

**MALAYSIAN SUSTAINABLE PALM OIL  
– ANNUAL SURVEILLANCE ASSESSMENT  
Public Summary Report**

<b>Sime Darby Plantation Berhad</b>
Head Office: Level 3A, Main Block Plantation Tower, No. 2, Jalan P.J.U 1A/7 47301 Ara Damansara Selangor, Malaysia
Certification Unit: <b>Flemington Palm Oil Mill (SOU 4)</b> & Plantations including Flemington Estate, Bagan Datoh Estate, Sungai Samak Estate and Sabak Bernam Estate
Location of Certification Unit: Strategic Operating Unit (SOU 4) – Flemington Palm Oil Mill, Sungai Sumun, 36369 Teluk Intan, Perak, Malaysia

**Report prepared by:**  
**Hu Ning Shing** (Lead Auditor)

**Report Number: 9674127**

**Assessment Conducted by:**  
BSI Services Malaysia Sdn Bhd,  
Suite 29.01, Level 29,  
The Gardens North Tower,  
Lingkaran Syed Putra,  
Mid Valley City,  
59200 Kuala Lumpur  
Tel +603 2242 4211 Fax +603 2242 4218  
[www.bsigroup.com](http://www.bsigroup.com)

<b>TABLE of CONTENTS</b>	<b>Page No</b>
Section 1: Executive Summary .....	3
1.1 Organizational Information and Contact Person .....	3
1.2 Certification Information .....	3
1.3 Location of Certification Unit .....	4
1.4 Plantings & Cycle .....	4
1.5 FFB Production (Actual) and Projected (tonnage).....	4
1.6 Certified CPO / PK Tonnage .....	5
1.7 Certified Area .....	5
1.8 Details of Certification Assessment Scope and Certification Recommendation: .....	5
Section 2: Assessment Process .....	6
1. Assessment Program .....	7
Section 3: Assessment Findings .....	8
3.1 Details of audit results .....	8
3.2 Details of Nonconformities and Opportunity for improvement.....	8
3.3 Status of Nonconformities Previously Identified and OFI .....	11
3.4 Issues Raised by Stakeholders .....	13
3.5 Summary of the Nonconformities and Status.....	14
3.6 Summary of the findings by Principles and Criteria .....	15
Section 4: Assessment Conclusion and Recommendation .....	106
Appendix A: Assessment Plan .....	107
Appendix B: List of Stakeholders Contacted .....	109
Appendix C: Smallholder Member Details.....	109
Appendix F: Location and Field Map .....	110
Appendix G: List of Abbreviations .....	115

## Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
MPOB License	Flemington POM – MPOB License; no: 529874-004000 Sungai Samak Estate – MPOB License; no: 526340-002000 Sabak Bernam – MPOB License; no: 545859-002000 Bagan Datoh Estate – MPOB license no: 525521-002000 Flemington Estate – MPOB license no: 525193-002000		
Company Name	Sime Darby Plantation Berhad (Flemington Palm Oil Mill SOU 4)		
Address	(HQ): Level 3A, Main Block Plantation Tower, No. 2, Jalan P.J.U 1A/7 47301 Ara Damansara Selangor, Malaysia (Site): Strategic Operating Unit (SOU 4) – Flemington Palm Oil Mill, Sungai Sumun, 36369 Teluk Intan, Perak, Malaysia		
Group name if applicable:	Sime Darby Plantation Berhad		
Subsidiary of (if applicable)	N/A		
Contact Person Name	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM)		
Website	www.simedarby.com	E-mail	<a href="mailto:Shylaja.vasudevan@simedarby.com">Shylaja.vasudevan@simedarby.com</a> <a href="mailto:kks.flemington@simedarby.com">kks.flemington@simedarby.com</a>
Telephone	+603-78484379 (Head Office) +605-648 9153 (Mill)	Facsimile	+603-78484356 (Head Office) +605-648 9153 (Mill)

1.2 Certification Information			
Certificate Number	Mill: MSPO 682042 Plantations: MSPO 690017		
Issue Date	09 February 2018	Expiry date	08 February 2023
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Stage 1 Date	N/A (The certification unit is RSPO certified)		
Stage 2 / Initial Assessment Visit Date (IAV)	1, 2 & 4 November 2017		
Continuous Assessment Visit Date (CAV) 1	15 - 17 August 2018		
Continuous Assessment Visit Date (CAV) 2	22 – 24 July 2019		
Continuous Assessment Visit Date (CAV) 3	N/A		
Continuous Assessment Visit Date (CAV) 4	N/A		

## MSPO Public Summary Report

### Revision 0 (Aug 2017)

Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 590802	RSPO	BSI Services (M) Sdn Bhd	04/10/2021
MSPO 714138	MSPO SCCS	BSI Services (M) Sdn Bhd	17/09/2024

1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
Flemington Palm Oil Mill (60 mt/hr)	Sungai Sumun, 36369 Teluk Intan, Perak, Malaysia	100° 51' 26" E	3° 55' 41" N
Flemington Estate	Sungai Sumun, 36369 Teluk Intan, Perak, Malaysia	100° 52' 84" E	3° 53' 46" N
Bagan Datoh Estate	Bagan Datoh, 36100 Perak, Malaysia	100° 47' 24" E	3° 59' 33" N
Sungai Samak Estate	Ulu Bernam, 36500 Perak, Malaysia	101° 08' 87" E	3° 44' 49" N
Sabak Bernam Estate	Sabak Bernam, 45200 Perak, Malaysia	101° 00' 24" E	3° 45' 33" N

1.4 Plantings & Cycle					
Estate	Age (Years) - ha				
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30
Flemington	689.29	528.11	444.18	131.34	-
Bagan Datoh	1,410.39	1,374.48	428.65	387.53	4.44
Sungai Samak	286.43	826.90	1,653.10	-	-
Sabak Bernam	928.38	886.21	182.21	359.19	-
<b>Total</b>	<b>3,314.49</b>	<b>3,615.70</b>	<b>2,708.14</b>	<b>878.06</b>	<b>4.44</b>

1.5 FFB Production (Actual) and Projected (tonnage)			
Producer Group	Estimated (October 2018 – September 2019)	Actual (August 2018 – June 2019)	Forecast (October 2019 – September 2020)
Flemington	26,200.00	23,078.03	36,484.43
Bagan Datoh	61,322.00	60,599.51	77,861.58
Sungai Samak	71,131.66	59,638.81	84,592.87
Sabak Bernam	21,844.00	24,790.70	29,828.31

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<b>Total</b>	<b>180,497.66</b>	<b>168,107.05</b>	<b>228,767.19</b>
--------------	-------------------	-------------------	-------------------

<b>1.6 Certified CPO / PK Tonnage</b>			
<b>Mill</b>	<b>Estimated (October 2018 – September 2019)</b>	<b>Actual (August 2018 – June 2019)</b>	<b>Forecast (October 2019 – September 2020)</b>
<b>Flemington Palm Oil Mill 60 MT/hr</b>	<b>CPO (OER: 20.50%)</b>	<b>CPO (OER: 20.05%)</b>	<b>CPO (OER: 21.70%)</b>
	37,002.02	33,705.46	49,642.5
	<b>PK (KER: 5.50%)</b>	<b>PK (KER: 5.15%)</b>	<b>PK (KER: 5.50%)</b>
	9,927.37	8,657.51	12,582.20

<b>1.7 Certified Area</b>					
<b>Estate</b>	<b>Total Planted (Mature + Immature) (ha)</b>	<b>HCV (ha)</b>	<b>Infrastructure &amp; Other (ha)</b>	<b>Total Area (ha)</b>	<b>% of Planted</b>
Flemington	1,792.92	7.38	177.66	1,977.96	90.64
Bagan Datoh	3,605.49	2.00	174.37	3,781.86	95.40
Sungai Samak	2,766.43	0.49	251.50	3,018.42	91.65
Sabak Bernam	2,355.99	1.24	154.56	2,511.79	93.80
<b>TOTAL</b>	<b>10,520.83</b>	<b>11.11</b>	<b>758.09</b>	<b>11290.03</b>	<b>93.22</b>

<b>1.8 Details of Certification Assessment Scope and Certification Recommendation:</b>
<p>BSI Services Malaysia Sdn Bhd has conducted the Annual Surveillance 2 Certification Assessment of Strategic Operating Unit (SOU 4) – Flemington Palm Oil Mill located in Sungai Sumun 36369 Teluk Intan, Perak, Malaysia comprising 1 mill; 4 estates and infrastructures.</p> <p>The assessment was conducted onsite to assess the compliance of the certification unit against the MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders and MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill.</p> <p>The onsite assessment was conducted on 22 – 24 July 2019.</p> <p>Based on the assessment result, Sime Darby Flemington SOU4 complies with the MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders and MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill and recommended for certification.</p>

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
Suite 29.01, Level 29,  
The Gardens North Tower,  
Lingkaran Syed Putra,  
Mid Valley City,  
59200 Kuala Lumpur  
Tel +603 2242 4211 Fax +603 2242 4218  
Nicholas Cheong: [Nicholas.Cheong@bsigroup.com](mailto:Nicholas.Cheong@bsigroup.com)  
[www.bsigroup.com](http://www.bsigroup.com)

BSI is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 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 22 - 24/07/2019. The audit programme is included as Appendix A. The approach to the audit was to treat the mill or plantations as a MSP0 Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

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

The estates or smallholders sample were determined based on formula  $S = r\sqrt{n}$  where n is the number of estates while when applicable, the smallholders sample were determined following the MSP0 Certification Requirement. The sampling of smallholders were based on the formula  $(r\sqrt{n})$ ; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members. The sampled smallholder listed in Appendix C.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the MSP0 requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

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

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

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

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

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

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

<b>1. Assessment Program</b>					
<b>Name (Mill / Plantation / Group smallholders)</b>	<b>Year 1 (Certification)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Flemington Palm Oil Mill	√	√	√	√	√
Flemington Estate	√	-	√	-	√
Bagan Datoh Estate	√	-	√	-	√
Sabak Bernam Estate	-	√	-	√	-
Sungai Samak Estate	-	√	-	√	-

**Tentative Date of Next Visit: July 6, 2020 - July 8, 2020**

**Total No. of Mandays: 6**

**BSI Assessment Team:**

**Hu Ning Shing – Lead Assessor**

She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in her previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social, legal, workers & stakeholders consultation and SCC for CPO mill. She is fluent in Bahasa Malaysia and English languages.

**Mohamed Hidhir Zainal Abidin – Team Member**

He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers and stakeholders consultation.

**Accompanying Persons: N/A**

### Section 3: Assessment Findings

#### 3.1 Details of audit results

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

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

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

The nonconformity is listed below.

During the Certification Assessment there were two (2) Minor nonconformities and three (3) opportunity for improvement raised. The key in certification unit name 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 Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

Minor Nonconformities:		
Ref	Area/Process	Clause
NC ID from eReport	1801305-201905-N1	4.4.5.11 Part 3
Requirements:	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.	
Statement of Nonconformity:	Condition of the living quarters was found unsatisfactory.	
Objective Evidence:	Site visit to living quarters of New Coconut Division found the following issues: i. House No. 116 A and 116 B – Stay by replanting contractor's workers. 8 workers stay in 116 B with two bedrooms while 7 workers stay in 116 A with two bedrooms. This was not complied with the Housing Agreement signed by the contractors which only allowed 8 persons for 2 houses. Window glasses were missing and condition of the houses was unsatisfactory. ii. House No. 118 A and 118 B – Recyclable items such as tin and plastic bottles were found inside dustbin. iii. House 118 A – Ceiling lamp was found half hanging on the ceiling. iv. The flooring behind the backyard was found cracked and drainage was blocked with stagnant water.	
Corrections:	The Axillary Police (AP), take action to do monitoring on the head count for the contractor workers. Contractor it's self-need to declare the actual active workers to the estate. The management will do the comprehensive housing inspection and fast respond to the housing defeated complaint. Estate agreed to erect the recycle item bin at the housing area.	



**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Root cause analysis:	There is no comprehensive monitoring by the estate management on the numbers of the contractor workers and housing condition. The management only do the census and provide the sufficient accommodation for the contractor workers as per agreed in the agreement. Estate management didn't received any complaint or report regarding on the house defeated. Beside, the awareness on the implementation of the segregation recyclable item among the workers is unsatisfactory.
Corrective Actions:	<ol style="list-style-type: none"> <li>1. To enhance the understanding and create the awareness of the good environmental, management will conduct the refresher training for the segregation and recycle campaign.</li> <li>2. The management will enforce to obstructing the contractor workers to enter the estate if they are not listed in the registration.</li> <li>3. To brief the union or workers representative on the complaint procedure (housing issue).</li> </ol>
Assessment Conclusion:	The implementation of the corrective actions will be verified during next assessment.

Minor Nonconformities:		
Ref	Area/Process	Clause
NC ID from eReport	1801305-201905-N2	4.5.5.1 Part 4
Requirements:	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. b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.	
Statement of Nonconformity:	Monitoring of outgoing water was not effectively monitored.	
Objective Evidence:	Based on report dated 25/6/19 (report no. IE647/2019) and 20/3/19 (report no. IE315/2019), O&G was not tested due to insufficient sample as per remark stated in the certificate of analysis with reference to class IIA/IIB of National Water Quality Standard (NWQS).	
Corrections:	Mill Management will send more bottle for sampling. The PIC in the lab will monitor all the result and inform to the management if the result was off spec.	
Root cause analysis:	The Mill management neglected the remarks from the R&D due to only focus for the sampling as stated in the jadual pematuhan.	
Corrective Actions:	After the sample received at the R&D, person in charge will follow up with call to recheck the sample sufficient to O&G test. The PIC will establish the checklist for the all sample required.	
Assessment Conclusion:	The implementation of the corrective actions will be verified during next assessment.	

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Opportunity For Improvement		
Ref	Area/Process	Clause
NC ID from eReport	1801305-201905-I1	4.4.5.3 Part 3
Requirements:	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.	
Objective Evidence:	The management could further investigate the reason of rejection of the bank for the 8 workers who received wages through cash.	

Opportunity For Improvement		
Ref	Area/Process	Clause
NC ID from eReport	1801305-201905-I2	4.5.3.3 Part 3
Requirements:	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	
Objective Evidence:	Retention of records for 6th schedule @ consignment note for 2nd copy/yellow copy of the consignment has yet to be consistently maintained after disposal was made.	

Opportunity For Improvement		
Ref	Area/Process	Clause
NC ID from eReport	1801305-201905-I3	4.4.4.1 Part 4
Requirements:	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.	
Objective Evidence:	Implementation and monitoring for OSH plan can be further improved related to the following elements: <ul style="list-style-type: none"> <li>i) Contractor management - Monitoring of work area during/after completion of job - To inspect condition of related working tools for activity</li> <li>ii) Emergency response plan - The used of appropriate and suitable spill kits as per SDS</li> </ul>	

Noteworthy Positive Comments	
1	Good cooperation and commitment from the management and staff.
2	Management, staff and workers were able to demonstrate good understanding on sustainability.

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

Major Nonconformities:		
Ref	Area/Process	Clause
1672920-201808-M1	Flemington POM and supply base	4.3.1.1
Requirements:	<p>i) All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>ii) Employment Act 1955, Clause 60, Section 3 subsection (d) "In the case of an employee employed on piece rates who works on a rest day, he shall be paid twice his ordinary rate per piece."</p>	
Statement of Nonconformity:	Compliance with the Employment Act 1955 was not effectively implemented.	
Objective Evidence:	<p>In Sungai Samak Estate, Yew Lian Division, sampled of the loose fruit collectors found that they worked on rest day without paying double of the normal rate per piece. For the month of March 2018; employee no. 107855, 126839, 134366 has worked 1 day on their rest day. Employee no. 107855 has worked for 3 days on rest day, 126839 has worked for 3 days on rest day and 134366 has workers on 1 day on rest day in the month of April 2018. Employee no. 107855, 126839 and 134366 has worked for 3 days on rest day in the month of July 2018.</p>	
Corrections:	<p>1. Training on Employment Act 1955, particularly on work on rest day provisions will be organized to Sungai Samak Estate Management by HQ.</p> <p>2. To cease the existing practice of paying loose fruit collectors on rest day for workers with in-complete task. If work is offered on rest day, workers will be paid twice of normal rate. Estate Management will prepare the necessary documentation for Employee ID No. 107855, 126839 and 134366 for March, April and July 2018 (the months the NCR was raised)</p>	
Root cause analysis:	<p>1. Sungai Samak Estate Management, particularly at Yew Lian Division, does not understand the legal requirement pertaining to Employment Act 1955, work on rest day provisions.</p> <p>2. From our understanding,</p> <p>Section 60 (1) states that ... no employee shall be compelled to work on a rest day unless he is engaged in work which by reason of its nature requires to be carried on continuously or continually by two or more shifts etc...</p> <p>This section essentially implies that both employer and employee must consent for work to be carried out on a rest day</p> <p>Based on our further investigations, the Estate Management is of the view that Section 60 (3) is not applicable because:</p> <p>1. These employees were not required/instructed by the estate manager / their supervisors to work on their rest day. Therefore, the estate did not consent for them to work on a rest day;</p> <p>2. They had on their own accord decided to work on their rest day to</p>	

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

	<p>complete tasks that were assigned to them on their normal working days during the week;</p> <p>3. Full payment of their wages were made at the time they were assigned their tasks on normal working days during the week and therefore is subject to the normal rate of pay and not the rate for rest day.</p> <p>However, there are opportunities for improvements in the implementation / mechanism to document the productivity, work offered and not offered as well as consent for work to be carried out on rest day to ensure consistency in the manner that the estate manages this issue.</p>
<p>Corrective Actions:</p>	<p>i) Training on Employment Act 1955, particularly on work on rest day provisions will be organized to all Operating Units in SOU 4 Flemington by HQ.</p> <p>ii) Estate Management together with the relevant department e.g. HR, IR and Upstream Malaysia will work together on the definition of the work offered by developing proper mechanisms to document important elements e.g. monitoring of productivity and consent to work by both parties on rest day of the loose fruit pickers to ensure compliance with Section 60 (3) of the Employment Act 1955.</p> <p>iii) To disseminate and communicate the mechanism to all relevant parties by HR IR and Upstream Malaysia.</p>
<p>Assessment Conclusion:</p>	<p>1. Based on the productivity record, the loose fruit picker that worked on rest day were paid twice. The productivity record and piece rated input for loose fruit picker (Yew Lian Division) was sighted.</p> <p>September 2018</p> <p>a. 107855 ( 2/9/18: 454kg, 16/9/18:366kg, 23/9/18: 513kg)</p> <p>b. 108053 (2/9/18: 198kg, 16/9/18: 380kg, 23/9/18: 218kg)</p> <p>c. 134366 (2/9/18: 238kg, 16/9/18: 303kg, 23/9/18: 418kg)</p> <p>October 2018</p> <p>a. 107855 (7/10/18:451kg,14/10/18:476kg, 28/10/18: 432kg)</p> <p>b. 108053 (14/10/18: 356kg, 28/10/18: 324kg)</p> <p>c. 134366 (7/10/18: 377kg, 14/10/18: 398kg,28/10/18:397kg)</p> <p>2. Sample payslip workers;</p> <p>a. 107855 (Sept 18 – 3 days work on rest day, Oct 18 – 3 days work on rest days),</p> <p>b. 108053 (Sep 18 – 3 days work on rest day, Oct 18 – 2 days work on rest day)</p> <p>c. 134366 (Sep 18 – 3 days work on rest day, Oct 18 – 3 days work on rest day)</p> <p>3. Training on employment act was done on 31/10/2018 by Group IR, Sime Darby Plantation Berhad (HQ), Mr Mohd Akmal Md Zainal. The management of Sg Samak Estate (Manager, Assistant, Chief Clerk and other staff) was attended the training.</p> <p>Corrective action is found to be effective, thus the major NC was closed on 09/11/18 supported with sufficient documented evidence. Continuous implementation will be further verified in the assessment.</p>
<p>Status during ASA 2:</p>	<p>During the ASA2, sampled of payslip for December 2019, January 2019, March 2019 and June 2019 as below found that worked on rest day was paid according to the Employment Act 1955 as verified through the system.</p> <p>i. Employee No.: 21256 (FE)</p>

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

	<ul style="list-style-type: none"> <li>ii. Employee No.: 121795 (FE)</li> <li>iii. Employee No.: 147117 (FE)</li> <li>iv. Employee No.: 145195 (FE)</li> <li>v. Employee No.: 144949 (FE)</li> <li>vi. Employee No.: 92570 (BDE)</li> <li>vii. Employee No.: 139934 (BDE)</li> <li>viii. Employee No.: 134436 (BDE)</li> <li>ix. Employee No.: 141407 (BDE)</li> <li>x. Employee No.: 139124 (BDE)</li> </ul> <p>Thus, the implementation of corrective action was found effective and major non-conformance remained closed on 24/7/2019.</p>
--	--

Opportunity For Improvement		
Ref	Area/Process	Clause
1672920-201808-I1	Flemington POM and supply base	4.4.5.11 (part 3)
Requirements:	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.	
Objective Evidence:	<p>Observed at Yew Lian Division line site, a few site conditions need to be improved further related to:</p> <ul style="list-style-type: none"> <li>i) Clogged and stagnant water at parameter and house drain.</li> <li>ii) Water container to be kept closed and consistently check to avoid breeding of larvae.</li> <li>iii) Avoidance of poultry and availability of signage for any prohibited activities at line site.</li> </ul> <p>Monitoring of drug and medicine - Currently stock check carried out on fortnightly basis to check incoming and issuance of medicine. The process can be improved further to include monitoring of expiry of medicine to ensure readiness at point of use.</p>	
Status during ASA 2:	During ASA2, the opportunity for improvement that raised during last assessment was not closed and escalated to minor non-conformity # 1801305-201905-N1.	

