

**RSPO PRINCIPLE AND CRITERIA
PUBLIC SUMMARY REPORT**

- Initial Assessment**
- Annual Surveillance Assessment** (Choose an item.)
- Recertification Assessment (RA 2)**
- Extension of Scope**

Client Company name SIME DARBY PLANTATION BERHAD
Client company Address: Level 3A, Main Block, Plantation Tower 2, Jalan PJU 1A/7, 47301 Ara Damansara, Selangor, Malaysia
Certification Unit: Strategic Operating Unit (SOU 11) Kerdau Palm Oil Mill and Supply Base Location of Certification Unit: Kerdau Palm Oil Mill, Lot 575, Mukim Kerdau, 28010 Temerloh, Pahang, Malaysia
Date of Final Report: 29/07/2021

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Section 1: Scope of the Certification Assessment

1. Company Details			
Parent Company	Sime Darby Plantation Berhad		
RSPO Membership Number	1-0008-04-000-00	Membership Approval Date	07/09/2004
Address	Level 3A, Main Block, Plantation Tower 2, Jalan PJU 1A/7, 47301 Ara Damansara, Selangor, Malaysia		
Palm Oil Mill / Group Manager / Estate (Certification Unit)	Strategic Operating Unit (SOU 11) – Kerdau Palm Oil Mill		
Location / Address	Kerdau Palm Oil Mill, Lot 575, Mukim Kerdau, 28010 Temerloh, Pahang, Malaysia		
Website	www.simedarbyplantation.com		
Management Representative	Shylaja Devi Vasudevan Nair	E-mail	shylaja.vasudevan@simedarbyplantation.com
Telephone	603-78484379	Facsimile	+603 7848 4363

2. Certification Information			
Certificate Number	RSPO 745399	Date of First Certification	07/07/2011
		Certificate Start Date	07/07/2021
		Certificate Expiry Date	06/07/2026
Scope of Certification	Palm Oil and Palm Kernel Production.		
Visit Objectives	The objective of the assessment was to conduct a recertification assessment and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by Kerdau POM and Supply Base's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organisation's specified objectives.		
Assessment Cycle	<input type="checkbox"/> Initial Assessment <input checked="" type="checkbox"/> Recertification Assessment (RA 2) <input type="checkbox"/> Annual Surveillance Assessment (RA Choose an item. ; ASA Choose an item.) <input type="checkbox"/> Scope Extension		
Applicable Standards	<input type="checkbox"/> RSPO P&C 2018 for the Production of Sustainable Palm Oil <input checked="" type="checkbox"/> Malaysian National Interpretation (2019) for RSPO P&C 2018 for the Production of Sustainable Palm Oil <input type="checkbox"/> Group Certification 2016 <input type="checkbox"/> RSPO Independent Smallholders Standard 2019		
Supply Chain Module	<input type="checkbox"/> Identity Preserved <input checked="" type="checkbox"/> Mass Balance		

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
MSPO 745400	MS 2530-4 Malaysian Sustainable Palm Oil (MSPO) Part 4	BSI Services (M) Sdn Bhd	20/12/2022
MSPO 745401	MS 2530-3 Malaysian Sustainable Palm Oil (MSPO) Part 3	BSI Services (M) Sdn Bhd	20/12/2022
MSPO 745402	MSPO Supply Chain Certification 2018	BSI Services (M) Sdn Bhd	24/10/2024

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location	GPS Coordinates	
		Latitude	Longitude
Kerdau Palm Oil Mill	Kerdau Palm Oil Mill, Lot 575, Mukim Kerdau, 28010 Temerloh, Pahang, Malaysia	3° 34' 11.36" N	102° 16' 49.68" E
Kerdau Estate	Ladang Kerdau, 28010 Temerloh, Pahang Darul Makmur, Malaysia	3° 34' 11.24" N	102° 18' 35.76" E
Mentakab Estate	Ladang Mentakab/ Lanchang/ Edensor, c/o Lanchang Division, 28500 Lanchang, Pahang Darul Makmur, Malaysia	3° 28' 39.33" N	102° 10' 56.62" E
Sg Mai Estate	Ladang Sungai Mai, 27000 Jerantut, Pahang Darul Makmur, Malaysia	3° 48' 30.55" N	102° 21' 24.09" E
Chenor Estate	Ladang Chenor (KT), Sungai Jerik, 26400 Bandar Pusat Jengka, Pahang Darul Makmur, Malaysia	3° 47' 13.68" N	102° 38' 28.69" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Kerdau Estate	5,123.78	67.42	491.84	5,683.04	90.16
Mentakab Estate	2,934.92	31.70	299.87	3,266.49	89.85
Sg Mai Estate	2596.90	50.70	187.38	2834.98	91.60
Chenor Estate	1,862.69	7.82	126.48	1,996.99	93.27
Total	12,518.29	157.64	1,105.57	13,781.50	90.83

Notes:

- Kerdau Estate and Jentar Estate have merged into a single unit estate under the name Kerdau Estate effective January 2021. Jentar now serves as a division under Kerdau Estate.
- Total planted hectareage for Kerdau Estate has increased from 5108.92 to 5123.78 ha after GPS survey conducted in 2019.
- A difference by 149.91 Ha in Infrastructure and Others due to under reported data of unplatable reserve area in the previous year's report due to misunderstanding of pre-audit information format.

4. 0.06 ha reduction from Sg Mai Estate planted hectareage due to land acquisition by Government.
5. A difference of 2.76 Ha variance from Chenor Estate due to GPS resurvey done in 2016 and not being updated in previous year's audit report.

6. Plantings & Cycle

Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Kerdau Estate	111.06	3,278.25	963.6	770.87	-	5,012.72	111.06
Mentakab Estate	328.81	1,295.59	254.74	1,033.66	22.12	2,606.11	328.81
Sg Mai Estate	470.45	293.52	761.07	875.57	196.29	2,126.45	470.45
Chenor Estate	500.11	667.47	335.74	359.37	-	1,362.58	500.11
Total (ha)	1,410.43	5,534.83	2,315.15	3,039.47	218.41	11,107.86	1,410.43

7. Certified Tonnage of FFB (Own Certified Scope)

Estate	Tonnage / year			
	Estimated (Jul 2020 – Jun 2021)	Actual (July 2020 – March 2021)		Forecast (Jul 2021 – Jun 2022)
		Previous license period (NA)	Current license period (Jul 20 – Mar 21)	
Kerdau Estate	69,000.00	-	61,663.11	95,855.84
Mentakab Estate	47,000.00	-	32,078.98	46,494.42
Sg Mai Estate	30,000.00	-	22,344.24	40,399.84
Chenor Estate	19,000.00	-	14,461.34	23,164.00
Total	165,000.00	130,547.67		205,914.10

8. Certified Tonnage of FFB (from other certified unit(s))

Estate	Tonnage / year			
	Estimated (Jul 2020 – Jun 2021)	Actual (July 2020 – March 2021)		Forecast (Jul 2021 – Jun 2022)
	N/A	Previous license period (NA)	Current license period (Jul 20 – Mar 21)	N/A
Ladang Bk Puteri		-	134.14	
Total		134.14		

9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)				
Independent FFB Supplier	Tonnage / year			
	Estimated (Jul 2020 – Jun 2021)	Actual (July 2020 – March 2021)		Forecast (Jul 2021 – Jun 2022)
	N/A	Previous license period (NA)	Current license period (Jul 20 – Mar 21)	N/A
Ahmad Zamlus Abdul Rahman		-	13.66	
Ambang Hijrah Sdn Bhd		-	1,863.75	
Bakti Mas Bina Sdn Bhd		-	954.57	
Felcra Bhd Kaw Kerdau		-	2,475.31	
Hau Swee Leong		-	296.59	
Ling Hwa Keong Enterprise		-	285.23	
Mohd Faizil Bin Mat Ripin		-	392.71	
Mohd Noor Azhaar Bin Amir		-	756.17	
Pro Island Enterprise		-	64.60	
Scl Commodities Sdn Bhd		-	4,208.68	
Sri Kerdau Commodities		-	97.40	
Marak Teguh		-	433.42	
Total			11,842.09	

10. Certified Tonnage				
	Estimated (Jul 2020 – Jun 2021)	Actual (July 2020 – March 2021)		Forecast (Jul 2021 – Jun 2022)
	FFB	FFB		FFB
Mill Capacity: 60 MT/hr	165,000.00	Previous license period (NA)	Current license period (Jul 20 – Mar 21)	205,914.10
		-	130,681.81	
SCC Model: MB	CPO (OER: 20.5 %)	CPO (OER: 20.81 %)		CPO (OER: 20.54 %)
	33,820.00	-	27,194.60	42,294.76
	PK (KER: 4.50 %)	PK (KER: 4.84 %)		PK (KER: 4.50 %)
	7,430.00	-	6,331.20	9,266.13
TOTAL	N/A			N/A

11. Actual Sold Volume (CPO)					
Current License period (July 2020 – Mar 2021)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	Others		
CPO (MT)	1,082.97	-	-	25,946.23	27,029.20
Previous License period					
CPO (MT)	-	-	-	-	-

12. Actual Sold Volume (PK)					
Current License period (July 2020 – Mar 2021)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	Others		
PK (MT)	372.82	-	-	6,028.14	6,400.96
Previous License period					
PK (MT)	-	-	-	-	-

Notes: Actual Sold PK exceeded by 69.76 Mt. Brought forward June Production: 807.62 Mt

13. Independent Smallholders Certification Claims		
	Credit	Physical Volume (MT)
IS-CSPO	-	-
IS-CSPKO	-	-
IS-CSPKE	-	-

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn. Bhd. (ASI Accreditation Number: ASI-ACC-067)
Suite 29.01 Level 29, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur, Malaysia.
Tel +60 (3) 9212 9638 Fax +60 (3) 9212 9639
Representative: Nicholas Cheong (Nicholas.Cheong@bsigroup.com)
Website: www.bsigroup.com

BSI is a leading global provider of management systems assessment and certification, with more than 84,000 certified locations and clients in over 180 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia.

2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted on **5th April 2021 to 9th April 2021**. The audit programme is included as Section 2.3. Where applicable, prior to the recertification audit, 30 days Public Notification was made through the RSPO and BSI website on **03rd March 2021**.

The approach to the audit was to treat the mill and supply base as an RSPO Certification Unit. A range of occupational health and safety, environmental, best practice management, and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas, local communities engagement and workers welfare and safety.

The Critical NC close out assessment was conducted on **25th June 2021**. Due to the Covid-19 Pandemic and the travel restrictions that are in place by the Malaysian Federal Government, the assessment was conducted remotely. The audit programs are included in Section 2.3.

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. RSPO Principles & Criteria 2018 for the Production of Sustainable Palm Oil (Malaysian National Interpretation 2019) was used to guide the assessment of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. The mill was audited together with the estates (and smallholders) of its supply base.

- The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula $N = (0.8\sqrt{y}) \times (z)$ where y is the number of estates and where z is the multiplier defined by risk assessment
- As for the smallholders, the sample were determined following the RSPO Management System Requirements and Guidance for Group Certification of FFB Production (2016). The sampling of smallholders were based on the formula $(0.8\sqrt{y}) \times (z)$; where y is total number of independent group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix I.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each

of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.5.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment/annual surveillance assessment are detailed in Section 3.4.

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

For Initial and Re-certification assessment, the report was externally reviewed by RSPO approved Certification Reviewer prior to certification decision by BSI.

For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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

Assessment Program					
Name (Mill / Supply Base)	Year 1 (RC2)	Year 2 (ASA2_1)	Year 3 (ASA2_2)	Year 4 (ASA2_3)	Year 5 (ASA2_4)
Kerdau POM	✓	✓	✓	✓	✓
Kerdau Estate	✓	✓	✓	✓	✓
Sg. Mai Estate	✓	✓	✓	✓	✓
Chenor Estate	✓	✓	✓	✓	✓
Mentakab Estate	✓	✓	✓	✓	✓

Tentative Date of Next Visit: April 11, 2022 - April 15, 2022

Total No. of Mandays: 15 Mandays

2.2 BSI Assessment Team:

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Vijay Kanna Pakirisamy (VKP)	Trainee Lead Auditor	He holds a bachelor's degree in Agribusiness Science Management with Honours from University Utara Malaysia in 2010. He gained his working exposure in the plantation sector, serving as an Assistant Manager with KL Kepong and IOI Plantations and as a Sr. Assistant Manager with United Plantations Berhad. Throughout his 10 year tenure in the oil palm industry, he has been part of the operations team that implements standards within the estate such as RSPO, MSPO, ISCC and FINNWATCH. He has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in November 2019, endorsed RSPO P&C Lead Auditor Course in October 2019 and endorsed MSPO Lead Auditor Course in November 2019. During this assessment, he assessed on the Environmental aspects and estate best practises. He is fluent in Bahasa Malaysia and English languages.
Mohamed Hidhir Zainal Abidin (MHZ)	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, social, stakeholder engagement and supply chain certification system.
Ragu Samy A.Erulappan (RSE)	Team Member	Ragu Erulappan is a fulltime employee with BSI Services Malaysia. He graduated from University Technology Malaysia. He attended internal RSPO training in 22 December 2014. He has completed ISO 9001:2008 Quality Management System Lead Auditor training, ISO 14001, ISO 18001 Lead Auditor Training. Currently he is an ISO 9001:2008, ISO 14001, ISO 18001, C-TPAT (Supply Chain Security) and GDPMD (Good Distribution Practice for Medical Devices) Lead Auditor. He has more than 5 years of auditing experience since August 2010 covering Environment, Safety and Health, Legal aspects in various industries. For this assessment he assessed on the Mill and Estate OSH, best practices and legal aspects. He is able to speak and understand Bahasa Malaysia, English and Tamil.

Accompanying Persons:

Name	Role
-	-

2.3 Assessment Plan

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

Recertification Assessment (RA2) Plan

Date	Time	Subjects	(VKP)	(MHZ)	(RSE)
Sunday, 04/04/2021	1900 - 2100	Travel from Kuala Lumpur to Temerloh, Check in U Design Hotel.	✓	✓	✓
Monday, 05/04/2021	0700 -0830	Travel from Temerloh to Kerdau Estate	✓	✓	✓
	0830 -0900	Opening Meeting: - Opening Presentation by Audit Team Leader. - Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation).	✓	✓	✓
	0900 -1230	Kerdau 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.	✓	✓	✓
	1230 -1330	Lunch Break	✓	✓	✓
	1330 -1700	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation & etc.)	✓	✓	✓
	1700 -1730	Interim Closing Briefing	✓	✓	✓
Tuesday, 06/04/2021	0900 -1230	Kerdau Palm Oil Mill Inspection: 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, Lab, weighbridge and palm product storage area, etc.	✓	✓	✓
	1000 - 1200	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.) – SOU 11 Operating Units	✓	✓	✓
	1230 -1330	Lunch Break	✓	✓	✓
	1330 -1700	Document review P1 – P7: Document Review P1 – P7: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation.	✓	✓	✓

		RSPO SCCS general requirements, internal audit, management review, sales and purchasing documents, mass balance accounting and other relevant documents and records			
	1700 –1730	Interim Closing Briefing	✓	✓	✓
Wednesday 07/04/2021	0900 –1230	<u>Sg. Mai Estate</u> 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.	✓	✓	✓
	1230 –1330	Lunch Break	✓	✓	✓
	1330 –1700	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation & etc.)	✓	✓	✓
	1700 –1730	Interim Closing Briefing	✓	✓	✓
	0900 –1230	<u>Chenor Estate</u> 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.	✓	✓	✓
Thursday 08/04/2021	1230 –1330	Lunch Break	✓	✓	✓
	1330 –1700	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation & etc.)	✓	✓	✓
	1700 –1730	Interim Closing Briefing	✓	✓	✓
	0900 –1230	<u>Mentakab Estate</u> 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.	✓	✓	✓
Friday 09/04/2021	1230 –1330	Lunch and Prayer Break	✓	✓	✓
	1430 –1600	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records,	✓	✓	✓

		review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation & etc.)			
	1600 –1630	Verify any Outstanding Issues and Preparation for Closing Meeting	✓	✓	✓
	1630 - 1700	Closing Meeting	✓	✓	✓

Critical Non-Conformity Close Out On-Site Assessment Plan

Date	Time	Subjects	VKP	IT Platform
Friday 25.05.2021 Kerdau Certification Unit	0900 - 0930	Opening Meeting: - Opening Presentation by Audit team leader. - Confirmation of assessment scope and finalize Audit plan	✓	Microsoft Teams
	0930 - 1230	Verification on Critical NC raised during RA2: 1. 2043087-202104-M1 2. 2043087-202104-M2 3. 2043087-202104-M3 4. 2043087-202104-M4 a. Site observation, workers interview (through Microsoft Teams & WhatsApp Call) b. Document review – implemented evidence	✓	Microsoft Teams and WhatsApp
	1200 - 1300	Closing Meeting	✓	Microsoft Teams

Section 3: Assessment Findings

3.1 Normative requirement applied for this assessment:

- Sime Darby Plantation Berhad Multiple Management Units / Time Bound Plan
- RSPO Principle and Criteria (P&C) 2018 for the Production of Sustainable Palm Oil
- RSPO Group Certification Standard 2016
- Malaysian National Interpretation (2019) for RSPO P&C 2018
- Independent Smallholder Standard 2019

3.2 Multiple Management Units and Time Bound Plan

Requirement	Assessment	Compliance
Does the time bound plan include all current subsidiaries, estates and mills that is under the control and/or minor shareholding of the holding company?	Yes. SDP TBP has included all its operating units in Malaysia, Indonesia, Papua New Guinea and Solomon Island. Refer to the Time Bound Plan table. As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI): https://www.simedarbyplantation.com/media/press-releases/sime-darby-plantation-completes-divestment-of-its-liberia-operations .	Complied.
Have all the estates and mills certified within five (5) years after obtaining RSPO membership?	Yes. All estates and mill has been certified with RSPO. Some units with exemption cases such as poor financial or sold as property development has been taken out from the certification unit.	Complied
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three (3) years from the date of acquisition. Certification plan for the new acquisition shall be available.	No. There is no new acquisitions as at latest TBP 2020.	Complied
Any deviations from the maximum periods requires approval by the RSPO Secretariat.	No. There are no any deviations as all estates and mill has been certified with RSPO.	Complied
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	Yes. Indonesia - PT Swadaya Andika: Mill closed down and all the supply bases was transferred to Rantau Mill - PT Laguna Mandiri. The Selabak Est, Randi Est, Sangkoh Est, Lanting Est is currently under PT Laguna Mandiri - Rantau Factory certification. PT Mitral Austral Sejahtera: The properties was sold and currently SDP have no control in the management. The property was disposed on 25 June 2019 and an official letter on disposal of PT Mas was sent to RSPO Secretariat on 27 June 2019. Last meeting with all relevant stakeholders was done with RSPO CP during recent RT in Bangkok last November 2019. Both parties have responded to the legal reviewer report and submitted the comment to RSPO CP.	Complied

