.4.6.3	<p>A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>A training programme has been developed and available in the Training Requirement for Pagoh POM ESH Activities for 2022. The trainings were sighted to have also included Gender Specific Training and involves staffs, workers and contractors.</p>	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
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>Sime Darby Plantation Berhad have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 22/06/2020. 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.</p> <p>The GSM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition. The policy has been briefed to all workers on 06/06/2022.</p>	Complied
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations</p>	<p>The Environmental Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was implemented to monitor the effectiveness of the mitigation</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Last reviewed was done on 11/02/2022.	
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 -	The Environmental Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	The Continual Improvement Plan has incorporated various programmed to promote the positive impacts towards the environment and was available in the Environment Management Plan that had been subcategorized to Waste Management, Water Management, HCV Area / Biodiversity, Energy Management, GHG Reductions and Pollution Preventions.	Complied
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. - Major compliance -	The mill management has established annual ESH Training Plan from FY 2022 which covers the environmental awareness and compliance related trainings to the executives, staffs and workers. Among the awareness and trainings verified were: 1. HCV Training – 27/06/2022 2. Zero Burning Policy Training – 01/04/2022 3. Schedule Waste Handling Training – 15/04/2022	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 -	Pagoh POM conducts quarterly Environment Performance Monitoring Committee (EPMC) Meetings to address the environment quality, issues and opportunity for improvements. The EPMC Meeting Minutes were available for verification dated 25/05/2022.	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>Pagoh POM maintains records of energy usage, which is reported monthly to head office through SAP system. The use of the steam turbine for electricity generation has been optimized in order to reduce the dependence on diesel fossil fuel.</p> <p>Pagoh POM has established baseline for non-renewable energy base on average of last 3 years usage/FFB produce. The monitoring of non-renewable energy usage was conducted annually.</p> <p>Sighted the sampled monitoring records for diesel,</p> <table border="1"> <thead> <tr> <th>Month</th> <th>FFB (mt)</th> <th>Diesel (Liters)</th> <th>Electricity (kWh)</th> <th>Water (m³)</th> </tr> </thead> <tbody> <tr> <td>Jan-22</td> <td>8,122.41</td> <td>860.00</td> <td>117,302</td> <td>10,160</td> </tr> <tr> <td>Feb-22</td> <td>8,321.00</td> <td>865.00</td> <td>109,239</td> <td>9,311</td> </tr> <tr> <td>Mar-22</td> <td>12,603.51</td> <td>1,264.00</td> <td>91,712</td> <td>14,402</td> </tr> <tr> <td>Apr-22</td> <td>15,243.62</td> <td>1,140.00</td> <td>113,573</td> <td>16,291</td> </tr> <tr> <td>May-22</td> <td>13,505.33</td> <td>1,025.00</td> <td>77,671</td> <td>13,206</td> </tr> <tr> <td>Jun-22</td> <td>17,634.67</td> <td>651.00</td> <td>68,065</td> <td>20,841</td> </tr> <tr> <td>Jul-22</td> <td>14,871.02</td> <td>1,379.00</td> <td>75,547</td> <td>16,440</td> </tr> <tr> <td>Aug-22</td> <td>7,967.09</td> <td>1,330.00</td> <td>115,853</td> <td>10,070</td> </tr> <tr> <td>Sept-22</td> <td>7,944.24</td> <td>2,175.00</td> <td>122,836</td> <td>11,674</td> </tr> </tbody> </table>	Month	FFB (mt)	Diesel (Liters)	Electricity (kWh)	Water (m ³)	Jan-22	8,122.41	860.00	117,302	10,160	Feb-22	8,321.00	865.00	109,239	9,311	Mar-22	12,603.51	1,264.00	91,712	14,402	Apr-22	15,243.62	1,140.00	113,573	16,291	May-22	13,505.33	1,025.00	77,671	13,206	Jun-22	17,634.67	651.00	68,065	20,841	Jul-22	14,871.02	1,379.00	75,547	16,440	Aug-22	7,967.09	1,330.00	115,853	10,070	Sept-22	7,944.24	2,175.00	122,836	11,674	Complied
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Criterion / Indicator		Assessment Findings	Compliance																								
4.5.2.2	<p>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.</p> <p>- Major compliance -</p>	<p>Pagoh POM has estimation of total energy required. This estimation was compared to the actual usage on a monthly basis and reported to the head office for monitoring purposes. The estimation of total energy required is available in the annual budget prepared by the management of Pagoh POM.</p>	Complied																								
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement. Apart from use of diesel for electricity, palm fiber and shells were also used to generate electricity through steam turbine and boiler.</p> <p>The use of energy in palm oil mill and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where Palm fibre and PK shells were used as renewable energy/fuel. Monthly records of energy consumption of non-renewable and renewable fuel per metric ton of palm product at the Mill were available.</p> <p>Renewable Energy Summary</p> <table border="1"> <thead> <tr> <th>Month</th> <th>FFB received (mt)</th> <th>DIESEL (liters)</th> <th>SHELL (mt)</th> </tr> </thead> <tbody> <tr> <td>Jan-22</td> <td>8,122.41</td> <td>860.00</td> <td>640.79</td> </tr> <tr> <td>Feb-22</td> <td>8,321.00</td> <td>865.00</td> <td>612.45</td> </tr> <tr> <td>Mar-22</td> <td>12,603.51</td> <td>1,264.00</td> <td>881.28</td> </tr> <tr> <td>Apr-22</td> <td>15,243.62</td> <td>1,140.00</td> <td>1,008.51</td> </tr> <tr> <td>May-22</td> <td>13,505.33</td> <td>1,025.00</td> <td>929.21</td> </tr> </tbody> </table>	Month	FFB received (mt)	DIESEL (liters)	SHELL (mt)	Jan-22	8,122.41	860.00	640.79	Feb-22	8,321.00	865.00	612.45	Mar-22	12,603.51	1,264.00	881.28	Apr-22	15,243.62	1,140.00	1,008.51	May-22	13,505.33	1,025.00	929.21	Complied