**3.4 Issues Raised by Stakeholders**

IS #	Description
<b>1</b>	<p><b>Feedbacks:</b></p> <p>Contractors – They have signed on the agreement prior commence of work. They were understood on the terms and conditions such as the payment terms and the compliance of MSPO requirements. They informed that the payment made by company was on time. In conclusion, they have good relationship with the managements.</p> <p><b>Management Responses:</b></p> <p>The management will continue to maintain good relationship with the contractors.</p>

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

	<p><b>Audit Team Findings:</b>          Verified on the agreement and payment advice found that the payments were made promptly.</p>
2	<p><b>Feedbacks:</b>          Workers' Representatives and NUPW representative – They informed that they have signed on the agreement prior to work. They were treated equally and no discrimination reported. If they have any complaints or grievances, they will report to the supervisor or mandore or fill in the Complaint Book. Their wages were accordance to Minimum Wage Order.</p>
	<p><b>Management Responses:</b>          The management will ensure they treat all the workers fairly and comply with legal requirements.</p>
	<p><b>Audit Team Findings:</b>          No further issue.</p>
3	<p><b>Feedbacks:</b>          Representatives of Sg Dulang Dalam and MPKK Tanah Lalang – No land dispute case reported so far. They good relationship with the management. They are aware of the complaint &amp; grievance procedure.</p>
	<p><b>Management Responses:</b>          The management will continue to maintain the good relationship with the management.</p>
	<p><b>Audit Team Findings:</b>          No other issue.</p>
4	<p><b>Feedbacks:</b>          Teacher of SJKT Ladang New Coconut – He informed that the management has provided assistance to the school activities such as sport day. They have good relationship with the management and aware of complaint procedure.</p>
	<p><b>Management Responses:</b>          The management will continue to maintain the good relationship with the school's management.</p>
	<p><b>Audit Team Findings:</b>          No other issue.</p>

**3.5 Summary of the Nonconformities and Status**

CAR Ref.	CLASS	ISSUED	STATUS
1672920-201808-M1– 4.3.1.1	Major	17/8/2018	Closed out on 9/11/2018.
1801305-201905-N1 – 4.4.5.11 Part 3	Minor	24/7/2019	"Open"
1801305-201905-N2 – 4.5.5.1 Part 4	Minor	24/7/2019	"Open"

**3.6 Summary of the findings by Principles and Criteria**

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

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	A policy for the implementation of MSPO shall be established. <b>- Major compliance -</b>	Head, Global Sustainability Operations, Mr. Tang Men Kon has issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation. Sime Darby Plantation Berhad is committed to comply and implement the MSPO certification to demonstrate our commitment towards the production of certified sustainable palm oil products.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize commitment to continual improvement. <b>- Major compliance -</b>	In the memorandum above, Sime Darby has clearly emphasized to achieve commitment towards a systematic approach in ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain.	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. <b>- Major compliance -</b>	RSPO & MSPO Internal Audit for Y2019 was carried out on 11-12/3/2019 for Flemington Estate and 5-6/3/2019 for Bagan Datoh Estate by Sustainability Unit, GSQM Department & RSQM. The audit was carried out based on MS 2530-3:2013, MS 2530-4:2013, RSPO P&C MYNI 2014 and RSPO SCCS 2017. There were total 2 Major Non-conformities, 4 Minor Non-conformities and 5 Opportunity for Improvement raised for MSPO in Flemington Estate and 2 Major Non-conformities, 1 Minor Non-conformities and 2 Opportunity for	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		Improvement raised for MSPO in Bagan Datoh Estate. The methodology of audit was documentation review, interview and site observations.	
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.  - <b>Major compliance</b> -	Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 1/11/2017. The frequency of the internal audit shall be carried out at least once a year.  There was total 2 Major Non-conformities, 4 Minor Non-conformities and 5 Opportunity for Improvement raised in Flemington Estate and 2 Major Non-conformities, 1 Minor Non-conformities and 2 Opportunity for Improvement raised for MSPO in Bagan Datoh Estate. Root causes and corrective action plan were discussed during the management review meeting.	Complied
4.1.2.3	Report shall be made available to the management for their review.  - <b>Major compliance</b> -	The internal audit report has distributed to the mill's management and Sime Darby Plantation HQ management. Management review meeting was conducted to review the findings of the internal audit.	Complied
<b>Criterion 4.1.3 – Management Review</b>			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.  - <b>Major compliance</b> -	Management review between executives and staffs was carried out once a month to review the suitability, adequacy and effectiveness of implementation of MSPO and other operations. The latest management review was carried out on 22/3/2019. Meeting was chaired by Flemington Estate's Manager and attended by other relevant personnel.  A Management Review Meeting: MSPO/ RSPO Internal Consultative Assessment Report was conducted on 12/3/2019 in Bagan Datoh	Complied



Criterion / Indicator		Assessment Findings	Compliance
		Estate. The meeting was chaired by Senior Manager and attended by other personnel.	
<b>Criterion 4.1.4 – Continual Improvement</b>			
<b>4.1.4.1</b>	<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><b>- Major compliance -</b></p>	<p>SOU4 estates had a documented continual improvement plan for 2017/2018. The plan was on:</p> <ul style="list-style-type: none"> <li>▪ Communication &amp; whistle blower (Social):               <ol style="list-style-type: none"> <li>1. To communicate it at Stakeholders meetings.</li> <li>2. To communicate it to workers.</li> <li>3. To display the procedure.</li> </ol> </li> <li>▪ Removal of schedule waste (Environmental):               <ol style="list-style-type: none"> <li>1. To collect and keep the SW at estate store.</li> <li>2. Disposing SW weekly</li> <li>3. Inspection by HA every week concurrent with line site inspection.</li> </ol> </li> <li>▪ To increase awareness on Safety &amp; Health (OSH):               <ol style="list-style-type: none"> <li>1. To conduct safety campaigns.</li> <li>2. To conduct safety trainings.</li> </ol> </li> </ul>	Complied
<b>4.1.4.2</b>	<p>The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.</p> <p><b>- Major compliance -</b></p>	<p>SDPB Research &amp; Development department was responsible for improving practices in line with new information and techniques or new industry standards and technology. The improvements were then included as procedures into their best practices manuals like Agriculture Reference Manual (ARM), EQMS, etc.</p> <p>SD3 system using MTG (Mini Tractor Grabber) has been used widely in the estate due 100% flat area. Other mechanized operation such as circle blower to replace manual circle raking and motorized siever unit</p>	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		has been introduced to increase efficiency rate and productivity. Approved budget for mechanization as per the following items: <u>Flemington Estate</u> i) Sime Kubota MTG L3200DT(mini tractor grabber) ii) 1.5 ton Gooseneck single scissor lift iii) Mechanical buffalo (LF100 sprayer) semi mechanized <u>Bagan Datoh Estate</u> i) Sime Kubota L3200DT x 2 units ii) Water gate project	
<b>4.1.4.3</b>	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.  <b>- Major compliance -</b>	Provisions were made in the annual and forecast business plans / budgets for the necessary resources including training, to implement the new techniques. The latest in best practices introduced and implemented towards mechanized operation. Example kaizen sheet @ lean six sigma project sighted as the following: i) To reduce monthly backhoe hours utilization from 400 to 300 hours. ii) To reduce EVIT running cot for spraying activ0ty form RM18 to RM 8 per hour iii) To reduce security expenses cost by reducing 1 man day at main division on Sunday and Public Holiday	Complied
<b>4.2 Principle 2: Transparency</b>			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
<b>4.2.1.1</b>	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or	Sime Darby Plantation Berhad has developed Estate Quality Management System – 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 mill. Timeframe for external	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
	disclosure that could result in negative environmental or social outcomes. <b>- Major compliance -</b>	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.	
<b>4.2.1.2</b>	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. <b>- Major compliance -</b>	The management has disseminate 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 ( <a href="http://www.simedarbyplantation.com/Sustainability.aspx">http://www.simedarbyplantation.com/Sustainability.aspx</a> ) to obtain information such as policies, annual report and complaint procedures. Policies were displayed at the notice board of the respective operating units as well.	Complied
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders. <b>- Major compliance -</b>	Sime Darby Plantation Berhad has developed Estate Quality Management System - 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. 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.  Besides, 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	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		procedure has detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.  - <b>Minor compliance</b> -	Assistant Manager and few appointed staffs of the Flemington Estate has been appointed as Social Officer to handle any issue related to social in the estate. Seen the appointment letter dated 1/1/2019 issued by the Estate Manager.  Acting Senior Manager of Bagan Datoh Estate has been appointed as Social Officer to handle issue related to social in the estate. Appointment letter dated 1/7/2019 was sighted.	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.  - <b>Major compliance</b> -	A combine stakeholder meeting for Flemington POM and Flemington Estate was conducted on 9/7/2019 with the participation of stakeholders such as contractors, government authorities and local communities. Seen the meeting minutes and photo evident of the meeting. Issues were raised during the meeting and incorporated into Action Plan for Social Impact Assessment.  Stakeholder list was developed which included local communities, suppliers, contractors, government authorities and supplying estates.  Bagan Datoh Estate has carried out stakeholder meeting on 19/2/2019 with participation of affected parties such as contractors, government authorities, smallholders and local communities. Seen the meeting minutes and no issue was reported by the stakeholders.	Complied
<b>Criterion 4.2.3 – Traceability</b>			
4.2.3.1	The management shall establish, implement and maintain a	Sime Darby Plantation has developed Plantation Quality Management System – Standard Operating Procedure for Sustainable Supply Chain	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
	<p>standard operating procedure to comply with the requirements for traceability of the relevant product(s).</p> <p><b>- Major compliance -</b></p>	<p>and Traceability, Doc. No.: Appendix 15, Version 2 dated April 2019. The objective of the procedure is to provide guideline for estates to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB). Procedure of incoming of FFB and outgoing of CPO was explained in the procedure.</p>	
4.2.3.2	<p>The management shall conduct regular inspections on compliance with the established traceability system.</p> <p><b>- Major compliance -</b></p>	<p>The management conducted regular inspections on compliance with the established traceability system. Seen the Checkroll - FFB Despatch Details report where updated on daily basis. Sampled of FFB Despatch Detail on 17/6/2019 with total Estate Weight of 80,980 kgs in Flemington Estate and 11/7/2019 with total Estate Weight of 197,110 kgs in Bagan Datoh Estate. The company is using SAP system and CRS system to monitor the daily input and output.</p>	Complied
4.2.3.3	<p>The management should identify and assign suitable employees to implement and maintain the traceability system.</p> <p><b>- Minor compliance -</b></p>	<p>The Estates' Manager has the overall responsibility for the implementation of the Standard Operating Procedure for Sustainable Supply Chain and Traceability. Besides, estate manager has appointed Assistant Manager in Flemington Estate and Senior Assistant Manager in Bagan Datoh Estate as the person-in-charge for monitoring of the mass balance incoming and outgoing, sustainable and non-sustainable materials. Seen the appointment letter dated 12/10/2017 and 1/7/2019 respectively.</p>	Complied
4.2.3.4	<p>Records of sales, delivery or transportation of FFB shall be maintained.</p> <p><b>- Major compliance -</b></p>	<p>The were no sale of FFB carried out by Flemington Estate and Bagan Datoh Estate because all its FFB were sent own company's mill. Records of FFB delivery to the mill were maintained and sampled recorded as below:</p> <p><b><u>Flemington Estate:</u></b></p> <ul style="list-style-type: none"> <li>i. FFB Consignment Note# 58648 dated 20/7/2019; Field No.: 2016F; Vehicle No.: WAU 1537; Weight: 7,470 kg</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance									
		ii. FFB Consignment Note# 58610 dated 25/6/2019; Field No.: 2016F; Vehicle No.: WAU 1537; Weight: 6,820 kg  <b><u>Bagan Datoh Estate:</u></b> i. Weighbridge Ticket# 73541 dated 13/6/2019; Field No.: 95M1; Vehicle No.: AAV9258-1N; Weight: 8,500 kg ii. Weighbridge Ticket# 74091 dated 9/7/2019; Field No.: 2014D; Vehicle No.: BBM3588-6N; Weight: 6,000 kg										
<b>4.3 Principle 3: Compliance to legal requirements</b>												
<b>Criterion 4.3.1 – Regulatory requirements</b>												
<b>4.3.1.1</b>	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.  <b>- Major compliance -</b>	A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU4. 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 Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.  Licenses/permit checked at Flemington Estate: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th></th> <th>Licence/permit</th> <th>Validity Period</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>MPOB selling and transporting of FFB license: 525193002000</td> <td>1/12/18 – 30/11/19</td> </tr> <tr> <td>2</td> <td>Diesel Storage license: TI/SK/028(02), serial no.:A035956</td> <td>Valid until 29/10/19</td> </tr> </tbody> </table>		Licence/permit	Validity Period	1	MPOB selling and transporting of FFB license: 525193002000	1/12/18 – 30/11/19	2	Diesel Storage license: TI/SK/028(02), serial no.:A035956	Valid until 29/10/19	Complied
	Licence/permit	Validity Period										
1	MPOB selling and transporting of FFB license: 525193002000	1/12/18 – 30/11/19										
2	Diesel Storage license: TI/SK/028(02), serial no.:A035956	Valid until 29/10/19										

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings		Compliance																					
			<table border="1"> <tr> <td></td> <td>Diesel: 20,000 litre Petrol: 100 litre</td> <td></td> </tr> <tr> <td>3</td> <td>Air compressor license PMT-103618</td> <td>DOSH inspection was done on 15/7/19 and pending for CF renewal.</td> </tr> </table> <p>Bagan Datoh Estate</p> <table border="1"> <thead> <tr> <th></th> <th>Licence/permit</th> <th>Validity Period</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>MPOB selling and transporting of FFB license: 525521002000</td> <td>1/1/19 – 31/12/19</td> </tr> <tr> <td>2</td> <td>Diesel Storage license: TI/SK/015(02), serial no.:A035957 Diesel: 13,000 litre</td> <td>Valid until 4/11/19</td> </tr> <tr> <td>3</td> <td>Air compressor license PK PMT 3646</td> <td>Valid until 8/4/20</td> </tr> <tr> <td>4</td> <td>Permit to buy highly toxic/controlled chemical for Acephate, PRK/2019/ACP/021(GL) Quantity: 230 kg</td> <td>Approval for purchase valid from 15/5/19 until 4/6/19</td> </tr> </tbody> </table>		Diesel: 20,000 litre Petrol: 100 litre		3	Air compressor license PMT-103618	DOSH inspection was done on 15/7/19 and pending for CF renewal.		Licence/permit	Validity Period	1	MPOB selling and transporting of FFB license: 525521002000	1/1/19 – 31/12/19	2	Diesel Storage license: TI/SK/015(02), serial no.:A035957 Diesel: 13,000 litre	Valid until 4/11/19	3	Air compressor license PK PMT 3646	Valid until 8/4/20	4	Permit to buy highly toxic/controlled chemical for Acephate, PRK/2019/ACP/021(GL) Quantity: 230 kg	Approval for purchase valid from 15/5/19 until 4/6/19	
	Diesel: 20,000 litre Petrol: 100 litre																								
3	Air compressor license PMT-103618	DOSH inspection was done on 15/7/19 and pending for CF renewal.																							
	Licence/permit	Validity Period																							
1	MPOB selling and transporting of FFB license: 525521002000	1/1/19 – 31/12/19																							
2	Diesel Storage license: TI/SK/015(02), serial no.:A035957 Diesel: 13,000 litre	Valid until 4/11/19																							
3	Air compressor license PK PMT 3646	Valid until 8/4/20																							
4	Permit to buy highly toxic/controlled chemical for Acephate, PRK/2019/ACP/021(GL) Quantity: 230 kg	Approval for purchase valid from 15/5/19 until 4/6/19																							
<b>4.3.1.2</b>	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p><b>- Major compliance -</b></p>	<p>List of applicable legal and other requirements was made available during the assessment and compiled in the QSHE/04/5.2.4 folders.</p> <p>a) Documented procedure has 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 December 2008.</p> <p>b) The Legal &amp; Other Requirements Register (LORR) covers all</p>		Complied																					

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		the necessary regulatory requirements.	
<b>4.3.1.3</b>	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.  - <b>Major compliance</b> -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. The latest change in regulation applicable to the POM operation is the Labour Law.  The Legal & Other Requirements Register (LORR) covers all the necessary regulatory requirements. The LORR for both the estates was reviewed on 1/1/18 to include the Employment Insurance System EIS for compliance.	Complied
<b>4.3.1.4</b>	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.  - <b>Minor compliance</b> -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office.	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.  - <b>Major compliance</b> -	The was no evidence to show that oil palm cultivation activities Flemington Estate and Bagan Datoh Estate had diminished the land use rights of others. Verified documents to show legal ownership of its land and interviewed with local communities confirmed that no activities of oil palm that has diminished the land user rights.	Complied
<b>4.3.2.2</b>	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.  - <b>Major compliance</b> -	Verified the land titles shown that the legal ownership of the company. Sample of land title based on the latest quit rent for 2019 are:  <b><u>Flemington Estate:</u></b>	Complied



**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>i. No. Hakmilik: 141481; Lot No.: 5138; Area Lot: 446.4 ha; District: Hilir Perak</li> <li>ii. No. Hakmilik: 1885; Lot No.: 1661; Area Lot: 2.1499 ha; District: Hilir Perak</li> </ul> <p><b><u>Bagan Datoh Estate:</u></b></p> <ul style="list-style-type: none"> <li>i. No. Hakmilik: 46870; Lot No.: 1012; Area Lot: 131.0674 ha; District: Hilir Perak</li> <li>ii. No. Hakmilik: 53891; Lot No.: 701; Area Lot: 468.6227 ha; District: Hilir Perak</li> </ul>	
<b>4.3.2.3</b>	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p><b>- Major compliance -</b></p>	<p>During the field visit it was noted that legal boundaries are clearly demarcated and visibly maintained at Flemington Estate. Field P17C is adjacent to Village and QR mil and boundary marker/stone is demarcated and visibly maintained on the ground.</p>	Complied
<b>4.3.2.4</b>	<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><b>- Minor compliance -</b></p>	<p>There is no land dispute in the Flemington Estate and Bagan Datoh Estate at the time of audit. The land belongs to Sime Darby Plantation Berhad and land ownership documents verified.</p>	Complied
<b>Criterion 4.3.3 – Customary rights</b>			

Criterion / Indicator		Assessment Findings	Compliance
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - <b>Major compliance</b> -	There is no customary land or negotiated agreements within the Flemington Estate and Bagan Datoh Estate land area.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - <b>Minor compliance</b> -	The right to use the land is not disputed and there were no customary land within the Flemington Estate and Bagan Datoh Estate.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - <b>Major compliance</b> -	There is no land dispute or customary rights issues in the Flemington Estate and Bagan Datoh Estate.	Complied
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - <b>Minor compliance</b> -	<p>Social Impact Assessment was carried out by Sustainability Strategy Unit, PSQM Department on 27/7 – 1/7/2016 which covered for whole SOU 4 Flemington. The method of assessment was through interview, field observation and documentation review. The assessment has involved the participation of relevant stakeholders such as local authorities, workers’ representatives, contractors and local communities.</p> <p><b><u>Flemington Estate:</u></b>            Action Plan for Social Impact Assessment was developed and monitored by the estates’ management. The findings in the action plan were extracted from stakeholder meeting and complaints book. The</p>	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator	Assessment Findings	Compliance
	<p>latest management plan for FY2019 dated 13/7/2019 was sighted. For eg:</p> <ul style="list-style-type: none"> <li>i. Area of concern: Request to construct building at estate land at Flemington Division, Field 2015B (Road to Kg. Baru, Batu 16).            Action Plan: The area is under temporary occupational lease. Any matter, need to get approval from District Office @ Bagan Datuk.            Status: The management has replied a letter dated 8/12/2018 to the requester to inform that the company does not have the right to allow anyone to construct at the area. The management informed the representative to contact Land Office/ District Office to get approval. Acknowledgement of receipt of the letter by the representative was sighted. <p><b><u>Bagan Datoh Estate:</u></b>            The Senior Assistant has developed Social Impact Assessment Plan FY2019 on 1/7/2019 to identify the area of concerns and action plan to be carry out. Sampled of the area of concerns and action to be taken as below:</p> <ul style="list-style-type: none"> <li>i. Area of concern: Discuss regarding annual leave take for Bagan Datoh Division and Melentang Division.            Action Plan: Discussion between estate management and union team and agreed with the management.            Status: Seen the Union meeting minutes conducted on 1/2/2019 that the Union representatives and management have mutually agreed on the annual leave schedule for public holiday. Schedule for Annual Leave was sighted as well.</li> </ul> </li></ul>	

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.4.2:</b> Complaints and grievances			
<b>4.4.2.1</b>	A system for dealing with complaints and grievances shall be established and documented.  - <b>Major compliance</b> -	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 detailing 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 Estate Quality Management System - Procedure for External Communication, Appendix 5.5.3.2, and version 1 dated 1/4/2018 to put in place a system to effectively communicate with external interested parties. 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
<b>4.4.2.2</b>	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.  - <b>Major compliance</b> -	The Flemington Estate and Bagan Datoh Estate has implemented Complaint Book to record complaints reported by the stakeholders. Action was taken to resolve the issues. The complaints or grievances were resolved within the period and acknowledged by the complainants.	Complied
<b>4.4.2.3</b>	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.  - <b>Minor compliance</b> -	The Flemington Estate and Bagan Datoh Estate's management has maintained Complaint Book and Housing Repair Book to receive any complaints or grievances from stakeholders. The complaints lodged related to housing repair were resolved accordingly and it was acknowledged by the complaints after the action has been taken. For eg: The bedroom's lamp at House No. 125A was malfunction reported on 4/4/2019. The management has assigned contractor to carry out	Complied

Criterion / Indicator		Assessment Findings	Compliance
		repair work and seen the Invoice No.: 0859 dated 12/4/2019. The complainant has acknowledged on the completed work.	
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. <b>- Minor compliance -</b>	Interviewed 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.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. <b>- Major compliance -</b>	Record review found that previous complaints and requests from March 2016 were still available in Flemington Estate and Bagan Datoh Estate.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. <b>- Minor compliance -</b>	Flemington Estate’s management has made contribution to the local communities such as offered job opportunity to the local people. Besides, donation to school for the construction of new hut in the school compound and donation to NUPW for their activities. Seen the both payments voucher records dated 22/5/2019. Bagan Datoh Estate’s management has provided the estate’s area for the school to carry out cross country event, donated to school sport’s day and contributed funds to temple’s event. Besides, job opportunities were offered to the local communities as verified through the employee master listing and interviewed with the local communities.	Complied
<b>Criterion 4.4.4: Employees safety and health</b>			

Criterion / Indicator		Assessment Findings	Compliance				
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>The Group Occupational Safety &amp; Health Management Policy had been established and implemented for all mills and estates.</p> <ul style="list-style-type: none"> <li>a) The policy was signed by the Managing Director of Sime Darby Plantation on January 2015 and displayed prominently on notice boards in English and local language Bahasa Malaysia.</li> <li>b) The Policy is implemented through the OSH activities by the on-site Safety Officers and monitored by OSH Manager from Head Office.</li> <li>c) Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees &amp; contractors &amp; visitors.</li> </ul> <p>In interviews with the workers and staff during the site visit (Flemington Estate Field 2015T, workshop, SW store, general store) revealed that the employees had been briefed and understood the intent of the policy.</p>	Complied				
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) A safety and health policy, which is communicated and implemented.</li> <li>b) The risks of all operations shall be assessed and documented.</li> <li>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: <ul style="list-style-type: none"> <li>i. all employees involved shall be adequately trained on safe working practices</li> </ul> </li> </ul>	<p>Briefings to employees are made through town hall and briefing session. Sighted records of the Town Hall program held at both the estates. The last session was conducted by ESH regional team on 15/4/19 at Flemington Estate. Apart from specific session, safety policy and targets were available on notice board in both English &amp; Bahasa Malaysia.</p> <p>HIRARC for both estates are available for review. All the operation and non-operation activities were covered. HIRARC for both the estates were sighted having details as follows of common activities.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">Activity</td> <td style="width: 25%; text-align: center;">No</td> <td style="width: 25%; text-align: center;">Activity</td> </tr> </table>	No	Activity	No	Activity	Complied
No	Activity	No	Activity				