	<p>Markham Farming Company Limited (MFCL)/Markham Agro Pte. Ltd: The Remediation and Compensation Process is at the submission of Compensation Plan. RSPO Main Assessment is planned on 10-14 March as public notification letter: https://www.rspo.org/certification/public-announcement.</p> <p>Malaysia - Pekaka Mill is being mothballed (at the time of SDP Annual Report 2018) and all the supply bases certified to it (Pekaka Estate; Ruai Estate, Dulang Estate, Paroh Estate & Chartquest Estate.) has been transferred to SOU Lavang. Bintang Oil Mill: SDP acquired Bintang Palm Oil Mill in Johor in April 2017. As at Dec 2017, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on hold. As at 1st Oct 2018, the mill has completed the selling off transaction.</p> <p>Papua New Guinea - Markham Farming Company Limited (MFCL)/Markham Agro Pte. Ltd: The Remediation and Compensation Process is at the submission of Compensation Plan. RSPO Main Assessment is planned on 10-14 March as public notification letter: https://www.rspo.org/certification/public-announcement.</p> <p>For Liberia operations: As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI): https://www.simedarbyplantation.com/media/press-releases/sime-darby-plantation-completes-divestment-of-its-liberia-operation</p> <p>ACOP 2019 has been cross-referenced as below: https://document.rspo.org/Sime_Darby_Plantation_Berhad_ACOP2019.pdf.</p>	
<p>Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised</p>	<p>There are no lapses in implementation of the plan.</p>	<p>Complied</p>
<p>Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a Major non-compliance shall be raised</p>	<p>No fundamental failure. Both Liberia and Indonesia (PT Mitral Austral Sejahtera) has been excluded in the latest TBP as mentioned above.</p>	<p>Complied</p>
<p>Un-Certified Units or Holdings</p>		

<p>No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12.</p>	<p>HCV assessment has been conducted for uncertified units i.e. PT Mas (by Aksenta in March 2009) and Sime Darby Plantation Liberia operations (by RSPO approved assessors – Dr SK Yap in 2011).</p>	<p>Complied</p>
<p>Any new plantings since January 1st 2010 shall comply with the RSPO New Plantings Procedure.</p>	<p>No new plantings. As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI): https://www.simedarbyplantation.com/media/press-releases/sime-darby-plantation-completes-divestment-of-its-liberia-operation.</p>	<p>Complied</p>
<p>Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8.</p>	<p>No land conflicts. Both Liberia and Indonesia (PT Mitral Austral Sejahtera) has been excluded in the latest TBP as mentioned above. Refer to the RaCP Tracker for details of RaCP-0356. https://www.rspo.org/certification/remediation-and-compensation/racp-tracker#growerTracker. Total 21 management units with potential liability and total 21 LUCA has been submitted. 7 out of 21 LUCA has been completed. 8 management units have submitted for compensation plan and 14 management units are required to submit for remediation plan.</p>	<p>Complied</p>
<p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2</p>	<p>No stakeholder comments or complaints received.</p>	<p>Complied</p>
<p>Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1</p>	<p>None noted. No stakeholder comments or complaints received.</p>	<p>Complied</p>
<p>Did the company conduct internal audit for those uncertified estates against the uncertified management units requirement and covering the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12? If yes, a positive assurance statement shall be available and justified.</p>	<p>Yes. The sustainability unit has conducted the internal audit for 9 units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. Other than that, land conflicts and land disputes also being audited and approved by Head of Sustainability-Indonesia (Alagendran Maniam) on 22/05/2019.</p>	<p>Complied</p>
<p>Are there any Critical (Major) non-compliance raised against any of the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates? If yes is the NC(s) actively addressed with RSPO?</p>	<p>No. All estates and mill has been certified with RSPO. Some units with exemption cases such as poor financial or sold as property development has been taken out from the certification unit. Therefore this is not applicable.</p>	<p>Complied</p>
<p>Have there been any stakeholder (including NGO) consultation conducted?</p>	<p>None noted. No stakeholder comments or complaints received.</p>	<p>Complied</p>

3.3 Progress of scheme smallholders and/or outgrowers

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	Remarks	Compliance
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification? OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.	Not Applicable as there are no scheme smallholder or outgrowers within the certification unit.	Not Applicable

3.4 Details of Nonconformities

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

During this Assessment there were Four (4) Critical and Three (3) Minor nonconformities raised. The Sime Darby Plantation, SOU 11 Kerdu Palm Oil Mill 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 Critical Nonconformities has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-conformity			
NCR Ref #	2043087-202104-M1	Clause & Category (Critical / Minor)	7.3.1 Critical (Reoccurrence)
Date Issued	09.04.2021	Due Date	07.07.2021
Closed (Yes / No)	Yes	Date of nonconformity Closure	25.06.2021
Statement of Nonconformity:	The management of waste was not in accordance with the estate's Waste Management Plans and Legal Requirements. Due to this being a reoccurrence of Minor Non-Conformity, a Major Non-conformity was raised.		
Requirement Reference:	A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.		
Objective Evidence:	1. Scheduled Waste generated were not properly identified, notified and maintained its inventory according to Environment Quality (Scheduled Waste) Regulations 2005. <u>Sg Mai Estate</u> a) Based on the 2 nd Schedule – Notification of Scheduled Waste, the estate has only notified DOE on the generation of SW102, SW305, SW404 and SW409. Based on the visit to the SW store and verification on the SW Inventory Records the estate generates SW 410, SW306 and SW418 which have not been notified to DOE. b) The estate has generated SW 306 (Spent Hydraulic); Date of generation: 14/02/2019. The SW Store Clerk mentioned that the spent hydraulic has been disposed on 17/09/2020. There was no evidence (ex. Consignment Note) of disposal of the SW to a licensed SW Manager.		

- c) The Clinical Waste (SW 404) does not indicate the generation date and only states the date of disposal. Based on the last disposal of clinical waste, it was verified that the waste was generated in 28.08.2020 and disposal is on 26/03/2021 which exceeds the limit allowed by DOE (Total Days: 210). The estate did not maintain an inventory record for the Clinical Waste generated.
- d) There were no inventory records for SW 409 (containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes). Sighted in the SW Store were Plastic Containers (Grease and Lubricant Drums) contaminated with SW stored. It was stated at the store the date of generation is 29/01/2021. There were no records of disposal of these waste prior to this as well.
2. Environment Quality (Scheduled Waste) regulations 2005; PU(A) 294/2005; Regulation 9; Storage of Scheduled Waste; No. 5 – Any person may store scheduled waste generated by him for 180 days or less after its generation.

Chenor Estate

SW	Date Generated	Date Disposed	Difference Days
SW404 (Clinical Waste)	27.04.2020	18/12/2020	236

Mentakab Estate

SW	Date Generated	Date Disposed	Difference Days
SW410 (Spent Filter)	23/07/2020	06/04/2021	258
SW 409 (Contaminated Chemical Containers)	30/01/2020	06/04/2021	421
SW 305 (Spent Lubricant Oil)	30/01/2020	06/04/2021	421

3. The Waste Management Plan for Kerdau Estate for domestic waste was stated as below:
- To collect all recyclable materials at the workers housing complex, office, workshop, store, shop and call recycle collectors for disposal.
 - Create further awareness on recycling among workers through training and recycling campaigns.

Kerdau Estate

It was sighted at the landfill at Field P15B that there were recyclable wastes (plastic containers) in abundance disposed at the landfill.

- There was no evidence of any segregation done prior to waste being disposed to the landfill.
- There was no evidence that any recyclable waste has been sold to any recycle waste collector prior to this.
- There was no evidence that any awareness on recycling created among workers through recycling campaigns or trainings.

This was not in accordance with the Environmental Management Plan – Waste Management Plan.

4. Kerdau Estate

Stated in the Waste Management Plan for Chemical Containers (SW409)

- Collect & Record amount of empty containers.
- Store all scheduled waste under lock and key.

	<p>It was sighted during the field visit that several pesticide chemical drums have been left in the fields near the water catchment area, mill and in the field along the main road of the estate and not managed in accordance with the Waste Management Plan.</p>
<p>Corrections:</p>	<p><u>Sg Mai Estate</u></p> <ol style="list-style-type: none"> The estate has notified DOE via e-swiss on 12/04/2021 (Monday) on the generation of SW 410, SW306 and SW418. The estate has corrected the inventory record for SW 305 and SW 306. The clinical waste SW 404 has been included in inventory record. SW 409 already included in SW inventory record. <p>Chenor Estate To request extension from DOE and to combine the disposal with other sister estates.</p> <p>Kerdau Estate</p> <ol style="list-style-type: none"> To collect and bring back all the chemical containers at field after usage. <p>Mentakab Estate</p> <ol style="list-style-type: none"> To conduct a SW training for the new appointed store clerk by RSQM representative.
<p>Root Cause Analysis:</p>	<p>Ineffective monitoring and incomprehensive training of waste management system and legal requirement.</p>
<p>Corrective Actions:</p>	<p><u>Sg Mai Estate</u></p> <ol style="list-style-type: none"> To conduct scheduled waste training to all personnel at scheduled waste generator work station and monitor the implementation via workplace inspection on quarterly basis. <p><u>Chenor Estate</u></p> <ol style="list-style-type: none"> To assign and train a dedicated personnel on waste management plan and legal requirement. <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> Estate will conduct a training/briefing to educate all workers regarding recycle and provide proper collection point the recyclable waste prior being collected by for disposal. To assign the dedicated staff (upkeep staff) for each division to monitor the movement of the chemical container. <p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> To train a dedicated personnel on waste management plan and legal requirement. Plan to conduct SW training in June 2021.
<p>Assessment Conclusion:</p>	<p>Critical NC Close Out Verification</p> <p><u>Sg Mai Estate</u></p> <ol style="list-style-type: none"> The state management has notified DOE via Second Schedule – Notification of Schedule Waste on 20/04/2021 for the Schedule Waste below: <ol style="list-style-type: none"> SW305 - Engine Oil (Notification Number: 20210402015RJ5TPB) SW102 – Used Batteries (Notification Number: 202104201547M2NS) SW306 – Used Hydraulic Oil (Notification Number: 20210420150E6T4X)

	<p>d. SW404 – Clinical Waste (Notification Number: 2021042015SC0TZX)</p> <p>e. SW409 – Used Chemical Containers (Notification Number: 2021042015A4EUN2)</p> <p>f. SW410 – Used Filter (Notification Number: 2021042015UCH95S)</p> <p>g. SW418 – Paint Containers (Notification Number: 2021042016IOP652)</p> <p>2. The estate management has updated the eSWIS to include SW305 (Used Engine Oil), SW306 (Use Hydraulic Oil), SW404 (Clinical Waste) and SW409 (Used Chemical Containers). The Fifth Schedule - Inventory Of Schedule Waste (File Reference Number: AS:C11/123//000/033) for the Month of April was available for verification.</p> <p>3. Schedule Waste and Chemical Management Training was conducted on 25/05/2020 attended by the Assistant Managers, RSQM representatives, Medical Assistant, Supervisors and foreman.</p> <p><u>Chenor Estate</u></p> <p>1. The management has purchased 10 Litre Sharp Container, Yellow Bags and Cable ties from Flora Sentosa Sdn Bhd (DO Number: DO 028332) on 28/05/2021. This will be used to store and prepare for disposal of the SW404 – Clinical Waste.</p> <p>2. Schedule Waste Management Training was conducted on 08/04/2021 at the estate.</p> <p>3. The management has appointed Mohd Shamsul Nahar Bin Samsu as the storekeeper. The appointment letter dated 12/04/2021 undersigned by the Estate Manager states the job description among others as 'to monitor Schedule Waste items'.</p> <p><u>Kerdau Estate</u></p> <p>1. The management has established a memo addressed to all the staffs undersigned by the Senior Manager of Kerdau Estate stating the duties of the staff which includes "to ensure all used chemical containers are returned to the chemical store". The memo was available for verification during the assessment.</p> <p>2. The estate has established a Daily Chemical Container Monitoring Record which illustrates the outgoing and incoming of chemical containers at the chemical store. Verified the Daily Chemical Container Monitoring Record for the month of May 2021.</p> <p>3. A Recycling Training has been conducted for all the workers at the estate during the morning muster on 17/04/2021.</p> <p><u>Mentakab Estate</u></p> <p>1. The estate has conducted a Scheduled Waste Training on 04/06/2021 attended by the Assistant Managers, Field Supervisors, Medical Assistant, Store Clerk and Storekeepers.</p> <p>The evidence provided for the closure of Critical Non-conformity raised was deemed to be sufficient to address the correction and corrective action plan provided by the management. There for the Critical Non-Conformity is closed.</p>
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Non-conformity			
NCR Ref #	2043087-202104-M2	Clause & Category (Critical / Minor)	6.2.3 (Major)
Date Issued	09.04.2021	Due Date	07.07.2021
Closed	Yes	Date of nonconformity Closure	25.06.2021

(Yes / No)			
Statement of Nonconformity:	Evidence of legal compliance for lawful deductions were not effectively demonstrated.		
Requirement Reference:	There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.		
Objective Evidence:	<p><u>Mentakab Estate</u></p> <p>Reviewed the employees Allowance Deduction details for January 2021 to March 2021 and found that there were 28 workers who joined as union (MAPA/NUPW) members. It was found that there were deduction of wages of RM 11.00 for the union membership fees since they joined on 01/10/2019, 01/12/2019 and 01/02/2020. There was no reimbursement of RM 3.00 made to the workers as per MAPA/NUPW Circular No. 22/2015 dated 04/08/2015.</p> <p>The sampled workers are as below:</p> <ol style="list-style-type: none"> Employee No.: 151764 (NUPW start date 01/12/2019) Employee No.: 150868 (NUPW start date 01/02/2020) Employee No.: 151875 (NUPW start date 01/10/2019) <p><u>Kerdau Estate</u></p> <p>The management has made deductions of wages for the purpose of school bus fare of RM 25.00/person. Total 19 workers have been made deduction of wages as verified on Employees Allowance and Deductions Details of March 2021 for deduction code D065: School Bus Deduction. However there is no approval obtained from Labour Department for the said deduction.</p>		
Corrections:	<p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> To calculate the total refund of RM3.00 per workers and reimburse the respective workers in April 2021 salary. To inform union representative during meeting with union to ensure the union members receive the reimbursement due to them as per stipulated at Employment Act 1955 and as per SDP Human Right Charter. <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> Management to request an approval from authority (JTK) on the school bus deduction. 		
Root Cause Analysis:	The mechanism to monitor the compliance to legal requirement is not effective.		
Corrective Actions:	Spot checks by RQSM/Careline on a quarterly basis during their visit to the respective operating unit.		
Assessment Conclusion:	<p>Critical NC Close Out Verification</p> <p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> The Union Representatives were informed on the reimbursement during the meeting held on 25/05/2021. Records of the meeting held was available for verification. The management has reimbursed the unlawful deductions made to the identified workers in the Month of April 2021. Sampled the workers payslips for the Month of April 2021 to include the reimbursement categorised under Reimbursement (A-145 Insurance Subsidy). 		

	<p>Kerdau Estate</p> <ol style="list-style-type: none"> The management has halted the deduction of wages for the purpose of school bus fare for the workers. Verified the Payslip for the Month of April for Employer with Employer Number: 0000153747 did not have any unauthorized deductions. The management has submitted the request of salary deduction approval to Jabatan Tenaga Kerja (JTK) Negeri on 07.04.2021. The request letter and attached forms were available for verification during the assessment. Currently the management is awaiting the approval from JTK. <p>The evidence provided for the closure of Critical Non-conformity raised was deemed to be sufficient to address the correction and corrective action plan provided by the management. Therefore the Critical Non-Conformity is closed.</p>
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Non-conformity			
NCR Ref #	2043087-202104-M3	Clause & Category (Critical / Minor)	3.6.2 Critical
Date Issued	09.04.2021	Due Date	07.07.2021
Closed (Yes / No)	Yes	Date of nonconformity Closure	25.06.2021
Statement of Nonconformity:	Health and safety mitigation measures was not adequately implemented.		
Requirement Reference:	The effectiveness of the H&S plan to address health and safety risks to people is monitored.		
Objective Evidence:	<p><u>Kerdau Estate</u></p> <p>There was soil erosion sighted near the pesticide mixing area. However, proper mitigation measures to address the risk identified was not fully implemented as the affected slope section was still at risk for further erosion endangering works to be carried out at near the pesticide mixing area.</p> <p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> Typhoid vaccination record was not available for a worker sighted working at the canteen kitchen. Vehicle side view mirror for shovel was sighted missing at both left & right sides during in operation at the FFB ramp area. <p><u>Mentakab Estate</u></p> <p>Water tank for the emergency shower and eye wash supply was containing settlement of dust particulates and other impurities.</p>		
Corrections:	<p><u>Kerdau Estate</u></p> <p>Construct the proper wall/bund and drainage to prevent from further erosion.</p> <p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> Arrange for typhoid vaccination for all her workers with immediate effect. 		