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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 -	Pagoh POM has identified the waste products and source pollution and documented in the Waste Management Plan 2021. The waste has been identified as follows: 1. Domestic Waste – Household waste, Organic Waste, Sewage 2. Industrial Waste – Scrap Metal 3. Scheduled Waste from Mill Operation – Used Hydraulic, Lubricant, Use chemical Containers, Electric Waste, used chemical Waste, cotton Rag from workshop and process. 4. Recyclable Waste – POME, EFB Records on the usage and disposal were well recorded and documented. Appropriate secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas was verified to be well maintained.				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 -	SOU 19 Pagoh Mill had identified all wastes and sources of pollution. The Waste Management Action Plan 2022 were established to mitigate and control the identified wastes and source of pollution. The most significant environmental receptors for the estates and mill operations were: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Receptor</th> <th>Sources</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Air</td> <td>Sources from boiler stack (smoke and particulate),</td> </tr> </tbody> </table>				Receptor	Sources	Air	Sources from boiler stack (smoke and particulate),	Complied
Receptor	Sources									
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Criterion / Indicator		Assessment Findings		Compliance																		
			vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping)- GHG Water Cleaning water/run-off/process station waters (hydro-cyclone /sterilizer condensate/clarification waste) & boiler quenching water and blow down Land Scheduled waste, clinical waste, Industrial waste, domestic waste and industrial/process waste.																			
		<p>All waste and pollution are identified and documented in the Waste Management Plan and Pollution Prevention Plan Financial Year 2022. The waste generated from the mill/estates operations as shown below:</p> <table border="1"> <thead> <tr> <th>Type of waste</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Scheduled waste</td> <td>Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries</td> </tr> <tr> <td>Domestic waste</td> <td>rubbish from the mill/estate complex and employees' quarters</td> </tr> <tr> <td>Industrial waste</td> <td>Fiber, palm kernel shell, boiler ash, scrap iron</td> </tr> <tr> <td>Sewage</td> <td>Sewage from housing/office complex</td> </tr> </tbody> </table> <p>The pollution identified from the mill/estates activities;</p> <table border="1"> <thead> <tr> <th>Type of waste</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Black smoke</td> <td>Emission from Boilers/ vehicles/ engines</td> </tr> <tr> <td>Odor & gases</td> <td>Activities from the effluent treatment</td> </tr> <tr> <td>Leakage of lubricant</td> <td>Storage & vehicle maintenance</td> </tr> </tbody> </table>		Type of waste	Details	Scheduled waste	Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries	Domestic waste	rubbish from the mill/estate complex and employees' quarters	Industrial waste	Fiber, palm kernel shell, boiler ash, scrap iron	Sewage	Sewage from housing/office complex	Type of waste	Details	Black smoke	Emission from Boilers/ vehicles/ engines	Odor & gases	Activities from the effluent treatment	Leakage of lubricant	Storage & vehicle maintenance	
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<p>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</p> <p>- Major compliance -</p>	<p>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/02/2016. Proper disposal of waste material is carried out as per the company procedures. The procedures are fully understood by workers staffs and executives.</p> <p>Pagoh POM also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>Observed during interview with storekeeper shows the understanding of the proper disposal of waste as all used lubricant and contaminated spill kit will be collected as Scheduled Waste and stored in designated storage area prior to disposal.</p> <p>All the records were found adequate as per required by EQ (Scheduled Waste) Regulations 2005.</p> <p>Sighted the sampled scheduled waste disposal records:</p> <p>Waste materials classified as Scheduled Waste were disposed via licensed Scheduled Waste Contractor, Pentas Flora (Melaka) Sdn Bhd. Records of consignments notes were available for recent disposal as verified below.</p> <ol style="list-style-type: none"> 1. Waste Code: SW324 – Spent Hexane; Consignment Note: 2022101211I9VX10; Date: 12/10/2022; Quantity: 0.1270 Mt. 2. Waste Code: SW409 – Contaminated Chemical Drums; Consignment Note: 20221012126KUER4; Date: 12/10/2022; Quantity: 0.0720 Mt. 	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance						