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings				Compliance													
<p>ii. all precautions attached to products shall be properly observed and applied</p> <p>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).</p> <p>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.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p>	1	Office	9	Pruning & harvesting	<p>Flemington Estate – Latest review was conducted on 4/4/19 after occurrence of accident.</p> <p>Both estates provide training to the workers and staff exposed to pesticides and chemicals. The following training sessions were recorded.</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training</th> </tr> </thead> <tbody> <tr> <td>12/7/19</td> <td>IPM – BOB census training</td> </tr> <tr> <td>13/6/19</td> <td>PPE training –spraying</td> </tr> <tr> <td>3/7/19</td> <td>Inter-pump calibration and maintenance</td> </tr> <tr> <td>19/3/19</td> <td>Trunk injection training</td> </tr> <tr> <td>9/4/19</td> <td>USECHH 2000 training</td> </tr> <tr> <td>26/4/19</td> <td>RB spraying method</td> </tr> </tbody> </table>	Date	Training	12/7/19	IPM – BOB census training	13/6/19	PPE training –spraying	3/7/19	Inter-pump calibration and maintenance	19/3/19	Trunk injection training	9/4/19	USECHH 2000 training	26/4/19	RB spraying method
	Date	Training																	
	12/7/19	IPM – BOB census training																	
	13/6/19	PPE training –spraying																	
	3/7/19	Inter-pump calibration and maintenance																	
	19/3/19	Trunk injection training																	
	9/4/19	USECHH 2000 training																	
	26/4/19	RB spraying method																	
	2	Security	10	Manuring															
	3	Weeding	11	Replanting															
4	P&D	12	Waste																
5	Boundary & census	13	Workshop																
6	Road bridges	14	Nursery																
7	Drainage & culverts	15	Break time																
8	transportation	16	Weighbridge																

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings		Compliance		
<p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 20%; text-align: center;">13/5/19</td> <td>SDS training</td> </tr> </table> <p>Details of other training are available 4.4.6.1 (training and competency). OSH programs are also included. Common programs are initiated from HQ level e.g. OSH meeting, workplace inspection, inspection on PPE, training on MSPO/RSPO etc.</p> <p>The estates provide PPE to the employees such as apron, safety helmets, safety shoes relevant to the work handled by the workers. PPE requirement is based on company's SOP (Pictorial Safety Standard) and CHRA assessor's recommendation.</p> <p>Both estates had established SOP for chemical handling. This is available in PSQM – Operational Control Procedure under subject Chemical Safety Management. This includes compliance related to</p> <ul style="list-style-type: none"> <li>a) Conduct/reassess CHRA (conducted on 23<sup>rd</sup> July &amp; 7<sup>th</sup> August 2015.</li> <li>b) Review of chemical register</li> <li>c) Chemical management assessment review</li> <li>d) Conduct health surveillance.</li> </ul> <p>The document was sighted. The latest medical surveillance was carried out on 9<sup>th</sup> June 2019 for group of sprayers by registered OHD, HQ/08/DOC/00/131 under Sabak Dispensary. Based on the result, all workers are found to be fit to work. As for Bagan Datoh estate, the latest medical surveillance was carried out on 27/6/19 by registered OHD, HQ/12/DOC/00/279. From the report, all workers sent for medical surveillance are fit to work.</p>	13/5/19	SDS training			
13/5/19	SDS training					



**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator	Assessment Findings	Compliance
	<p>Both the Estate Managers were appointed as the Chairman of the ESH committee, letters of appointment signed by the Regional CEO were sighted. No changes noted for the ESH committee at Flemington Estate. For Bagan Datoh Estate, new manager has been appointed as Safety &amp; Health Committee Chairman effective from 1/7/19. The Senior Assistant/Assistants in turn were assigned as the OSH coordinator and responsible for all safety and environmental issues. All appointments are valid for a 2-year term. Both estates management conduct regular two-way communication with their employees through the quarterly ESH meeting.</p> <p>The minutes of meeting for Flemington Estate on 12//7/19, 26/4/19 and 22/1/19 were sighted and verified. Workers during the meeting participated in the discussion mainly on line site and safety. The agenda discussed during the ESH meeting among other includes the following;</p> <ul style="list-style-type: none"> <li>i) Accident incidences/SIME CARD report/HIRARC /visit from PQSM-OSH/GCAD report/safety report for Contractors/OSH program/medical surveillance.</li> </ul> <p>For Bagan Datoh estate, latest minute of meeting dated 25/6/29 is referred to.</p> <p>Accident and emergency procedures are available. There was formation of ERP Team &amp; ERP for all the identified incidences. The organisation chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. ERT are initiated for fire &amp; flood, chemical spillage &amp; motor vehicle, wild &amp; poisonous animal attack, first aid team. Procedures guidelines were produced by PSQM and</p>	

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator	Assessment Findings	Compliance												
	<p>amended to tailor to the situation differences in the estates and mills. Sighted latest fire drills report dated 19/5/19.</p> <p>Both estates trained their nominated employees for First Aid mainly those involved in the field operations. A First Aid Kit equipped with approved 17 items are available and replenished on a weekly basis. Distribution of the 1st Aid Kit for both the estates are made at the following places/personnel;</p> <p>Office / AP Post / Chemical Store / Fertiliser Store / Workshop / Field staff / Mandores. The boxes kept by the mandore were sighted during the field visit. Both Estates had regular monthly briefing to the 1st Aid Kit holders on the management of the content and usage.</p> <p>Records of all accidents are kept. Accident are reviewed during safety meetings. Reported to DOSH via JKPP 6/JKPP 8 and to Sime Darby's headquarters using online system called SMS-IT.</p> <table border="1" data-bbox="1050 997 1854 1157"> <thead> <tr> <th></th> <th>Year</th> <th>Flemington Estate</th> <th>Bagan Datoh Estate</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2018</td> <td>3 cases (41 LTI)</td> <td>5 cases (78 LTI)</td> </tr> <tr> <td>2</td> <td>2019</td> <td>1 case (19 LTI)</td> <td>0 case</td> </tr> </tbody> </table> <p>Most of the accident reported categorized under class III (temporary disability).</p> <p>HIRARC was reviewed accordingly and investigation was also held by the committee. Annual reporting to DOSH via JKPP 8 was sighted, reference no. JKPP 8/27558/2018 dated 18/1/19.</p>		Year	Flemington Estate	Bagan Datoh Estate	1	2018	3 cases (41 LTI)	5 cases (78 LTI)	2	2019	1 case (19 LTI)	0 case	
	Year	Flemington Estate	Bagan Datoh Estate											
1	2018	3 cases (41 LTI)	5 cases (78 LTI)											
2	2019	1 case (19 LTI)	0 case											

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.4.5:</b> Employment conditions			
<b>4.4.5.1</b>	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>Sime Darby Plantation Bhd has developed Social and Humanity Management policy covers the necessary aspects of human rights. Employees are aware of their rights and workers and staff union monitor to ensure no violations. Briefing of policies were given to the workers and contractors on 12/7/2019 and 17/7/2019 in Flemington Estate and 7/2/2019 in Bagan Datoh Estate. Seen the training attendance list.</p>	Complied
<b>4.4.5.2</b>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>SDPB has implemented Social Policy, Social &amp; Humanity Management Policy dated January 2015 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. Interviewed with the workers found that no discrimination has occurred. They were allowed to change any workstation if they found not fit or capable on the job offered by the management.</p>	Complied
<b>4.4.5.3</b>	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p><b>- Major compliance -</b></p>	<p>There was employment contracts for staffs and workers. Pay and conditions are documented and are above the Minimum Wage Order 2018. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. Sampled of payslip for December 2018, January 2019, March 2019 and June 2019 as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 21256 (FE)</li> <li>ii. Employee No.: 121795 (FE)</li> <li>iii. Employee No.: 147117 (FE)</li> <li>iv. Employee No.: 145195 (FE)</li> <li>v. Employee No.: 144949 (FE)</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>vi. Employee No.: 92570 (BDE)</li> <li>vii. Employee No.: 139934 (BDE)</li> <li>viii. Employee No.: 134436 (BDE)</li> <li>ix. Employee No.: 141407 (BDE)</li> <li>x. Employee No.: 139124 (BDE)</li> </ul> <p>Verified the SIME-SEMUA system (SAP system) in Bagan Datoh Estate found that the workers below were paying wages through cash without bank account due to rejection from bank.</p> <ul style="list-style-type: none"> <li>i. Employee No.: 129085</li> <li>ii. Employee No.: 76547</li> <li>iii. Employee No.: 138523</li> <li>iv. Employee No.: 144779</li> <li>v. Employee No.: 117421</li> <li>vi. Employee No.: 129086</li> <li>vii. Employee No.: 133473</li> <li>viii. Employee No.: 134837</li> <li>ix. Employee No.: 143650</li> </ul> <p><b>The management could further investigate the reason of rejection of the bank for the 8 workers who received wages through cash. Thus, OFI was raised.</b></p>	
<b>4.4.5.4</b>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>The contractors have signed on the contract agreement prior commencement of work in the estates. In the agreement, it was clearly stated that the contractors should ensure compliance according to legal requirements.</p> <p>Sampled of the payslips of contractor's workers for June 2019 as below:</p> <ul style="list-style-type: none"> <li>i. Passport No.: BN 9215131 (FE)</li> <li>ii. Passport No.: EF 5128002 (FE)</li> </ul>	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		iii. Passport No.: UZ 1158662 (FE) iv. Passport No.: WM 0156982 (FE) v. Passport No.: YN 1157102 (FE) vi. Passport No.: EM 1512352 (FE) vii. Passport No.: BF 4853083 (FE)  All the workers were paid above the Minimum Wage Order 2018.	
<b>4.4.5.5</b>	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.  <b>- Major compliance -</b>	The estates' management have registered all their workers into Employee Master Details Listing where personal details such as full name, gender, date of birth, date join company, race, designation, wages and etc. Sampled of the EMR as below: i. Employee No.: 121794 (FE) ii. Employee No.: 147117 (FE) iii. Employee No.: 145195 (FE) iv. Employee No.: 135040 (FE) v. Employee No.: 129180 (FE) vi. Employee No.: 71843 (BDE) vii. Employee No.: 133449 (BDE) viii. Employee No.: 101971 (BDE) ix. Employee No.: 140289 (BDE) x. Employee No.: 133451 (BDE)  Besides, contractors have provided the records of employees to the management to maintain.	Complied
<b>4.4.5.6</b>	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.	The employees that recruited by the estates are from local, Indonesia, Bangladesh, India and Nepal. They are all under direct employment to the estates. Besides, the estate has engaged contractor to carry out replanting work with contract's workers. All of them have signed on the employment contract prior to work. Terms and conditions of	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	duration of employment, salary, annual leave and sick leave, working hours and termination of service were clearly stated in the contract. Sampled of employment contracts as below: i. Employee No.: 145195 (FE) ii. Employee No.: 141280 (FE) iii. Employee No.: 144949 (FE) iv. Employee No.: 147117 (FE) v. Employee No.: 21256 (FE) vi. Passport No.: BN 9215131 (FE) vii. Passport No.: EF 5128002 (FE) viii. Passport No.: UZ 1158662 (FE) ix. Passport No.: WM 0156982 (FE) x. Employee No.: 139934 (BDE) xi. Employee No.: 129076 (BDE) xii. Employee No.: 133449 (BDE) xiii. Employee No.: 134436 (BDE) xiv. Employee No.: 133451 (BDE)	
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 -	Seen the Estate Daily Attendance Report for monthly basis where it recorded the number of days work and hours of overtime work. The data was transferred from the checkroll record book for the workers to the SAP system.	Complied
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.	Interviewed with the workers confirmed that they have rest time in between of the working hours. Overtimes were paid according to the rate stated in the agreement and regulatory requirements. The overtime offered upon mutually agreement.	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p>- Major compliance -</p>	<p>Wages and overtime were paid according to the Daily Attendance Report and productivity reports. Total hours of overtime and daily attendance has recorded in the SAP system and the payslips. Refer to indicator 4.4.5.3.</p>	Complied
4.4.5.10	<p>Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.</p> <p>- Minor compliance -</p>	<p>The management has contributed 10kg of rice once every 2 months for all their workers. Besides, all the workers are provided with free medical facilities. In additional, all the workers are entitled with the phone allowance of RM 5 for every month. Free housing facilities were provided to all the workers and their families. Besides, every employee is provided with festival allowance of RM 100/ year. Employee with children will be given RM 100/ year of allowance. The estates' management has subsidized the transportation to send the children to school for RM 12.50/ month.</p>	Complied
4.4.5.11	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.</p> <p>- Major compliance -</p>	<p>The estates' management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers. The housing condition was accordance to the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446). Interviewed with the workers confirmed that they did not have any complain or grievance related to housing to be reported. Linesite inspection was carried out on weekly basis by using the Housing Complex/ Creche/ Community Hall Inspections checklist. The last inspection was carried out on 15/7/2019 in Teluk Buluh Division, 18/7/2019 in New Coconut Division and 19/7/2019 in Flemington Division and 15/7/2019 in both divisions in Bagan Datoh Estate. <b>However, during site visit to living quarters of New Coconut Division found the following issues:</b></p>	Minor Non-conformance

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>i. House No. 116 A and 116 B – Stay by replanting contractor’s workers. 8 workers stay in 116 B with two bedrooms while 7 workers stay in 116 A with two bedrooms. This was not complied with the Housing Agreement signed by the contractors which only allowed 8 persons for 2 houses. Window glasses were missing and condition of the houses was unsatisfactory.</li> <li>ii. House No. 118 A and 118 B – Recyclable items such as tin and plastic bottles were found inside dustbin.</li> <li>iii. House 118 A – Ceiling lamp was found half hanging on the ceiling.</li> <li>iv. The flooring behind the backyard was found cracked and drainage was blocked with stagnant water.</li> </ul> <p><b>Thus, a minor non-conformity was raised.</b></p>	
<b>4.4.5.12</b>	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p><b>- Major compliance -</b></p>	<p>SDPSB has implemented Social Policy and Social &amp; Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. Interviewed with the female workers found that no sexual harassment or violence case reported so far. Besides that, Gender Committee was established to monitor and discuss issues related to the sexual harassment. The last meeting conducted on 24/4/2019 in Bagan Datoh Estate and meeting minutes was sighted.</p>	Complied
<b>4.4.5.13</b>	<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</p>	<p>SDPB has implemented Social Policy dated January 2015 where the management is committed and respect the rights of all personnel to form and join trade unions of their choice and to bargain collectively. The mill management allowed their workers to form or join any association such as NUPW. Union meeting was conducted on</p>	Complied



Criterion / Indicator		Assessment Findings	Compliance										
	<p>the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p><b>- Major compliance -</b></p>	<p>12/7/2019 with the members and management representatives to discuss issues related to workers in Flemington Estate and 2/1/2019 in Bagan Datoh Estate. Seen the meeting minutes and found properly documented. Issues were recorded in the meeting minutes. Interviewed with the workers confirmed that they are allowed to join Union based on their willingness.</p>											
<b>4.4.5.14</b>	<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 is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p><b>- Major compliance -</b></p>	<p>The company has developed Child Protection policy dated January 2015. Operating units are complied with the minimum age requirement. No employees below the age of 18 were sighted through verified the Employee Master Listing and interviewed with the workers.</p>	Complied										
<b>Criterion 4.4.6: Training and competency</b>													
<b>4.4.6.1</b>	<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><b>- Major compliance -</b></p>	<p>Both Estates have organised trainings for their employees. There were also sessions held with presence of contractors and neighbouring community.</p> <p>a) Flemington Estate held the following sessions during the period of review</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training Subject</th> </tr> </thead> <tbody> <tr> <td>15/4/19</td> <td>Safety Townhall Session</td> </tr> <tr> <td>8/7/19</td> <td>First aid training</td> </tr> <tr> <td>22/6/19</td> <td>New workers induction training</td> </tr> <tr> <td>18/6/19</td> <td>Manuring training</td> </tr> </tbody> </table>	Date	Training Subject	15/4/19	Safety Townhall Session	8/7/19	First aid training	22/6/19	New workers induction training	18/6/19	Manuring training	Complied
Date	Training Subject												
15/4/19	Safety Townhall Session												
8/7/19	First aid training												
22/6/19	New workers induction training												
18/6/19	Manuring training												

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings		Compliance																									
		<table border="1"> <tr><td>10-11/4/19</td><td>On-site training for tractor driver</td></tr> <tr><td>18/2/19</td><td>Rat baiting training</td></tr> <tr><td>4/12/18</td><td>Spraying/inter-pump training</td></tr> <tr><td>4/1/19</td><td>Chemical Safe Handling training</td></tr> </table> <p>b) Bagan Datoh Estate organised similar training as follows;</p> <table border="1"> <thead> <tr><th>Date</th><th>Training Subject</th></tr> </thead> <tbody> <tr><td>12/7/19</td><td>IPM – BOB census training</td></tr> <tr><td>13/6/19</td><td>PPE training –spraying</td></tr> <tr><td>3/7/19</td><td>Inter-pump calibration and maintenance</td></tr> <tr><td>19/3/19</td><td>Trunk injection training</td></tr> <tr><td>9/4/19</td><td>USECHH 2000 training</td></tr> <tr><td>26/4/19</td><td>RB spraying method</td></tr> <tr><td>13/5/19</td><td>SDS training</td></tr> <tr><td>16/4/19</td><td>Fire Drill Training</td></tr> </tbody> </table> <p>Training for the SOU both estates is an on-going activity and held along with the annual program.</p>	10-11/4/19	On-site training for tractor driver	18/2/19	Rat baiting training	4/12/18	Spraying/inter-pump training	4/1/19	Chemical Safe Handling training	Date	Training Subject	12/7/19	IPM – BOB census training	13/6/19	PPE training –spraying	3/7/19	Inter-pump calibration and maintenance	19/3/19	Trunk injection training	9/4/19	USECHH 2000 training	26/4/19	RB spraying method	13/5/19	SDS training	16/4/19	Fire Drill Training	
10-11/4/19	On-site training for tractor driver																												
18/2/19	Rat baiting training																												
4/12/18	Spraying/inter-pump training																												
4/1/19	Chemical Safe Handling training																												
Date	Training Subject																												
12/7/19	IPM – BOB census training																												
13/6/19	PPE training –spraying																												
3/7/19	Inter-pump calibration and maintenance																												
19/3/19	Trunk injection training																												
9/4/19	USECHH 2000 training																												
26/4/19	RB spraying method																												
13/5/19	SDS training																												
16/4/19	Fire Drill Training																												
<b>4.4.6.2</b>	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p><b>- Major compliance -</b></p>	<p>Similar method for identifying the training needs are used in this SOU 4 operating units for the both estates and mill. The training needs for both Flemington and Bagan Datoh Estates for the FY 2019 training program has been established. The details of the training needs include categories of job descriptions, sections, and employees group. Included in this program are subjects among others are;</p> <ul style="list-style-type: none"> <li>a) Environment e.g. environmental,</li> <li>b) safety &amp; health policy,</li> <li>c) effective work place inspection</li> </ul>	Complied																										

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>d) PPE training and demonstration</li> <li>e) scheduled waste management,</li> <li>f) environmental responsibility, HCV &amp; Biodiversity training,</li> <li>g) field activities,</li> <li>h) equipment handling,</li> <li>i) vehicles maintenance/safe driving etc.</li> </ul>	
<b>4.4.6.3</b>	<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><b>- Minor compliance -</b></p>	<p>Training details are planned and summarised in the OSH program. This is in compliance and detailed in 4.4.6.1 above. Training program are made on annual basis. In addition, it is subject for a review during the financial year should need arises.</p>	Complied
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>There is an environmental management policy issued on Group level signed by the Managing Director in Jan 2015.</p> <ul style="list-style-type: none"> <li>a) Communications to the employees were through training session and briefing at muster grounds. The environmental subjects are emphasised during training related to MSPO/RSPO, scheduled waste, and spillages. Refer training records for both estates in 4.4.6.1 above.</li> <li>b) Subjects on environmental are included the annual training program titled "environmental responsibility &amp; biodiversity-environmental aspect impact assessment".</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance						
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) An environmental policy and objectives;</li> <li>b) The aspects and impacts analysis of all operations.</li> </ul> <p><b>- Major compliance -</b></p>	<p>The EMP policy is available as specified in 4.5.1.1 above. Objectives, target and duration are shown in the Environmental Management program (EMP) incorporating the action plan to be initiated by the estates. The EMP for both estates were sighted and verified. Details of the objectives were also mentioned in 4.5.4.1. The estates identified the aspects and impacts analysis of its operations. Many of which are common. Areas/activities identified at;</p> <ul style="list-style-type: none"> <li>a) Nursery (beneficial plant)</li> <li>b) Main entrance/compound</li> <li>c) Road/office/store/</li> <li>d) Workshop/power station/</li> <li>e) Petrol/diesoline/scheduled waste store</li> <li>f) Water treatment plant /</li> <li>g) FFB transportation</li> <li>h) P&amp;D /weeding/spraying/harvesting &amp; collection/manuring</li> <li>i) Replanting</li> </ul> <p>Findings were discussed in OSH/ meetings. The last update of the EAI list is dated 1/1/19 and 2/7/2019 for Fleminton and Bagan Datoh Estates (bund maintenance ) respectively.</p>	Complied						
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>This is available in the EIA Plan and Pollution Prevention Plan dated January 2019 compiled for 2019. Details as elaborated below;</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Environmental Issues</th> <th style="width: 33%;">Mitigating measures</th> <th style="width: 33%;">Time frame</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Environmental Issues	Mitigating measures	Time frame				Complied
Environmental Issues	Mitigating measures	Time frame							

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		1	Leakage of pesticides during mixing & washing into outside land	To recollect water used at mixing area to be recycled during mixing To clean & maintain containment sump at chemical mixing area to contain leakages. To place all chemicals containers on metal trays	On-going	
		2	Open burning at line site	To provide rubbish bin To record rubbish collection To update line site inspection Rubbish disposed at MDTI	On-going	
		3	High usage of pesticide chemicals	To increase planting of BP To increase barn owl ratio 1:5 ha Perform pest census prior treatment.	On-going	
		4	Oil spillage at workshop	To place metal tray during services. To clean/maintain oil trap.	On-going	
		5	Replanting	Implement zero burning policy Ensure no soil erosion	On-going	

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings			Compliance	
		6	Scheduled waste	To ensure all scheduled waste disposed safely & update record.	On-going	
		Monitoring is made through data analysis and the daily field and site supervision.				
<b>4.5.1.4</b>	A programme to promote the positive impacts should be included in the continual improvement plan. <b>- Minor compliance -</b>	This is available in the EIA Plan and Pollution Prevention Plan dated January 2019 compiled for 2019. Details as incorporated therein detailed in 4.5.1.3.			Complied	
<b>4.5.1.5</b>	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. <b>- Major compliance -</b>	A training program is available in the SOU Training Program updated on a yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training. Both estates also emulated similar program for in house training.			Complied	
<b>4.5.1.6</b>	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. <b>- Major compliance -</b>	Similar forums are used by the mill and the estates in discussing concerns on environmental quality A management review meeting is held annually to discuss issues on water management plan, electricity use, diesel consumption, waste management, SIA plan, renewable energy, aspect/impact, HIRARC. In addition, environmental issues are tabled during the quarterly ESH meeting.			Complied	
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>						
<b>4.5.2.1</b>	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	Monthly record on energy consumption for both renewable and non-renewable sources were kept and documented in both estates. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement.			Complied	

Criterion / Indicator		Assessment Findings	Compliance						
	<p>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><b>- Major compliance -</b></p>	<p>Monitoring is made using diesel/mt FFB, commentary on variance on irregularities variances.</p> <p>a) Flemington Estate (2.62 litre per tonne FFB: Jan 19 to June 19)</p> <p>b) Bagan Datoh Estate (1.63 litre per tonne FFB: Jan 19 to June 19)</p> <p>Reason provided e.g. rainy season, crop pattern and vehicle breakdown, age of vehicle/machinery, contour of estate. Data with graph recorded were sighted and verified.</p>							
<b>4.5.2.2</b>	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p><b>- Major compliance -</b></p>	<p>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.</p>	Complied						
<b>4.5.2.3</b>	<p>The use of renewable energy should be applied where possible.</p> <p><b>- Minor compliance -</b></p>	<p>There was no opportunity to use renewable energy in both estate at current technology. Mainly such practices are made in the mills whereby fibres and shell are used as fuel in the boiler for steam production thereafter for power generation</p>	Complied						
<b>Criterion 4.5.3: Waste management and disposal</b>									
<b>4.5.3.1</b>	<p>All waste products and sources of pollution shall be identified and documented.</p> <p><b>- Major compliance -</b></p>	<p>All waste and pollution are identified and documented in the Waste Management Action Plan for 2019. Details of waste generated from the estates and mill operations among others are shown below;</p> <table border="1" data-bbox="1048 1348 1870 1380"> <thead> <tr> <th>Type of waste</th> <th>Location</th> <th>Action to be taken</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Type of waste	Location	Action to be taken				Complied
Type of waste	Location	Action to be taken							

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings			Compliance
		Domestic waste rubbish	Linesites, office, workshop, store,	Collection/disposal 2x/week Estate for onwards collection by Majlis Daerah T Intan	
		Industrial waste-fertiliser bags	Empty bags store	Inventory of bags, reuse for LF collection, sell to appointed contractor	
		Scrap metal	workshop	Inventory maintained, tender at zone level for sale to licensed contractor.	
		SW 404 Clinical waste	Clinic	Inventory maintained. Storage in sharp bin in clinic. Disposal through VMO	
		SW rags, plastics, filters	workshop	Inventory maintained. Storage in scheduled waste store. Disposal through licensed contractor.	
		Spent lubricant & hydraulic oil	workshop	Inventory maintained. Storage in scheduled waste store. Disposal through licensed contractor	
		Disposed containers, bags, equipment contaminated with chemicals, pesticides, SW,	Scheduled waste store	Inventory maintained. Storage in SW store. All containers are labelled. Empty containers collected by authorized vendor.	