	<p>2. To install and replace shovel’s side mirror immediately.</p> <p><u>Mentakab Estate</u> To assign PIC for emergency/safety equipment cleanliness and carry out monthly routine and cleaning schedule to ensure the emergency shower is always in good condition.</p>
Root Cause Analysis:	Ineffective coverage of health and safety risk mitigation measure at workplace and other activities in the premises.
Corrective Actions:	<p>1. Training on health and safety risk assessment to cover all activities in the operation by RSQM representative.</p> <p>2. To conduct quarterly work place inspection to ensure all risk mitigation measure are in place.</p>
Assessment Conclusion:	<p>Critical NC Close Out Verification</p> <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> During the remote assessment it was verified that the management has constructed a bund using soil bags near the pesticide mixing area. HIRARC Training has been conducted on 24/05/2021 by the RSQM team attended by the Assistant Manager and Field Staffs. Work Place Inspection has been carried out to ensure all risk mitigation measures are in place. Verified the records of the latest Work Place Inspection dated 24/05/2021. <p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> The Shovel’s side view mirrors has been fixed and picture evidence were available for verification. HIRARC Training for Vehicle Driver was done on 04/05/2021 and the training records were available for verification Typhoid Vaccination has been provided to the identified worker. Verified the ‘Kad Pengesahan Kesihatan – Majlis Perbandaraan Temerloh’ stated that the canteen worker had obtained the vaccination from Klinik Primamedik on 13/04/2021. <p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> The management has appointed Mohd. Shaifful B. Khamis as the person in-charge of Emergency and Safety Equipment Cleanliness as stated in the appointment letter dated 05/05/2021 undersigned by the Estate Manager. HIRARC Training has been conducted on 03/06/2021 for this issue attended by the Assistant Managers. Field Supervisors and Medical Assistant. <p>The evidence provided for the closure of Critical Non-conformity raised was deemed to be sufficient to address the correction and corrective action plan provided by the management. Therefor the Critical Non-Conformity is closed.</p>

Non-conformity			
NCR Ref #	2043087-202104-M4	Clause & Category	6.7.3

		(Critical / Minor)	Critical
Date Issued	09.04.2021	Due Date	07.07.2021
Closed (Yes / No)	Yes	Date of nonconformity Closure	25.06.2021
Statement of Nonconformity:	Personal protective equipment (PPE) compliance and sanitation facilities upkeep was not fully effective.		
Requirement Reference:	Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.		
Objective Evidence:	<p><u>Kerdau Estate</u> Workers sanitation facilities i.e. bathroom, toilet and personal clothing washing machine for pesticide application workers were not in well maintained condition.</p> <p><u>Sungai Mai Estate</u> During the field visit at Field No. 00SA sighted that the sprayers do not bring the safety goggle with them during the spraying activity although the goggle been provided by the employer to the respective workers and recorded in the PPE issuance record.</p> <p><u>Chenor Estate</u> During the manuring activity field visit at Field No. 16A sighted that the workers do not bring the safety goggle with them during the manuring activity although the goggle been provided by the employer to the respective workers and recorded in the PPE issuance record.</p> <p><u>Mentakab Estate</u> Water tab pressure for the sanitation facilities i.e. bathroom and toilet for pesticide application workers was low and 1 of the bathroom shower tap was not discharging water during testing of the water supply.</p>		
Corrections:	<p><u>Kerdau Estate</u> To assignment the dedicated person to monitor the condition of the facilities.</p> <p><u>Sg Mai Estate</u> To conduct briefing and training for the sprayers on the correct PPE usage (apron, goggle, mask, glove, helmet and rubber boot).</p> <p><u>Chenor Estate</u> All workers required to wear suitable PPEs based on type of works as stated in SOPs and CHRA. Continuous refresher training required to be done to increase level of awareness among the workers.</p> <p><u>Mentakab Estate</u> To change new pipeline connecting to sanitation facilities.</p>		

Root Cause Analysis:	Insufficient monitoring system to compliance to SOP and maintenance system of sanitation facilities
Corrective Actions:	<ol style="list-style-type: none"> 1. Continuous briefing and training on usage of PPE during morning muster and to monitor the PPE usage by Mandore/Supervisor. 2. To conduct quarterly work place inspection to ensure maintenance of facilities are in order.
Assessment Conclusion:	<p>Critical NC Close Out Verification</p> <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> 1. The management has established a memo addressed to all the staffs undersigned by the Senior Manager of Kerdau Estate stating the duties of the staffs which includes "to ensure the sanitation area and washing machine are always in good and safe working condition". The memo was available for verification during the assessment. 2. HIRARC training was conducted on 24/05/2021. 3. Work Place Inspection was carried out on 24/05/2021. <p><u>Sg Mai Estate</u></p> <ol style="list-style-type: none"> 1. PPE Training has been conducted for all the sprayers on 08/04/2021. Records of training done was available for verification. 2. Work Place Inspection was done to identify the PPE compliance and monitor the usage of PPE among the workers. The latest Work Place Inspection records were available dated 10/06/2021. <p><u>Chenor Estate</u></p> <ol style="list-style-type: none"> 1. Spraying Application and PPE Training was conducted for all Sprayer and Manurers on 05/05/2021 2. The estate has established a Weekly PPE Monitoring Checklist to monitor the usage and condition of the PPE used by the workers. The weekly PPE Monitoring Checklist was available for verification for the Month of April and May 2021. <p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> 1. The management has repaired the piping for the sanitation facility and picture evidence were available to demonstrate that the water supply was available. 2. A training on Workplace Inspection was conducted for the Field Staffs on 25/06/2021 on methods to conduct the Workplace Inspection. 3. Workplace Inspection was conducted on 25/06/2021 at Mentakab Estate. <p>The evidence provided for the closure of Critical Non-conformity raised was deemed to be sufficient to address the correction and corrective action plan provided by the management. Therefor the Critical Non-Conformity is closed.</p>

Non-conformity			
NCR Ref #	2043087-202104-N1	Clause & Category	2.2.2

		(Critical / Minor)	Minor
Date Issued	09.04.2021	Due Date	Next Surveillance Assessment
Closed (Yes / No)	No	Date of nonconformity Closure	-
Statement of Nonconformity:	Evidence of legal due diligence of contracted third parties was not effectively demonstrated		
Requirement Reference:	All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available.		
Objective Evidence:	<p><u>Kerdau POM</u></p> <p>Employment contract reviewed for the contractors worker (SS Naveen Engineering) found the following issues:</p> <ol style="list-style-type: none"> 1. Clause 3.1 – The workers will receive a basic wages of RM 1,100.00 per month. In fact the location of work falls under the Majlis Perbandaraan Temerloh which shall be RM 1,200.00 per month in accordance with Minimum Wage Order 2020. 2. Clause 16.1 – The first travelling expenses from Bangladesh to any agreed point of entry in Malaysia shall be borne by the worker. In contra, the travelling expenses from country of origin to Malaysia shall be borne by the employer as part of the recruitment process expenses. 3. Work Permit/VISA for SS Naveen workers were under different company name: <ul style="list-style-type: none"> - Permit No. PE1985676, Passport No. BR0584037, Company: Tan Kee Chuan Construction - Permit No. PE9897268, Passport No. BX0724001, Company: ABI Teamworks Sdn Bhd - Permit No. PE7423914, Passport No. BX0642498, Company: Bina Jatim Sdn Bhd <p><u>Chenor Estate</u></p> <p>Employment Contract between Pacat Emas Enterprise and workers have not detailed out the terms and conditions and compliances towards Employment Act 1955 requirements. Terms and conditions of employments such as period of notice, reason for dismissal, entitlement of annual leave, public holiday and medical leave, overtime rate and etc were not outlined the employment contracts.</p> <ol style="list-style-type: none"> 1. I/C No.: 890323-06-52XX 2. I/C No.: 800131-03-53XX 3. I/C No.: 791201-06-52XX 4. I/C No.: 880508-06-57XX <p>No evidence of EPF, SOCSO and EIS contribution was made by the FFB Transporter for his workers. Interview with the FFB Transporter, Pacat Emas Enterprise Manager has confirmed that he did not make contribution of EPF, SOCSO and EIS</p>		

	to 4 of his workers as per Employees Social Security Act 1969 (Act 4) and Employee Provident Fund Act 1991.
Corrections:	<p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> To request SS Naveen Engineering to amend the respective clauses accordingly. To advise SS Naveen to terminate the said worker with immediate effect. <p><u>Chenor Estate</u></p> <ol style="list-style-type: none"> To request the contractor to revise employment contract to their worker to include terms and conditions as per Employment Act 1955 requirement. To issue warning letter to the said contractor for breaching of contract on the non-compliance to legal requirement. To advise Pacat Emas Enterprise to initiate the registration of EPF, SOCOS and EIS soonest as possible.
Root Cause Analysis:	Legal due diligence for contractor was not effectively monitored.
Corrective Actions:	<ol style="list-style-type: none"> To emphasize monitoring of compliance to legal requirement for the contractor and Management to ensure the compliance with Employment Act 1955 and other statutory deduction on monthly basis on all contractor's document. Warning letter will be issued should the contractor fail to comply to the legal requirement and breach the contract.
Assessment Conclusion:	The corrective action plan is deemed to be sufficient to address the minor non-conformity raised. The effectiveness of the corrective action plan will be assessed during the next annual surveillance assessment.

Non-conformity			
NCR Ref #	2043087-202104-N2	Clause & Category (Critical / Minor)	3.3.2 Minor
Date Issued	09.04.2021	Due Date	Next Surveillance Assessment
Closed (Yes / No)	No	Date of nonconformity Closure	-
Statement of Nonconformity:	Implementations were not in accordance with the SOPs that were in place.		
Requirement Reference:	A mechanism to check consistent implementation of procedures is in place.		
Objective Evidence:	<p>Landfill Management In Estate <u>Kerdau Estate</u> The Operational Control Procedure for Landfill Management In Estate (SD/SDP/PSQM(ESH)203-EN7) dated 13th march 2017 states:</p> <ol style="list-style-type: none"> Section 6 Requirements and Procedure; Section 6.4 Landfill Design Criteria; The landfill shall be designed in accordance with the following criteria; d) the entrance to the landfill site should be fenced and equipped with a signage as indicated below (minimum); "TEMPAT PELUPUSAN SAMPAH, DILARANG MEMBAKAR, TIADA BAHAN BUANGAN TERJADUAL" <p>It was sighted that the landfill was not fenced and the signboard available only stated "Tempat Pelupusan Sampah" and did not state "Dilarang Membakar" and "Tiada Bahan Buangan Berjadual".</p>		

	<p>2. Section 6.5 Landfill Operations; 6.5.6; Filling up the pit with MSW should be done as follows: a) To place "START" sign at the first section which is planned to be filled with MSW. Each Section is to be filled up to 80% capacity. b) the filled section should be backfilled with excavated soil and compacted before proceed to another section.</p> <p>It was sighted that there was no START sign at the area filled with MSW. The landfilled was filled up exceeding 100% and overflows to the ground. The filled section was not backfilled with excavated soil and compacted.</p> <p>Water Quality Management System</p> <p>Sime Darby Plantation; Plantation Quality Management System; Sustainable Plantation Management System; SOP for Water Quality Monitoring; 5.5 Evaluation of Laboratory Test Results.</p> <ul style="list-style-type: none"> - Upon receiving the complete results, the Head of Operating Unit shall check whether it exceeds, or no not meet the related requirement. If the results are off limit, an investigation shall be initiated to solve the issue. - Investigation shall be recorded in Corrective/Preventive Action Report for Non-Conforming Water Analysis Results. Refer Appendix H; Form Code WQ-01/CPAR (1) to (3). - Arrangement for a re-sampling and analysis of the parameter of concern shall be done concurrently with the investigation and sent to the laboratory within 1 week of receiving the results. <p><u>Kerdau POM</u></p> <p>1. Based on the Drinking Water test report by Sime Darby Research Sdn. Bhd. (R&D Centre) dated 17/03/2021 (Test Report Number: IE301/2021) does not conform with NSDWQ for domestic use - pH 6.4 (Standard Quality – 6.6 – 9.0). Since the results of the drinking water analysis did not conform with the NSDWQ for domestic use the management has not arranged for resampling (exceeded 1 week) as stated in the Water Quality Monitoring SOP.</p> <p>2. Based on the Drinking Water test report by Sime Darby Research Sdn. Bhd. (R&D Centre) dated 12/03/2021 (Test Report Number: IE285/2021) does not conform with NSDWQ for domestic use - pH 6.4 (Standard Quality – 6.6 – 9.0). The results of the drinking water analysis did not conform with the NSDWQ for domestic use. The management did not conduct the evaluation of laboratory test results as stated in the Water Quality Monitoring SOP.</p> <p><u>Sg. Mai Estate</u></p> <p>1. Based on the River Water Analysis Test Report by Sime Darby Research Sdn Bhd dated 16/03/2021 (Test Report Number: (IE291/2021) does not conform with Class IIA/IIB of NWQS for Natural Waterways – (Sample 2 – Outlet (COD - 52) and Sample 8 – Middle (COD – 44) where Standard Quality – 25). There was no investigation done and no resampling conducted for the non-conforming locations in accordance with the Water Quality monitoring SOP.</p>
<p>Corrections:</p>	<p><u>Kerdau Estate.</u></p> <p>1. To erect fence and necessary signage ie 'Dilarang Membakar' and 'Tiada Bahan Buangan Berjadual' at the Landfill area. The pit will be backfilled with soil once it reaches up to 80% capacity.</p>

	<p>2. Result of water sampling result to be submitted to Sr Assistant and Manager for checking/verify.</p> <p><u>Kerdau POM</u></p> <p>1. To conduct resampling and evaluation for the drinking water accordingly.</p> <p><u>Sg Mai Estate</u></p> <p>1. An investigation has been carried out and already sent the water sample for analysis.</p>
Root Cause Analysis:	The monitoring system on the SOP implementation is not effective.
Corrective Actions:	<p>1. To conduct refresher training on operation and non-operational SOP to the respective personnel and person in-charge.</p> <p>2. To monitor the effectiveness of such training thru internal audit.</p>
Assessment Conclusion:	The corrective action plan is deemed to be sufficient to address the minor non-conformity raised. The effectiveness of the corrective action plan will be assessed during the next annual surveillance assessment.

Non-conformity			
NCR Ref #	2043087-202104-N3	Clause & Category (Critical / Minor)	7.11.3 Minor
Date Issued	09.04.2021	Due Date	Next Surveillance Assessment
Closed (Yes / No)	No	Date of nonconformity Closure	-
Statement of Nonconformity:	The estates have yet to engage with the listed adjacent stakeholders on fire prevention and control measures.		
Requirement Reference:	The unit of certification engages with adjacent stakeholders on fire prevention and control measures.		
Objective Evidence:	<p>The estates have yet to engage with the sampled adjacent stakeholders on fire prevention and control measures as mentioned below:</p> <p><u>Kerdau Estate</u></p> <p>1. FELCRA Kerdau 2. Felda Jenderak 3. Krau Forest Reserve (Jabatan Perhutanan)</p> <p><u>Chenor Estate</u></p> <p>1. Smallholders adjacent to Chenor Estate 2. Felda Ulu Jempol 3. Forest Reserve (Jabatan Perhutanan)</p> <p><u>Mentakab Estate</u></p> <p>1. Ladang Sg Kawang (KLK) 2. Kg. Sementeh 3. SMGB Group Sdn Bhd</p>		

	During the field visit to the estates it was identified that there were more adjacent stakeholders that have not been identified and included in the stakeholder list.
Corrections:	<p><u>Chenor Estate</u> Identified and the stakeholder list has been updated to include all stakeholder surrounding by estate.</p> <p><u>Kerdau Estate & Mentakab Estate</u> To include meeting agenda in the next invitation letter to the adjacent stakeholder and encourage them to join the discussion or meeting for the benefit of all.</p>
Root Cause Analysis:	<ol style="list-style-type: none"> The mechanism to identify stakeholder adjacent to the operation is not sufficient. The stakeholder is not well-informed on the agenda of the stakeholder meeting
Corrective Actions:	<ol style="list-style-type: none"> To include the agenda as per RSPO requirement in the stakeholder invitation letter. To diversify the platform to engage and communicate with the stakeholder on the fire prevention and control measure especially for the adjacent stakeholder. E.g. telephone call, e-mail etc.
Assessment Conclusion:	The corrective action plan is deemed to be sufficient to address the minor non-conformity raised. The effectiveness of the corrective action plan will be assessed during the next annual surveillance assessment.

Opportunity for Improvements	
OFI #	Description
OFI 1	-

Positive Findings	
PF #	Description
PF 1	Good commitment and corporation from the management.
PF 2	Positive feedbacks from internal and external stakeholders.
PF 3	Well maintained labour quarters at the mill and all estates.
PF 4	Generally well implementation of Good Agricultural Practices (GAP).

3.4.1 Status of Nonconformities Previously Identified and Observations

Non-conformity			
NCR Ref #	2020.01	Clause & Category (Critical / Minor)	7.3.1 (Minor)
Closed (Yes / No)	No	Date of nonconformity Closure	Escalated to Major due to Reoccurrence of Minor Non-Conformity

Statement of Nonconformity:	Scheduled Waste (SW 305 – Spent Lubricating Oil and SW 409 - Contaminated Soil) was kept more than 180 days.												
Requirement Reference:	A waste management plan which includes reduction, reusing, recycling and disposal based on toxicity and hazardous characteristics is documented and implemented.												
Objective Evidence:	<p><u>Chenor Estate</u> Environment Quality (Scheduled Waste) Regulation 2005; PU(A) 294/2005; Regulation 9 – Storage of Scheduled Waste; No.5 – Any person may store scheduled waste generated by him for 180 days or less after its generation.</p> <table border="1"> <thead> <tr> <th>SW Items</th> <th>Date Generated</th> <th>Date Disposed</th> <th>Difference (Days)</th> </tr> </thead> <tbody> <tr> <td>SW 305</td> <td>01.08.2019</td> <td>-</td> <td>399</td> </tr> <tr> <td>SW 409</td> <td>01.08.2019</td> <td>-</td> <td>399</td> </tr> </tbody> </table>	SW Items	Date Generated	Date Disposed	Difference (Days)	SW 305	01.08.2019	-	399	SW 409	01.08.2019	-	399
SW Items	Date Generated	Date Disposed	Difference (Days)										
SW 305	01.08.2019	-	399										
SW 409	01.08.2019	-	399										
Corrective Actions:	To conduct training to PIC and her subordinate including person involve in producing scheduled waste in the estate i.e chemical mixer and workshop operator on scheduled waste handling and conduct scheduled waste inventory on a weekly basis.												
Assessment Conclusion:	During the Recertification Assessment it was verified that there were still lapses in managing the scheduled wastes in the estates under the certification unit. Hence the Minor non-conformity could not be closed and thus escalated to Critical Non-conformity as detailed under 3.4.												

Opportunity for Improvement	
OFI#	Description
OFI 1	-

3.4.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Critical / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
2019.01	Minor	4.75	12.04.2019	Closed (14.06.2019)
2019.02	Major	5.7.2	12.04.2019	Closed (20.05.2019)
2020.01	Minor	7.3.1	02.09.2020	Escalated to 'Critical' due to Reoccurrence of Minor Non-Conformity
2043087-202104-M1	Critical	7.3.1	09.04.2021	Closed (25.06.2021)
2043087-202104-M2	Critical	6.2.3	09.04.2021	Closed (25.06.2021)
2043087-202104-M3	Critical	3.6.2	09.04.2021	Closed (25.06.2021)
2043087-202104-M4	Critical	6.7.3	09.04.2021	Closed (25.06.2021)
2043087-202104-N1	Minor	2.2.2	09.04.2021	"Open"
2043087-202104-N2	Minor	3.3.2	09.04.2021	"Open"

2043087-202104-N3	Minor	7.11.3	09.04.2021	"Open"
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3.5 Stakeholders and previous land owner / user consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Sime Darby Plantation, SOU 11 Kerdu Certification Unit's environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO 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 later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

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 below.