		3. Waste Code: SW110 – Electrical Waste; Consignment Note: 20220822165IJPCU; Date: 22/08/2022; Quantity: 0.0040 Mt.							
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	Domestic Waste is disposed via 3 rd party Contractor, MTJJ Enterprise. The contract agreement between Sime Darby Plantation Berhad (Pagoh Estate) and MTTJ Enterprise dated 01/02/2022 was available for verification. The rubbish collection is done twice in a week. The weighbridge tickets were available for verification. EFB application is done as part of nutrient recycling strategy and recorded regularly. All EFB were sourced from Pagoh POM. All estates are applying the EFB mulching in the fields as verified during the site visits. The best practice of EFB application is described in the ARM. Records were available for verification. Based on the records, it was noted that the EFB application rate per hectare was around 40 mt/Ha.	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 -	An assessment plan for all identified polluting activities was established based on the Environment Aspect and Impact assessment. Polluting activities were monitored based on DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling. Besides that, the mill also monitors the Green House Gas emission and recyclable waste. Observed the dust emission monitoring report conducted by Procoma Environmental (M) Sdn. Bhd. as follows:	Complied						
		<table border="1"> <thead> <tr> <th>Description</th> <th>Boiler 1</th> <th>Boiler 1</th> </tr> </thead> <tbody> <tr> <td>Period</td> <td>1st Half 2022</td> <td>2nd Half 2022</td> </tr> </tbody> </table>	Description	Boiler 1	Boiler 1	Period	1 st Half 2022	2 nd Half 2022	
Description	Boiler 1	Boiler 1							
Period	1 st Half 2022	2 nd Half 2022							

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Criterion / Indicator		Assessment Findings			Compliance
		Date of measurement		25/07/2022	
		Dust emission load (mg/Nm ³ , dry, @12% CO ²)	-	2.64	
		Dust emission limit (mg/Nm ³ , dry, @12% CO ²)	-	-	
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Pagoh POM have established a GHG Reduction Plan for the year 2021. The plan has identified the possible issues within the mill that may lead towards pollution. The plan consists of the issues, action plan to be taken, person in charge to monitor the action plan, time frame and status of compliance. Among the pollution issues identified are as follows: 1. Diesel - Optimization of diesel usage for the tractors available. 2. Diesel - Monitoring on the usage of diesel use. 3. Electricity - To optimize the usage of electricity and reduce wastage 4. Reduction of GHG emission - To monitor and control the potential source gaseous.			Complied
4.5.4.3	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. - Major compliance -	Pagoh POM applies the biological system with 14 ponds in series for its treatment of effluent. The mill is disposing its effluent to the water ways. The quality of discharged effluent was analyzed every month and the parameters are T, pH, BOD, COD, TS, SS, O&G, AN and TN. DOE standards. Monthly and quarterly report was submitted to DOE accordingly. Sighted the Analysis Test Report Results as follows: 1. Test Report Number: EP450/2022, EP,385/2022, EP360/2022, EP289/2022, EP241/2022			Complied

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Criterion / Indicator	Assessment Findings	Compliance																																										
	<p>2. Date Sampled: 09/09/2022, 05/08/2022, 04/07/2022, 08/06/2022, 19/05/2022</p> <p>3. Lab Code: C-W-EP-202209-002007, C-W-EP-202208-001685, C-W-EP-202206-001287, C-W-EP-202205-001040</p> <p>• Results</p> <table border="1" data-bbox="1088 616 1872 783"> <thead> <tr> <th>MONTH</th> <th>pH</th> <th>BOD</th> <th>SS</th> <th>TN</th> <th>AN</th> <th>O&G</th> </tr> </thead> <tbody> <tr> <td>MAY 22</td> <td>9.2</td> <td>9</td> <td>30</td> <td>27</td> <td><1</td> <td>5</td> </tr> <tr> <td>JUN 22</td> <td>8.7</td> <td>9</td> <td>80</td> <td>18</td> <td><1</td> <td>15</td> </tr> <tr> <td>JUL 22</td> <td>8.0</td> <td>13</td> <td>40</td> <td>51</td> <td><1</td> <td>2</td> </tr> <tr> <td>AUG 22</td> <td>9.0</td> <td>14</td> <td>60</td> <td>51</td> <td><1</td> <td>6</td> </tr> <tr> <td>SEPT 22</td> <td>9.26</td> <td>7</td> <td>35</td> <td>27</td> <td><1</td> <td>4</td> </tr> </tbody> </table> <p>Threshold level Final discharge – pH - 5.0 – 9.0 BOD - 20 TN - 200 AN - 150 SS - 200 O&G - 20</p> <p>The results indicated that the pH does not conform with the parameter limits for watercourse discharge. From the last year audit finding and OFI raised verified that estate has implement PD salt application to reduce pH level for final discharge. Referring to the record salt application w.e.f February 2022 the application of salt is based on the previous pH result.</p>	MONTH	pH	BOD	SS	TN	AN	O&G	MAY 22	9.2	9	30	27	<1	5	JUN 22	8.7	9	80	18	<1	15	JUL 22	8.0	13	40	51	<1	2	AUG 22	9.0	14	60	51	<1	6	SEPT 22	9.26	7	35	27	<1	4	
MONTH	pH	BOD	SS	TN	AN	O&G																																						
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Criterion / Indicator		Assessment Findings		Compliance												