Criterion / Indicator		Assessment Findings	Compliance
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <ul style="list-style-type: none"> <li>a) Identifying and monitoring sources of waste and pollution</li> <li>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</li> </ul> <p><b>- Major compliance -</b></p>	<p>Details of the types and management plan are shown in 4.5.3.1 above.</p>	Complied
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><b>- Major compliance -</b></p>	<p>The procedures for handling used chemicals classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 are available prepared on Group level by PSQM and implemented in all estates and mills for all the applicable practices. The operational control procedures for the scheduled wastes management provides guidelines as follows;</p> <ul style="list-style-type: none"> <li>a) Management of class 1 chemical containers</li> <li>b) Management of class 2 (and higher) chemical containers.</li> <li>c) Management of fertiliser bags</li> </ul> <p>These documents were established on 28/2/2015 issued throughout the Group Estates and remain effective for practice in all operating units.</p> <p>Note: Retention of records for 6<sup>th</sup> schedule (consignment note) 2<sup>nd</sup> copy of the consignment has yet to be consistently maintained after</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		completion of disposal. E.g Aliran Segar (disposal date 14/6/19 and 5/7/19)	
<b>4.5.3.4</b>	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p><b>- Major compliance -</b></p>	<p>Under the operational control procedure established as given in 4.5.3.3 above the guideline and practice for handling empty pesticides are as follows;</p> <ul style="list-style-type: none"> <li>a) All class 2 and above containers are tripled rinsed and hole punctured at the bottom only if the waste generator is to dispose as non-scheduled waste.</li> <li>b) Containers to be disposed as scheduled waste need not go the triple rinsing and hole punctured process.</li> </ul> <p>These guidelines are based on Department Of Agriculture ref 91/120/038/014 dated 7/11/2002. During the site visit this has been adhered mainly containers are tripled rinsed and hole punctured at the container base.</p>	Complied
<b>4.5.3.5</b>	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p><b>- Minor compliance -</b></p>	<p>Under the action plan of the waste management plan, collection is 2 to 3x/week. Monitoring is made by an Executive/staff. Flemington Estate and mill disposed their domestic waste through the local city council.</p>	Complied
<b>Criterion 4.5.4: Reduction of pollution and emission</b>			
<b>4.5.4.1</b>	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p>	<p>Both estates assessed their polluting activities. This has been incorporated in the Environmental Improvement Plan/Pollution Prevention Plan for 2019. Details as provided in 4.5.1.3 and 4.5.1.4</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance		
	- <b>Major compliance</b> -	Therein is given potential sources of pollutants, objective & targets and action to be taken.			
<b>4.5.4.2</b>	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.  - <b>Major compliance</b> -	Details of action plan for identified pollutants are shown in 4.5.1.3	Complied		
<b>Criterion 4.5.5: Natural water resources</b>					
<b>4.5.5.1</b>	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> <li>a. Assessment of water usage and sources of supply.</li> <li>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</li> <li>c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</li> <li>d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</li> </ul>	<p>The Water Management Plan for the estates has been established for 2019. No major changes noted in the plan. Both estates management has provided contingency plans in event of water crisis for financial year 2019. Water usage is recorded on monthly basis for both estates. Steps/options to be adopted taken are;</p> <ul style="list-style-type: none"> <li>- to ensure consistency of water supply LAP</li> <li>- to train/educate staff/workers to conserve water</li> <li>- to revise demand and supply volume / conditions</li> </ul> <p>In event of a severe water pollution situation:</p> <ul style="list-style-type: none"> <li>- to address the source of pollution and eradication.</li> <li>- to reusing/recycling/rationing</li> <li>- apply rain harvest collection</li> </ul> <p>Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the River Reserve Management (Management of River Reserve in Sime Darby Plantation dated April 2014). The buffer zones established are as following:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">River width</td> <td style="width: 50%;">Buffer zone</td> </tr> </table>	River width	Buffer zone	Complied
River width	Buffer zone				

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings		Compliance								
<p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p><b>- Major compliance -</b></p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">➤ 40 meters</td> <td style="text-align: center;">50 meters</td> </tr> <tr> <td style="text-align: center;">20 - 40 meters</td> <td style="text-align: center;">40 meters</td> </tr> <tr> <td style="text-align: center;">10 - 20 meters</td> <td style="text-align: center;">20 meters</td> </tr> <tr> <td style="text-align: center;">5 - 10 meters</td> <td style="text-align: center;">10 meters</td> </tr> <tr> <td style="text-align: center;">&lt; 5 meters</td> <td style="text-align: center;">5 meters</td> </tr> </table> <p>There was no major river crossing for both the estates. However, the policy for the protection of watercourse are made known to all employees for an effective implementation when the need arises. Field drain flowing out to Bernam river is being monitor at few sampling points. Latest report dated 29/4/19 (ref: IE452/2019) has shown the off-limit parameters which does not conform with class IIA/IIB of NWQS for natural waterways. Investigation was done by estate team to check the possible source of pollution. Retest was recently carried out on 5<sup>th</sup> July 2019 to check current compliance status. Result is still pending from R&amp;D department.</p> <p>Both estates received supply from LAP hence does not require an internal water treatment for the domestic consumption.</p>	➤ 40 meters	50 meters	20 - 40 meters	40 meters	10 - 20 meters	20 meters	5 - 10 meters	10 meters	< 5 meters	5 meters	<p>Complied</p>
➤ 40 meters	50 meters											
20 - 40 meters	40 meters											
10 - 20 meters	20 meters											
5 - 10 meters	10 meters											
< 5 meters	5 meters											
<p><b>4.5.5.2</b></p> <p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p><b>- Minor compliance -</b></p>	<p>This is in compliance by the estates. This requirement is also audited internally by the PQSM personnel. During the field visit no construction of such was observed. This was further supported through facts obtained from interviews among the employees.</p>	<p>Complied</p>										
<p><b>4.5.5.3</b></p> <p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in</p>	<p>During the site visit practices of water harvesting are noted mainly in both the estates however not on entirety as the estates are also categorised as coastal. Construction of MCP = Moisture Conservation</p>	<p>Complied</p>										

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
	conservation terraces and various natural receptacles). <b>- Minor compliance -</b>	Pit are made at interval of every 40 feet & every 2 palms should the management decides the necessity of such. Road side pits were also available at every 3 palm rows, to divert in event of water overflowing and also to benefit the nearest palm at the pit end to obtain additional moisture.	
<b>Criterion 4.5.6:</b> Status of rare, threatened, or endangered species and high biodiversity value			
<b>4.5.6.1</b>	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover: a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status ( <i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. <b>- Major compliance -</b>	There are HCV areas identified within Flemington and Bagan Datoh Estate based on HCV assessment report dated September 2016. Based site review, auditor also has verified and confirmed the identified area. HCV area with total of 9.38 ha located at Bernam and Perak river and mill’s water catchment area which categorized under HCV 4. Based on the HCV report, no RTE found in the estate.	Complied
<b>4.5.6.2</b>	If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include: a) Ensuring that any legal requirements relating to the	Regular patrols within the operating unit estates were carried out and findings recorded by the respective Estate executives to monitor the Conservation / buffer zone areas. Mechanism for reporting the sightings of various types of wildlife, were found to have been in place. Monitoring and control of any illegal hunting, fishing or collecting activities was also implemented. Signage that prohibit hunting, fishing	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance												
	<p>protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p><b>- Major compliance -</b></p>	<p>and water polluting activities were verified on-site at the estates visited (i.e. Bagan Datoh Estate) found to have been satisfactorily maintained.</p> <p>Latest patrolling was done on 19/7/19. No illegal activities and RTE found. For Bagan Datoh Estate, latest report dated 19/6/19 was observed. No illegal activities observed. Only monkey, bird and lizards found. No RTE found during patrolling activities.</p>													
<b>4.5.6.3</b>	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p><b>- Major compliance -</b></p>	<p>HCV management plan for 2019 was sighted. Among established plan include:</p> <table border="1"> <thead> <tr> <th>Objective</th> <th>Management programme</th> <th>Progress</th> </tr> </thead> <tbody> <tr> <td>To ensure signage is maintain at site and retrievable on map</td> <td>Marking of slope (erosion prone area) on the map and in the field</td> <td>On going</td> </tr> <tr> <td>To monitor bund</td> <td>Monitoring by patrolling AP</td> <td>On going</td> </tr> <tr> <td>To create awareness</td> <td>Regular briefing during muster on HCV</td> <td>Latest session on Feb 19</td> </tr> </tbody> </table>	Objective	Management programme	Progress	To ensure signage is maintain at site and retrievable on map	Marking of slope (erosion prone area) on the map and in the field	On going	To monitor bund	Monitoring by patrolling AP	On going	To create awareness	Regular briefing during muster on HCV	Latest session on Feb 19	Complied
Objective	Management programme	Progress													
To ensure signage is maintain at site and retrievable on map	Marking of slope (erosion prone area) on the map and in the field	On going													
To monitor bund	Monitoring by patrolling AP	On going													
To create awareness	Regular briefing during muster on HCV	Latest session on Feb 19													
<b>Criterion 4.5.7: Zero burning practices</b>															
<b>4.5.7.1</b>	<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><b>- Major compliance -</b></p>	<p>The Group policy of "Zero open burning" is enforced since July 2008. The operating units adhered to the policy of "Zero open burning" for any replanting. From field visits and interviews with the workers there is no open burning being practiced in the estates. Both estates had replanting program spanned over the forthcoming years. Refer details</p>	Complied												

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
		in 4.6.2.2. In addition, Sime Darby Plantation assigned 1 person based in HQ being in charge to detect any open fire in the Company's fields using the Global Spot Watch.	
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. <b>- Major compliance -</b>	N/A. Details in 4.5.7.1 above	Complied
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. <b>- Major compliance -</b>	N/A. Details in 4.5.7.1 above	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. <b>- Minor compliance -</b>	This is included in the specification of work orders in event of land preparation during a replanting. It is a standard practice in Sime Darby Plantation.	Complied
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Site Management</b>			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. <b>- Major compliance -</b>	The SOP for the estates and mill operations are available which is prepared on Group basis. There are levels of the documentation identified as follows;	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>a) Level 1 Estate quality management system std operation manual</li> <li>b) Level 2 EQMS quality management manual</li> <li>c) Level 3 standard operating procedure</li> <li>d) Level 4 work instruction</li> <li>e) Level 5 records.</li> </ul> <p>As part of check and balance for the operation, annual PA visit was carried out on 18-20<sup>th</sup> December 2018. Refer to PA report, STR/SOU4/01/18-19. Overall rating given was good and rated at 82%.</p>	
<b>4.6.1.2</b>	<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><b>- Major compliance -</b></p>	<p>The estates construct terraces at slope area of more than 6 degrees. Planting of cover crop are made to retain the soil structure and conservation.</p> <ul style="list-style-type: none"> <li>a) Road side pit are made to divert water at slope areas to prevent road erosion and surface damage.</li> </ul> <p>Terraces are constructed inclined towards the terrace wall.</p>	Complied
<b>4.6.1.3</b>	<p>A visual identification or reference system shall be established for each field.</p> <p><b>- Major compliance -</b></p>	<p>All fields are marked and identified. Information like year planting (field no) and the total hectare is shown in all markers. There are both stencilled at the palm trees and also displayed in signages at the boundary/corners of every fields. This is observed during the field visit in both estates.</p>	Complied
<p><b>Criterion 4.6.2:</b> Economic and financial viability plan</p>			



Criterion / Indicator		Assessment Findings	Compliance
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p><b>- Major compliance -</b></p>	<p>The annual business plan is available as per the Group Financial Procedure. &amp; Guidelines.</p> <p>Both estates and the mill had a similar format i.e. in the form of annual budget with a 5 year projection. (Budget year, PY2, PY3, PY4, PY5)</p> <p>This business plan is prepared as guidance for future planning. The budget contains palm year of planting, age categories, and FFB production.</p> <p>Component of operating expenditure includes</p> <ul style="list-style-type: none"> <li>a) Administration,</li> <li>b) harvesting &amp; collection,</li> <li>c) field upkeep, transportation,</li> <li>d) road and bridges,</li> <li>e) labour overhead,</li> <li>f) EVIT (running accounts for engines, vehicles, implements &amp; tractors.</li> </ul> <p>Inclusive in the business plan is also Capital Expenditure (CAPEX) among others replacement / upgrading of building, vehicles replacement, workers' amenities etc. the budget for 2018/19 for both the estates was sighted and verified.</p>	Complied
4.6.2.2	<p>Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.</p> <p><b>- Major compliance -</b></p>	<p>Both estates established a replanting program spanned over a 5-year period till 2024. All programs were sighted. All replanting program and planning in all the Group Estates are monitored by the Replanting Unit. Assistance and audit are performed as and when required and necessary.</p> <p><u>Flemington Estate</u> (FY 2020 to FY 2024)            2020 – New coconut division, field 95N3: 72.18 ha            2021 – New coconut division, field 95N: 59.16 ha</p> <p><u>Bagan Datoh Estate</u> (FY 2020 – 2024)            2020 – Melentang division: 241 ha, Bagan Datoh: 82 ha</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		2022 – Melintang division: 98 ha, Bagan Datoh: 102 ha	
<b>4.6.2.3</b>	<p>The business or management plan may contain:</p> <ul style="list-style-type: none"> <li>a) Attention to quality of planting materials and FFB</li> <li>b) Crop projection: site yield potential, age profile, FFB yield trends</li> <li>c) Cost of production : cost per tonne of FFB</li> <li>d) Price forecast</li> <li>e) e) Financial indicators : cost benefit, discounted cash flow, return on investment</li> </ul> <p><b>- Major compliance -</b></p>	<p>This requirement i.e. crop material, crop projection, yield, production cost is available. It is provided in the business management plan shown in item 4.6.2.1 above.</p> <p>The estates had a format and guideline to calculate the returns on the field operations i.e. Income=sale of FFB (with award of CPO/CPK from the mill) less the expenditure (fixed and direct cost). This format is sighted</p>	Complied
<b>4.6.2.4</b>	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p><b>- Major compliance -</b></p>	<p>The estates performance is recorded in the monthly progress report.</p> <ul style="list-style-type: none"> <li>a) Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein.</li> <li>b) The management also provides variance report on the performance and reviewed on a monthly basis.</li> <li>c) The supervisory personnel maintained a daily cost for the field operations.</li> </ul> <p>The SOU meeting involving the Managers scheduled monthly basis with the Regional CEO for the performance review.</p>	Complied
<b>Criterion 4.6.3:</b> Transparent and fair price dealing			

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p><b>- Major compliance -</b></p>	<p>Estates has engaged contractors for varieties of works such as replanting, FFB transporter and maintenance works. Sampled of the agreement between company and the contractors as below:</p> <ul style="list-style-type: none"> <li>i. Company Name: Rajan Excavator Contractor Sdn Bhd for replanting on land preparation and related workers which 31/12/2019.</li> <li>ii. Company Name: Fame Transportation Sdn Bhd for FFB transport which valid until 31/8/2019.</li> </ul> <p>Pricing of the works/ services and mechanism were clearly stated in the agreement and agreed by the contractors.</p>	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p><b>- Major compliance -</b></p>	<p>Payment terms were clearly stated in the agreement signed by the contractors. Verified the invoice submitted and payment records as below:</p> <ul style="list-style-type: none"> <li>i. INV# IV-01840 dated 3/5/2019; Payment made on 8/5/2019</li> <li>ii. INV# IV-01927 dated 2/7/2019; Payment made on 8/7/2019</li> <li>iii. INV# IV-00492 dated 29/6/2019; Payment made on 8/7/2019</li> <li>iv. INV# FTSB/0519/005 dated 2/6/2019; Payment made on 4/6/2019</li> </ul> <p>Besides, interviewed with contractors also confirmed that payment was made promptly.</p>	Complied
<b>Criterion 4.6.4: Contractor</b>			
4.6.4.1	<p>Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required</p>	<p>The contractors engaged by the estates' management has signed on a letter regarding the compliance of RSPO/ MSPO/ ISCC. All the</p>	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

Criterion / Indicator		Assessment Findings	Compliance
	documentation and information. <b>- Major compliance -</b>	contractors need to follow the RSPO/ ISCC/ MSPO guideline in accordance with Sime Darby Plantation of EQMS.  Briefing of RSPO/ MSPO and all policies were given to the workers and contractors on 12/7/2019 in Flemington Estate and 29/4/2019 in Bagan Datoh Estate to the contractors. Seen the training attendance list. Interviewed with the contractors confirmed that they were provided with training and have signed on the letter.	
<b>4.6.4.2</b>	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	Estates has engaged contractors for varieties of works such as replanting, FFB transporter and maintenance works. Sampled of the agreement between company and the contractors as below: <ul style="list-style-type: none"> <li>i. Company Name: Rajan Excavator Contractor Sdn Bhd for replanting on land preparation and related workers which 31/12/2019.</li> <li>ii. Company Name: M.Rajan Contractor for machinery such as hiring excavator.</li> <li>iii. Company Name: Fame Transportation Sdn Bhd for FFB transport which valid until 31/8/2019.</li> </ul>	Complied
<b>4.6.4.3</b>	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. <b>- Minor compliance -</b>	A letter dated 30/10/2017, 1/11/2017 and 1/1/2019 on RSPO/ISCC/MSPO awareness issued to all the contractors, vendors of the Flemington Estate and Bagan Datoh. This letter was sighted and has stated that all Contractors need to follow RSPO/ISCC/MSPO guideline in accordance with the Sime Darby Plantation of Mill/ Estate Quality Management System.	Complied
<b>4.6.4.4</b>	The management shall be responsible for the observance of the control points applicable to the tasks performed by the	All works performed at the estates are checked and verified by the estates personnel. Projects where tenders are issued by HQ are	Complied

Criterion / Indicator	Assessment Findings	Compliance
contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	checked by representatives from HQ usually from the Engineering Dept.	
<b>4.7 Principle 7: Development of new planting</b> - Bagan Datoh and Flemington Estate did not carry out any new plantings since January 2015. Therefore, Principle 7 is not applicable during this main assessment. The immature areas are replanted area.		

**MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill.**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	Policy for the implementation of MSPO shall be established. - <b>Major compliance -</b>	Head, Global Sustainability Operations, Mr. Tang Men Kon has issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation. Sime Darby Plantation Berhad is committed to comply and implement the MSPO certification to demonstrate our commitment towards the production of certified sustainable palm oil products.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - <b>Major compliance -</b>	In the memorandum above, Sime Darby has clearly emphasized to achieve commitment towards a systematic approach in ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain.	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - <b>Major compliance -</b>	RSPO & MSPO Internal Audit for Y2019 was carried out on 6/3/2019 by Sustainability Unit, GSQM Department & RSQM. The audit was carried out based on MS 2530-3:2013, MS 2530-4:2013, RSPO P&C MYNI 2014 and RSPO SCCS 2017. There were total 7 Minor Non-conformities and 1 Opportunity for Improvement raised. The methodology of audit was documentation review, interview and site observations.	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.1.2.2</b></p>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 1/11/2017. The frequency of the internal audit shall be carried out at least once a year.</p> <p>There was total 7 Minor Non-conformities and 1 OFI raised. Root causes and corrective action plan were identified and discussed during the management review meeting. All the non-conformities were closed effectively.</p>	<p>Complied</p>
<p><b>4.1.2.3</b></p>	<p>Reports shall be made available to the management for their review.</p> <p><b>- Major compliance -</b></p>	<p>The internal audit report has distributed to the mill's management and Sime Darby Plantation HQ management. Management review meeting was conducted to review the findings of the internal audit.</p>	<p>Complied</p>
<p><b>Criterion 4.1.3 – Management Review</b></p>			
<p><b>4.1.3.1</b></p>	<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><b>- Major compliance -</b></p>	<p>Sime Darby Plantation has developed Plantation Quality Management System – Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: Appendix 15, Version 2 dated April 2019. The input and output of the management review were clearly identified.</p> <p>Management review was carried out once a year to review the suitability, adequacy and effectiveness of implementation of MSPO. The latest management review was carried out on 7/3/2019. The combined Management Review and Action Plan (MSPO &amp; RSPO Internal Consultative Assessment Report) was chaired by Mill Manager and attended by other relevant personnel. Results of corrective action plan and timeline for implementation were identified.</p>	<p>Complied</p>
<p><b>Criterion 4.1.4 – Continual Improvement</b></p>			

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.1.4.1</b></p>	<p>The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company.</p> <p><b>- Major compliance -</b></p>	<p>Continuous improvement plan for POM FY2019 was verified and documented under long range budget and CAPEX. The coverage are mainly on the mill operation and safety related budget. For example:</p> <p>i) Plant &amp; machinery: new 45 mt/hr boiler</p> <p>ii) Lab equipment: incubator and DO meter, pH meter and photometer.</p>	<p>Complied</p>
<p><b>4.1.4.2</b></p>	<p>The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.</p> <p><b>- Major compliance -</b></p>	<p>Continual improvement is demonstrated based on project initiated by mill management through KAIZEN/Lean Six Sigma project. The project focus mainly on cost saving and process losses minimization for each financial year. Sample of completed project for 2019:</p> <p>i) To reduce TNB usage at KKS Flemington by 37% compared to previous financial year</p> <p>ii) To reduce monthly oil loss/FFB at KKS Flemington for raw effluent from 0.44% to 0.41%</p> <p>iii) To improve on safety at sterilizer station return cages rail line</p>	<p>Complied</p>
<p><b>4.2 Principle 2: Transparency</b></p>			
<p>Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements</p>			
<p><b>4.2.1.1</b></p>	<p>The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.</p> <p><b>- Major compliance -</b></p>	<p>Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/11/2008 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</p>	<p>Complied</p>



**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

		requiring investigation. Manager is responsible for address the communication and requests.	
<b>4.2.1.2</b>	The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.  - <b>Major compliance</b> -	The management has disseminate 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 ( <a href="http://www.simedarbyplantation.com/Sustainability.aspx">http://www.simedarbyplantation.com/Sustainability.aspx</a> ) to obtain information such as policies, annual report and complaint procedures. Policies were displayed at the notice board of the respective operating units as well.	Complied
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders.  - <b>Major compliance</b> -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/11/2008 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.  Besides, 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 detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.	Complied

<p><b>4.2.2.2</b></p>	<p>The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i>.</p> <p><b>- Minor compliance -</b></p>	<p>Assistant Manager of the Flemington POM has been appointed as Social Officer to handle any issue related to social in the mill. Seen the appointment letter dated 15/7/2017 issued by the Mill Manager.</p>	<p>Complied</p>
<p><b>4.2.2.3</b></p>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>A combine stakeholder meeting for Flemington POM and Flemington Estate was conducted on 9/7/2019 with the participation of stakeholders such as contractors, government authorities and local communities. Seen the meeting minutes and photo evident of the meeting. No issue raised by the stakeholders from mil.</p> <p>Stakeholder list was developed which included local communities, suppliers, contractors, government authorities and supplying estates.</p>	<p>Complied</p>
<p><b>Criterion 4.2.3 – Traceability</b></p>			
<p><b>4.2.3.1</b></p>	<p>The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability.</p> <p><b>- Major compliance -</b></p>	<p>Sime Darby Plantation has developed Plantation Quality Management System – Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: Appendix 15, Version 2 dated April 2019. The procedure has clearly identified the supply chain contamination risk points. Procedure of incoming of FFB and outgoing of CPO was explained in the procedure.</p> <p>Flemington POM has received FFB from own supplying estates (Flemington Estate, Bagan Datoh Estate, Sungei Samak Estate and Sabak Bernam Estate) and outsider crops. Sampled of the weighbridge tickets from own supply estates and outsider crops with information such as below:</p> <ul style="list-style-type: none"> <li>i. Estate: Sungei Samak Estate dated 1/6/2019  Ticket No.: 31564  Product: FFB A Crop</li> </ul>	<p>Complied</p>

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

		<p>Division &amp; Field: Sepong, 02M1 and 04M  Weight: 17,130 kgs</p> <p>ii. Estate: Sabak Bernam Estate dated 1/6/2019  Ticket No.: 22778  Product: FFB A Crop  Division &amp; Field: One, 2015B  Weight: 10,060 kgs</p> <p>iii. OCP: Perniagaan Sinaran Mewah dated 18/6/2019  FFB Received Ticket No.: 234347  Product: FFB B Crop and Loose Fruits  Weight: 6,740 kgs</p> <p>iv. OCP: Ban Boon Teng Sawit (M) Sdn Bhd dated 18/6/2019  FFB Received Ticket No.: 234359  Product: FFB A Crop and Loose Fruits  Weight: 15,020 kgs</p>	
<b>4.2.3.2</b>	<p>The management shall conduct regular inspections on compliance with the established traceability system.</p> <p><b>- Major compliance -</b></p>	<p>According to the Plantation Quality Management System – Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: Appendix 15, Version 2 dated April 2019, mill shall verify the information on supply estates based on the Table 2: Information for Verification. Supply chain contamination risk points were identified. The mill is using Sime Weigh System to trace the supply chain.</p>	Complied
<b>4.2.3.3</b>	<p>The management shall identified and assign suitable employees to implement and maintain traceability system.</p> <p><b>- Minor compliance -</b></p>	<p>The Mill Manager has the overall responsibility for the implementation of the Standard Operating Procedure for Sustainable Supply Chain and Traceability. Besides, the Mill Manager has appointed Assistant Engineer 1 as the person-in-charge for monitoring of the mass balance incoming and outgoing, sustainable and non-sustainable materials. Seen the appointment letter dated 18/3/2019.</p>	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.2.3.4</b></p>	<p>Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.</p> <p><b>- Major compliance -</b></p>	<p>The records of CPO and PK sales has been verified. The despatch of the CPO are determine by HQ Sales &amp; Marketing and will be entered into the Sime Weigh System. The weighbridge operator will check the system before releasing the despatch.</p> <p>Sampled of the despatch weighbridge ticket as below:</p> <p><b><u>CPO:</u></b></p> <ul style="list-style-type: none"> <li>i. Despatch Ticket No.: 016361 dated 22/4/2019; Nett Weight: 39,550 kgs; Customer: SDP Nuri</li> <li>ii. Despatch Ticket No.: 016608 dated 31/5/2019; Nett Weight: 38,440 kgs; Customer: SDP Nuri</li> <li>iii. Despatch Ticket No.: 016761 dated 26/6/2019; Nett Weight: 33,930 kgs; Customer: BMD – Bursa Malaysia Derivatives Berhad</li> </ul> <p><b><u>PK:</u></b></p> <ul style="list-style-type: none"> <li>i. Despatch Ticket No.: 016366 dated 22/4/2019; Nett Weight: 29,540 kgs; Customer: Kilang Isi Sawit Sin Huat Hin Sdn Bhd</li> <li>ii. Despatch Ticket No.: 016610 dated 31/5/2019; Nett Weight: 23,710 kgs; Customer: Kilang Isi Sawit Sin Huat Hin Sdn Bhd</li> <li>iii. Despatch Ticket No.: 016764 dated 26/6/2019; Nett Weight: 27,260 kgs; Customer: SDP KCP</li> </ul>	<p>Complied</p>
<p><b>4.3 Principle 3: Compliance to legal requirements</b></p>			
<p><b>Criterion 4.3.1 – Regulatory requirements</b></p>			
<p><b>4.3.1.1</b></p>	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p>	<p>A mechanism to ensure compliance to legal and other requirement has been documented in EQMS &amp; MQMS (Estate &amp; Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU4.</p>	<p>Complied</p>

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

	<p><b>- Major compliance -</b></p>	<p>a) 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.</p> <p>b) Reference: Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.</p> <p>Licenses/permit viewed as complied by the estates for the legislative requirement among others viewed were:</p> <table border="1" data-bbox="1048 719 1675 1401"> <thead> <tr> <th data-bbox="1048 719 1093 783"></th> <th data-bbox="1093 719 1518 783">License /permit</th> <th data-bbox="1518 719 1675 783">Validity period</th> </tr> </thead> <tbody> <tr> <td data-bbox="1048 783 1093 911">1</td> <td data-bbox="1093 783 1518 911">MPOB license no. 529874004000 purchase, storage, processing of FFB max 288,000mt/year.</td> <td data-bbox="1518 783 1675 911">1/6/19-31/5/20</td> </tr> <tr> <td data-bbox="1048 911 1093 1078">2</td> <td data-bbox="1093 911 1518 1078">Schedule Of Compliance AS (B) A 91/110/61/081 under DOE license no. 004234 is still in progress. DOE Licence renewed and valid until 30/6/20</td> <td data-bbox="1518 911 1675 1078">1/7/19-30/6/20</td> </tr> <tr> <td data-bbox="1048 1078 1093 1278">3</td> <td data-bbox="1093 1078 1518 1278">AESP @ authorized entrant and standby person NW-PNG-AE-0121-R NW-PNG-AE-0119-R NW-PNG-AE-0122-R NW-PNG-AE-0130-R</td> <td data-bbox="1518 1078 1675 1278">Valid until 23/1/2021</td> </tr> <tr> <td data-bbox="1048 1278 1093 1310">4</td> <td data-bbox="1093 1278 1518 1310">AGTES – Confined space</td> <td data-bbox="1518 1278 1675 1310">23/2/17</td> </tr> <tr> <td data-bbox="1048 1310 1093 1401">5</td> <td data-bbox="1093 1310 1518 1401">Energy Commission, Electrical installation license, serial no. 31998, license no. 2018/03058</td> <td data-bbox="1518 1310 1675 1401">30/10/18-29/10/19</td> </tr> </tbody> </table>		License /permit	Validity period	1	MPOB license no. 529874004000 purchase, storage, processing of FFB max 288,000mt/year.	1/6/19-31/5/20	2	Schedule Of Compliance AS (B) A 91/110/61/081 under DOE license no. 004234 is still in progress. DOE Licence renewed and valid until 30/6/20	1/7/19-30/6/20	3	AESP @ authorized entrant and standby person NW-PNG-AE-0121-R NW-PNG-AE-0119-R NW-PNG-AE-0122-R NW-PNG-AE-0130-R	Valid until 23/1/2021	4	AGTES – Confined space	23/2/17	5	Energy Commission, Electrical installation license, serial no. 31998, license no. 2018/03058	30/10/18-29/10/19	
	License /permit	Validity period																			
1	MPOB license no. 529874004000 purchase, storage, processing of FFB max 288,000mt/year.	1/6/19-31/5/20																			
2	Schedule Of Compliance AS (B) A 91/110/61/081 under DOE license no. 004234 is still in progress. DOE Licence renewed and valid until 30/6/20	1/7/19-30/6/20																			
3	AESP @ authorized entrant and standby person NW-PNG-AE-0121-R NW-PNG-AE-0119-R NW-PNG-AE-0122-R NW-PNG-AE-0130-R	Valid until 23/1/2021																			
4	AGTES – Confined space	23/2/17																			
5	Energy Commission, Electrical installation license, serial no. 31998, license no. 2018/03058	30/10/18-29/10/19																			

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		<table border="1"> <tr> <td>6</td> <td>Steam Engineer Grade 1 possessed by Mill Manager ref no 128/2004</td> <td>23/12/2004</td> </tr> <tr> <td>7</td> <td>Engine driver grade 1 ref no PK 117/2006 Mr Chandran Anamalai</td> <td>01/12/2006</td> </tr> <tr> <td>8</td> <td>Engine driver grade 1 ref no PK 11/EIS/02/34 En Mohd Sharizal</td> <td>28/7/2011</td> </tr> </table>	6	Steam Engineer Grade 1 possessed by Mill Manager ref no 128/2004	23/12/2004	7	Engine driver grade 1 ref no PK 117/2006 Mr Chandran Anamalai	01/12/2006	8	Engine driver grade 1 ref no PK 11/EIS/02/34 En Mohd Sharizal	28/7/2011	<p>List of certificated machinery registered with DOSH sighted among others as listed below;</p> <table border="1"> <thead> <tr> <th></th> <th>Machinery/registration no</th> <th>validity</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Boiler no 1 – PMD 8703</td> <td>22/7/2019</td> </tr> <tr> <td>2</td> <td>Boiler no 2 – PMD 8704</td> <td>14/7/2020</td> </tr> <tr> <td>3</td> <td>Thermal Deareator PMT 147302</td> <td>14/7/2020</td> </tr> <tr> <td>4</td> <td>Sterilizer no 1 PMT 147319</td> <td>14/7/2020</td> </tr> <tr> <td>5</td> <td>Sterilizer no 4 PMT 147316</td> <td>14/7/2020</td> </tr> <tr> <td>6</td> <td>Vertical Air Receiver PK PMT 940</td> <td>14/7/2020</td> </tr> <tr> <td>7</td> <td>Monorail chain hoist PK PMA 3442</td> <td>14/7/2020</td> </tr> <tr> <td>8</td> <td>Electrical Chain Hoist PK PMA 6499</td> <td>14/7/2020</td> </tr> </tbody> </table> <p>Latest mill inspection by DOSH was done on 15/7/19. Some of the CF is still in the midst of approval from DOSH. Comments for improvement was noted however there is no summon/compound/notice of prohibition received from the visit.</p> <p>For Clean Air Regulations 2014 compliance, Flemington POM has applied for contravene of license for a period of 1 year starting from 5<sup>th</sup> June 2019 to 4<sup>th</sup> June 2020. Letter dated 4<sup>th</sup> June 2019 was sighted. The status is currently pending and awaiting for approval.</p>		Machinery/registration no	validity	1	Boiler no 1 – PMD 8703	22/7/2019	2	Boiler no 2 – PMD 8704	14/7/2020	3	Thermal Deareator PMT 147302	14/7/2020	4	Sterilizer no 1 PMT 147319	14/7/2020	5	Sterilizer no 4 PMT 147316	14/7/2020	6	Vertical Air Receiver PK PMT 940	14/7/2020	7	Monorail chain hoist PK PMA 3442	14/7/2020	8	Electrical Chain Hoist PK PMA 6499	14/7/2020	
6	Steam Engineer Grade 1 possessed by Mill Manager ref no 128/2004	23/12/2004																																						
7	Engine driver grade 1 ref no PK 117/2006 Mr Chandran Anamalai	01/12/2006																																						
8	Engine driver grade 1 ref no PK 11/EIS/02/34 En Mohd Sharizal	28/7/2011																																						
	Machinery/registration no	validity																																						
1	Boiler no 1 – PMD 8703	22/7/2019																																						
2	Boiler no 2 – PMD 8704	14/7/2020																																						
3	Thermal Deareator PMT 147302	14/7/2020																																						
4	Sterilizer no 1 PMT 147319	14/7/2020																																						
5	Sterilizer no 4 PMT 147316	14/7/2020																																						
6	Vertical Air Receiver PK PMT 940	14/7/2020																																						
7	Monorail chain hoist PK PMA 3442	14/7/2020																																						
8	Electrical Chain Hoist PK PMA 6499	14/7/2020																																						

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.3.1.2</b></p>	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p><b>- Major compliance -</b></p>	<p>The Legal &amp; Other Requirements Register (LORR) covers all the necessary regulatory requirements. The LORR for was reviewed on 22/7/2019.</p> <ul style="list-style-type: none"> <li>a) List of applicable legal and other requirements was made available during the assessment and complied in the QSHE/04/5.2.4 folder.</li> <li>b) Documented procedure has 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 December 2008</li> </ul>	<p>Complied</p>
<p><b>4.3.1.3</b></p>	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p><b>- Major compliance -</b></p>	<p>The Legal &amp; Other Requirements Register (LORR) covers all the necessary regulatory requirements.</p> <ul style="list-style-type: none"> <li>a) The LORR for was reviewed on 22/7/2019.</li> <li>b) Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office.</li> <li>c) The latest change in regulation applicable to the POM operation is the Labour Law. <ul style="list-style-type: none"> <li>- WMHSA Act 1990</li> <li>- Minimum wage 2018</li> </ul> </li> </ul>	<p>Complied</p>
<p><b>4.3.1.4</b></p>	<p>The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.</p> <p><b>- Minor compliance -</b></p>	<p>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. This correspondence was sighted via an email issued from Head Office for the operating units to update and comply where applicable</p>	<p>Complied</p>
<p><b>Criterion 4.3.2 – Lands use rights</b></p>			
<p><b>4.3.2.1</b></p>	<p>The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.</p>	<p>Flemington POM is located inside the land of Flemington Estate. The land is belongs to Sime Darby Plantation Sdn Bhd. Sighted the copy of</p>	<p>Complied</p>

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

	<b>- Major compliance -</b>	the land title and the original keep at the headquarters. There is no issue on land use claims evidence during the audit.	
<b>4.3.2.2</b>	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. <b>- Major compliance -</b>	Flemington POM is located inside the land of Flemington Estate. The land is belongs to Sime Darby Plantation Sdn Bhd. Sighted the copy of the land title and the original keep at the headquarters. There is no issue on land use claims evidence during the audit.	Complied
<b>4.3.2.3</b>	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. <b>- Major compliance -</b>	POM located within the compound of the Flemington estate. It was noted that legal boundaries are clearly demarcated and visibly maintained through construction of bunds, trenches and markings.	Complied
<b>4.3.2.4</b>	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). <b>- Minor compliance -</b>	There is no land dispute in the Flemington POM at the time of audit. The land belongs to Sime Darby Plantation Berhad and land ownership documents verified.	Complied
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. <b>- Major compliance -</b>	There is no customary land or negotiated agreements within the Flemington Palm Oil Mill land area.	Complied
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. <b>- Minor compliance -</b>	The right to use the land is not disputed and there were no customary land within the Flemington POM.	Complied



<p><b>4.3.3.3</b></p>	<p>Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.  <b>- Major compliance -</b></p>	<p>There is no land dispute or customary rights issues in the mill.</p>	<p>Complied</p>
<p><b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b></p>			
<p><b>Criterion 4.4.1: Social Impact Assessment (SIA)</b></p>			
<p><b>4.4.1.1</b></p>	<p>Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.  <b>- Minor compliance -</b></p>	<p>Social Impact Assessment was carried out by Sustainability Strategy Unit, PSQM Department on 27/7 – 1/7/2016 which covered for whole SOU 4 Flemington. The method of assessment was through interview, field observation and documentation review. The assessment has involved the participation of relevant stakeholders such as local authorities, workers’ representatives, contractors and local communities.</p> <p>Action Plan for Social Impact Assessment was developed and monitored by the mill management. The findings in the action plan were extracted from stakeholder meeting and complaints book. The latest management plan for FY2019 dated 12/7/2019 was sighted. For eg:</p> <p style="padding-left: 40px;">Area of concern: Truck drivers do not wear helmets.          Action Plan: To make sure lorry driver to wear helmet, give instruction/ memo, make sure AP check before entering to the mill.          Status: Seen the memo that displayed at the notice board that safety helmet must wear by the drivers. Besides, seen the PPE Record Book where the AP has noted down the incompliance of the drivers.</p>	<p>Complied</p>

<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p><b>- Major compliance -</b></p>	<p>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 detailing 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 1/11/2018 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>	Complied
<b>4.4.2.2</b>	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p> <p><b>- Major compliance -</b></p>	<p>The mill has implemented Complaint Book to record complaints reported by the stakeholders. The complaints were incorporated into the Action Plan dated 12/7/2019. The complaints or grievances were resolved within the time frame.</p>	Complied
<b>4.4.2.3</b>	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.</p> <p><b>- Minor compliance -</b></p>	<p>The mill management has maintained Complaint Book and Houses Repair Record to receive any complaints or grievances from stakeholders. The complaints lodged related to housing repair were resolved accordingly and it was acknowledged by the complaints after the action has been taken. For eg: The pillar of hanging clothes were rot at House No. 111B on 18/4/2019. The management has repaired by inserted a wooden pillar to support. Seen the evidence of photo of</p>	Complied

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

		the action taken. The complainant has acknowledged on 24/4/2019 after repair work was completed.	
<b>4.4.2.4</b>	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.  - <b>Minor compliance</b> -	Interviewed 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.	Complied
<b>4.4.2.5</b>	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.  - <b>Major compliance</b> -	Record review found that previous complaints and requests from February 2017 were still available.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
<b>4.4.3.1</b>	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.  - <b>Minor compliance</b> -	The Mill Management has made contribution to local communities. For eg: OCP – Bagan Pasir Estate and MARDI Bagan Datuk has requested the mill for one load of EFB for mulching the beneficial plant. The management has responded and agreed to provide one load of EFB with net weight 7.52 kg and 5.13 kg. Assistance such as donation for sport day in school also provided by verified through interviewed with the relevant stakeholders.	Complied
<b>Criterion 4.4.4: Employees safety and health</b>			
<b>4.4.4.1</b>	An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.	The Group Occupational Safety & Health Management Policy had been established and implemented. <ul style="list-style-type: none"> <li>a) The policy was signed by the Managing Director of Sime Darby Plantation on January 2015 and displayed prominently on notice boards in English and local language Bahasa Malaysia.</li> <li>b) The Policy is implemented through the OSH activities by the</li> </ul>	Complied

	<p><b>- Major compliance -</b></p>	<p>on-site Safety Officers and monitored by OSH Manager from Head Office.</p> <p>c) Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees &amp; contractors &amp; visitors.</p> <p>OSH plan is documented and combined under ESH and other requirements plan for 2019. All related compliance and monitoring programme on OSH has been monitored based on required frequency stipulated in FMA and OHSA.</p> <p>Implementation and monitoring for OSH plan can be further improved related to the following elements:</p> <p>i) Contractor management - Monitoring work area during/after completion of job - To inspect related working tools for activity</p> <p>ii) Emergency response plan - The used of appropriate and suitable spill kits as per SDS</p>																	
<p><b>4.4.4.2</b></p>	<p>The occupational safety and health plan should cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risk of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:</p> <p>i. All employees involved are adequately trained on safe working practices;</p>	<p>The policy has been established with details elaborated in 4.4.4.1 above. The risk of all operations were assessed and documented under HIRARC. The HIRARC for the mill operations was last reviewed on 15/6/2019. HIRARC for the following stations/operations/activities among others were sighted;</p> <table border="1" data-bbox="1048 1171 1677 1367"> <thead> <tr> <th></th> <th>Areas/Activities</th> <th></th> <th>Areas /Activities</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Reception Station– Weighbridge/Ramp</td> <td>7</td> <td>Engine Room</td> </tr> <tr> <td>2</td> <td>Fruit Handling</td> <td>8</td> <td>Product storage /Dispatch</td> </tr> <tr> <td>3</td> <td>Sterilizer</td> <td>9</td> <td>Laboratory</td> </tr> </tbody> </table>		Areas/Activities		Areas /Activities	1	Reception Station– Weighbridge/Ramp	7	Engine Room	2	Fruit Handling	8	Product storage /Dispatch	3	Sterilizer	9	Laboratory	<p>Complied</p>
	Areas/Activities		Areas /Activities																
1	Reception Station– Weighbridge/Ramp	7	Engine Room																
2	Fruit Handling	8	Product storage /Dispatch																
3	Sterilizer	9	Laboratory																