List of Stakeholders contacted	
Internal Stakeholders <ol style="list-style-type: none"> Gender Committee Representatives Weighbridge Operators Workers Representatives 	Union/Contractors <ol style="list-style-type: none"> NUPW Representatives Pacat Emas Enterprise Syarikat Mohd Affendi Triang Long Enterprise SSRJ Enterprise RISDa Fleet Sdn Bhd Hadif Zikry Enterprise Seruan Timor Enterprise Kampung Sungai Buloh – Village Head
Government Departments <ol style="list-style-type: none"> SJKT Ladang Mentakab SMK Kerdu 	NGO <ol style="list-style-type: none"> Malaysian Nature Society

Stakeholders comment	
1	<p>Feedbacks: <u>Schools' Representatives</u> They informed that they have maintained a good relationship with the management. Assistance was provided by the management whenever requested such as cement and boiler ash for the beautification of the school in Kerdu Estate and maintenance of school compound in Mentakab Estate.</p> <p>Management Responses: Management will continue to maintain good relationship with the schools.</p>

	<p>Audit Team Findings: No further issue.</p>
2	<p>Feedbacks: <u>Contractors</u> They informed that payments were made promptly. They are aware of the complaint procedures and so far, they have no issues with the management.</p> <p>Management Responses: The management will ensure all payments will be made accordingly.</p> <p>Audit Team Findings: No other issue.</p>
3	<p>Feedbacks: <u>Workers</u> The workers are satisfied with the management and they informed that their wages have achieved Minimum Wage Order 2020. They are aware of the complaint procedures. No discrimination from the management.</p> <p>Management Responses: The management will ensure compliance to legal requirements and to continuously respect all workers without discrimination.</p> <p>Audit Team Findings: No other issue.</p>
4	<p>Feedbacks: <u>Gender Committee Representatives</u> No sexual harassment or violence case reported during the time of assessment. They are aware of the function of the committee and informed that no discrimination from the management regardless of gender.</p> <p>Management Responses: The management will continue to monitor if there is any case of sexual harassment or violence.</p> <p>Audit Team Findings: No further issue.</p>
5	<p>Feedbacks: <u>Cik Nordiayanie</u></p> <ol style="list-style-type: none"> 1. The management of Sg Mai Estate instructed worker to catch a python which could endanger not only the python but also the worker and a child. 2. The management of Sg Mai Estate instructed APs to shoot monkeys. No prior approval from PERHILITAN was obtained and number of monkey's shot was not reported. 3. The management of Sg Mai Estate had blocked the villagers from using the access route to the village; which had only one access route. <p>Management Responses:</p> <ol style="list-style-type: none"> 1. The incident took place on 1st October 2020 at Staff's Housing Compound. There was no instruction by the management of Sg Mai Estate to catch the python. However, as an Auxiliary Police (AP), Corporal Zarul, acted on his own goodwill to catch the python which was found during on his way back home. In the video, he was seen strangled by the python but during our interview, he admitted that he was

just 'teasing' his wife and his child. His child was unhurt during the process. Being an AP, Corporal Zarul had the necessary experience in handling snake.

Method of catching python in the video is confirmed as similar to APM (Angkatan Pertahanan Awam) and Bomba method and approaches, this is confirmed by APM and Bomba of Termerloh Branch during our stakeholder engagement session with them recently. It is also normal to release python into nature.

The python was released into nature nearby Sg Mai River, away from human interactions on the same day of the incident.

2. No monkey was shot. Based on SME's Buku There was no instruction by the management of Sg Mai Estate to shoot down monkeys. Based on records in the *Daftar Keluar Masuk Senjata* Logbook, there were 2 occasions (24th Sep 2020 and 7th Oct 2020) where shots being fired but only to chase off the group of monkey. Referring to Officer in-charge of Station (OCS) Kuala Krau Police Station, this is allowed and not a violation as per the *Lesen Memiliki Senjata & Peluru* issued by PDRM.

Since there was no monkey shot, hence there were no report made to PERHILITAN office. Consultation with PERHILITAN also found that PERHILITAN is aware of the conflicts and it was reported to their department by the villagers and on-going process to mitigate the conflicts.

Local communities were also affected by the nuisance made by monkeys. They deemed that there were more than 3 group of monkeys around the communities.

3. All representatives from surrounding stakeholders confirmed that no access routes to their village were blocked from the stakeholder consultation sessions with

Representatives from local communities surrounding Sg Mai Estate (Kg Gong Halt, Kg 100, Kg Orang Asli Sg Mai, Kg Paya Sok). Representative from local NGO residing in Kg Orang Asli Sg Mai including BOMBA Temerloh, Angkatan Pertahanan Awam (APM) and PDRM Kuala Krau and Perhilitan Temerloh were also consulted.

Note:

The only village that located inside Sg Mai Estate.

There are two plots of Kg Orang Asli Sg Mai. Both are having main access from Sg Mai Estate's First Point of Entry (FPE). The Kg Orang Asli Sg Mai are also using few alternatives road; which are Sg Mai Estate's road into their village.

Sg Mai Estate's stakeholder meeting minutes dated 2 Feb 2017 recorded that access road to Kg Orang Asli Sg Mai has been repaired, village representative thanked Sg Mai Estate management for repairing government access road to Kg Gong Halt.

Audit Team Findings:

1. Interview with the auxiliary police and workers indicated that they are awareness on the wildlife protection policies that are available in the estates. They are aware that they are prohibited to catch or endanger any wildlife within the estate compound and furthermore snakes are considered as an IPM as it helps reduce the population of rodents. Interview with the management representatives also indicated that they do not encourage any personals within the estate to catch or harm any wildlife in the estate unless it is for self-defence purposes.
2. Records of bullets used were verified and it was acknowledged that no bullets were used to shoot monkeys. The methods used to fire shots to scare monkeys away as they are a nuisance to the plantation and neighbouring communities are understood and acceptable as stated by the PDRM.
3. Interview with the local communities and representatives of Kg. Orang Asli Sg Mai indicated that they have a good relationship with the estate management. They are free to use the roads and there were no access routes blocked by the management. During the site visit it was also noticed that a Backhoe was doing road repair works at the Kg. Orang Asli. It was confirmed by the assistant that the management provides the Backhoe from time to time to the village to do minor repair works with no costs as part of the corporate social responsibility.

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Feedbacks:NGO: Malaysian Nature Society**In General:**

1. Our major concern is the lack of compliance of the management to existing law, legislation and regulations pertaining to environmental protection and monitoring, especially on the proper handling, storage and disposal of waste.
2. The management did not provide adequate attention to address impacts to the environment and sensitive receptors located within palm oil mill and in vicinity.
3. Poor compliance and management on human rights and related workers welfare, especially on matters related to Occupational Safety and Health.

Environmental Protection & Monitoring:

- a) Consistent and comprehensive pollution monitoring is required to be conducted throughout SOU 11, particularly monitoring relating to air quality, water sources etc. situated within and in proximity.
- b) All installed pollution monitoring facilities must be well maintained and functional.
- c) All wastes must be properly separated or sorted, handled, labelled, stored and disposed, including pesticides.
- d) All related waste management and monitoring must adhere to existing guidelines, standards etc. from related governmental agencies etc.
- e) Environmental Management Plan (EMP) addressing to all potential significant impacts to the environment and its surrounding sensitive receptors, must be prepared and implemented.
- f) EMP shall be reviewed periodically by the Environmental Performance Monitoring Committee and revised accordingly.
- g) Related capacity building training on related guidelines, standards etc. must be provided to all workers periodically.
- h) Competent and certified environmental personnel(s) must be appointed to tackle issues related to waste management, treatment of Palm Oil Mill Effluent etc.
- i) Open burning shall be highly prohibited.
- j) We would like to highlight that there is an Important Bird and Biodiversity Area (IBA) located about 5 km away from SOU 11, namely Krau Wildlife Reserve (MY16). With that, we want the Sime Darby Plantation Berhad to recognise its importance and take into account in the operation and its activities in SOU 11.

Human rights & workers welfare:

- a) The new applications and renewals for workers' legal permits, contract and other necessarily documents and its related processes, including fee, are under the responsibility of Sime Darby Plantation Berhad.
- b) All documents supporting workers' legal permit etc., especially contract, must be prepared, kept and available for inspections.
- c) Contract must be prepared in detailed with all necessarily information. For instance, the notice of period, termination of service by the employee, overtime on rest day or public holiday, insurance coverage etc. in the terms and conditions.
- d) Authorization from State Labour Department on the deduction of insurance premium payment for all workers must be acquired.

- e) Medical check-up must be provided to all workers on regular basis and fee must be covered by Sime Darby Plantation Berhad
- f) Any reported cases of grievances and complaints from workers must be addressed and all related documents must be kept as evidence.
- g) All safety precaution measures protecting potential risks to the safety and health of workers must be implemented following the Malaysian Occupational Safety and Health Act. For example, fire services (fire certificate) must be acquired, approved and awarded by Jabatan Bomba dan Penyelamat Malaysia.
- h) Any cases involving safety and health for workers must be reported to the Department of Occupational Safety and Health. All documents must be kept as evidence.
- i) All basic amenities and facilities must be provided to all workers and well maintained.
- j) Women reproductive rights must be protected and all information related to reproductive right policy must be communicated clearly.
- k) Proper Emergency Response Plan must be prepared and implemented.
- l) The operation and management of the plantation must be adhered to the current national and international law, regulation etc., relating to human rights and workers' welfare. For example, the Minimum Wage Order 2016 etc.

Management Response:

In General:

1. All scheduled waste been properly stored, handle & monitored by appointed person in-charge. For example, clinical waste in-charged by Medical Assistant while engine oil, filter etc by Workshop Foreman. Disposal been done through the approved party within the time period.
2. Estate will continuously educate & remind the workers through training and briefing especially during morning muster on environmental aspect.

Environmental Protection & Monitoring

- No issue in the estate with regards to air pollution except on the open burning maybe. However, the estate management has put a very stringent control where workers are totally not allowed to do open burning.
- On water sources monitoring, we are continuously sending the water sample for lab test as per requirement and necessary action will be taken if the result is found to be off from the standard.
- All scheduled waste item being properly recorded, stored and disposed as per requirement.
- Estates will review the Environmental Management Plan.
- With regards to Krau Wildlife Reserve, we confirm that our operations and activities does not encroaching or disturbing the area.

Human rights & workers welfare

- All commented items been provided by the company.
- Sime Darby Plantation Bhd has established Policy, SOP, IOM etc to support the human right & workers welfare.

Audit Team Findings:

In General:

1. Compliance towards existing law, legislation and regulations pertaining to environmental protection and monitoring have been highlighted in the Environmental Management Plan for each Certification Unit. The management plan has recorded the regulations that are to be adhered to which is then monitored by the management themselves as well as by the SDPB SQM teams via internal audits held at the operating units. Proper handling, storage and disposal of waste were looked into and the audit outcome have concluded that there were some lapses by the management units. A non-conformity was raised during the audit pertaining to this where the Certification Unit have provided the corrective action plan to ensure stricter compliance to this matter in the future. All the lapses that were highlighted have been successfully addressed by the certification unit.
2. SOU11 have conducted an Environment Impact Assessment which is reviewed on a yearly basis where all identified environmental impacts are assessed and the necessary mitigation methods are derived and implemented to ensure the negative environmental impacts are reduced.
3. Occupational Safety and Health compliance been verified at mill and estates and generally in compliance matter except noticed that there were several lapses been identified on indicator 3.6.2 and 6.7.3 and 2 critical (major) noncompliance been raised to the mill and estates to ensure compliance were made accordingly. All the lapses that were highlighted have been successfully addressed by the certification unit.

Environmental Protection & Monitoring:

- a) Kerbau POM conduct Stack Sampling on a biannual basis to monitor the smoke density released which to ensure compliance towards DOE's parameter limits as stated in DOE's compliance schedule. Water quality monitoring are done by the estates and mills for river waters on a quarterly basis where water samples are sent to the lab for water analysis. The monitoring have been verified to be consistent and comprehensive.
- b) All installed pollution monitoring facilities such as the Smoke Density meter were well maintained and functional at the time of audit. Records of monitoring were available for verification during the assessment.
- c) Proper handling, storage and disposal of waste were looked into and the audit outcome have concluded that there were some lapses by the management units. A non-conformity was raised during the audit pertaining to this where the Certification Unit have provided the corrective action plan to ensure stricter compliance to this matter in the future. All the lapses that were highlighted have been successfully addressed by the certification unit.
- d) Waste management and monitoring were highlighted in the operating units Environment management Plan and were in accordance with the guidelines by DOE.
- e) Environmental Management Plan was available and implemented by all operating units. Refer Criterion 3.4 for details.
- f) EMP is regularly reviewed by the operating units. Refer Criterion 3.4 for details.
- g) All operating units have produced a training plan to address all training needs within the site for all workers and personals. Trainings that have been planned have been conducted and assessed accordingly. Training records were verified during the assessment as stated under Criterion 3.7.
- h) The Mill as well as the SQM Department had personals certified as CePSWaM and CePPOME to tackle issues related to waste management, treatment of Palm Oil Mill Effluent etc.
- i) There were no open burning sighted at the certification units. Awareness trainings have been conducted by the management to the workers and staffs discouraging them on conducting any sort of open burning. Sign boards have been erected in the vicinity prohibiting open burning in the estate and mill. Operations are done within the operating units without involving the need of open burning.
- j) The management are aware that they are surrounded by forest reserve that are likely natural habitat to diverse wildlife. The management have erected signboards indicating that no hunting of wildlife is allowed within the vicinity as well as at the borders of the estates. The workers and staffs have also been provided awareness training on Biodiversity Conservations. Furthermore, SOU 11 have allocated

a portion of Jentar Division to its Tree Planting Project where has in turn become a habitat and food source for various species of birds.

Human rights & workers welfare:

- a) Temporarily there are no new recruitments of foreign workers. Estates and mill only continue to renew the work permit for existing foreign workers that are interested to extend their contract. Verified that all related documents and its related processes, including fee are under responsibility of Sime Darby Plantation Berhad.
- b) Contracts and permits were kept in the operating unit's office and available for verification during the assessment.
- c) Employment contract for foreign workers are in bi-lingual; their native language and English/Bahasa. All mandatory terms and conditions are in accordance with Employment Act 1955 requirements; for example notice period, termination of service, overtime on rest day or public holiday. Foreign workers are covered under SOCSO since January 2019.
- d) Salary deduction approval for insurance premium payment were available for verification during the assessment.
- e) Pre-employment medical checkup and FOMEMA paid by Sime Darby Plantation Berhad as part of the recruitment fees. Medical check-up or health surveillance provided on monthly basis and in line with the recommendation form CHRA (Chemical Hazard Risk Assessment) report for those who exposed to chemical (sprayer, chemical mixer and manurer). For other group of workers, health check are provided free of charge in the company's dispensary and panel clinics.
- f) Process of handling grievances and complaints were handled based on the SOP under Sustainable Plantation Management System Appendix 5 (Flowchart and Procedures on handling Social Issues) dated 01/11/2008 documented the process for handling communication regarding social issues. All related documentation related to requests and responses were recorded and maintained. "Suara Kami" initiative collaboration with Nestle as part of whistleblowing process for workers.
- g) Visit to the mill and estates have generally met satisfactory compliance in terms of safety precaution measures protecting potential risks to the safety and health of workers which has been implemented following the Malaysian Occupational Safety and Health Act. Valid fire certificate been made available at mill accordingly and verification details can be referred as detailed in assessment finding indicator 6.7.2, 3.6.1 & 3.6.2. However, noticed that there were several lapses been identified on indicator 3.6.2 and a critical (major) noncompliance been raised to the mill and estates to ensure compliance were made accordingly.
- h) Visit to the mill and estates have generally met satisfactory compliance in terms of solving any cases involving safety and health for workers and has been reported to the Department of Occupational Safety and Health as required. Evidence of documents were also made available and kept as evidence accordingly and verification details can be referred as detailed in assessment finding indicator 6.7.1, 6.7.2, 6.7.4 & 6.7.5.
- i) Site visit to the line sites found that basic amenities such as free houses, water and electricity was provided to the workers. Line site inspection was carried out to ensure the line sites are well maintained. Details refer to Indicator 6.2.4.
- j) Women reproductive rights are protected and all information related to reproductive right policy have be communicated clearly to all female workers within the certification units. Details refer indicator 6.1.4, 6.1.5, 6.5.3 and 7.2.11.
- k) Visit to the mill and estates have generally meet satisfactory compliance in terms of implementing a proper safety emergency response plan and verification details can be referred as detailed in assessment finding indicator 6.7.2.
- l) Sampled payslips of workers and contract workers from all operating units found that the workers were paid as per Minimum Wage Order 2020. Details refer to Indicator 6.1.6 and 6.2.2.

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List of land owner / user contacted					
Name	Years of ownership / used	Land area (ha)	Agreement (Yes / No)	Agreement base on FPIC (Yes/No)	Compliance on the agreement terms and conditions
Not Applicable as SOU 11 Kerdau Certification Unit has undergone its 2 nd Cycle of Replanting. Sime Darby previously acquired all the land from Austral Plantation.					

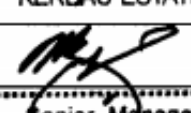

Previous land owner / user comment	
-	Not Applicable as SOU 11 Kerdau Certification Unit has undergone its 2 nd Cycle of Replanting. Sime Darby previously acquired all the land from Austral Plantation.

3.6 Impartiality and conflict of interest

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

Formal Signing-off of Assessment Conclusion and Recommendation

The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Sime Darby Plantation, SOU 11 Kerduu Certification Unit has complied with the RSPO Principles and Criteria 2018 for Sustainable Palm Oil (Malaysian National Interpretation 2019) and audit criteria identified within the audit report. It is deemed that the management system continues to achieve its intended outcomes. Therefore, it is recommended that the certification of Sime Darby Plantation, SOU 11 Kerduu Certification Unit is continued.