		<table border="1"> <thead> <tr> <th>Month</th> <th>Salt application (kg)</th> </tr> </thead> <tbody> <tr> <td>Feb 22</td> <td>400</td> </tr> <tr> <td>Mar 22</td> <td>600</td> </tr> <tr> <td>Apr 22</td> <td>400</td> </tr> <tr> <td>Aug 22</td> <td>400</td> </tr> <tr> <td>Sep 22</td> <td>1,800</td> </tr> </tbody> </table> <p>From the final discharge report the pH reading are fluctuate, it was observed that the pH recorded levels already reduce compared to year 2021 than the standard parameter.</p> <p>From the table Final Discharge Point for the month May 22 2022 – Sept 2022. The mill has justified that the levels does not affect the environment negatively.</p> <p>Further monitoring and methods to ensure the pH levels are brought below the standard parameters are taken by writing letter to Director of Department of Environment on 29th March was inform on the effluent final discharge analysis report was sent for acknowledgement and sighted verification on the acknowledgment letter on the same date from the DOE office. Therefore, an OFI was raised for last year was closed.</p>	Month	Salt application (kg)	Feb 22	400	Mar 22	600	Apr 22	400	Aug 22	400	Sep 22	1,800		
Month	Salt application (kg)															
Feb 22	400															
Mar 22	600															
Apr 22	400															
Aug 22	400															
Sep 22	1,800															
Criterion 4.5.5: Natural water resources																
4.5.5.1	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: a) Assessment of water usage and sources.	1. Water Management was established and verified to state the following: 1. Protection of watercourse To monitor the water quality by sending water sampling for analysis by R&D. 2. Contingency during water shortage		Complied												

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Criterion / Indicator		Assessment Findings	Compliance
	<p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</p> <p>c) Ways to optimize water and nutrient usage and 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>- Major compliance -</p>	<p>a) To record water usage level to be capped at the volume permitted in license.</p> <p>b) To renew license for abstracting of water from water bodies</p> <p>c) Treated water to process</p> <p>3. Water Quality for Domestic use is provided by Syarikat Air Johor (SAJ). Water Analysis Test Report (IE1153/2022) sampled on 05/09/2022 was available for verification. The results dated 00/09/2022 indicated that samples taken at 4 sampling points (Hulu – Parit Jono Muar, Hilir – Parit Jono Muar, Hulu – 300 Meter From Final Discharge and Hilir – 300 Meter From Final Discharge) does conform with the Class IIA/IIB of NWQS for natural Waterways. Verified that the result analysis the sample taken for Parit Jono Hulu & Hilir are below to the requirement in term of pH, BOD level, COD level, SS, TN, AN, O&G, DO* and P.</p> <p>As for Pagoh POM, the water used for domestic consumption is by government water, Syarikat Bekalan Air Johor which provides clean treated 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>As of now there are no plans to gradually phase out the discharge of POME into the water course. Nevertheless, the mill ensures all environmental requirements that have been detailed out in the DOE compliance schedule.</p>	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Mill Management			

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Criterion / Indicator		Assessment Findings	Compliance
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	Pagoh POM processing system is documented in the Sustainability Plantation Management System MQMS/SQM/08 v1 dated 01/11/2008 which includes the mill SOP, and Mill Quality Management Manual v.1 2008/MQMS/QMM/08. These documents provide guidelines and standards in the mill operations. The Standard Operating procedure (SOP) described details from the reception, sterilisation, threshing, pressing, clarification, depericarping (nut polishing) station, effluent, laboratory, workshop, despatches etc. In addition, there are also manuals available within the industry and MPOB that are used as guidelines. Site visit at sterilizer station found that one operator was not wearing earplug while working there. It was not in line with Prosedur Kerja Selamat Sterilization Mill Chargehand / Operator, Section 1 Pastikan pekerja yang bertugas di stesen ini menggunakan PPE yang sesuai seperti berikut: Topi Keselamatan, Sarung Tangan, Ear Plug and Safety Boots and HIRADC MS0003 Steriliser Station, dated 5/10/2022, activity 3 operasi steriliser, hazard – bunyi bising, kawalan risiko – job rotation, break time, noise risk assessment, audiometric test(annually), hearing conservation, warning signages, PPE – earplugs and ear muffs. Hence, Minor Non-conformance been raised.	Minor Non-Conformance
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	The monitoring of the mill process is made through the shift supervision headed by An Engineer. All process parameters are documented and summarized in a daily report. The external monitoring is made through visits by the Mill Advisor scheduled on a 6-monthly basis. In addition, there are audits by Regional Head, PSQM and GCAD. This is to ensure compliance to Policies, procedures in relation mill operations, financial, OSH, welfare among others. Report relating to the monitoring i.e., daily	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		production report, monthly report, SOU meetings minutes and RSQM internal audit report were sighted, and system adopted is effective.	