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

<ul style="list-style-type: none"> <li>ii. All precautions attached to products should be properly observed and applied;</li> <li>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</li> <li>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</li> <li>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</li> <li>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept and the concerns of employees and any remedial actions taken shall be recorded.</li> <li>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</li> <li>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</li> <li>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</li> </ul>	4	Threshing	1 0	Water treatment	<p>The latest medical surveillance programme was carried out from 4-5/9/18 for a few group of workers from different work units (kernel plant, water treatment and effluent plant, store keeper, workshop operator @ fitter, laboratory and confined space competent person).</p> <p>Training for employees are provided. The training includes for the employees handling chemicals and other safe working procedures. Details of the trainings organised by the mil management is shown in 4.4.6.1.</p> <p>The mill issued PPE to all its employees based on CHRA assessor's recommendation and pictorial safety standard. The common PPE provided are safety boots and safety helmets and cotton gloves. Other specified PPE i.e. are issued for designated type of work such as harness (working at height), leather gloves for the cage handlers and workshop personnel, ear plug for employees working at high noise density etc.</p> <p>SOP of handling of chemicals is available. The document was dated 26/02/17 titled "chemical safety management" 17 pages. Therein is shown requirement &amp; selection of chemicals, assessment of chemicals hazards, selection of supplier and transportation of chemicals storage and handling.</p>
	5	Clarification / Oil Room	1 1	Effluent Treatment Pond	
	6	Boiler House	1 2	Biogas Plant	

	<p><b>- Major compliance -</b></p>	<p>The management appointed the ill Manager as the Chairman for the ESH committee. As to date, no changes noted in the committee. The appointment was signed by the Regional General Manager via a letter dated 18/7/2017. The Manager in turn elects the Engineers to further execute and monitor all the ESH practices in the day-to-day running of the mill.</p> <p>Communications on safety are made through safety meeting /site supervision/dialogue/briefing during the weekly muster. The safety meeting was held 3 monthly having a total of 4 meeting in a year.</p> <p>There were standard agenda discussed as provided by PSQM. Additional issue where deemed important by the committee will be included in the discussion. Minutes of 2 meetings 12/3/19 &amp; 12/6/19 were sighted. Among others the agenda discussed are:</p> <ol style="list-style-type: none"> <li>1. Workplace inspection</li> <li>2. Line site visit report</li> <li>3. Accident statistics/report/Unsafe act</li> <li>4. Legislative requirement /update</li> <li>5. Hose reel &amp; hydrant /street light report</li> <li>6. Scheduled Waste</li> <li>7. GCAD/PSQM Audit highlight</li> </ol> <p>Accident and emergency procedures are available. There is a formation of ERP Team &amp; ERP for all the identified incidences. The organisation chart for the ERP team was appointed and displayed for information of the employees. Drill for fire ERP was latest organised on 20/04/19. Other ERP were briefed during the weekly gathering and explained during the ad-hoc briefing at individual stations. These trainings are recorded in the log book maintained at the operations site.</p>	
--	------------------------------------	--	--

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

		<p>Similar with compared to previous assessment, external first aid training on 12/9-13/9/17 conducted by St John Ambulans Malaysia is still found to be valid for 3 years until 11<sup>th</sup> September 2020.</p> <p>Records of all accidents are kept. Accident are reviewed during safety meetings. Reported to DOSH via JKKP 6/JKKP 8 and to Sime Darby's headquarters using online system called SMS-IT.</p> <table border="1" data-bbox="1048 587 1682 906"> <thead> <tr> <th></th> <th>Date</th> <th>Location</th> <th>LTI</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2/10/18</td> <td>Effluent Treatment Plant (ETP)</td> <td>1</td> </tr> <tr> <td>2</td> <td>8/12/18</td> <td>EFB plant/Workshop</td> <td>4</td> </tr> <tr> <td>3</td> <td>24/12/18</td> <td>Oil room</td> <td>10</td> </tr> <tr> <td>4</td> <td>18/4/19</td> <td>Workshop</td> <td>95</td> </tr> <tr> <td colspan="3" style="text-align: right;">Total</td> <td>110</td> </tr> </tbody> </table> <p>Most of the accident reported categorized under class III (temporary disability).</p> <p>HIRARC was reviewed accordingly and investigation was also held by the committee. Annual reporting to DOSH via JKKP 8 was sighted, reference no. 8/27807/2018 dated 17/1/19.</p>		Date	Location	LTI	1	2/10/18	Effluent Treatment Plant (ETP)	1	2	8/12/18	EFB plant/Workshop	4	3	24/12/18	Oil room	10	4	18/4/19	Workshop	95	Total			110	
	Date	Location	LTI																								
1	2/10/18	Effluent Treatment Plant (ETP)	1																								
2	8/12/18	EFB plant/Workshop	4																								
3	24/12/18	Oil room	10																								
4	18/4/19	Workshop	95																								
Total			110																								
<p><b>Criterion 4.4.5: Employment conditions</b></p>																											
<p><b>4.4.5.1</b></p>	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>Sime Darby Plantation Bhd has developed Social and Humanity Management policy covers the necessary aspects of human rights. Employees are aware of their rights and workers and staff union monitor to ensure no violations. Briefing of policies were given to the workers and contractors on 24/6/2019. Seen the training attendance list and training materials.</p>	<p>Complied</p>																								

<p><b>4.4.5.2</b></p>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>SDPB has implemented Social Policy, Social &amp; Humanity Management Policy dated January 2015 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. Interviewed with the workers found that no discrimination has occurred in the mill. They were allowed to change any workstation if they found not fit or capable on the job offered by the management.</p>	<p>Complied</p>
<p><b>4.4.5.3</b></p>	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p><b>- Major compliance -</b></p>	<p>There was employment contracts for staffs and workers. Pay and conditions are documented and are above the Minimum Wage Order 2018. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the worker. Sampled of payslip for December 2018, January 2019 and March 2019 as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 24837</li> <li>ii. Employee No.: 143657</li> <li>iii. Employee No.: 123501</li> <li>iv. Employee No.: 96139</li> <li>v. Employee No.: 82002</li> </ul>	<p>Complied</p>
<p><b>4.4.5.4</b></p>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>The contractors have signed on the contract agreement prior commencement of work in the mill area. In the agreement, it was clearly stated that the contractors should ensure compliance according to legal requirements.</p> <p>Sampled of the payslips of contractor's workers for January 2019 to June 2019 as below:</p> <ul style="list-style-type: none"> <li>i. Passport No.: BT 0067919</li> <li>ii. Passport No.: BK 0851510</li> <li>iii. Passport No.: BL 0282273</li> <li>iv. Passport No.: BE 0556886</li> </ul>	<p>Complied</p>



<p><b>4.4.5.5</b></p>	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p><b>- Major compliance -</b></p>	<p>All the workers were paid above the Minimum Wage Order 2018.</p> <p>The mill management has registered all their workers into Employee Master Details Listing where personal details such as full name, gender, date of birth, date join company, race, designation, wages and etc. Sampled of the EMR as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 24837</li> <li>ii. Employee No.: 82041</li> <li>iii. Employee No.: 24863</li> <li>iv. Employee No.: 96139</li> <li>v. Employee No.: 82002</li> </ul> <p>Besides, contractors have provided the records of employees to the management to maintain.</p>	<p>Complied</p>
<p><b>4.4.5.6</b></p>	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p> <p><b>- Major compliance -</b></p>	<p>The employees that recruited by the mill are from local, Indonesia and Nepal. They are all under direct employment to the mill. Besides, labour supplied by contractor was sighted for workshop activities. All of them have signed on the employment contract prior to work. Terms and conditions of duration of employment, salary, annual leave and sick leave, working hours and termination of service were clearly stated in the contract. Sampled of employment contracts as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 82002</li> <li>ii. Employee No.: 143657</li> <li>iii. Employee No.: 143661</li> <li>iv. Employee No.: 123501</li> <li>v. Employee No.: 82041</li> <li>vi. Passport No.: BT 0067919</li> <li>vii. Passport No.: BK 0851510</li> <li>viii. Passport No.: BL 0282273</li> <li>ix. Passport No.: BE 0556886</li> </ul>	<p>Complied</p>

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.4.5.7</b></p>	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.</p> <p><b>- Major compliance -</b></p>	<p>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.</p>	<p>Complied</p>
<p><b>4.4.5.8</b></p>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>Interview with workers and document reviewed on the punch card as well as payslip shown that the overtime payments are in accordance to law and workers are not forced to work overtimes. Sime Darby Plantation Sdn Bhd has obtained approval from Jabatan Tenaga Kerja Semenanjung Malaysia (Ref. No.: BHG.PU/9/134 JLD 9 (11) dated 27/3/2017) to allow their workers to work not more than 130 hours of overtime per month. Verified the summary of Mill Daily Attendance Report found that the overtime does not exceeded 130 hours.</p>	<p>Complied</p>
<p><b>4.4.5.9</b></p>	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p><b>- Major compliance -</b></p>	<p>Wages and overtime were paid according to the "punch card system". Total hours of overtime and daily attendance has recorded in the individual card. Sampled the payslip based on the crop summary for December 2018, January 2019 and March 2019 as below:</p> <ul style="list-style-type: none"> <li>i. Employee No.: 24837</li> <li>ii. Employee No.: 143657</li> <li>iii. Employee No.: 123501</li> <li>iv. Employee No.: 96139</li> <li>v. Employee No.: 82002</li> </ul> <p>All of them above have achieved the Minimum Wage Order 2016 and Minimum Wage 2018.</p> <p>Hours of overtime has recorded in the payslip and the payment for overtime were paid according to the legal requirements.</p>	<p>Complied</p>
<p><b>4.4.5.10</b></p>	<p>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</p>	<p>The management has contributed 10kg of rice once every 2 months for all their workers. Besides, all the workers are provided with free medical facilities. In additional, all the workers are entitled with the</p>	<p>Complied</p>

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

	development, medical care provisions and improvement of social surroundings. <b>- Minor compliance -</b>	phone allowance of RM 5 for every month. Free housing facilities were provided to all the workers and their families. Besides, every employee is provided with festival allowance of RM 100/ year. Employee with children will be given RM 100/ year of allowance. The mill management has subsidized the transportation to send the children to school for RM 12.50/ month.	
<b>4.4.5.11</b>	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. <b>- Major compliance -</b>	The mill management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers. The housing condition was accordance to the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446). Interviewed with the workers confirmed that they did not have any complain or grievance related to housing to be reported. If there is any breakdown or defect, they will report to the chargeman. Linesite inspection was carried out on weekly basis by using the Housing Complex/ Creche/ Community Hall Inspections checklist. The last inspection was carried out on 18/7/2019 in Main Division and 16/7/2019 in New Coconut Division.	Complied
<b>4.4.5.12</b>	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. <b>- Major compliance -</b>	SDPSB has implemented Social Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. Interviewed with the female workers found that no sexual harassment or violence case reported so far.	Complied
<b>4.4.5.13</b>	The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer	SDPB has implemented Social Policy dated January 2015 where the management is committed and respect the rights of all personnel to form and join trade unions of their choice and to bargain collectively. The mill management allowed their workers to form or join any association such as NUPW. Union meeting was conducted on 11/7/2019 with the members and management representatives to discuss issues related to workers. Seen the meeting minutes and found properly documented. Issues were recorded in the meeting minutes.	Complied

	repercussions. - Major compliance -	Interviewed with the workers confirmed that they are allowed to join Union based on their willingness.	
<b>4.4.5.14</b>	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. - Major compliance -	The company has developed Child Protection policy dated January 2015. Operating units are complied with the minimum age requirement. No employees below the age of 18 were sighted through verified the Employee Master Listing and interviewed with the workers.	Complied
<b>Criterion 4.4.6: Training and competency</b>			
<b>4.4.6.1</b>	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	The program mainly covers both requirement of the estates and mill in the SOU 4. The subject for the training are issued and assisted by the SQM personnel. The following topics included in the annual training program 2018/19 among others are extracted below; <ul style="list-style-type: none"> <li>a) OSH Act 7 regulations 1994.</li> <li>b) Environmental Quality Act 1974</li> <li>c) USECHH 2000</li> <li>d) OSH Committee and function.</li> <li>e) Workplace inspection</li> <li>f) First Aid Training/fire fighting</li> <li>g) Scheduled waste training</li> <li>h) RSPO/MSPO/SCCS training</li> <li>i) Water treatment /Environmental Management</li> <li>j) HCV &amp; Biodiversity training.</li> <li>k) NADOPOD/HIRARC</li> <li>l) Personnel hygiene</li> <li>m) 5S /LOTO/Working at height/working in confined space</li> <li>n) ERP chemical &amp; oil spill</li> </ul> <p>Records of training for Flemington Mill sighted during this audit is since the last audit is shown below.</p>	Complied

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		<table border="1"> <thead> <tr> <th>Date</th> <th>Subject</th> <th>Trainer</th> </tr> </thead> <tbody> <tr> <td>20/4/19</td> <td>First aid training</td> <td>EHA</td> </tr> <tr> <td>20/04/19</td> <td>Fire evacuation training</td> <td>Assistant manager</td> </tr> <tr> <td>6/8/18</td> <td>Scheduled waste management training</td> <td>Assistant manager</td> </tr> <tr> <td>15/7/19</td> <td>Noise exposure training</td> <td>Assistant manager</td> </tr> <tr> <td>8/7/19</td> <td>Chemical Handling &amp; Labelling</td> <td>Assistant manager</td> </tr> <tr> <td>24/6/19</td> <td>SD Policy/COBC/RSP0/MSPO/Whistle Blowing</td> <td>Assistant manager</td> </tr> <tr> <td>11/07/19</td> <td>MSPO refresher training</td> <td>Assistant manager</td> </tr> <tr> <td>27/6/19</td> <td>MSPO SCCS training</td> <td>Assistant manager</td> </tr> <tr> <td>6/6/18</td> <td>Social Training (passport safe keeping briefing)</td> <td>Assistant manager</td> </tr> <tr> <td>27/4/19</td> <td>Fire drill / First Aid Briefing</td> <td>22</td> </tr> </tbody> </table>	Date	Subject	Trainer	20/4/19	First aid training	EHA	20/04/19	Fire evacuation training	Assistant manager	6/8/18	Scheduled waste management training	Assistant manager	15/7/19	Noise exposure training	Assistant manager	8/7/19	Chemical Handling & Labelling	Assistant manager	24/6/19	SD Policy/COBC/RSP0/MSPO/Whistle Blowing	Assistant manager	11/07/19	MSPO refresher training	Assistant manager	27/6/19	MSPO SCCS training	Assistant manager	6/6/18	Social Training (passport safe keeping briefing)	Assistant manager	27/4/19	Fire drill / First Aid Briefing	22	
Date	Subject	Trainer																																		
20/4/19	First aid training	EHA																																		
20/04/19	Fire evacuation training	Assistant manager																																		
6/8/18	Scheduled waste management training	Assistant manager																																		
15/7/19	Noise exposure training	Assistant manager																																		
8/7/19	Chemical Handling & Labelling	Assistant manager																																		
24/6/19	SD Policy/COBC/RSP0/MSPO/Whistle Blowing	Assistant manager																																		
11/07/19	MSPO refresher training	Assistant manager																																		
27/6/19	MSPO SCCS training	Assistant manager																																		
6/6/18	Social Training (passport safe keeping briefing)	Assistant manager																																		
27/4/19	Fire drill / First Aid Briefing	22																																		
<p><b>4.4.6.2</b></p>	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p><b>- Major compliance -</b></p>	<p>The training needs for the mill 2018/19 training program has been established. The details of the training needs include categories of stations, subjects, and employees group. Included in this program are subjects related to environment e.g. environmental, safety &amp; health policy, scheduled waste management, environmental responsibility, HCV &amp; Biodiversity training, machine handling, mill stations operations, control of process parameters, workshop management. etc. The compilation from the approved</p>	<p>Complied</p>																																	

		training needs is later transferred to the formation of the training program.	
<b>4.4.6.3</b>	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.  - <b>Minor compliance</b> -	This is in compliance and detailed in 4.4.6.1 above. Training program are made on annual basis. In addition, it is subject for a review during the financial year should need arises	Complied
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.  - <b>Major compliance</b> -	There is an Environmental Management Policy for the mill issued and endorsed in Jan 2015 by the Managing Director. Inside the policy among others has stated that the Company is committed to protecting the environment and conserving biodiversity through sustainable development.	Complied
<b>4.5.1.2</b>	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations  - <b>Major compliance</b> -	Policy is available and objectives stated therein.  The environmental impact evaluation for boiler operation, power generation, crude palm oil storage leakage and spillage, ruptured, effluent pond ruptured, anaerobic process pond release of gas to atmosphere.	Complied
<b>4.5.1.3</b>	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.	The mill monitors aspects and impacts among others the following activities This 2019 plan is available and similar to the reduction of pollution and emission. Mainly the areas relating to significant impact to the environment and the effort implemented are summarised below. The Plan was endorsed on 11/7/19	Complied

<p><b>- Major compliance -</b></p>		Environmental Issues	Solution Procedure/Action Plan	Time frame
	1	Erosion of effluent pond bund	Place mangrove wood to contain bund parameter. Place gunny containing ash around the eroded bund within the mangrove wood placement. Place used tyre at the eroded bund to maintain bund parameter.	Done & continuous
	2	Overflow of POME	To monitor & check pond level on daily basis. To ensure system (POME Discharge) in proper order. To check all pump, drainage & piping in good condition. To check bund and ensure all in functional condition.	Done & continuous
	3	Piping for raw pond to biogas plant leaking (via pump)	Daily checking	Done & continuous

		4	Pipe for mixing anaerobic pond to compost plant leaking (via pump)	Daily checking	Continu ous	
		5	Pipe leakages (CPO) during processing time	To isolate & stop the related process & close incoming/outgoing valves. To barricade the spillage, the spillage area to prevent the spilled oil from entering the monsoon drain. To clear the oil at the floor with fibre then using water to clean up the residue & ensure all being discharge into process drain.	continu ous	
		6	Chemical spillage at chemical store & boiler station	To place metal tray to prevent spillage while doing mixing chemical operations	Done & continu ous	
		7	Overflow calcium carbonate	Daily check & clean clay bath pit and check pump.	continu ous	



**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

		<table border="1"> <tr> <td>waste water to monsoon drain.</td> <td></td> <td></td> </tr> </table>	waste water to monsoon drain.			
waste water to monsoon drain.						
		Records of periodical reporting of the listed issues were available. These were the evidence which showed that the plans been monitored. The plans were reviewed annually during the EPMC and the monthly operations meetings.				
<b>4.5.1.4</b>	A programme to promote the positive impacts should be included in the continual improvement plan. <b>- Minor compliance -</b>	This is available as per item 4.5.1.3 above. All programme for improvement are shown in the action plan column.	Complied			
<b>4.5.1.5</b>	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. <b>- Major compliance -</b>	A training program is available in the SOU 4 Training Program updated on a yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment among others listed below; <ul style="list-style-type: none"> <li>a) Environmental Quality Act &amp; Regulations 1974</li> <li>b) Environmental, safety &amp; health policy,</li> <li>c) ERP Oil /chemical spill</li> <li>d) Scheduled waste management,</li> <li>e) Environmental responsibility, HCV &amp; Biodiversity training.</li> </ul>	Complied			
<b>4.5.1.6</b>	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. <b>- Major compliance -</b>	The environmental issues are discussed in a meeting by the EPMC (Environmental Performance Monitoring Committee). Latest EPMC meeting was carried out on 14/6/19. The agenda discussed among others as follows; <ul style="list-style-type: none"> <li>a) matters arising</li> <li>b) workplace inspection</li> <li>c) biogas and compost operation report</li> <li>d) scheduled waste report</li> <li>e) effluent management and performance.</li> </ul>	Complied			

		<p>In addition, environmental issues were also touched during the quarterly ESH meetings and also briefed during the weekly muster.</p>																																				
<p><b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b></p>																																						
<p><b>4.5.2.1</b></p>	<p>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</p> <p><b>- Major compliance -</b></p>	<p>The monitoring is recorded in environment performance indicator- electricity generated by steam turbine tabulated for 2019. It is calculated as electricity generated from turbine that produces power for the mill entire complex operation unit in either kwh/mt FFB or kwh/mt CPO.</p> <p>A monthly record on energy consumption for both renewable and non-renewable sources were also maintained documented. It is monitored to optimize use of renewable energy. The data is compiled for comparison and control for future improvement with aim of gradual reduction particularly diesel.</p> <p>The following data was compiled by the mill to fulfill the requirement and monitoring:</p> <table border="1" data-bbox="1048 1027 1850 1358"> <thead> <tr> <th>Month</th> <th>Jan 19</th> <th>Feb 19</th> <th>Mac 19</th> <th>Apr 19</th> <th>May 19</th> <th>Jun 19</th> </tr> </thead> <tbody> <tr> <td>FFB processed mt</td> <td>16,90 3.02</td> <td>18,38 9.91</td> <td>23,57 2.4</td> <td>23,09 0.85</td> <td>21,94 4.46</td> <td>17,34 6.42</td> </tr> <tr> <td>CPO processed</td> <td>3,381 .21</td> <td>3,783 .90</td> <td>4,805. 04</td> <td>4,714 .33</td> <td>4,274. 28</td> <td>3,408 .34</td> </tr> <tr> <td>Fibre usage/mt</td> <td>2,028 .36</td> <td>2,206 .79</td> <td>2,828. 69</td> <td>2,770 .90</td> <td>2,633. 34</td> <td>2,081 .57</td> </tr> <tr> <td>Shell usage/mt</td> <td>845.1 5</td> <td>919.5 0</td> <td>1,178. 62</td> <td>1,154 .54</td> <td>1,097. 22</td> <td>867.3 2</td> </tr> </tbody> </table>	Month	Jan 19	Feb 19	Mac 19	Apr 19	May 19	Jun 19	FFB processed mt	16,90 3.02	18,38 9.91	23,57 2.4	23,09 0.85	21,94 4.46	17,34 6.42	CPO processed	3,381 .21	3,783 .90	4,805. 04	4,714 .33	4,274. 28	3,408 .34	Fibre usage/mt	2,028 .36	2,206 .79	2,828. 69	2,770 .90	2,633. 34	2,081 .57	Shell usage/mt	845.1 5	919.5 0	1,178. 62	1,154 .54	1,097. 22	867.3 2	<p>Complied</p>
Month	Jan 19	Feb 19	Mac 19	Apr 19	May 19	Jun 19																																
FFB processed mt	16,90 3.02	18,38 9.91	23,57 2.4	23,09 0.85	21,94 4.46	17,34 6.42																																
CPO processed	3,381 .21	3,783 .90	4,805. 04	4,714 .33	4,274. 28	3,408 .34																																
Fibre usage/mt	2,028 .36	2,206 .79	2,828. 69	2,770 .90	2,633. 34	2,081 .57																																
Shell usage/mt	845.1 5	919.5 0	1,178. 62	1,154 .54	1,097. 22	867.3 2																																