Report prepared by	Acceptance of Assessment Conclusion
Name: VIJAY KANNA PAKIRISAMY	Name: SIME DARBY PLANTATION BERHAD (COMPANY NO : 647766-V) KERDAU ESTATE
Company Name: BSI SERVICES (M) SDN BHD	Company Name: 
Title: CLIENT MANAGER	Title: Senior Manager AZRI BIN LAHMAN
Signature: 	Signature: <i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i>
Date: 25th June 2021	Date: 28/6/2021

Appendix A: Summary of Findings

Criterion / Indicator	Assessment Findings	Compliance
Principle 1: Behave ethically and transparently		
Criterion 1.1: The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1 (C) Documents that are specified in the RSPO P&C are made available to the public. - Critical (Major) compliance -	Documents required for all unit of certification available in Kerdu POM Certification Unit: <ul style="list-style-type: none"> • Land titles/user rights • Occupational health and safety plans • Plans and impact assessments relating to environmental and social impacts • HCV documentation • Pollution prevention and reduction plans • Details of complaints and grievances • Continuous improvement plans, • Public summary of certification assessment report • Group Sustainability Policy • Record of contributions to community development 	Complied
1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders. - Minor compliance -	SOU 11 has conducted combined meeting with the stakeholder to share any new information on RSPO certification, environmental, social, safety and legal requirement applied to all operating units. All the stakeholders have raised some issue and discussed with the management during the meeting. Sighted the latest minutes meeting conducted at respective estates as below: <ol style="list-style-type: none"> 1. Kerdu Estate and POM: 03/04/2021 (suppliers, smallholders, government and contractors). 2. Sg Mai Estate: 22/03/2021 (neighboring villages, contractor etc) 	Complied

1.1.3	<p>(C) Records of requests for information and responses are maintained.</p> <p>- Critical (Major) compliance -</p>	<p>Request by stakeholders conducted through stakeholders meeting, visitor books, letter and forms. The mill and estates maintain the records of all request and response. Sighted the records of request from the stakeholders as follows:</p> <ol style="list-style-type: none"> 1. Kerdau Estate: House E3 & E9 (electrical problem), date request: 29/03/21, completed: 05/04/2021 2. Kerdau POM: water pipe leakage at house no. WQ30. Date report: 18/03/21, completed: 20/03/21 	Complied
1.1.4	<p>(C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.</p> <p>- Critical (Major) compliance -</p>	<p>The Standard Operation Manual dated 01/11/2008 documented the process for Procedure for External Communication (sub-section 5.5, Appendix 5.5.3.2).</p> <p>The Sustainable Plantation Management System Appendix 5 (Flowchart and Procedures on handling Social Issues) dated 01/11/2008 documented the process for handling communication regarding social issues.</p> <p>This has been communicated to workers and stakeholders through:</p> <p>Stakeholder meeting:</p> <ul style="list-style-type: none"> • Kerdau POM and Estate: 03/04/2021 (suppliers, smallholders, government and contractors). • Sg Mai Estate: 22/03/2021 (neighboring villages, contractor etc) <p>The person in charge for social issues (communication and consultation) is as below:</p> <ul style="list-style-type: none"> • Kerdau Estate: Officer in charge (En Suhaily Abadi – Assistant Manager) as per appointment letter dated 01/02/2020. 	Complied
1.1.5	<p>There is a current list of contact and details of stakeholders and their nominated representatives.</p> <p>- Minor compliance -</p>	<p>The latest stakeholders list updated for FY 2021. Stakeholder's details available included person in charge, address, e-mail and contact number.</p> <p>Example seen as below:</p>	Complied

		<ul style="list-style-type: none"> • Kerdu Estate: Contractor (FATZ Enterprise), Address: No 37, FELDA Ulu Jempul, 26400, Jengka. • Sg Mai Estate: Transporter (RISDA Fleet Sdn Bhd), Address: No. 47-3, Lot 250, Jalan Kampung Pandan, Section 90, 56100, Kuala Lumpur 	
Criterion 1.2: The unit of certification commits to ethical conduct in all business operations and transactions.			
1.2.1	<p>A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.</p> <p>- Minor compliance -</p>	<p>Sime Darby Plantation Berhad has implemented Code of Business Conduct where the company implemented the attitude of fair, integrity and ethic during any business process. The company is strictly prohibited to have any bribery related in the business processes. The policy was developed in Bahasa Malaysia and English.</p> <p>The latest Group Sustainability & Quality Policy Statement also includes the clause 'promoting good governance and transparency: abiding by the Group Policies & Authorities (GPA) and the Code of Business Conduct (COBC) signed by Group Managing Director on 02/12/2019.</p> <p>The policy has been briefed to the workers during morning briefing. Besides, policies were briefed to stakeholders during the stakeholder meeting. For Kerdu Estate and POM, briefing session was done on 20/03/2021.</p>	Complied
1.2.2	<p>A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.</p> <p>- Minor compliance -</p>	<p>Sime Darby Plantation has established the Vendor Integrity Pledge and Vender COBC as a due diligence for external parties engaged by Operating Units.</p> <p>Sighted sampled as below:</p> <ol style="list-style-type: none"> Triang Leong signed on 01/01/2020 SS Naveen Engineering, 24/12/2020 RISDA Fleet Sdn Bhd, signed on 15/06/2020 Pacat Emas Enterprise, signed on 11/06/2020 	Complied
Principle 2: Operate legally and respect rights			
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.			

2.1.1	<p>(C) The Unit of Certification complies with legal requirements</p> <p>- Critical (Major) compliance -</p>	<p>The Certification Unit continues its commitment in complying with all legal and applicable requirements. Among permits and licences verified at the certification unit were:</p> <p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> 1. MPOB License; License Number: 540761004000; Processing Capacity Permitted: 270,000 mt/year; License Validity Period: 01/07/2020 – 30/06/2021. 2. DOE Compliance Schedule; License Number: 005105; Reference Number: JP/KKS/2020/2021/005105; Effluent Disposal Method: Water Discharge; License Validity Period: 01/07/2020 – 30/06/2021. 3. DOE Contravene of License (Releasing of Hazardous Items to the Environment, pollutant or disposals to the air by contravening to the regulations under Seksyen 21); License Number: 005061; License Validity Period: 05/06/2020 – 04/06/2021. 4. Energy Commission License (Private Installation); License Number: 2020/03047; Serial Number: 47419; Installation Capacity not Exceeding 2464 kW; License Validity Period: 08/01/2021 – 07/01/2022. 5. Permit Barang Kawalan Berjadual; Reference Number KPDNHEP TLH 600-5/2/13/64; P Serial Number: C000241; Non-Subsidised Diesel: Storage Quantity – 25,000 Litres; License Validity Period: 07/08/2020 – 06/08/2021. 6. Fire Certificate; Serial Number: 323638; Certificate Number: JBPM:PH/7/0198/2017; Certificate Validity Period: 18/02/2021 – 17/02/2022. <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> 1. MPOB License; License Number: 524696002000; Estate Area: 4658.68 Ha; License Validity Period: 01/11/2020 – 31/10/2021. 	Complied
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		<p>2. MPOB License (Nursery); License Number: 535116011000; License Period: 01/01/2021 – 31/12/2021.</p> <p>3. Permit Khas Barang Kawalan Berjadual; Reference Number: KPDNHEP/TLH/600-5/2/337/17 (PK); PK Serial number: C000252; Quantity/Purchasing Frequency: Petrol (RON95) – 200 Litre/Day; License Validity Period: 08/09/2020 – 08/03/2021. The request for renewal has been submitted on 11/02/2021 awaiting approval.</p> <p>4. Permit Barang Kawalan Berjadual; Reference Number: KPDNHEP TLH 600-5/2/03/86; P Serial Number: C000191; Description: Diesel; Storage Quantity: 12,000 Litres; License Validity Period: 27/05/2020 – 26/05/2021.</p> <p><u>Sungai Mai Estate</u></p> <p>1. MPOB License; License Number: 524697002000; Area: 2844.08 Ha; License Validity Period: 01/11/2020 - 31/10/2021</p> <p>2. MPOB License (Nursery); License Number: 618686011000; License Validity Period: 01/09/2020 - 31/08/2021</p> <p>3. Permit Barang Kawalan Berjadual: Reference Number: PKPDNHEP.PHG.JRT.600-5/2/243; P Serial Number: C 000888; Diesel Storage Capacity: 22,000 Litres; License Validity Period: 08/08/2020 - 07/08/2021</p> <p>4. Permit Barang Kawalan Berjadual: Reference Number: PKPDNHEP.PHG.JRT.600-5/2/103/11; PK Serial Number: C 000912; Petrol Storage Capacity: 25 Litres/Day; License Validity Period: 26/10/2020 - 25/04/2021</p> <p>5. Air receiver License (Pengandung Tekanan Tak Berapi; Registration Number: PH PMT 2835; License Expires on 02/12/2021.</p> <p><u>Chenor Estate</u></p>	
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		<ol style="list-style-type: none"> 1. MPOB License (FFB); License Number: 524796002000; License Validity Period: 01/12/2020 – 30/11/2021; Estate Area: 1862.69. 2. MPOB License (Nursery); License Number: 549938011000; License validity Period: 549938011000. 3. Air Receiver License (Pengandung Tekanan Tak Berapi); Registration Number: PH PMT 2122; License Expires on 24/09/2021. 4. Permit Barang Kawalan Berjadual; Reference Number: KPDNHEP TLH 600-5/2/19/19; P Serial Number: C000189; Description: Non-Subsidised Diesel; Storage Capacity: 13,638 Litres. License Validity Period: 27/05/2020 – 26/05/2021 <p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> 1. MPOB License; License Number: 522397002000; Estate Area: 2950.78 Ha; License Validity Period: 01/08/2020 – 31/07/2021. 2. MPOB License (Nursery); License Number: 546148011000; License Validity Period; 01/02/2021 – 31/02/2022. 3. Permit Barang Kawalan Berjadual; Reference Number: KPDNHEP TLH 600-5/2/324/81; P Serial Number: C000215; Description: Non-Subsidised Diesel; Storage Quantity: 6,000 Litres. 4. Horizontal Air Storage Tank Permit (Pengandung Tekanan Tak Berapi); Permit Number: PH PMT 3455; License Expires on 02/05/2022. 	
2.1.2	<p>A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.</p> <p>- Minor compliance -</p>	<p>As per records of Sime Darby Plantation Berhad Estate/Mill – Upstream Malaysia Legal & Other Requirements Register (LORR) by Group Sustainability & Quality Management; Updated June 2020. Sighted latest inclusion as follows:</p> <ul style="list-style-type: none"> - Workers Minimum Standards of Housing and Amenities (Amendment) Act 2019 	Complied

		<ul style="list-style-type: none"> - Perintah Pencegahan dan Pengawasan Penyakit Berjangkit Peraturan-peraturan Pencegahan dan Pengawasan Penyakit Berjangkit (Langkah-langkah di dalam Kawasan tempatan) (No. 7) 2020. - Occupational Safety and Health (Noise Exposure) Regulations 2019. - Pesticides (Amendment of First Schedule) 2019 - Minimum Wages Order, amended 2020 <p>The LORR was verified to be prepared checked and approved by the management of the respective operating units. The LORR are reviewed and approved for compliance of the legal and other requirements annually.</p>	
2.1.3	<p>Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.</p> <p>- Minor compliance -</p>	<p>All legal boundaries were clearly demarcated and visibly maintained, and there was no planting beyond the legal boundaries.</p> <p><u>Kerdau POM</u> The mill is located in the vicinity of Kerdau Estate. The land title for Kerdau Estate (H.S (D) Number: 5401; PT Number: PT 575; Hectarage of Land Title: 4856.232 Ha) was available for verification. The area surrounding the mill has been fenced to show the boundary of the mill with the estate.</p> <p><u>Kerdau Estate</u> The boundaries at Kerdau Estate, Field P14D adjacent to the Forest Reserve were clearly demarcated with fences along the Krau Forest Reserve. Boundaries along the estate with FELDA Jenderak and FELCRA Kerdau were demarcated with security trenches to mark the legal boundaries. Boundary PEGS was available at Field 08B boundary with Felcra Kerdau (3.566561, 102.289733) and at Field 09A with Felcra Kerdau (3.557134, 102.302329).</p> <p><u>Sq Mai Estate</u></p>	Complied

		<p>There were 27 boundary stones in place at the estate which were visible and well maintained by the estate. Visit to the boundary stone at Field OP 2016 with Hutan Simpan Krau (003° 47'24"N, 102°22'02"E) and boundary at Field OP 03 with Orang Asli Reserve (003° 49'41"N, 102°21'02"E) were well maintained and no signs of encroachment or over planting were noticed.</p> <p><u>Chenor Estate</u> There were 17 boundary stones in place at the estate which were visible and well maintained by the estate. Visit to the boundary stones at P02A and Kampung Sg. Jerik (3.78949, 102.64396) and Field 18B with Smallholder Ah Chai (3.79643, 102.64247) indicated there were no over planting by the estates. Security trenches were constructed to indicate the border along the boundary.</p> <p><u>Mentakab Estate</u> Visit along the estate boundary along Field 2020A and Sg Kawang Estate – KLK (3° 28' 43.0" N, 102° 10' 33.8" E) indicated the boundary were well maintained with security trenches. There were poles erected, painted with red and white stripes indicating the boundary of the estate.</p>	
Criterion 2.2: All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.			
2.2.1	A list of contracted parties is maintained. - Minor compliance -	The list of contracted parties available as per stakeholder list updated for year 2021 for each estate.	Complied
2.2.2	All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available. - Minor compliance -	The agreement mentioned on the meeting legal requirement by contractors. Sampled the agreement as below: Kerdau POM: SS Naven Engeneering valid from 01/01/2021 – 31/12/2021. It stated that the agreement is governed by and construed in accordance with the laws of Malaysia. Sg Mai Estate: Risda Fleet Sdn Bhd (contract ref: T/SDPB/PHG/FFB/0904/001) valid from 01/11/2020 – 31/10/2023.	Non-compliance

		<p>Chenor Estate: Pacat Emas Enterprise (contract ref: T/SDPB/PHG/FFB/0904/001) valid from 01/05/2020 – 30/04/2021)</p> <p>Nevertheless, evidence of legal due diligence of contracted third parties was not effectively demonstrated as identified below:</p> <p><u>Kerdau POM</u></p> <p>Employment contract reviewed for the contractors worker (SS Naveen Engineering) found the following issues:</p> <ol style="list-style-type: none"> 1. Clause 3.1 – The workers will receive a basic wages of RM 1,100.00 per month. In fact the location of work falls under the Majlis Perbandaraan Temerloh which shall be RM 1,200.00 per month in accordance with Minimum Wage Order 2020. 2. Clause 16.1 – The first travelling expenses from Bangladesh to any agreed point of entry in Malaysia shall be borne by the worker. In contra, the travelling expenses from country of origin to Malaysia shall be borne by the employer as part of the recruitment process expenses. 3. Work Permit/VISA for SS Naveen workers were under different company name: <ul style="list-style-type: none"> - Permit No. PE1985676, Passport No. BR0584037, Company: Tan Kee Chuan Construction - Permit No. PE9897268, Passport No. BX0724001, Company: ABI Teamworks Sdn Bhd - Permit No. PE7423914, Passport No. BX0642498, Company: Bina Jatim Sdn Bhd <p><u>Chenor Estate</u></p> <p>Employment Contract between Pacat Emas Enterprise and workers have not detailed out the terms and conditions and compliances towards Employment Act 1955 requirements. Terms and conditions of employments such as period of notice, reason for dismissal,</p>	
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		<p>entitlement of annual leave, public holiday and medical leave, overtime rate and etc were not outlined the employment contracts.</p> <ol style="list-style-type: none"> 1. I/C No.: 890323-06-52XX 2. I/C No.: 800131-03-53XX 3. I/C No.: 791201-06-52XX 4. I/C No.: 880508-06-57XX <p>No evidence of EPF, SOCSO and EIS contribution was made by the FFB Transporter for his workers. Interview with the FFB Transporter, Pacat Emas Enterprise Manager has conformed that he did not make contribution of EPF, SOCSO and EIS to 4 of his workers as per Employees Social Security Act 1969 (Act 4) and Employee Provident Fund Act 1991.</p>	
2.2.3	<p>All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.</p> <p>- Minor compliance -</p>	<p>The agreement sighted has the supplementary of '<i>Tatakelakuan Perniagaan Vendor</i>' dated 30 May 2018. Under clause 5.1 <i>Peluang yang sama rata dan tiada diskriminasi</i>' and 5.8 '<i>Pemansuhan Buruh Kanak-Kanak & Melindungi Hak Kanak-Kanak</i>'.</p>	Complied
<p>Criterion 2.3: All FFB supplies from outside the unit of certification are from legal sources.</p>			
2.3.1	<p>(C) For all directly sourced FFB, the mill requires:</p> <ul style="list-style-type: none"> • Information on geo-location of FFB origins • Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder • One or more supporting documents for claims • Valid MPOB license <p>- Critical (Major) compliance -</p>	<p>SOU 11 Kerdu POM receives RSPO Certified FFB from the 4 estates within the SOU 11 - Certification Unit and also diverted FFB from RSPO Certified Sime Darby Oil Mill such as Jabor POM and Bukit Puteri POM.</p> <p>Besides that, the mill also receives Non RSPO Certified FFB from 8 - Collection Centres, 5 - smallholders and 2 - 3rd party Estates.</p> <p>The mill has obtained all the information required by the indicator for all active FFB Suppliers as verified during the audit.</p>	Complied
2.3.2	<p>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.</p>	<p>There were 8 indirectly sourced FFB and the mill is in the process of collecting the info described in 2.3.1.</p>	Complied

- Minor compliance -																																	
Principle 3: Optimise productivity, efficiency, positive impacts and resilience																																	
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.																																	
3.1.1	<p>(C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.</p> <p>- Critical (Major) compliance -</p>	<p>Kerdau POM has established a forecast business plan for five financial years from FY 2021 until 2025 categorized as the 'MPLAN_2021' as a projection for the mill to run the operations. The Plan is reviewed on an annual basis. The plan covers the Mill Production (Mill Intake – Oil Palm, Production Crude Palm Oil, Production Palm Kernel, Total Palm Oil Extraction & Total Palm Kernel Extraction), Reception, Fruit Handling, Sterilization, Threshing, Pressing, Clarification, etc.</p> <p>The Supply Base Estates have established and implemented its commitment to long-term sustainability and improvements through the MPLAN_2021 (Ex-estate Cost, Admin Paid by HQ and Depreciation). The MPlan Forecast projects the Crop – Oil Palm, CPO, PK, OER, KER, YPH, Direct Cost and Fixed Cost.</p>	Complied																														
3.1.2	<p>An annual replanting programme projected for a minimum of five years with yearly review, is available.</p> <p>- Minor compliance -</p>	<p>SOU 11 Supply Bases have established a long-range replanting programme until FY 2025. Replanting are planned for the fields older than 25 years, non-performance fields (yield) and Ganoderma infected palms. The total Ha for the projected replanting of the 3 estates are as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Year</th> <th>Kerdau Estate</th> <th>Sg Mai Estate</th> <th>Mentakab Estate</th> <th>Chenor Estate</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>117.29</td> <td>235.87</td> <td>212.42</td> <td>144.54</td> </tr> <tr> <td>2023</td> <td>113.69</td> <td>150.15</td> <td>139.56</td> <td>106.90</td> </tr> <tr> <td>2024</td> <td>102.01</td> <td>199.84</td> <td>133.47</td> <td>83.11</td> </tr> <tr> <td>2025</td> <td>172.99</td> <td>195.39</td> <td>152.34</td> <td>90.69</td> </tr> <tr> <td>2026</td> <td>150.23</td> <td>246.56</td> <td>144.36</td> <td>45.03</td> </tr> </tbody> </table>	Year	Kerdau Estate	Sg Mai Estate	Mentakab Estate	Chenor Estate	2022	117.29	235.87	212.42	144.54	2023	113.69	150.15	139.56	106.90	2024	102.01	199.84	133.47	83.11	2025	172.99	195.39	152.34	90.69	2026	150.23	246.56	144.36	45.03	Complied
Year	Kerdau Estate	Sg Mai Estate	Mentakab Estate	Chenor Estate																													
2022	117.29	235.87	212.42	144.54																													
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3.1.3	<p>The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertake.</p> <p>- Minor compliance -</p>	<p>SOU 11 Operating Units held management reviews at their respective sites on a yearly basis. Among the matters discussed during the management review are as follows: -</p> <ol style="list-style-type: none"> 1. Results of Internal Audit 2. Customer Feedback 3. Status of preventive and corrective action plans 4. Follow Up actions for management reviews 5. Changes that could affect the management system 6. Recommendations for improvement <p>The minutes of meeting indicated that Internal audit findings were each thoroughly examined, and the corrective action plan were discussed. The management review was conducted at the respective operating units as follows:</p> <ol style="list-style-type: none"> i. Kerdau POM: 30/03/2021 ii. Kerdau Estate: 30/03/2021 iii. Sg Mai Estate: 22/03/2021 iv. Chenor Estate: 30/03/2021 v. Mentakab Estate: 30/03/2021 	Complied
<p>Criterion 3.2: The unit of Certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable Continuous improvement in key operations.</p>			
3.2.1	<p>(C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.</p> <p>- Critical (Major) compliance -</p>	<p>The estates and mill have established the main social and environment improvement plans as stated in the Social Impact Assessment Plan and Environmental Management Plan. The Action plan have been developed based on the areas and issues of concern that have been raised. Among the plans highlighted were as below:</p> <ol style="list-style-type: none"> 1. Plans were available at the estates for Chemical Reduction Plan, Water management Plan, Pollution Prevention Plan, Waste Management Plan and IPM Plan among others. 2. Planting of Vetiver Grass along bund to prevent erosion. 	Complied