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 -	The annual business plan is available. The document is in the form of annual budget and the projection for 5 years (Budget year 2022/ PY2/ PY3/ PY4/ PY5) prepared as guidance for future planning. The business plan contains FFB processed, production of CPO & CPK. Component of operating expenditure includes process labour, maintenance external, maintenance parts, consumable, EVIT, admin cost, labour overhead. Inclusive in the business plan is also Capital Expenditure (CAPEX) among others replacement / upgrading of building/machinery, workers amenities for the mill.	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 -	The pricing mechanism was conducted as per contract agreement between the Kilang Isi Sawit Sin Huat Hin Sdn Bhd and Sime Darby Plantation Berhad. Contract No: S/PSD/2206/PK0125 dated 31/5/2022 for the sales of Palm Kernel. The contract stated the volume of purchase, specifications, price, basis, delivery month, payment terms, and contract terms: Sighted the delivery weighbridge tickets, collection order and security and quality check sheet.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Sighted sampled contract between FFB Supplier and Sime Darby Plantation Berhad as follows: 1. Kilang Isi Sawit Sin Huat Hin Sdn Bhd – Palm Kernel	Complied

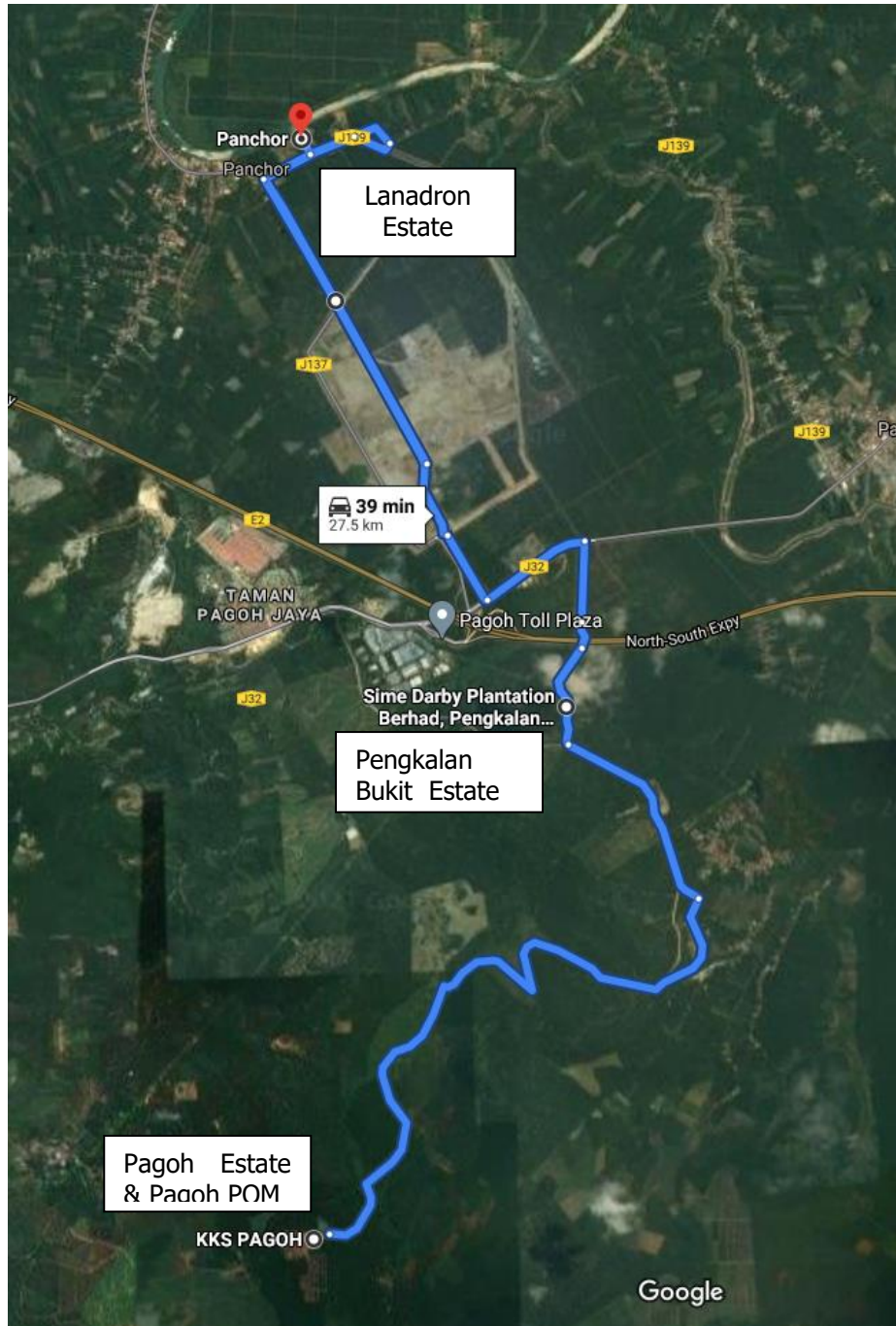
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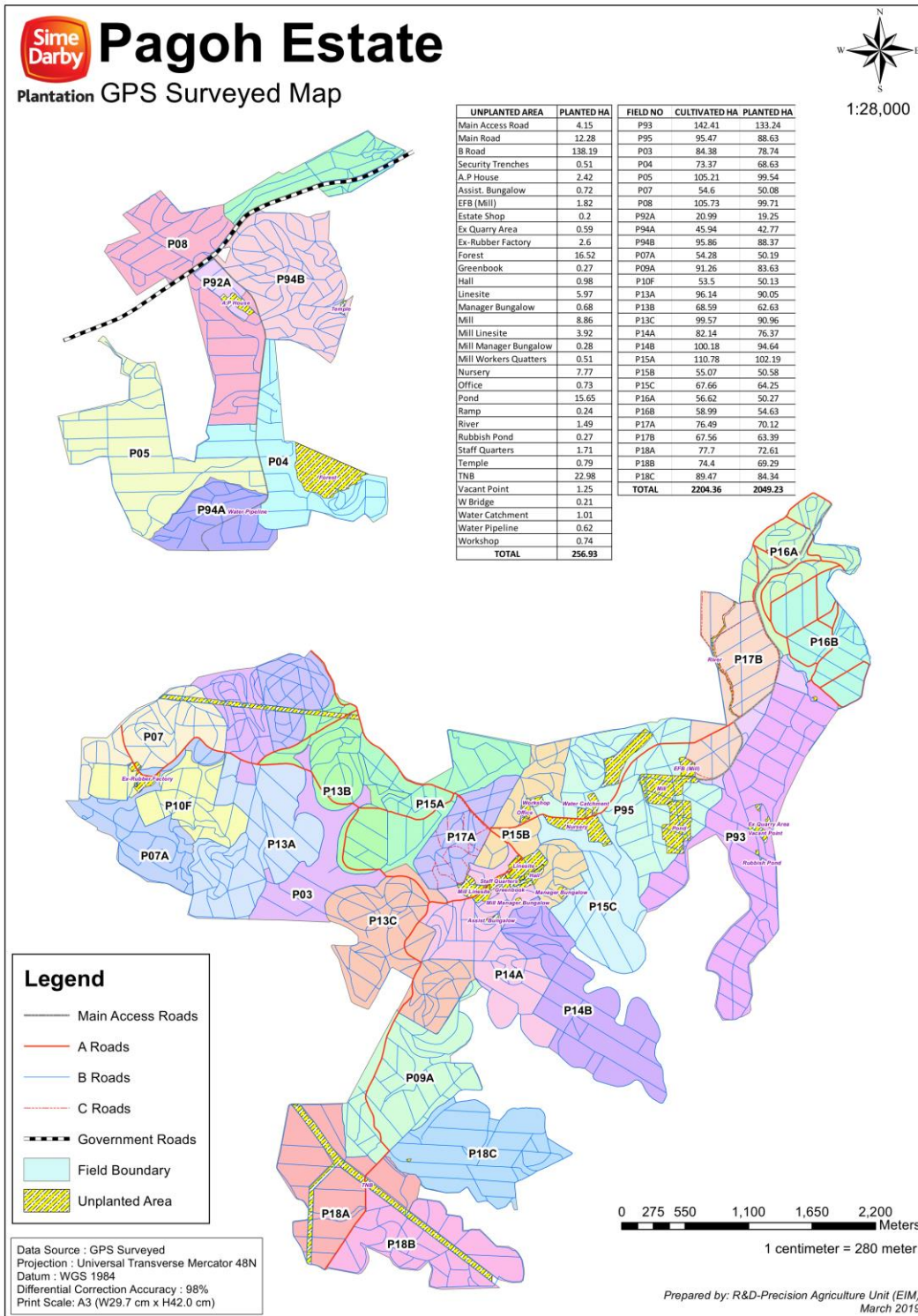
Criterion / Indicator		Assessment Findings	Compliance
		2. Sime Darby Oil – Port Klang Refinery (PKR), dated: 20/08/2022, product: Crude Palm Oil, Quantity: 80 mt Payment record, and invoices are available and verified during the audit.	