		Renewable energy usage mt/CPO mt	0.85	0.83	0.83	0.83	0.87	0.87										
<b>4.5.2.2</b>	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.  <b>- Major compliance -</b>	<p>The mill records the following data and tabulated the ratio against the FFB processed and CPO produced to determine the efficiency of their operations;</p> <ul style="list-style-type: none"> <li>a) All the diesel used (non-renewable) for the mill operations</li> <li>b) Fibre/shell used (renewable)</li> </ul> <p>In this relation the following data were sighted and verified</p> <ul style="list-style-type: none"> <li>a) Non-renewable energy usage for Jan – June 2019. Average mt diesel/mt CPO produced is 0.94</li> <li>b) Renewable energy usage for Jan – June 2019. Average shell/fibre mt /mt CPO is 0.85.</li> </ul>								Complied								
<b>4.5.2.3</b>	The use of renewable energy should be applied where possible.  <b>- Minor compliance -</b>	<p>The fibre and shell are used in the boiler for fuel recycled in the process system. Surplus quantity of shell/fibre are delivered to estates for multi purposes or sold to outside buyers. EFB is used in the estates for mulching and compost production. Details of renewable energy fibre/shell used in the mill is shown in 4.5.2.1 above.</p>								Complied								
<b>Criterion 4.5.3: Waste management and disposal</b>																		
<b>4.5.3.1</b>	All waste products and sources of pollution shall be identified and documented.  <b>- Major compliance -</b>	<p>All waste and pollution are identified and documented in the Waste Management Plan for Financial Year 2018/19. The waste generated from the mill operations as shown below;</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 15%;">Type of waste</th> <th style="width: 45%;">Waste description</th> <th style="width: 30%;">location</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>									Type of waste	Waste description	location					Complied
	Type of waste	Waste description	location															

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		<table border="1"> <tr> <td data-bbox="1037 363 1088 523">1</td> <td data-bbox="1088 363 1252 523">Scheduled waste</td> <td data-bbox="1252 363 1525 523">Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries, fluorescent lamp.</td> <td data-bbox="1525 363 1677 523">Scheduled waste store</td> </tr> <tr> <td data-bbox="1037 523 1088 719">2</td> <td data-bbox="1088 523 1252 719">Domestic waste</td> <td data-bbox="1252 523 1525 719">Rubbish from the mill complex and employees' quarters used paper, plastic &amp; glass bottles, food waste.</td> <td data-bbox="1525 523 1677 719">Linesite, office, workshop, store, shop</td> </tr> <tr> <td data-bbox="1037 719 1088 916">3</td> <td data-bbox="1088 719 1252 916">Production waste</td> <td data-bbox="1252 719 1525 916">Fibre, palm kernel shell, boiler ash, scrap iron, EFB, POME, decanter solids.</td> <td data-bbox="1525 719 1677 916">Mill &amp; compost plant</td> </tr> </table>	1	Scheduled waste	Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries, fluorescent lamp.	Scheduled waste store	2	Domestic waste	Rubbish from the mill complex and employees' quarters used paper, plastic & glass bottles, food waste.	Linesite, office, workshop, store, shop	3	Production waste	Fibre, palm kernel shell, boiler ash, scrap iron, EFB, POME, decanter solids.	Mill & compost plant		
1	Scheduled waste	Spent IPA, hexane, filter, lubricants, hydraulic oil, grease, used batteries, fluorescent lamp.	Scheduled waste store													
2	Domestic waste	Rubbish from the mill complex and employees' quarters used paper, plastic & glass bottles, food waste.	Linesite, office, workshop, store, shop													
3	Production waste	Fibre, palm kernel shell, boiler ash, scrap iron, EFB, POME, decanter solids.	Mill & compost plant													
<p><b>4.5.3.2</b></p>	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p><b>- Major compliance -</b></p>	<p>The source of mill pollution generated from the mill is the smoke from the boiler are monitored from the stack emission during the entire operations. These reports are reviewed by the mill and submitted to DOE. There was no major issue since the last audit.</p> <p>The Waste Management Plan for Financial Year 2018/19 is available and sighted. The plan listed the waste generated from the mill operations as shown below;</p> <table border="1"> <thead> <tr> <th data-bbox="1037 1209 1088 1278"></th> <th data-bbox="1088 1209 1323 1278">Waste description</th> <th data-bbox="1323 1209 1682 1278">Action to be taken</th> <th data-bbox="1682 1209 1827 1278">PIC</th> </tr> </thead> <tbody> <tr> <td data-bbox="1037 1278 1088 1372">1</td> <td data-bbox="1088 1278 1323 1372">Spent IPA, hexane, filter, lubricants,</td> <td data-bbox="1323 1278 1682 1372">Collect &amp; record inventory Store items under lock &amp; keys</td> <td data-bbox="1682 1278 1827 1372">MS Ibrahim/Mohana/</td> </tr> </tbody> </table>		Waste description	Action to be taken	PIC	1	Spent IPA, hexane, filter, lubricants,	Collect & record inventory Store items under lock & keys	MS Ibrahim/Mohana/	<p>Complied</p>					
	Waste description	Action to be taken	PIC													
1	Spent IPA, hexane, filter, lubricants,	Collect & record inventory Store items under lock & keys	MS Ibrahim/Mohana/													

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

			hydraulic oil, grease, used batteries, fluorescent lamp.	Dispose to registered vendor Abide sale procedure as stipulated by DOE. Comply to procedure stipulated MQMS SOP Handling of scheduled waste. Comply to Environmental Quality Regulations 2005 Establish list of SW/Notify DOE for all SW generated/appropriate SW labelling	Sinniah	
		2	rubbish from the mill complex and employees' quarters used paper, plastic & glass bottles, food waste.	Abide collection SOP Establish collection schedule & PIC Create awareness on hygiene Monitoring of line site	MS HA/ Ariff/ Sinniah	
		3	Fibre, palm kernel shell, boiler ash, scrap iron, EFB, POME, decanter solids.	Monitoring of collection & application. Monitoring of field application record. Monitoring of usage & application Monitoring discharge & sales records.	MS Ariff Makhzum i	

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.5.3.3</b></p>	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p><b>- Major compliance -</b></p>	<p>The SOP for handling the used chemicals under this classification are documented under operational control procedure dated 26/2/2015 of 53 pages. The document is titled as Document title scheduled waste (hazardous waste) management document ID SD/SDP/PSQM (ESH)/203-EN1. The document is sighted and details of the handling is given for the all the identified SW and used chemicals.</p>	<p>Complied</p>
<p><b>4.5.3.4</b></p>	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p><b>- Minor compliance -</b></p>	<p>The scheduled waste store was assessed. The pesticide containers are disposed as scheduled waste. The scheduled waste collection consignment notes are reviewed to confirm the disposal of the pesticide containers are according to the best practice. Pesticide containers are also reused as premix containers. Any of the pesticide containers that are to be disposed are triple rinsed and punctured. Sighted a consignment of SW with details below;</p> <p>Date of disposal: 24/4/2019          Consignment no: 040393-001-0008          Type: SW 110 – fluorescent light @ e-waste Quantity: 0.044 mt          Contractor : Kualiti Alam Sdn Bhd.</p> <p>Consignment no: 040393-005-0008          Type: SW 409 – chemical container          Quantity: 0.073 mt          Contractor : Kualiti Alam Sdn Bhd.</p> <p>Consignment no: 040393-006-0008          Type: SW 410 – contaminated rags/plastic          Quantity: 0.156 mt          Contractor : Kualiti Alam Sdn Bhd.</p>	<p>Complied</p>

		<p>Consignment no: 040393-007-0008          Type: SW 418 – 040393-007-0008          Quantity: 0.069 mt          Contractor : Kualiti Alam Sdn Bhd.</p> <p>Consignment no: 040393-011-0006          Type: SW 322 – non-halogen waste/used chemical Quantity: 0.044 mt          Contractor : Kualiti Alam Sdn Bhd.</p> <p>Consignment no: 040393-012-0001          Type: SW 305 – used oil          Quantity: 0.378 mt          Contractor : Kualiti Alam Sdn Bhd.</p>	
<b>Criterion 4.5.4:</b> Reduction of pollution and emission			
<p><b>4.5.4.1</b></p>	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p> <p><b>- Major compliance -</b></p>	<p>The polluting activities are identified and documented in the Environmental Aspect &amp; Impact Identification. From the EAI, it will be evaluated for the impact and any impact will be included in the management plan. The evaluation is documented in the Environmental Impact Evaluation.</p> <p>Stack sampling          1<sup>st</sup> half – 24-25<sup>th</sup> May 2018 ( report ref: L-PG-AQ1805CSD-042 dated 22/6/18)          Boiler no.1 (PMD 8703): 0.2272 mg/Nm3 at 12% CO2          Boiler no.2 (PMD 8704): 0.2584 mg/Nm3 at 12% CO2          2<sup>nd</sup> half – 26<sup>th</sup> December 2018 (report ref: L-PG-AQ1812CSD-0576 dated 4/2/19)          Boiler no.1 (PMD 8703): 0.1964 mg/Nm3 at 12% CO2          Boiler no.2 (PMD 8704): 0.1913 mg/Nm3 at 12% CO2</p>	<p>Complied</p>

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		1 <sup>st</sup> half 2019: 28/6/19, refer to service job sheet no. 36334. Report is still in progress.				
<p><b>4.5.4.2</b></p>	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p><b>- Major compliance -</b></p>		<p>Environmental Issues</p>	<p>Solution Procedure/Action Plan</p>	<p>Time frame</p>	<p>Complied</p>
<p>1</p>	<p>Erosion of effluent pond bund</p>	<p>Place mangrove wood to contain bund parameter. Place gunny containing ash around the eroded bund within the mangrove wood placement Place used tyre at the eroded bund to maintain bund parameter.</p>	<p>Done &amp; continuous</p>			
<p>2</p>	<p>Overflow of POME</p>	<p>To monitor &amp; check pond level on daily basis. To ensure system (POME Discharge) in proper order. To check all pump, drainage &amp; piping in good condition. To check bund and ensure all in functional condition.</p>	<p>Done &amp; continuous</p>			
<p>3</p>	<p>Piping for raw pond to biogas</p>	<p>Daily checking</p>	<p>Done &amp; continuous</p>			



**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

			plant leaking (via pump)			
		4	Pipe for mixing anaerobic pond to compost plant leaking (via pump)	Daily checking	Continuous	
		5	Pipe leakages (CPO) during processing time	To isolate & stop the related process & close incoming/outgoing valves. To barricade the spillage, the spillage area to prevent the spilled oil from entering the monsoon drain. To clear the oil at the floor with fibre then using water to clean up the residue & ensure all being discharge into process drain.	continuous	
		6	Chemical spillage at chemical store & boiler station	To place metal tray to prevent spillage while doing mixing chemical operations	Done & continuous	

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		7	Overflow calcium carbonate waste water to monsoon drain.	Daily check & clean clay bath pit and check pump.	continuous																																				
<p><b>4.5.4.3</b></p>	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p><b>- Major compliance -</b></p>	<p>The treated mill effluent discharge is regularly monitored as prescribed in the "Jadual Pematuhan" license issued to the mill. The limit for the Biochemical Oxygen Demand (BOD) discharge is 100 mg/l for water course. Regular monitoring is made on monthly basis and quarterly. In addition, daily site checking on the effluent ponds are made by the supervisory personnel and effluent attendants. Reports for the effluent parameters are submitted using "Borang Penyata Suku Tahun" to DOE for compliance. Sighted the effluent results below submitted to DOE. All parameters are in compliance to the DOE requirement. (Units in mg/l except for PH)</p> <table border="1" data-bbox="1048 948 1686 1283"> <thead> <tr> <th>Parameters</th> <th>Std</th> <th>3/4/19</th> <th>10/5/19</th> <th>29/6/19</th> </tr> </thead> <tbody> <tr> <td>PH</td> <td>5-9</td> <td>9.2</td> <td>9</td> <td>8.9</td> </tr> <tr> <td>BOD</td> <td>100</td> <td>67</td> <td>97</td> <td>98</td> </tr> <tr> <td>Suspended solids</td> <td>400</td> <td>340</td> <td>380</td> <td>320</td> </tr> <tr> <td>Oil &amp; grease</td> <td>50</td> <td>4</td> <td>4</td> <td>4</td> </tr> <tr> <td>Ammonical Nitrogen</td> <td>150</td> <td>11</td> <td>119</td> <td>20</td> </tr> <tr> <td>Total N</td> <td>200</td> <td>75</td> <td>125</td> <td>82</td> </tr> </tbody> </table>				Parameters	Std	3/4/19	10/5/19	29/6/19	PH	5-9	9.2	9	8.9	BOD	100	67	97	98	Suspended solids	400	340	380	320	Oil & grease	50	4	4	4	Ammonical Nitrogen	150	11	119	20	Total N	200	75	125	82	<p>Complied</p>
Parameters	Std	3/4/19	10/5/19	29/6/19																																					
PH	5-9	9.2	9	8.9																																					
BOD	100	67	97	98																																					
Suspended solids	400	340	380	320																																					
Oil & grease	50	4	4	4																																					
Ammonical Nitrogen	150	11	119	20																																					
Total N	200	75	125	82																																					
<p><b>Criterion 4.5.5:</b> Natural water resources</p>																																									

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

<p><b>4.5.5.1</b></p>	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> <li>a) Assessment of water usage and sources.</li> <li>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.</li> <li>c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</li> </ul> <p><b>- Major compliance -</b></p>	<p>The Water Management Plan for the mill has been established. It was last reviewed on 16/7/18 for the 2018/19 plan. Included therein are the following documents which were sighted and verified;</p> <p>a) Contingency plan during water shortage</p> <table border="1" data-bbox="1048 555 1682 1110"> <thead> <tr> <th></th> <th>Area/incident</th> <th>Action steps</th> <th>PIC</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Water shortage/prolonged dry season</td> <td>to purchase water from LAP to train/educate staff/workers to conserve water - to obtain treated water supply from mill's WTP</td> <td>MS AAO Ariff Mohana</td> </tr> <tr> <td>2</td> <td>Severe water pollution/contamination</td> <td>to purchase water from LAP to perform treatment of polluted water to check monsoon drain water pollution level.</td> <td>MS AAO Nadzri Mohana</td> </tr> </tbody> </table> <p>Water analysis is schedule every 3 month. Latest report dated 25/6/19 (report no. IE647/2019) and 20/3/19 (report no. IE315/2019). No off-limit spec reported however sample taken was insufficient.</p> <p>b) Water reduction plan</p> <table border="1" data-bbox="1048 1337 1682 1369"> <thead> <tr> <th>Issues/Areas</th> <th>Action Steps</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		Area/incident	Action steps	PIC	1	Water shortage/prolonged dry season	to purchase water from LAP to train/educate staff/workers to conserve water - to obtain treated water supply from mill's WTP	MS AAO Ariff Mohana	2	Severe water pollution/contamination	to purchase water from LAP to perform treatment of polluted water to check monsoon drain water pollution level.	MS AAO Nadzri Mohana	Issues/Areas	Action Steps	Status				<p>Minor Non-conformance</p>
	Area/incident	Action steps	PIC																		
1	Water shortage/prolonged dry season	to purchase water from LAP to train/educate staff/workers to conserve water - to obtain treated water supply from mill's WTP	MS AAO Ariff Mohana																		
2	Severe water pollution/contamination	to purchase water from LAP to perform treatment of polluted water to check monsoon drain water pollution level.	MS AAO Nadzri Mohana																		
Issues/Areas	Action Steps	Status																			

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		1	Hot water usage as dilution at press station	To use sterilizer condensate water as dilution	Done & continuous		
		2	Turbine cooling water at engine room	To recycle water as hot water	Done		
		3	All process stations	Prioritize dry cleaning on daily basis	continuous		
		4	Water overflow from vacuum drier tank	Used for only cleaning with pressure pump.	Done & continuous		
		5	Hot water usage for oil recovery at clarifier	Only using deoiling tank supernatant & oil recovery underground tank water	Done & continuous		
		6	Hot water usage for decanter flushing	Minimize usage of 2 decanters running simultaneously & reduce frequency of flushing.	Done & continuous		
		c) Identification & management of waste water					
		location	Wastewater produced	Treatment/containment			

**MSPO Public Summary Report  
Revision 0 (Aug 2017)**

		<table border="1"> <tr> <td>1</td> <td>Processing stations</td> <td>Decanter heavy phase, condensate, clay bath solution</td> <td>Decanter pit/ETP</td> </tr> <tr> <td>2</td> <td>Boiler</td> <td>Blowdown, cleaning water</td> <td>Sludge pit, ETP</td> </tr> <tr> <td>3</td> <td>Engine room</td> <td>Steam condensate, turbine cooling water</td> <td>Monsoon drain, recycled tank</td> </tr> <tr> <td>4</td> <td>Laboratory</td> <td>Cleaning water</td> <td>Process drain</td> </tr> <tr> <td>5</td> <td>Workshop</td> <td>Cleaning water</td> <td>Monsoon drain</td> </tr> <tr> <td>6</td> <td>washroom</td> <td>Toilet water, cleaning water</td> <td>Septic tank</td> </tr> </table>	1	Processing stations	Decanter heavy phase, condensate, clay bath solution	Decanter pit/ETP	2	Boiler	Blowdown, cleaning water	Sludge pit, ETP	3	Engine room	Steam condensate, turbine cooling water	Monsoon drain, recycled tank	4	Laboratory	Cleaning water	Process drain	5	Workshop	Cleaning water	Monsoon drain	6	washroom	Toilet water, cleaning water	Septic tank	<p><b>Based on report dated 25/6/19 (report no. IE647/2019) and 20/3/19 (report no. IE315/2019), O&amp;G was not tested due to insufficient sample as per remark stated in the certificate of analysis with reference to class IIA/IIB of National Water Quality Standard (NWQS). Thus a minor NC was issued.</b></p>	
1	Processing stations	Decanter heavy phase, condensate, clay bath solution	Decanter pit/ETP																									
2	Boiler	Blowdown, cleaning water	Sludge pit, ETP																									
3	Engine room	Steam condensate, turbine cooling water	Monsoon drain, recycled tank																									
4	Laboratory	Cleaning water	Process drain																									
5	Workshop	Cleaning water	Monsoon drain																									
6	washroom	Toilet water, cleaning water	Septic tank																									
<p><b>4.5.5.2</b></p>	<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. <b>- Major compliance -</b></p>	<p>Details of effluent treatment and report as per item 4.5.4.3 above. Similar to others mills within the organization the mill management is looking into having a zero discharge system or establishing a biogas plant to initiate eliminating the watercourse application practiced at current.</p>		<p>Complied</p>																								
<p><b>4.6 Principle 6: Best Practices</b></p>																												
<p><b>Criterion 4.6.1: Mill Management</b></p>																												

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.6.1.1</b></p>	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>The mill processing system is documented in the Sustainability Plantation Management System MQMS/SQM/08 v 1 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.</p>	<p>Complied</p>
<p><b>4.6.1.2</b></p>	<p>All palm oil mills shall implement best practices.</p> <p><b>- Major compliance -</b></p>	<p>The monitoring of the mill process is made through the shift supervision headed by an Assistant Engineer and the Mill Assistant. All process parameters are documented and summarized in a daily report. The external monitoring is made through visits by the CEO/General Manager and also technical personnel from the Head Office. DOSH performed the annual UPV machinery inspection.</p> <p>In addition, there are audits by PSQM and GCAD. This is to ensure compliance to Policies, procedures in relation mill operations, financial, OSH, welfare among others.</p>	<p>Complied</p>
<p><b>Criterion 4.6.2: Economic and financial viability plan</b></p>			
<p><b>4.6.2.1</b></p>	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p><b>- Major compliance -</b></p>	<p>The annual business plan is available. The document is in the form of annual budget and the projection for 5 years (Budget year, PY2, PY3, PY4, PY5) prepared as guidance for future planning. New budget projection is based on calendar year. The business plan contains FFB processed, production of CPO &amp; PK.</p> <p>The Component of operating expenditure among others includes;</p> <ul style="list-style-type: none"> <li>a) Process labour,</li> <li>b) Maintenance external, maintenance parts,</li> <li>c) Consumable, EVIT,</li> <li>d) Administration cost,</li> </ul>	<p>Complied</p>

		<p>e) Labour overhead.</p> <p>Detailed report documented under MG_1001 (processing cost, crop and yield per ha) and RG_MY41 (labour overhead and administration) projected until 2023.</p> <p>Inclusive in the business plan is also Capital Expenditure (CAPEX) among others showing expenditure on;</p> <ul style="list-style-type: none"> <li>a) Replacement / upgrading of building/</li> <li>b) Machinery,</li> <li>c) Workers' amenities and staff</li> </ul> <p>The profit and loss statement was made available prepared by the Regional office.</p>	
<b>Criterion 4.6.3: Transparent and fair price dealing</b>			
<p><b>4.6.3.1</b></p>	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p><b>- Major compliance -</b></p>	<p>Flemington POM has processed FFB from company owned estates and outsider crops.</p> <p>Contract agreements for the OCP were verified during the audit and sampled contracts as below:</p> <ul style="list-style-type: none"> <li>i. Agreement No.: P/P/0119/FFB01317L which valid until 31/12/2019.</li> <li>ii. Agreement No.: P/P/0119/FFB01321L which valid until 31/12/2019.</li> <li>iii. Agreement No.: P/P/0119/FFB01320L which valid until 31/12/2019.</li> <li>iv. Agreement No.: P/P/0119/FFB01316L which valid until 31/12/2019.</li> <li>v. Agreement No.: P/P/0119/FFB01322L which valid until 31/12/2019.</li> <li>vi. Agreement No.: P/P/0119/FFB01433L which valid until 31/12/2019.</li> </ul>	<p>Complied</p>

**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

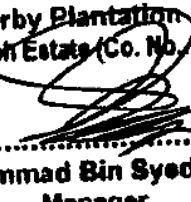
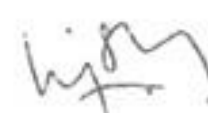
		The terms and conditions were stated in the agreement and acknowledged by the OCP.	
<b>4.6.3.2</b>	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. <b>- Major compliance -</b>	There are two payments made for the OCP, Advanced Payment and Final Payment. The Advanced Payment is paid on weekly basis that the payment of 70% of the value equivalent to the total FFB delivered every 7 days or more during the delivery month at the time prior to the end of the week of the said month. For final payment, payment of remaining outstanding monthly purchase price shall be made on or before 10th day of the following month. Sampled of the payment records as below:  INV# P/ADVCH-19353 dated 21/5/2019; Payment made on 27/5/2019	Complied
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. <b>- Major compliance -</b>	The contractors engaged by the mill management has signed on a letter regarding the compliance of RSPO/ MSPO. The terms and requirements that require to be complied by the contractors as below:  <ul style="list-style-type: none"> <li>i. Comply with local legal requirements.</li> <li>ii. Attend the RSPO/ MSPO/ SCCS briefing or training organized by company.</li> <li>iii. Having signed and enforceable agreement with the company.</li> <li>iv. Provide access to the RSPO/ MSPO/ SCCS auditors to contractors' operation site(s) and employees whenever deemed necessary.</li> <li>v. Ensure PPE utilization by contractors' employee while in the premises.</li> </ul> Briefing of sustainability were given to the workers and contractors on 24/6/2019. 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