		<ol style="list-style-type: none"> 3. Conduct awareness training for the workers on rehabilitation of buffer zone areas 4. Waste Management – “3R Program” <ul style="list-style-type: none"> - Provide Recycle (Colour Coded) - Awareness briefing to the workers. - Monthly Gotong - Royong 5. Reduction of GHG Emission by frequent maintenance of Farm tractor and usage of biodiesel for tractor and machinery. 6. Installation of water tanks for rain harvesting at each house at the housing complex. 	
3.2.2	<p>As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the [RSPO metrics template].</p> <p>PROCEDURAL NOTE:</p> <p>The RSPO metrics template is awaiting decision/agreement by RSPO and the issue is still being discussed.</p> <p>Until such metrics is agreed and developed, companies will carry on with existing reporting e.g. PalmGHG, Annual Communication of Progress (ACOP) reporting, and information provided to Certification Body and feedback via RSPO Secretariat is required.</p> <p>- Minor Compliance -</p>	<p>The RSPO metrics template has not been issued by RSPO for reporting.</p> <p>The Annual Communication of Progress (ACOP) for 2019 was submitted to RSPO on 4th June 2020. The ACOP report for 2019 is available at the RSPO website. Link as below: -</p> <p>https://document.rspo.org/Sime_Darby_Plantation_Berhad_ACOP_2019.pdf</p>	Complied
Criterion 3.3: Operating procedures are Appropriately documented, consistently implemented and monitored.			
3.3.1	<p>(C) Standard Operating Procedures (SOPs) for the unit of certification are in place.</p> <p>- Critical (Major) compliance -</p>	<p>Applicable Standard Operating Procedures (SOP) has been established accordingly for Kerdu POM & Supply Base. E.g. for mill the Group Sustainability & Quality Management (GSQM) Standard Operating Procedure been established accordingly e.g. FFB Grading at Mill (Doc. No. SDP/GQSM/FFBG/SOP, Version 1, Rev. 0, date: 01/02/2019), Structured Oil Recovery Assessment (SORA) (Doc. No. SDP/GQSM/SORASOP/01, Version: 1, Rev. 0, date: 7/01/2019), other mill SOP reviewed includes Mill Quality Management System SOP issue date: 01/11/2008 for e.g. reception station, fruit handling station, sterilization station,</p>	Complied

		<p>threshing station, pressing station, clarification station, depericarping station, kernel recovery station.</p> <p>As for estates respective workplace related Safety Operation Procedures has been established accordingly e.g. at Sungai Mai Estate - harvesting (Doc. No. SME/SOP/005), loose fruit collection (Doc. No. SME/SOP/007), spraying (Doc. No. SME/SOP/011), rat baiting (Doc. No. SME/SOP/012), palm circle raking (Doc. No. SME/SOP/013) and Manuring (Doc. No. SME/SOP/004).The SOP copies were available at point of use in the Mill office and estates with latest revision status.</p> <p>Besides the above, the estates also referencing to Sime Darby Agricultural Reference Manual – Oil Palm Planting (Issue No.1, Year 2011, Version: 3, Issue date: 1/07/2011) as part of good agriculture practices. Among the subjects in this manual includes: Section 1. Planting Material, Section 2. Nursery Techniques, Section 3. Replanting, Section 4. Land Preparation, Section 5. Planting Density, Section 6. Maturity Age, Section 7. Field Upkeep.</p>	
3.3.2	<p>A mechanism to check consistent implementation of procedures is in place.</p> <p>- Minor Compliance -</p>	<p>Kerdau POM & Supply Base have a mechanism to check consistent implementation of procedures through periodical internal audit by SQM Malaysia & Central East RSQM team. Non-compliances recorded with regards to applicable P&C 2018 indicators have been identified & closed accordingly. The mechanism of checking the consistent implementation was mainly carried out through field supervision by field staff, executive and managers.</p> <p>Nevertheless, a number of procedure implementations were verified to be not in accordance with the SOPs that were in place. Evidences were available as below:</p> <p>Landfill Management In Estate <u>Kerdau Estate</u></p>	<p style="text-align: center;">Non-compliance</p>

		<p>The Operational Control Procedure for Landfill Management In Estate (SD/SDP/PSQM(ESH)203-EN7) dated 13th march 2017 states:</p> <p>3. Section 6 Requirements and Procedure; Section 6.4 Landfill Design Criteria; The landfill shall be designed in accordance with the following criteria; d) the entrance to the landfill site should be fenced and equipped with a signage as indicated below (minimum); "TEMPAT PELUPUSAN SAMPAH, DILARANG MEMBAKAR, TIADA BAHAN BUANGAN TERJADUAL"</p> <p>It was sighted that the landfill was not fenced and the signboard available only stated "Tempat Pelupusan Sampah" and did not state "Dilarang Membakar" and "Tiada Bahan Buangan Berjadual".</p> <p>4. Section 6.5 Landfill Operations; 6.5.6; Filling up the pit with MSW should be done as follows: a) To place "START" sign at the first section which is planned to be filled with MSW. Each Section is to be filled up to 80% capacity. b) the filled section should be backfilled with excavated soil and compacted before proceed to another section.</p> <p>It was sighted that there was no START sign at the area filled with MSW. The landfilled was filled up exceeding 100% and overflows to the ground. The filled section was not backfilled with excavated soil and compacted.</p> <p>Water Quality Management System</p> <p>Sime Darby Plantation; Plantation Quality Management System; Sustainable Plantation Management System; SOP for Water Quality Monitoring; 5.5 Evaluation of Laboratory Test Results.</p> <ul style="list-style-type: none"> - Upon receiving the complete results, the Head of Operating Unit shall check whether it exceeds, or no dot meet the related 	
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		<p>requirement. If the results are off limit, an investigation shall be initiated to solve the issue.</p> <ul style="list-style-type: none"> - Investigation shall be recorded in Corrective/Preventive Action Report for Non-Conforming Water Analysis Results. Refer Appendix H; Form Code WQ-01/CPAR (1) to (3). - Arrangement for a re-sampling and analysis of the parameter of concern shall be done concurrently with the investigation and sent to the laboratory within 1 week of receiving the results. <p><u>Kerdau POM</u></p> <p>3. Based on the Drinking Water test report by Sime Darby Research Sdn. Bhd. (R&D Centre) dated 17/03/2021 (Test Report Number: IE301/2021) does not conform with NSDWQ for domestic use - pH 6.4 (Standard Quality – 6.6 – 9.0). Since the results of the drinking water analysis did not conform with the NSDWQ for domestic use the management has not arranged for resampling (exceeded 1 week) as stated in the Water Quality Monitoring SOP.</p> <p>4. Based on the Drinking Water test report by Sime Darby Research Sdn. Bhd. (R&D Centre) dated 12/03/2021 (Test Report Number: IE285/2021) does not conform with NSDWQ for domestic use - pH 6.4 (Standard Quality – 6.6 – 9.0). The results of the drinking water analysis did not conform with the NSDWQ for domestic use. The management did not conduct the evaluation of laboratory test results as stated in the Water Quality Monitoring SOP.</p> <p><u>Sg. Mai Estate</u></p> <p>Based on the River Water Analysis Test Report by Sime Darby Research Sdn Bhd dated 16/03/2021 (Test Report Number: (IE291/2021) does not conform with Class IIA/IIB of NWQS for</p>	
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		<p>Natural Waterways – (Sample 2 – Outlet (COD - 52) and Sample 8 – Middle (COD – 44) where Standard Quality – 25). There was no investigation done and no resampling conducted for the non-conforming locations in accordance with the Water Quality monitoring SOP.</p> <p>Due to the deviation of implementations from the procedures that were in place, a minor non-conformity was raised.</p>	
3.3.3	<p>Records of monitoring and any actions taken are maintained and available.</p> <p>- Minor Compliance -</p>	<p>Records of monitoring with regards to RSPO implementation are maintained and available for verification. Sample of internal audit records were as follows:</p> <ol style="list-style-type: none"> 1. Kerdu Estate Internal Audit Report dated 22/02/21. Total of 4 Major NC, 2 Minor NC and 1 OFI been raised and closed effectively by the SQM Malaysia & Central East RSQM team. 2. Kerdu POM Internal Audit Report dated 23/02/21. Total of 3 Major NC, 4 Minor NC and 4 OFI been raised and closed accordingly. 3. Chenor Estate Internal Audit Report dated 24/02/2021. Total of 5 Major NC, 4 Minor NC and 4 OFI been raised and closed accordingly. 4. Mentakab Estate Internal Audit Report dated 26/02/2021. Total of 8 Major NC, 5 Minor NC and 3 OFI been raised and closed accordingly. 	Complied
<p>Criterion 3.4: A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.</p>			
3.4.1	<p>(C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/out-grower scheme, is documented.</p> <p>- Critical (Major) compliance -</p>	<p>There is no new planting in SOU 11 (Kerdu POM Certification Unit).</p> <p>Sighted the Social Impact Assessment (SIA) report 11-11/01/2016. The report includes both positive and negative impact and its recommendation.</p> <p>The assessment of environmental impact of its existing activities is documented in the following documents:</p>	Complied

		<ul style="list-style-type: none"> • Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; Register • Appendix 5.4.1c - Environmental Aspect and Impact Identification form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; MR-01/EAI • Appendix 5.4.1d – Environmental Impacts Evaluation form, Version 1; Year 2008 Issue no. 1; Dated 1 April 2009; MR-02/EIE 									
3.4.2	<p>For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.</p> <p>- Minor Compliance -</p>	<p>There is no new planting in SOU 21 (Kerdau POM Certification Unit).</p> <p>The assessment methodology was done by interviewing workers based on workstation, harvesters, sprayers, union representatives, gender committee, contractor, supplier, local community, neighbouring estate, government & School. The secondary data collection – document review/file checking also been made.</p> <p>Environment Aspect and Impact Identification for various activities- construction work, compound, dispensary, field, harvesting and collection, main entrance, pest and disease control, petrol and diesel, power station, replanting, road, schedule waste store, workshop.</p> <p>After the EAI is completed, the Environmental Impact Evaluation is conducted to evaluate the impact severity using a format (Environmental Impact Evaluation Form). There are 3 classifications of impact established in order to justify the action plan (mitigations) required i.e.:</p> <table border="1" data-bbox="1173 1214 1951 1410"> <thead> <tr> <th colspan="2">Guidance of Action required</th> </tr> </thead> <tbody> <tr> <td>100 ~ 199</td> <td>No action required</td> </tr> <tr> <td>200 ~ 249</td> <td>To initiate corrective and preventive actions</td> </tr> <tr> <td>250 and above</td> <td>To develop environmental objective and programme</td> </tr> </tbody> </table>	Guidance of Action required		100 ~ 199	No action required	200 ~ 249	To initiate corrective and preventive actions	250 and above	To develop environmental objective and programme	Complied
Guidance of Action required											
100 ~ 199	No action required										
200 ~ 249	To initiate corrective and preventive actions										
250 and above	To develop environmental objective and programme										

		Mitigation measures were documented in Pollution Preventive Plan (PPP).	
3.4.3	<p>(C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.</p> <p>- Critical (Major) compliance -</p>	<p>There is no new planting in SOU 11 (Kerdau POM Certification Unit).</p> <p>Sighted the Social Action Plan dated April 2021 based on the SIA and issues raised through the gender committee, internal and external communication as the input for the SIA development.</p> <p>Examples seen as below:</p> <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> 1. Klinik Kesihatan Kerdau - EFB and FFB lorry movement, speeding etc; Action Plan: to communicate with the respective estates (Ladang Mai, Mentakab dan Chenor); Status: On-going; PIC: Executive. 2. NUPW Sg Tekal Division <ul style="list-style-type: none"> - MA schedule request for 3 times per week instead of 2 times for division visit; Action – flexible schedule will be applied and MA available upon request during muster; Status – On-going; PIC: MA - Overtime request – no restriction to work on the evening for overtime, salary will be paid “secara runcit”. - Increment of salary – Minimum salary has been revised based on salary under Majlis Perbandaran Temerloh which gazetted for RM1200 per month. <p><u>Sg Mai Estate</u></p> <ol style="list-style-type: none"> 1. Worker/staff: Complaint related to road condition at the main road. Action plan: to arrange for road repair. Status: In progress. PIC: Executive. <p><u>Chenor Estate</u></p> <ol style="list-style-type: none"> 1. Request to increase school van subsidy. Action plan: Maximum subsidy of RM2000 was given and 50% cost will be paid by company. PIC: Assistant Manager 	Complied

		Among the environmental plans available and updated for the year 2021 at the estates visited were Chemical Reduction Plan, Water management Plan, Pollution Prevention Plan, Biodiversity Action Plan, Waste Management Plan and IPM Plan.	
Criterion 3.5: A system for managing human resources is in place.			
3.5.1	Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable. - Minor Compliance -	SDPB has implemented Group Sustainability & Quality Policy Statement signed by Group Managing Director on 2 nd December 2019, where the management is committed to contributing to a better society includes respecting, upholding & no-exploitation of fundamental human rights, providing safe and healthy workplaces and protecting workers' welfare and engaging and empowering communities. The SOPP for workforce management unit (Doc no: WMU/TOC-SOPP/March 2016) dated 30/03/2016 for foreign worker while for locals, the employment recruitment included liason and recruitment, documentation and processing (Doc no: WMU/DP SOPP/JAN2016/R1), workforce management centre and estate are available upon request.	Complied
3.5.2	Employment procedures are implemented, and records are maintained. - Minor Compliance -	The SOPP for workforce management unit (Doc no: WMU/TOC-SOPP/March 2016) dated 30/03/2016 for foreign worker while for locals, the employment recruitment included liaison and recruitment, documentation and processing (Doc no: WMU/DP SOPP/JAN2016/R1), workforce management centre (WMC) and estate are available upon request. This procedure been explained to worker during the induction training on their first-time arrival.	Complied
Criterion 3.6: An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.			
3.6.1	(C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented. - Critical (Major) compliance -	Kerdau Palm Oil Mill and Supply Base has identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records were verified during the assessment. For Kerdau Palm Oil Mill sampled the HIRARC activity for Reception	Complied

		<p>Station, Fruit Handling Station, Sterilization Station, Threshing Station, Pressing Station, Clarification Station and Boiler Station.</p> <p>At the estates, among the HIRARC carried out covered sampled activities like Welding, Manuring, Harvesting, Store, Census, Drainage, Sanitation and Transporting Workers. HIRARC been reviewed at least once a year or whenever there is change in activity/process and any accident occurrence. Sampled HIRARC reviewed dated 8/1/2021 at Chenor Estate.</p>	
<p>3.6.2</p>	<p>(C) The effectiveness of the H&S plan to address health and safety risks to people is monitored. - Critical (Major) compliance -</p>	<p>Kerdau Palm Oil Mill and Supply Base has maintained an approved Health and Safety Policy signed by top management that is displayed prominently on notice boards in English/Bahasa Malaysia. Safety & Health Management Plan was available accordingly.</p> <p><u>Kerdau POM</u></p> <p>CHRA was conducted on 11/06/2020 by DOSH registered assessor Reg. No. HQ/14/ASS/00/358. Recommendation action plan has been planned & executed progressively accordingly.</p> <p>Chemical Exposure Monitoring, Noise Risk Assessment and Local Exhaust Ventilation (LEV) been conducted from 10/03/2021 – 12/03/2021 as per internal in CHRA recommendation by Procoma Environmental (M) Sdn Bhd. The official test report result is still in progress of issuance by Procoma Environmental (M) Sdn Bhd and the mill is closely following up on the matters. Seen the Job Sheet No. 0696 issued by Procoma Environmental (M) Sdn Bhd. as proof of job completion.</p> <p><u>Kerdau POM</u></p> <p>Annual Medical Surveillance has been conducted accordingly from 12/12/2020 – 18/12/2020 for all workers exposed to related chemicals as per CHRA recommendation. The Medical Surveillance conducted for 19 workers by DOSH Reg. OHD No.</p>	<p>Non-compliance</p>

		<p>HQ/15/DOC/00/390. Results indicates all 19 workers were fit to work.</p> <p><u>Chenor Estate</u> Sampled CHRA assessment report No. HQ/14/ASS/00/00001-2020/15 dated 20/06/2020 at Chenor Estate conducted by DOSH registered assessor no. HQ/14/ASS/00/358. Based on the CHRA recommendation the Health Surveillance to be conducted on monthly basis by the Estate Health Assistant or Medical assistant (MA). Based on the monthly health surveillance report of sampled period January 2021 – March 2021 verified that no abnormality result been identified and all pesticide workers i.e. mixing operator, sprayer and manurer were fit to work. As for workers exposed to Manganese fumes & organophosphate pesticide annual medical surveillance is required and conducted accordingly at all estates. At Chenor Estate seen the manganese exposed workers medical surveillance report for 2 workers dated 28/8/2020 conducted by OHD JKPP No. HQ/08/DOC/00/7 with result fit to work.</p> <p><u>Mentakab Estate</u> Sampled CHRA assessment report No. HQ/14/ASS/00/00001-2020/16 dated 6/06/2020 at Mentakab Estate conducted by DOSH registered assessor no. HQ/14/ASS/00/358. Based on the CHRA recommendation the Health Surveillance to be conducted on monthly basis by the Estate Health Assistant or Medical assistant (MA). Based on the monthly health surveillance report of sampled period January 2021 – March 2021 verified that no abnormality result been identified and all pesticide workers i.e. mixing operator, sprayer and manurer were fit to work. As for workers exposed to Manganese fumes & organophosphate pesticide annual medical surveillance is required and conducted accordingly at all estates. At Mentakab Estate seen the manganese exposed workers medical surveillance report for 1 worker dated 19/06/2020 conducted by OHD JKPP No. HQ/15/DOC/00/390 with result fit to work.</p>	
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		<p>Noise Risk Assessment at all estates is in the meets of finalisation of getting quotation from the consultant to carry out the noise risk assessment. Seen Quotation from SH Safety Consultancy Sdn Bhd Ref. No. SHSC/Quo/NRA/771/2021 dated 2/04/2021. Seen email from RSQM dated 2/04/2021 to proceed with P.O issuance and follow up planning of schedule for the noise risk test to be carried out.</p> <p>However sighted following lapses on the health and safety mitigation measures at estates and mill.</p> <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> 1. There was soil erosion sighted near the pesticide mixing area. However, proper mitigation measures to address the risk identified was not fully implemented as the affected slope section was still at risk for further erosion endangering works to be carried out at near the pesticide mixing area. <p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> 1. Typhoid vaccination record was not available for a worker sighted working at the canteen kitchen. 2. Vehicle side view mirror for shovel was sighted missing at both left & right sides during in operation at the FFB ramp area. <p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> 1. Water tank for the emergency shower and eye wash supply was containing settlement of dust particulates and other impurities. <p>Thus, a Critical (Major) non-conformity was raised.</p>	
<p>Criterion 3.7: All staff, workers, Scheme Smallholders, out-growers, and contract workers are appropriately trained.</p>			