Criterion 4.6.4: Contractor			
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The contractors were made to understand the MSPO requirements and shall provide the required documentation and information through meetings and trainings. Records of attendance of the meetings were available for verification. All contracted parties/vendors were required to signed Vendor Integrity Pledge (VIP) and to comply with para - a (i); Vendor Code of Business Conduct (VCOBC) - a (ii); all applicable laws and regulations related anti-bribery, fraud and corruption. Sighted the sampled contracts as follows: Contracts between Sime Darby Plantation Berhad with Lotus Two Enterprise. dated 1/8/2021 with one year extension is available and sighted. Contract period from 01/08/2021 to 31/07/2023 for supplying skill labor for the maintenance.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Contract agreements between the mill and its contractors were made available. Generally, the elements of sustainability such as obligations to legal compliance, workers’ welfare, safety and environmental issues.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.	A letter dated 17/06/2019 on RSPO/ MSPO/ SCCS awareness issued to all the contractors and suppliers in the mill. The letter has stated	Complied

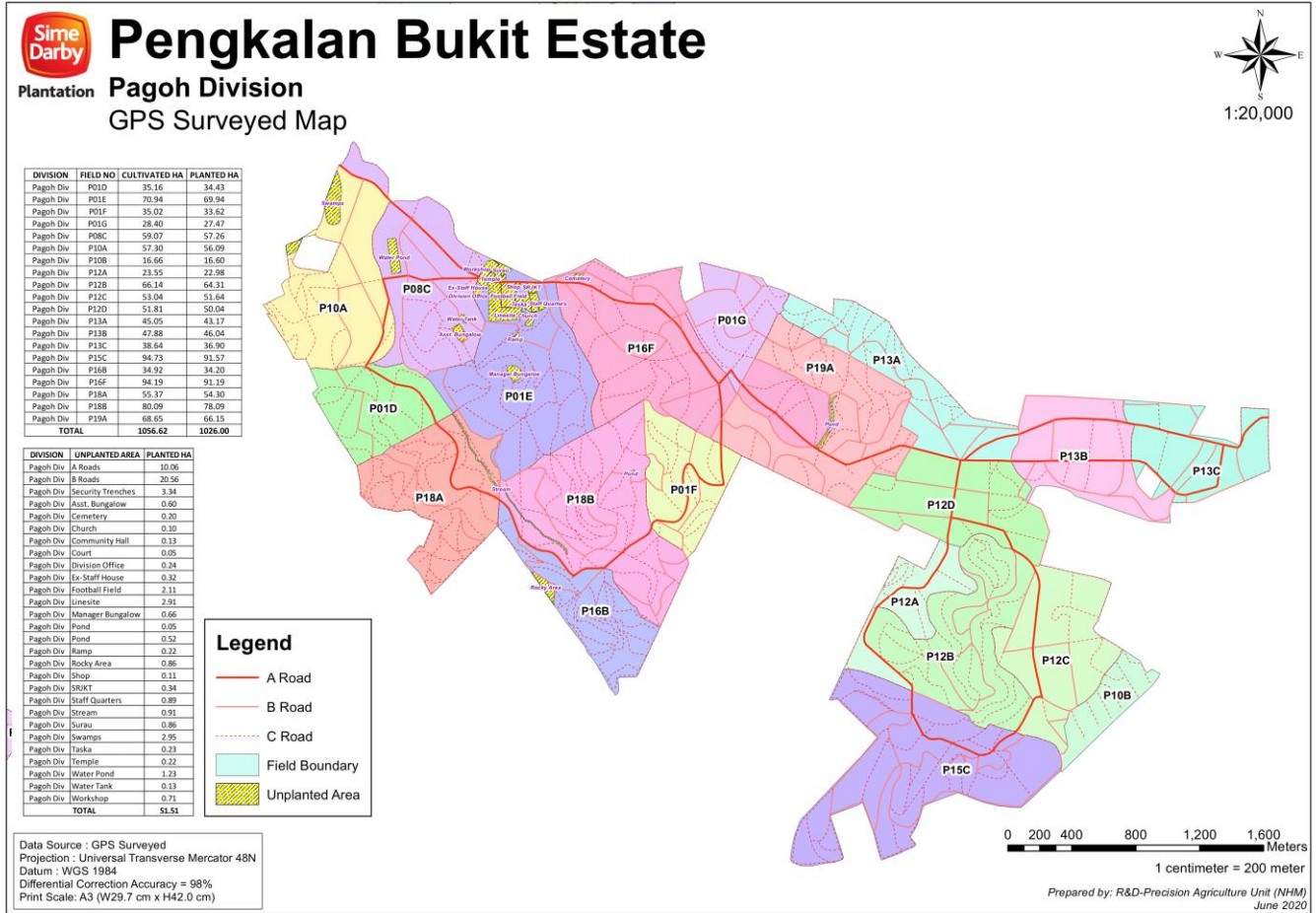
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Criterion / Indicator	Assessment Findings	Compliance
<p>- Minor compliance -</p>	<p>that all Contractors need to follow RSPO/ MSPO/ SCCS guideline in accordance with the Sime Darby Plantation of Mill Quality Management System. All contractors shall ensure to reserve the right of the certification bodies (CBs) to audit the operation if an audit is deemed necessary.</p>	

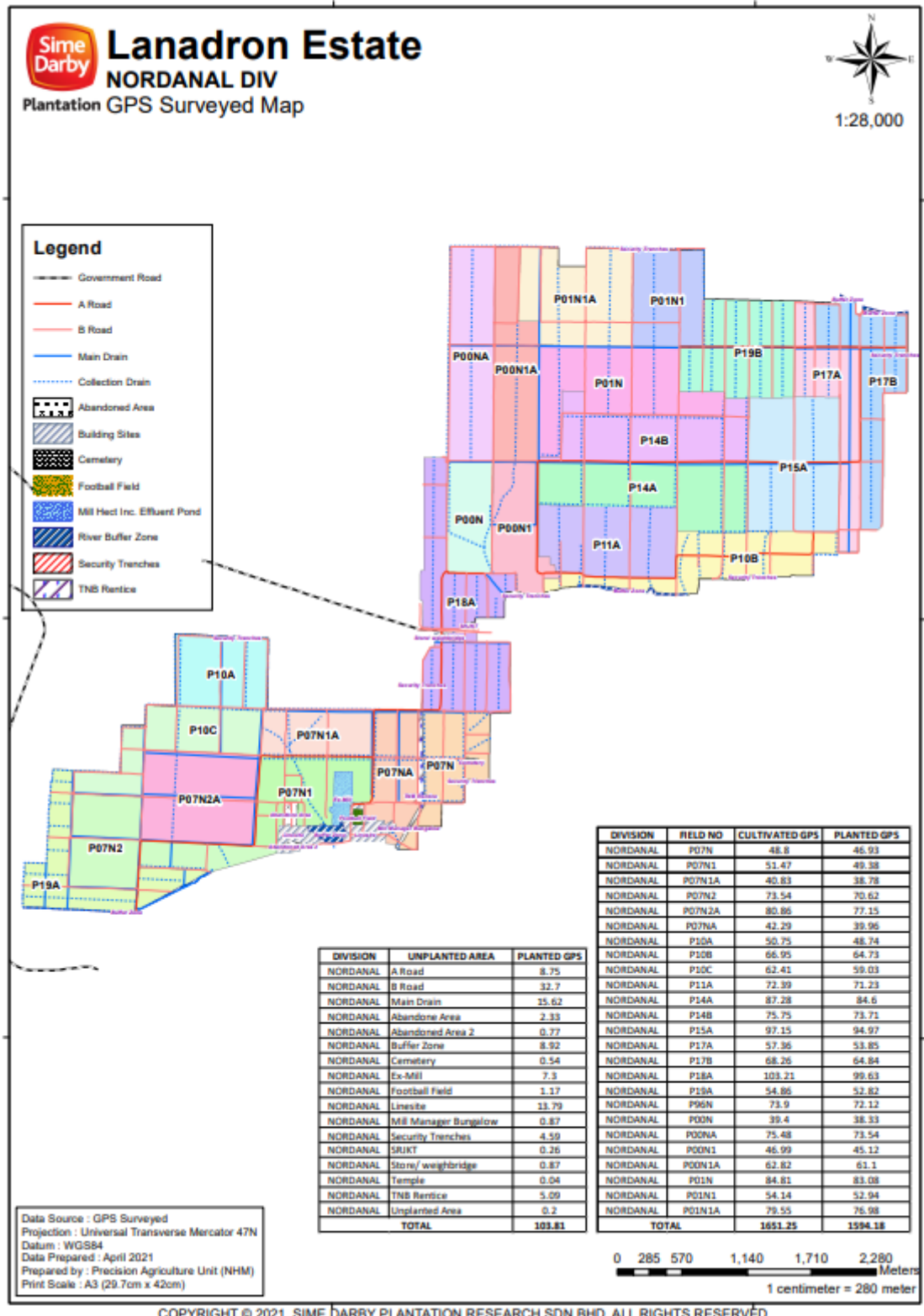
Appendix C: Location and Field Map







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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