**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**

<p><b>4.6.4.2</b></p>	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p><b>- Major compliance -</b></p>	<p>Mill has engaged contractors for varieties of works such as machinery rental, labour supply and maintenance works. Sampled of the agreement between company and the contractors as below:</p> <ul style="list-style-type: none"> <li>i. Company Name: MS Ramu Enterprise for excavator rental for EFB loading which valid until 31/1/2019.</li> <li>ii. Company Name: Lotus Two Enterprise for labour supply which valid until 31/12/2019.</li> </ul> <p>Company Name: M.K. Kumar Enterprise for supply rental machinery which valid until November 2019.</p>	<p>Complied</p>
<p><b>4.6.4.3</b></p>	<p>The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.</p> <p><b>- Minor compliance -</b></p>	<p>A letter dated 02/7/2019 on RSPO/ISCC/MSPO awareness issued to all the contractors, vendors of the mill. This letter was sighted and has stated that all Contractors need to follow RSPO/ISCC/MSPO guideline in accordance with the Sime Darby Plantation of Mill Quality Management System.</p>	<p>Complied</p>

**Section 4: Assessment Conclusion and Recommendation**

<b>Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings</b>	
Based on the findings during the assessment Flemington Palm Oil Mill and Flemington SOU 4 Estates Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of Flemington Palm Oil Mill and Flemington SOU 4 Estates Certification Unit is approved and/or continued.	
<b>Acknowledgement of Assessment Findings</b>	<b>Report Prepared by</b>
<b>Name:</b> Syed Muhammad bin Syed Abu Bakar	<b>Name:</b> Hu Ning Shing
<b>Company name:</b> Sime Darby Plantation Berhad	<b>Company name:</b> BSI Services Malaysia Sdn Bhd
<b>Title:</b> Estate Manager	<b>Title:</b> Lead Auditor
<b>Signature:</b>  <p>Sime Darby Plantation Berhad            Bagan Datoh Estate (Co. No. 647766-V)</p>  <p>.....  <b>Syed Muhammad Bin Syed Abu Bakar</b>            Manager</p>	<b>Signature:</b>  
<b>Date:</b> 17/09/2019	<b>Date:</b> 17/09/2019

**Appendix A: Assessment Plan**

Date	Time	Subjects	HNS	MH
Sunday 21/07/2019	PM	Audit team travelling to Teluk Intan	√	√
Monday 22/07/2019	0830 - 0900	Opening Meeting: <ul style="list-style-type: none"> <li>Opening Presentation by Audit team leader.</li> <li>Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation).</li> <li>Verification on previous audit findings</li> </ul>	√	√
Flemington POM	0900 - 1300	Flemington POM 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.	√	√
	1000 - 1300	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-
	1300 - 1400	Lunch	√	√
	1400 - 1630	Flemington POM Document Review P1 – P6 (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	√	√
	1630 - 1700	Interim Closing Briefing	√	√
	Tuesday 23/07/2019	0830 - 1300	Flemington Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.	√
Flemington Estate	1000 - 1300	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-
	1300 -1400	Lunch	√	√
	1400 - 1630	Flemington Estate Document review P1 – P6 (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 and P6 : Best practices, P7: Development of New Planting	√	√
	1630 - 1700	Interim Closing Briefing	√	√

**MSP0 Public Summary Report**  
**Revision 0 (Aug 2017)**

<b>Date</b>	<b>Time</b>	<b>Subjects</b>	<b>HNS</b>	<b>MH</b>
Wednesday 24/07/2019	0830 - 1300	Bagan Datoh Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, , etc.	√	√
Bagan Datoh Estate	1000 – 1300	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-
	1300 - 1400	Lunch	√	√
	1400 - 1630	Bagan Datoh Estate Document review P1 – P6 (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 and P6 : Best practices, P7: Development of New Planting	√	√
	1630 - 1700	Preparation of Closing Meeting	√	√
	1700 – 1800	Closing Meeting	√	√

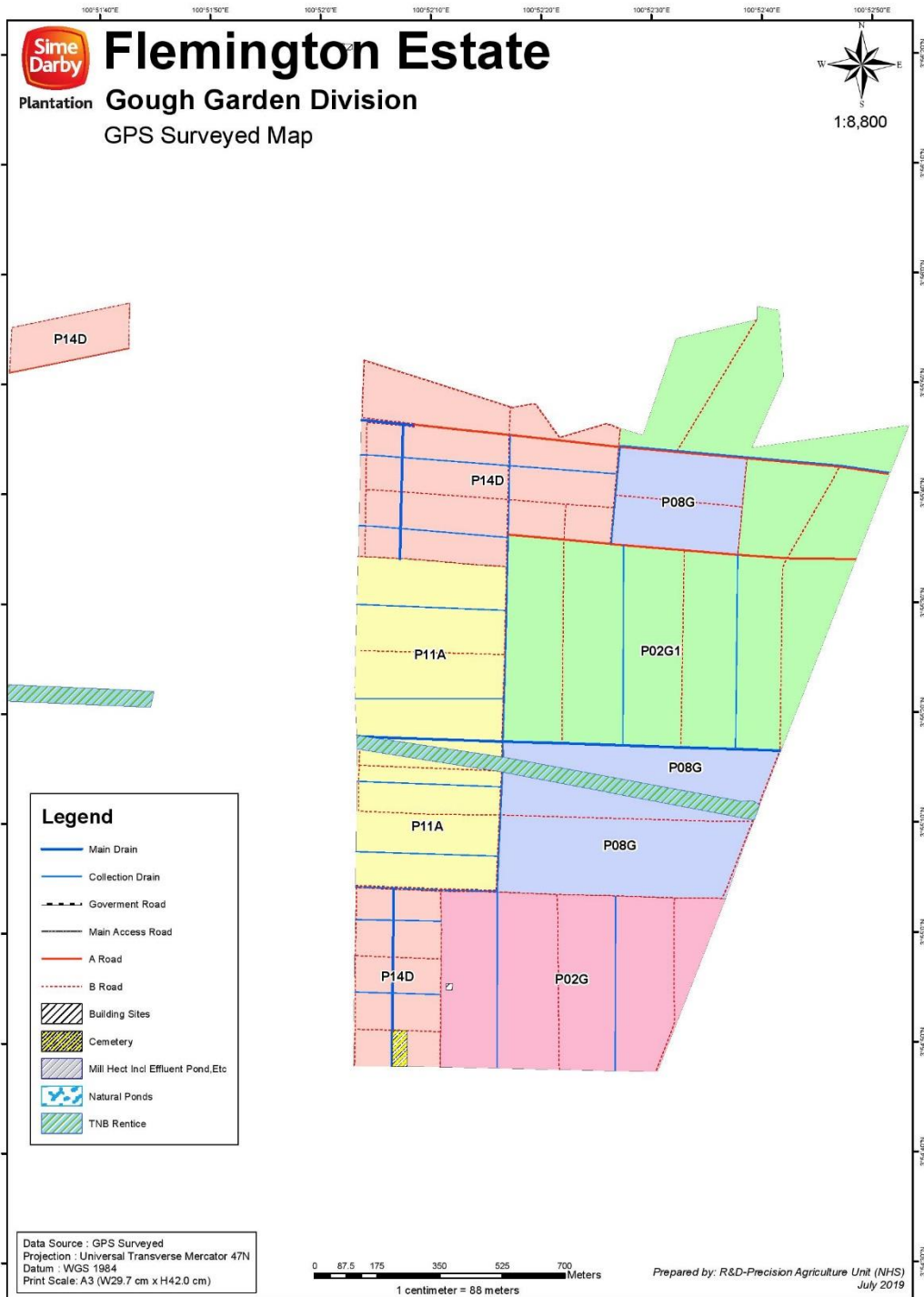
**Appendix B: List of Stakeholders Contacted**

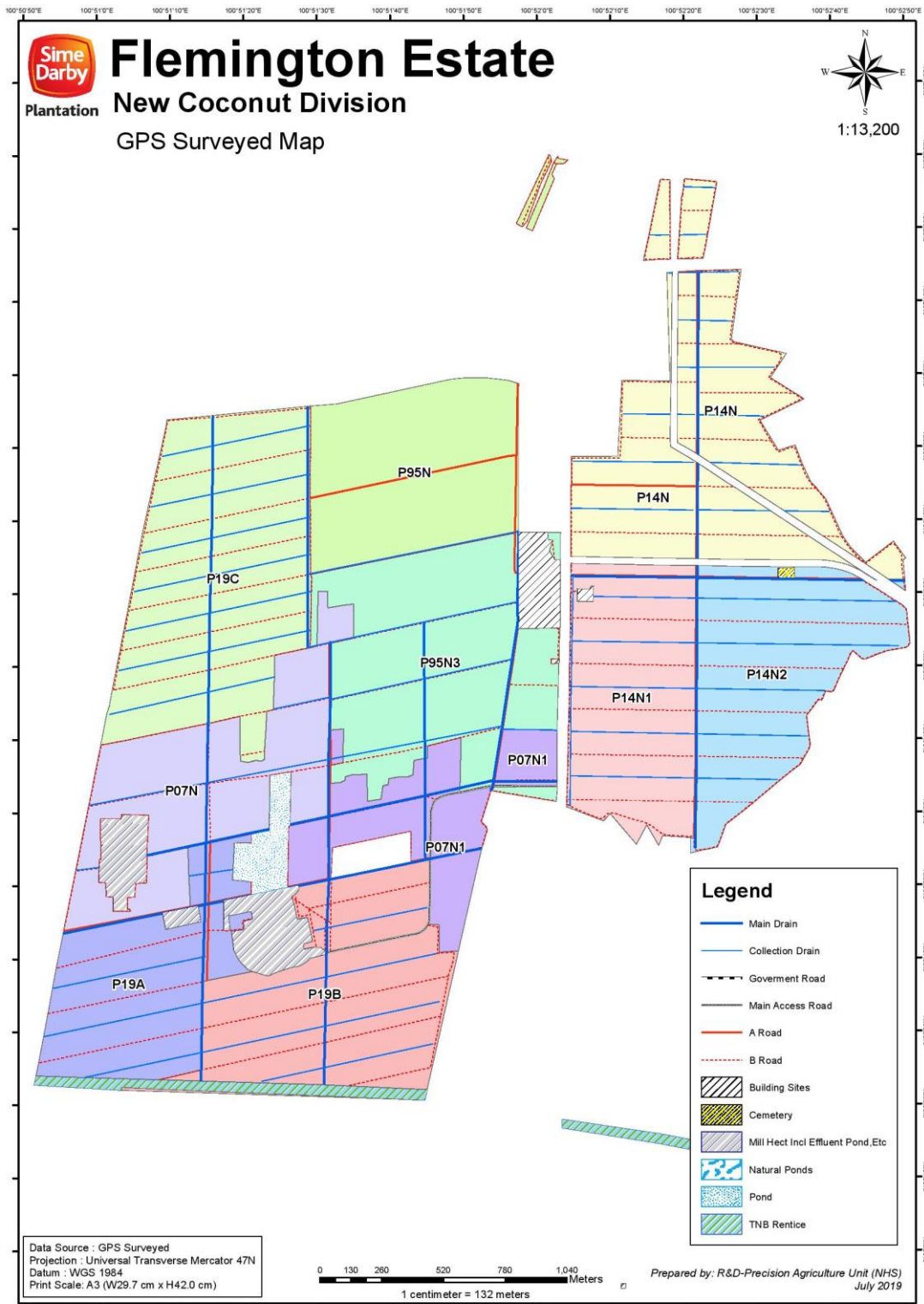
<u>Internal Stakeholders</u> Sprayers Harvesters Manurers Mill Operators Gender Committee Representatives Workers Union Representatives NUPW Representatives Workers Representative	<u>Union/Contractors/Local Communities</u> Contractors MPKK Tanah Lalang Representatives of Sg. Dulang Dalam
<u>Government Departments</u> Teacher of SJKT Ladang New Coconut	<u>NGO</u> No complaint by NGO for Flemington CU. Therefore, NGO was not contacted.

**Appendix C: Smallholder Member Details**

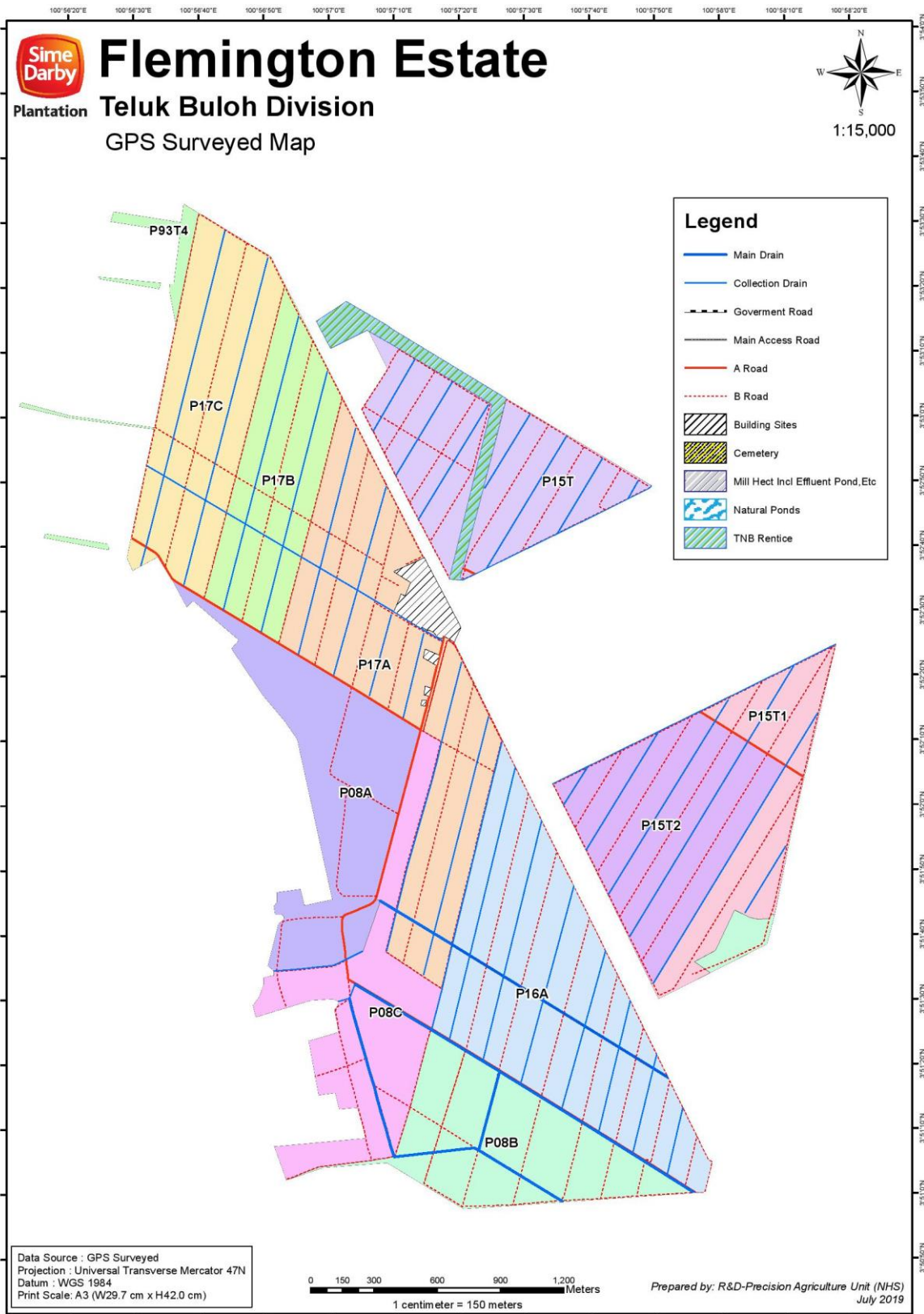
No	Name of smallholder	Year Planted	Land Area (ha)	Forecast FFB (Mt/ha/year)
1	Not applicable			

**Appendix F: Location and Field Map**

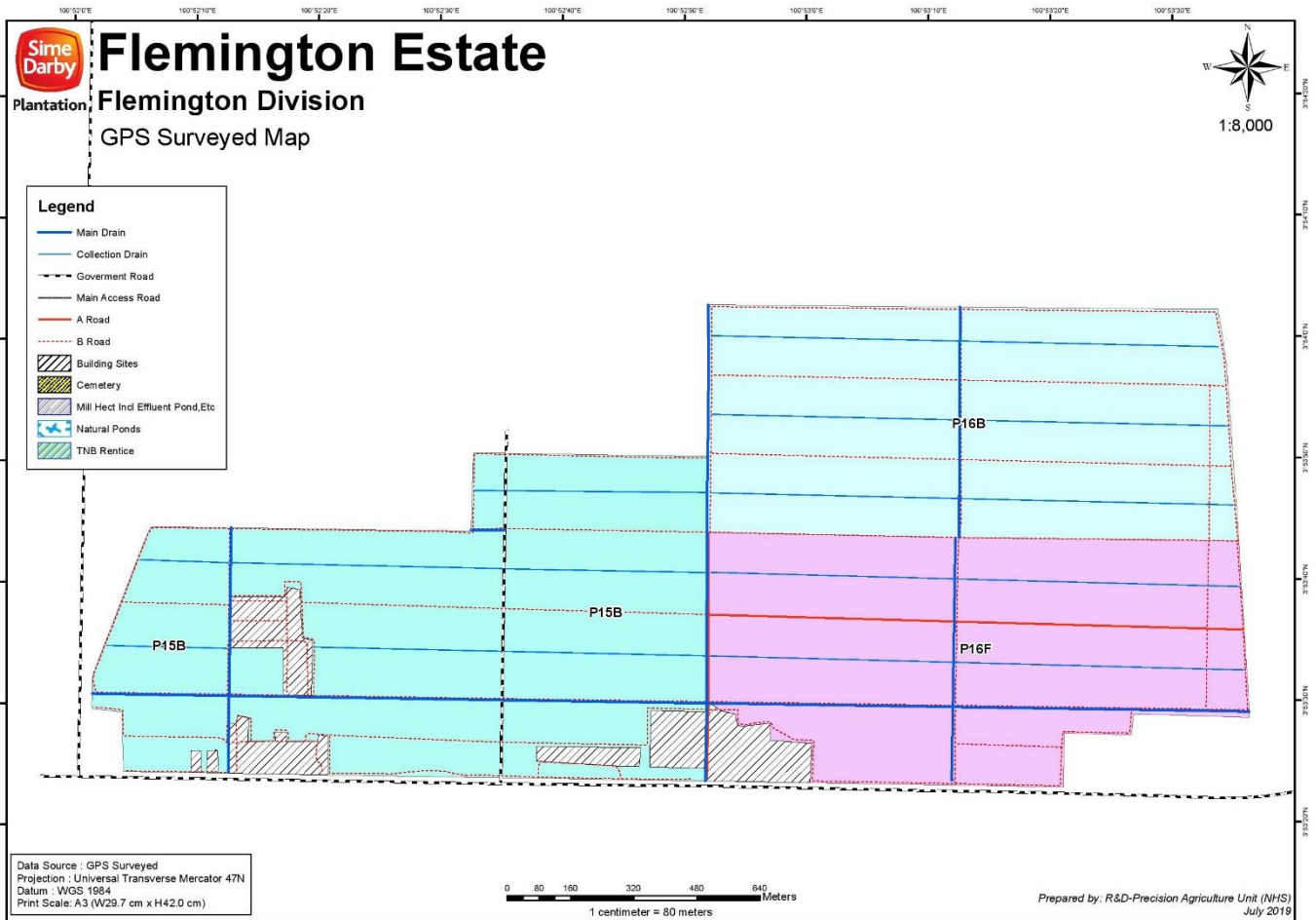








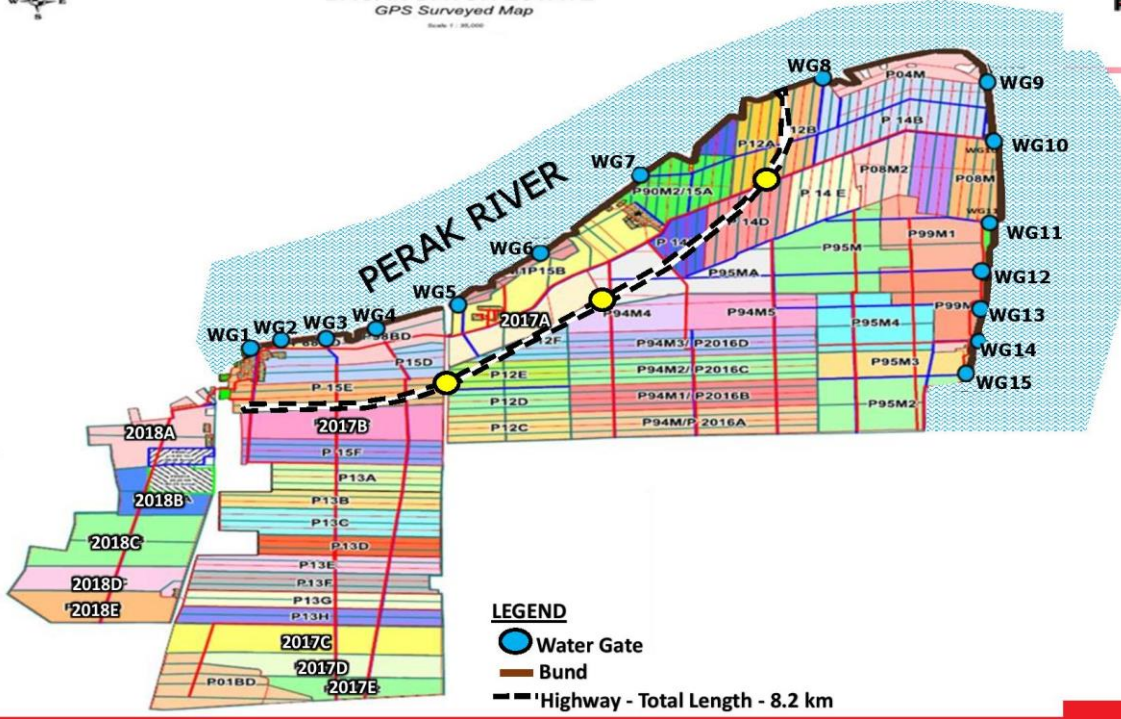




**MSPO Public Summary Report**  
**Revision 0 (Aug 2017)**



**BAGAN DATOH ESTATE**  
GPS Surveyed Map  
Scale 1 : 25,000



**Appendix G: 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