3.7.1	<p>(C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and out-growers, taking into account gender-specific needs, and which covers applicable aspects of the RSPOP&C, in a form they understand, and which includes assessments of training.</p> <p>- Critical (Major) compliance -</p>	<p>Kerdau Palm Oil Mill and estates has established an annual training program with latest training program for year 2021 that covers all aspects of the RSPO Principles and Criteria. The training need and program was made available for verification at all visited sites. Awareness and training program had been carried out. All workers involved had been adequately trained in safe working practices. The objective was to ensure all workers involved have been adequately trained e.g. in understanding of RSPO, Safety Data Sheet, safe working practices and the correct use of PPE.</p>	Complied
3.7.2	<p>Records of training are maintained.</p> <p>- Minor Compliance -</p>	<p>Training records for employees available and maintained at the office in mill and estates. Records are verified on a sampling basis which covers all aspect of training and RSPO P&C 2018 requirement and sampled follows:</p> <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> 1. IPM of Bagworm in Oil Plantation dated 17/03/2021 2. Biodiversity Management Training dated 12/03/2021 3. First Aid Training dated 20/2/2021 4. Manuring Training dated 23/2/2021 5. Scout Harvesting Training dated 15/01/2021 6. Chemical premixing & handling dated 07/01/2021 <p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> 1. Competent First Aid Training dated 22/03/2021 2. Policy and COBC briefing dated 22/03/2021 3. Briefing on Workers' Rights on: Contract of Employment, Procedure & Channels for Making Grievance dated 20/03/2021 4. Training on Boiler Operation, Maintenance & Related Regulations dated 22/12/2020 5. Contract Worker Safety Briefing dated 08/03/2021 <p><u>Sungai Mai Estate</u></p> <ol style="list-style-type: none"> 1. First Aid Training dated 03/03/2021 2. Replanting Training dated 14/12/2020 3. Nursery Training dated 25/11/2020 	Complied

		<p>4. Schedule Waste and Chemical Management Training dated 07/10/2020.</p> <p>5. Seed Sowing Training dated 28/09/2020.</p> <p>6. Buffer Zone & HCV Area Training dated 11/9/2020.</p> <p><u>Chenor Estate</u></p> <p>1. Chemical Handling & Chemical Spillage training dated 24/03/2021</p> <p>2. Schedule Waste Training dated 24/03/2021</p> <p>3. First Aid Training dated 11/3/2021</p> <p>4. Spraying Application and PPE Training dated 24/03/2021</p> <p>5. Scout Harvesting Training dated 16/01/2021</p> <p><u>Mentakab Estate</u></p> <p>1. PPE training dated 19/3/2021</p> <p>2. P&D Training dated 19/3/2021</p> <p>3. First Aid Training dated 20/2/2021</p> <p>4. Harvesting Training dated 09/3/2021</p> <p>5. Mycrop Spraying Techniques dated 15/10/2020</p>	
3.7.3	<p>Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.</p> <p>- Minor Compliance -</p>	<p>SOU 11 Kerdu POM has conducted a RSPO SCCS Refresher training for the Management Staffs, Auxiliary Police (AP) and Weighbridge Operators on 11.03.2020. The training was conducted based on the RSPO SCCS requirements and procedures. Records of training were available for verification.</p>	Complied
<p>Criterion 3.8: Supply chain requirement for mills (note: All supply chain requirements are considered as Critical (C). However it will not contribute to suspension if there is more than 5 non-compliance within a principle)</p>			
3.8.1	<p>Identity Preserved Module</p> <p>A mill is deemed to be Identity Preserved (IP) if the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme.</p> <p>Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing</p>	<p>Not applicable. Kerdu POM is under mass balance module.</p>	Not Applicable

	controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Mass Balance Module is applicable.		
3.8.2	<p>Mass Balance Module</p> <p>A mill is deemed to be Mass Balance (MB) if the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p>	Kerdau Palm Oil Mill receives and process both certified and non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified and non-certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.	Complied
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report. The figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year (forecast volume of November 2019 to October 2020). The actual tonnage produced from last audit date (August 2020 – March 2021) recorded annual surveillance report	Complied
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform.	The registration of PalmTrace will be carried out by the Global Trade Marketing Department, HQ. All transaction will be registered in the PalmTrace.	Complied
3.8.5	<p>Documented procedures</p> <p>The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ol style="list-style-type: none"> a) Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). c) Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and 	<p>Procedure namely Sime Darby Plantation – Plantation Quality Management System – Sustainable Plantation Management System; Appendix 15; Standard Operating Procedure (SOP) for Sustainability Supply Chain and Traceability; Version 2; Issue no.: 3; Issue date: Feb 2018.</p> <p>The procedure was established which covers responsibility, reporting of certified CPO/PK, non-conformance material, FFB delivery Plantation to Mill, CPO/PK delivery Mill to customer, Record keeping, Training, Complaint Communication and Claim and etc.</p>	Complied

	<p>compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard.</p> <p>d) The mill shall have documented procedures for receiving and processing certified and non-certified FFBS including ensuring no contamination in the IP mill.</p>	<p>Training on Summary of New Changes in Sustainability Supply Chain and Traceability SOP: Sustainable Plantation Management System (SPMS) – Appendix 15; Plantation Sustainability and Quality Management Department date: 13/01/2020 by RSQM Central East personals.</p> <p>The Mill Manager as Head of Operating Unit has the overall responsibility for the implementation of SOPs, and he may assign roles to relevant personnel or invite personnel from various departments necessary to assist in the SOP implementation. Sighted the identified and assigned suitable employees to implement and maintain the traceability system by management is En. Ahmad Husaini Harun (Sr. Assistant Engineer) – PIC for Environment and Quality Management Systems dated 01/01/2021.</p>	
3.8.6	<p>Internal Audit</p> <p>i) The mill shall have a written procedure to conduct annual internal audit to determine whether the mill:</p> <p>a. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <p>b. Effectively implements and maintains the standard requirements within its organisation.</p> <p>ii) Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The mill shall maintain the internal audit records and reports.</p>	<p>Internal audit conducted based on the SOP for Sustainable Supply Chain and Traceability of SPMS Appendix 15 (18: Internal Audit); Version 2; Issue # 5; Date: April 2019. The procedure conforms to the requirements in the RSPO SCCS.</p> <p>The latest Internal Audit for RSPO SCCS was done on 23rd February 2021 conducted by RSQM Central East. The audit has raised 3 Major Nonconformities, 4 Minor Conformalities and 4 Opportunity for Improvements. However, no nonconformity was raised against the RSPO SCCS requirements. All the nonconformity raised against the general RSPO P&C requirements as mentioned above were successfully addressed and closed as stated in the management review meeting minutes dated 30/03/2021.</p>	Complied
3.8.7	<p>Purchasing and Goods In</p> <p>i) The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBS received.</p> <p>ii) The mill shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p>	<p>The daily records are prepared at the entry point at the weighbridge. When FFB delivered to the mill from the FFB suppliers, the transporters presented Delivery Order (DO) to the mill weighbridge clerk in order the FFB to be received by the mill. Daily summary and monthly summary documented for all the certified FFB and non-certified FFB.</p>	Complied

	<p>iii) The mill shall have a mechanism in place for handling non-conforming FFB and/or documents.</p>	<p>The mill received FFB from sister estate with RSPO certified and purchased from the outside FFB suppliers. The records of FFB received was recorded in FFB delivery/consignment note, FFB weighbridge ticket and summarize in Mass Balance sheet.</p> <p>The management will inform CB if there is any overproduction of certified tonnage. They aware on the overproduction as per stated in the procedure. Based on last review period, no overproduction recorded.</p> <p>Addressed in the SOP clause 11.0 Non-conforming Products and/or Documents. Based on the procedure, where there is contamination of RSPO certified material during receiving, processing, storage and dispatch, the mill shall downgrade the materials in such order: IP to MB to conventional.</p> <p>Material received with insufficient information shall be treated as non-conforming documents. The documents shall be investigated, verified and corrected in order to allow processing of material. Authorization for release shall be by the mill manager.</p> <p>E.g. of information available in the mill’s weighbridge tickets is as follows:</p> <ol style="list-style-type: none"> 1. SDP Mentakab Estate <ul style="list-style-type: none"> - Date: 24/12/2020 - FFB Receive Ticket: 17600 - Product: 0001 – FFB A Crop - D.O Number: 17600 - Lorry Number: BHK 644 - Nett Weight: 12,030 kg - RSPO Certificate No: MUTU – RSPO/094 2. SDP Kerdau Estate <ul style="list-style-type: none"> - Date: 30/01/2021 	
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		<ul style="list-style-type: none"> - C/N Number: 79566 - Product: FFB - Vehicle Number: WFT 3968 - Estimated Tonnage: 2.10 mt - RSPO Certificate Number: MUTU – RSPO/094 	
3.8.8	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <ol style="list-style-type: none"> a) The name and address of the buyer; b) The name and address of the seller; c) The loading or shipment / delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation; i) A unique identification number. 	<p>Kerdau POM ensured the required information is available in document form. Sampled of CPO contract: S/PSD/2013/CPO0060A and S/PSD/2013/CPO0054C; Shipment period: 1/03/2021 – 31/03/2021. Order Quantity: 100mt and 250mt.</p> <p>Sampled the delivery of CPO for the mentioned contract.</p> <ul style="list-style-type: none"> - Customer: Trading Hedging (TH) - Destination: Nuri Edible Oil (NEO) Complex - Seller: SDPB KKS Kerdau, Temerloh Pahang Darul Makmur. - Shipment/ delivery date: 25/03/2021 - Dispatch Ticket: 017394 - Documents Issued Date: 25/03/2021 - Product Description: Crude Palm Oil (CPO) RSPO MB. - Quantity of products delivered: 43,820 kg - Transporter: Nashreena - Supply chain certificate number of the seller: MUTU-RSPO-094 	Complied
3.8.9	<p>Outsourcing Activities</p> <ol style="list-style-type: none"> i) The mill shall not outsource its milling activities. In cases where he mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification ii) The mill shall ensure the following: 	<p>SOU 11 Kerdau POM only outsources the transportation services of CPO. Nashreena International (M) Sdn Bhd is assigned to transport the CPO for Sime Darby Plantation in the from the selected oil mills which includes SOU 11 Kerdau POM. Sighted in the Contract Agreement on Transportation of Crude Palm Oil (CPO) (Services) for Sime Darby Plantation Berhad’s Peninsular Malaysia Oil Mills, between Sime Darby Plantation Berhad and Nashreena International (M) Sdn Bhd (Dated: 12/12/2020); Reference Number: T/SDPB/PEN/CPO/0720/003, stated that the outsourced</p>	Complied

	<p>a) The mill has legal ownership of all input material to be included in outsourced processes</p> <p>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.</p>	<p>contractor shall comply with the General Chain of Custody requirements of the RSPO and the MSPO Supply Chain Standards (where applicable for the transporter) and permit the Certification Bodies (CB) appointed by the company to conduct audit on its or its sub-contractors' operations and provide access to all relevant systems, documents and records when requested by the CB.</p> <p>No bulking facilities outsourced by the mill for PK Products as the transport services was assigned by the buyer.</p>	
3.8.10	The mill shall record the names and contact details of all contractors used for the physical handling of RSPO certified oil palm products.	The names and contact details of all contractors used for the physical handling of RSPO certified oil palm products were available in the mill. Among the detail recorded are: - Nashreena International (M) Sdn Bhd (CPO Transporter).	Complied
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	There were no new contractors used for the physical handling of RSPO certified products by the Mill.	Complied
3.8.12	<p>Record keeping</p> <p>i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.</p> <p>ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.</p>	<p>Accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements available for verification. As spelt out in its supply chain procedure, Clause 5.4, records are to be maintained minimum of two years.</p> <p>For mass balance module;</p> <p>1. Receipt of RSPO certified FFB and deliveries of RSPO certified CPO and PK on three-monthly basis. Based on balance sheet closing March 2021, OER recorded at 19.72% and KER at 5.03%.</p>	Complied

	<p>iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.</p> <p>iv) For Mass Balance Module, the mill:</p> <p>a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis.</p> <p>b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock).</p>	<p>2. Volume of certified CPO and PK delivered from the material accounting system according to actual production performance conversion ratios (OER and KER).</p> <p>3. Based on mass balance sheet (March 2021 closing), no negative stock recorded.</p>	
3.8.13	<p>Extraction Rate</p> <p>The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.</p>	<p>The oil extraction rate (OER) and the kernel extraction rate (KER) for Kerdu POM is determined and set their own extraction rates based upon past experience, documented and applied consistently.</p>	Complied
3.8.14	<p>Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.</p>	<p>Extraction rates updated periodically to ensure accuracy against actual performance. For first quarter 2021, to date OER recorded at 20.03% and KER at 4.75%.</p>	Complied
3.8.15	<p>Processing</p> <p>For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.</p>	<p>Not applicable. Kerdu POM is under mass balance module.</p>	Not Applicable
3.8.16	<p>Registration of Transactions</p> <p>i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after</p>	<p>Shipping Announcement in the RSPO IT platform carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not within three months after</p>	Complied

	<p>dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</p>	<p>dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p>	
3.8.17	<p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	<p>Claims are made through despatch documents. There are no on-product claims and corporate claims identified.</p>	Complied
General corporate communications			
4.1	<p>A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.</p>	<p>Not Applicable as corporate communication is managed at Sime Darby Plantation Berhad HQ level.</p>	Not Applicable
4.2	<p>In corporate communications a member is allowed to:</p> <ul style="list-style-type: none"> a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. <p>Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.</p>	<p>Not Applicable as corporate communication is managed at Sime Darby Plantation Berhad HQ level.</p>	Not Applicable
4.3	<p>In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.</p>	<p>Not Applicable as corporate communication is managed at Sime Darby Plantation Berhad HQ level.</p>	Not Applicable
4.4	<p>Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products.</p>	<p>Not Applicable as corporate communication is managed at Sime Darby Plantation Berhad HQ level.</p>	Not Applicable

4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	Not Applicable as corporate communication is managed at Sime Darby Plantation Berhad HQ level.	Not Applicable
Business to business communications			
5.1	Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products.	Not Applicable as business to business communication is managed at Sime Darby Plantation Berhad HQ level.	Not Applicable
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Not Applicable as business to business communication is managed at Sime Darby Plantation Berhad HQ level.	Not Applicable
5.3	<p>Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options:</p> <p>a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer’s SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation.</p> <p>b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.</p>	Not Applicable as business to business communication is managed at Sime Darby Plantation Berhad HQ level.	Not Applicable
Business to consumer communication			
6.1	Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as ‘product-specific’ claims. Product-specific claims are voluntary.	Not Applicable as the facility does not involve with consumer end product.	Not Applicable

6.2	Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.	Not Applicable as the facility does not involve with consumer end product.	Not Applicable
6.3	When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.	Not Applicable as the facility does not involve with consumer end product.	Not Applicable
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	Not Applicable as the facility does not involve with consumer end product.	Not Applicable
6.5	Members shall not communicate to consumers' information about their suppliers' RSPO membership status.	Not Applicable as the facility does not involve with consumer end product.	Not Applicable
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	Not Applicable as the facility does not involve with consumer end product.	Not Applicable
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	Not Applicable as the facility does not involve with consumer end product.	Not Applicable
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on www.rspo.org .	Not Applicable as the facility does not involve with consumer end product.	Not Applicable

MODULE B – MASS BALANCE SPECIFIC RULES			
Minimum Mass Balance content			
	95% or above of the oil palm content must be RSPO MB-certified.	Kerdau POM is producing CPO MB which 100% from MB certified portion.	Complied
	Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the non-certified volume must be covered by equivalent volume of RSPO Credits.	Kerdau POM only applies MB model and the conventional CPO are downgraded from MB whenever demanded.	Complied
Labelling and trademark (MB)			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> • Surrounded by the text: 'Certified sustainable palm oil'. • The RSPO label MUST contain the tag 'MIXED'. The tag MIXED designates oil palm products sourced under the Mass Balance (MB) supply chain system, which administratively balances inputs and outputs of certain palm oil volumes. The tag 'MIXED' on a product does not guarantee that the product itself contains the certified material; some or all of it may reside in a product that does not carry a claim. • The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'. • Wherever the RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4 pt (1.4 mm or 0.06 inch). • In on-pack communications, the RSPO trademark can be printed anywhere on the pack. Further guidance on use of the trademark is provided in the RSPO Trademark License Terms and Conditions and in Annex 1 of the Rules on Market Communications & Claims document. 	Kerdau POM only applies MB model and the conventional CPO are downgraded from MB whenever demanded.	Complied
Messaging (MB)			

	<p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> • [Oil palm products]/[palm oil]/[palm kernel oil] from RSPO-certified mills and plantations were mixed with non-certified oil palm products in the supply chain. • The volume of [oil palm products]/[palm oil]/[palm kernel oil] in this product reflects an equivalent volume of palm oil or palm kernel oil produced by RSPO certified mills and plantations. <p>In off-product communications, reference to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown in company records is allowed.</p> <p>Messaging NOT ALLOWED in storytelling in product-related communications:</p> <ul style="list-style-type: none"> • Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product. 	<p>Kerdau POM only applies MB model and the conventional CPO are downgraded from MB whenever demanded.</p>	<p>Complied</p>
<p>Principle 4: Respect community and human rights and deliver benefits</p>			
<p>Criterion 4.1: The unit of Certification respects human rights, which includes respecting the rights of Human Rights Defenders.</p>			
<p>4.1.1</p>	<p>(C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.</p> <p>- Critical (Major) compliance -</p>	<p>SDPSB has implemented a Sime Darby’s Human Rights Charter where they committed to recognizing the role of Human Rights Defenders in accordance to the United Nations declaration on Human Rights Defender.</p> <p>They also provided awareness and training to all the foreign workers in order for them to understand their responsibility in respect of human rights. The policy was communicated through the muster briefing/training to workers as below:</p> <ul style="list-style-type: none"> • Kerdau Estate: 09/03/2021 • Kerdau POM: 20/03/2021 • Sg Mai Estate: 13/3/2021 • Chenor Estate: 12/3/2021 • Mentakab Estate: 25/3/2021 	<p>Complied</p>

		It was also communicated to the external stakeholder through stakeholder consultation and company website.											
4.1.2	The unit of certification does not instigate violence or use any form of harassment in their operations. - Minor compliance -	SDPB has implemented Group Sustainability and Quality Policy Statement dated 02 Dec 2019 where the management is committed to contributing to a better society: <ol style="list-style-type: none"> 1. Respecting, upholding & no-exploitation of fundamental human rights. 2. Providing safe and healthy workplaces and protecting workers' welfare. 3. Engaging and empowering communities. <p>This is demonstrated by the certification unit where no harassment or violence occurred or reported by the workers.</p>	Complied										
Criterion 4.2: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties													
4.2.1	(C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD. - Critical (Major) compliance -	The Standard Operation Manual dated 01/11/2008 documented the process for Procedure for External Communication (sub-section 5.5, Appendix 5.5.3.2). The Sustainable Plantation Management System Appendix 5 (Flowchart and Procedures on handling Social Issues) dated 01/11/2008 documented the process for handling communication regarding social issues. Under Sime Darby website, there is Whistleblowing e-form provide a mechanism for reporting, investigating and remedying any wrongdoing.	Complied										
4.2.2	Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties. - Minor compliance -	The policy was communicated through the muster briefing/training to workers as below: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Operating Unit</th> <th style="width: 30%;">Date of training</th> </tr> </thead> <tbody> <tr> <td>Kerdau POM</td> <td>20/03/2021</td> </tr> <tr> <td>Kerdau Estate</td> <td>09/03/2021</td> </tr> <tr> <td>Sg Mai Estate</td> <td>11/03/2021</td> </tr> <tr> <td>Chenor Estate</td> <td>12/03/2021</td> </tr> </tbody> </table>	Operating Unit	Date of training	Kerdau POM	20/03/2021	Kerdau Estate	09/03/2021	Sg Mai Estate	11/03/2021	Chenor Estate	12/03/2021	Complied
Operating Unit	Date of training												
Kerdau POM	20/03/2021												
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Sg Mai Estate	11/03/2021												
Chenor Estate	12/03/2021												

4.2.3	<p>The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.</p> <p>- Minor compliance -</p>	<p>Sighted the External Complaint Book have the agreed resolution within timeframe. There was no other major complaint other than housing maintenance issues.</p> <p>Sample taken as below:</p> <p><u>Kerdau Estate</u></p> <ol style="list-style-type: none"> 1. Date: 03/02/2021 – Parameter drain broken; House No. K57, K52 and K51; Repair completed on 18/02/2021. <p><u>Sg Mai Estate</u></p> <ol style="list-style-type: none"> 1. Date: 09/03/2021 – Frame and door broken (back door); House No. 96.1; Status: In-progress 2. Date: 28/02/2021 – Toilet clogged; House No. 97.5; Repair work completed on 09/03/2021. <p><u>Chenor Estate</u></p> <ol style="list-style-type: none"> 1. Date: 21/01/2021 – Water Cork damaged; House No. WQ138; Repair work completed on 21/01/2021. <p><u>Mentakab Estate</u></p> <ol style="list-style-type: none"> 1. Date: 03/03/2021 – Room light and toilet flush malfunction; House No. B14; Repair work completed on 08/03/2021. 	Complied
4.2.4	<p>The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.</p> <p>- Minor compliance -</p>	<p>The Sustainable Plantation Management System Appendix 5 (Flowchart and Procedures on handling Social Issues) dated 01/11/2008 documented the process for handling communication regarding social issues. The negotiation process involving the estate management, representatives from the disputed parties, zone heads, third parties and stakeholders shall be carried out. Upon failure of the negotiation process, legal proceedings may follow.</p>	Complied
Criterion 4.3: The unit of Certification contributes to local sustainable development as agreed by local communities.			
4.3.1	<p>Contributions to community development that are based on the results of consultation with local communities are demonstrated.</p> <p>- Minor compliance -</p>	<p>Kerdau POM certification unit have contributed to the internal and external stakeholders.</p> <p>As a group, the CSR was included in:</p>	Complied

		http://www.yayasansimedarby.com/our-projects/community-health									
		<p>For example, the management has contributed and supported the activities such as request as below:</p> <ul style="list-style-type: none"> • Food supply distribution during MCO. • Monthly rice contribution to workers. • Community service for parole worker @ Prison Labour. • Flood relief contribution to Kampung Leleh. 									
Criterion 4.4: Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.											
4.4.1	<p>(C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents Related to the history of land tenure and the actual legal or customary use of the land are available.</p> <p>- Critical (Major) compliance -</p>	<p>SOU11 estates were able to demonstrate the evidence of legal ownership if its lands through possession of land titles. The estates has a list of all its land titles which have the information about names of lease, hectare, terms & conditions, lease period and grant numbers. Copies of the land titles were available at the estate's offices while the original were kept at headquarter</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Estate</th> <th style="width: 35%;">Land title</th> <th style="width: 20%;">Land use type</th> <th style="width: 30%;">Tenure</th> </tr> </thead> <tbody> <tr> <td>Chenor Estate</td> <td> Sample : HSD7198, PT no. PT469, Mukim Chenor, District: Maran title area: 489.5646 ha Total titles: 3 (1,999.754 ha) </td> <td style="text-align: center;">Oil palm</td> <td style="text-align: center;">Leasehold for 99 years (until 12 February 2076)</td> </tr> </tbody> </table>	Estate	Land title	Land use type	Tenure	Chenor Estate	Sample : HSD7198, PT no. PT469, Mukim Chenor, District: Maran title area: 489.5646 ha Total titles: 3 (1,999.754 ha)	Oil palm	Leasehold for 99 years (until 12 February 2076)	Complied
Estate	Land title	Land use type	Tenure								
Chenor Estate	Sample : HSD7198, PT no. PT469, Mukim Chenor, District: Maran title area: 489.5646 ha Total titles: 3 (1,999.754 ha)	Oil palm	Leasehold for 99 years (until 12 February 2076)								

		Sg Mai Estate	<p>Sample: GRN 5423, lot no. 1096, Mukim Jenderak, District: Temerloh title area: 670.563 ha</p> <p>Sample : GRN9961, lot no. 3603, Mukim Pedah, District: Jerantut title area: 617.8722 ha</p> <p>Total title area: 8 titles available for verification</p>	Oil palm & no category	Freehold	
		Mentakab Estate	<p>Sample: GRN9283, lot no. 1807, Mukim Semantan, District: Temerloh,</p>	No category	Freehold	

			<p>title area: 866.0259 Ha Total title: 22 titles (3,352.9896 ha)</p>		
4.4.2	Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company		Complied	
4.4.2a	Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making. - Minor compliance -	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company		Complied	
4.4.2b	Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken. - Minor compliance -	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company		Complied	
4.4.2c	Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land. - Minor compliance -	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company		Complied	
4.4.3	(C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the		Complied	

	involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Critical (Major) compliance -	neighbouring villagers confirmed that no encroachment of land by the company	
4.4.4	All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. - Minor compliance -	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company	Complied
4.4.5	(C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose. - Critical (Major) compliance -	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company	Complied
4.4.6	There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties. - Minor compliance -	There is no land dispute in SOU11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company	Complied
Criterion 4.5: No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.			
4.5.1	(C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available. - Critical (Major) compliance -	There were no issues of land disputes recorded. All land title was kept in the office and available for review as per clause 4.4.1.	Complied
4.5.2	(C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation. - Critical (Major) compliance -	There is no land dispute in SOU 11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied

4.5.3	Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations. - Minor compliance -	There is no land dispute in SOU 11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied
4.5.4	To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process. - Minor compliance -	There is no land dispute in SOU 11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied
4.5.5	Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. - Minor compliance -	There is no land dispute in SOU 11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied
4.5.6	Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator. - Minor compliance -	There is no land dispute in SOU 11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied
4.5.7	New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations. - Minor compliance -	There is no land dispute in SOU 11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the neighbouring villagers confirmed that no encroachment of land by the company.	Complied
4.5.8	(C) New lands are not acquired in areas inhabited by communities in voluntary isolation.	There is no land dispute in SOU 11 Kerdu POM certification unit at the time of audit. The land belongs Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the	Complied

	- Critical (Major) compliance -	neighbouring villagers confirmed that no encroachment of land by the company.	
Criterion 4.6: Any negotiations Concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
4.6.1	(C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place. - Critical (Major) compliance -	There is no native and customary right land in SOU 11 (Kerdau POM Certification Unit). However, if there is any dispute, SDPB has been established Flowchart and Procedures on Handling Land Disputes dated 01/11/2008. Compensation procedure has been clearly stated in the procedure as well.	Complied
4.6.2	(C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. - Critical (Major) compliance -	There is no native and customary right land in SOU 11 (Kerdau POM Certification Unit).	Complied
4.6.3	Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings. - Minor compliance -	However, if there is any dispute, SDPB has been established Flowchart and Procedures on Handling Land Disputes dated 01/11/2008. Compensation procedure has been clearly stated in the procedure as well.	Complied
4.6.4	The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them. - Minor compliance -	There is no native and customary right land in SOU 11 (Kerdau POM Certification Unit).	Complied
Criterion 4.7: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.			
4.7.1	(C) A mutually agreed procedure for identifying people entitled to compensation is in place. - Critical (Major) compliance -	SDPB has been established Flowchart and Procedures on Handling Land Disputes dated 01/11/2008. Compensation procedure has been clearly stated in the procedure as well.	Complied
4.7.2	(C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and	There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.	Complied

	implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. - Critical (Major) compliance -		
4.7.3	Communities that have lost access and rights to land for plantation expansion are given opportunities including employment and supply contracts to benefit from plantation development. - Minor compliance -	SDPB has been established Flowchart and Procedures on Handling Land Disputes dated 01/11/2008. Compensation procedure has been clearly stated in the procedure as well.	Complied
Criterion 4.8: The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.			
4.8.1	Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC. - Minor compliance -	SDPB has been established Flowchart and Procedures on Handling Land Disputes dated 01/11/2008. Compensation procedure has been clearly stated in the procedure as well.	Complied
4.8.2	(C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms. - Critical (Major) compliance -	There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.	Complied
4.8.3	Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4) - Minor compliance -	SDPB has been established Flowchart and Procedures on Handling Land Disputes dated 01/11/2008. Compensation procedure has been clearly stated in the procedure as well.	Complied
4.8.4	For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).	There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.	Complied

	- Minor compliance -		
Principle 5: Support smallholder inclusion			
Criterion 5.1: The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.			
5.1.1	<p>Current and previous period prices paid for FFB are publicly available and accessible by smallholders.</p> <p>- Minor compliance -</p>	<p>Prices paid for FFB are stated in the Schedule 3 of the Contract Agreement between SDP and the FFB Suppliers. All FFB suppliers have a copy of the contract agreement for their reference. Any discrepancies of weight or prices paid can be brought forward to the mill management through the grievance procedures that have been in place.</p> <p>Current and previous period prices are also publicly displayed at the weighbridge office for the reference of the FFB suppliers.</p> <p>MPOB Monthly Average and Mill OER & KER is used to determine the prices of FFB for payment to the FFB Suppliers.</p>	Complied
5.1.2	<p>(C) Evidence is available that the unit of certification explains the FFB pricing to smallholders on request from individual smallholders (at least once a year or upon request).</p> <p>- Critical (Major) compliance -</p>	<p>There are no smallholders under the SOU 11 Kerdu certification unit as the estates that supply FFB to Kerdu POM are more than 50 Ha as defined RSPO MYNI 2019.</p> <p>Nevertheless, the FFB suppliers understand the pricing of FFB which is in accordance to the MPOB Monthly Average for CPO and PK. Interview with the FFB Suppliers indicate that they are aware on the pricing mechanism of KKS Pagoh.</p>	Not Applicable
5.1.3	<p>(C) Fair pricing, calculated as a portion of the international CPO price less costs is provided to smallholders in the supply base and documented.</p> <p>- Critical (Major) compliance -</p>	<p>Pricing is based on the MPOB Monthly Average Price for CPO and PK and the OER and KER awarded by Kerdu POM. This was affirmed by verifying the Self Billed Invoice to the FFB Suppliers.</p>	Complied
5.1.4	<p>(C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable.</p> <p>- Critical (Major) compliance -</p>	<p>There are no smallholders under the SOU 11 Kerdu certification unit as the estates that supply FFB to Kerdu POM are more than 50 Ha as defined RSPO MYNI 2019.</p>	Not Applicable

5.1.5	<p>Contracts are fair, legal and transparent and have an agreed timeframe. - Minor compliance -</p>	<p>SOU 11 – Kerdu POM ensures that all (OCP) Outsider FFB suppliers are provided with a fair, legal and transparent contract agreement. Sampled the contract agreement as below;</p> <p>i) Agreement Number: P/P/1220/FFB02764L FFB Supplier: Ling Hwa Keong Enterprise Contract Period: 01.01.2021 – 31.12.2021</p> <p>ii) Agreement Number: P/P/1220/FFB02773L FFB Supplier: Pro Island Enterprise Contract Period: 01.01.2021 – 31.12.2021</p>	Complied
5.1.6	<p>(C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given. - Critical (Major) compliance -</p>	<p>Kerdu POM ensures that all agreed payments to its Outsider FFB Suppliers are in a timely manner in accordance to the contract agreement which is on or before the 10th day of the following month. Payments are done every 30 days.</p>	Complied
5.1.7	<p>Weighbridges used for determining payment to smallholders are verified by an independent third party on a regular basis (this can be government). - Minor compliance -</p>	<p>The Mill conducts regular calibration on their weighbridges used to determine the FFB tonnage for all FFB suppliers. There are 2 weighbridges used in the mill and records of yearly calibration for both weighbridges were available for verification as below:</p> <p><u>Weighbridge 1 – 80,000 Kg</u></p> <ul style="list-style-type: none"> - Serial Number: B720142364 - Certificate Number: B 1404124 - Safety Label Number: (2.1K) Q022636 - Certificate Date: 20/05/2020 - Calibrator: Metrology Corporation Malaysia Sdn Bhd <p><u>Weighbridge II – 70,000 Kg</u></p> <ul style="list-style-type: none"> - Serial Number: B 226072085 - Certificate Number: D 064158 - Safety Label Number: DE18 002703 - Certificate Date: 10/02/2021 - Calibrator: DE Metrology Sdn Bhd 	Complied

5.1.8	The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. - Minor compliance -	There are no smallholders under the SOU 11 Kerdau certification unit as the estates that supply FFB to Kerdau POM are more than 50 Ha as defined RSPO MYNI 2019.	Not Applicable
5.1.9	(C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner. - Critical (Major) compliance -	There are no smallholders under the SOU 11 Kerdau certification unit as the estates that supply FFB to Kerdau POM are more than 50 Ha as defined RSPO MYNI 2019.	Not Applicable
Criterion 5.2: The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.			
5.2.1	The Company consults with interested smallholders (irrespective of type) within the Unit of Certification, including women or other partners in their supply base, to assess their needs for support to improve their livelihoods and their interest in RSPO certification. - Minor compliance -	There are no smallholders under the SOU 11 Kerdau certification unit as the estates that supply FFB to Kerdau POM are more than 50 Ha as defined RSPO MYNI 2019.	Not Applicable
5.2.2	The unit of certification develops and implements smallholder support programme to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Independent Smallholder Standard or RISS). - Minor compliance -	There are no smallholders under the SOU 11 Kerdau certification unit as the estates that supply FFB to Kerdau POM are more than 50 Ha as defined RSPO MYNI 2019.	Not Applicable
5.2.3	Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production. - Minor compliance -	There are no smallholders under the SOU 11 Kerdau certification unit as the estates that supply FFB to Kerdau POM are more than 50 Ha as defined RSPO MYNI 2019.	Not Applicable
5.2.4	(C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling. - Critical (Major) compliance -	There are no smallholders under the SOU 11 Kerdau certification unit as the estates that supply FFB to Kerdau POM are more than 50 Ha as defined RSPO MYNI 2019.	Not Applicable
5.2.5	The unit of certification regularly reviews and publicly reports on the progress of the Smallholder support programme.	There are no smallholders under the SOU 11 Kerdau certification unit as the estates that supply FFB to Kerdau POM are more than 50 Ha as defined RSPO MYNI 2019.	Not Applicable

	- Minor compliance -		
Principle 6: Respect workers' rights and conditions			
Criterion 6.1: Any form of discrimination is prohibited.			
6.1.1	<p>(C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p> <p>- Critical (Major) compliance -</p>	<p>SDPB has implemented Group Sustainability & Quality Policy Statement signed by Group Managing Director on 02nd December 2019. The policy shall be guided by the commitments spelt out in the Company's in Human Rights Charter (HRC) where the management is committed to treat all employees fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, sexual orientation, union membership, political view, religion and/or age.</p>	Complied
6.1.2	<p>(C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for foreign workers.</p> <p>- Critical (Major) compliance -</p>	<p>Migrant workers are recruited with (2 +1) and 3 years contract. Local workers are on a long-term employment. No any kind of discrimination was noted. Job opportunities and amenities such as free housing, subsidized water and electricity supplies, and medical care are given to all employees without discrimination.</p> <p>Foreign migrant workers. Refer to Letter of Employment, Employment Contract para" 14 – Annual leave: 14 days for < 5 years and 16 days for > 5 years.</p> <p>Overtime paid as per Employment Act 1995 (EA). Sampled workers are as 6.5.1.</p>	Complied
6.1.3	<p>The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.</p> <p>- Minor compliance -</p>	<p>There is no any discrimination based on religion, gender, nationality etc., during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary etc. This was confirmed during stakeholder's consultation, worker's interview, complaint book and trade union meeting.</p> <p>Sighted the job description of each workers mention the same regardless of skin colour, religion, race or caste.</p>	Complied
6.1.4	<p>Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.</p>	<p>Pregnancy test conducted in Kerdau Certification Unit only for female sprayer to ensure that no pregnant woman is handling any chemicals. If the workers confirmed pregnant, Medical Assistant will</p>	Complied

	- Minor compliance -	issue a recommendation letter to Assistant Manager for work change to light work and not involved in any chemical. Confirmed through the interview session to workers, Medical Assistant and Gender Committee Minute of Meeting.	
6.1.5	<p>(C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</p> <p>- Critical (Major) compliance -</p>	<p>The Group Sustainability Policy covers the commitment facilitating the opportunity for advancement of women at all levels in our organisation and ensuring their protection. The policy was communicated through the Gender Committee meeting conducted quarterly. SDPB has implemented Gender Committee Handbook, First Edition 2014 which developed by Plantation Sustainability & Quality Management (PSQM) Department. It explained the types of gender-based violence & grievance procedures. Meetings were conducted quarterly according to the handbook. Gender Committee were established by the mill and estates management.</p> <p>The meetings were conducted at respective units as below:</p> <ul style="list-style-type: none"> • Kerdau Estate: 15/1/2021, 19/3/2021. • Kerdau POM: 19/02/2021, planning on end of April 2021. • Sg Mai Estate: 12/03/2021, 8/1/2021 • Chenor Estate: 8/3/2021, planning in June 2021. • Mentakab Estate: 25/3/2021, planning in June 2021. 	Complied
6.1.6	<p>There is evidence of equal pay for the same work scope.</p> <p>- Minor compliance -</p>	<p>There is no any discrimination based on religion, gender, nationality etc. during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary etc. This was confirmed during stakeholder's consultation, worker's interview, complaint book and trade union meeting. Sighted the job description of each workers mention the same regardless of skin colour, religion, race or caste.</p>	Complied
<p>Criterion 6.2: Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).</p>			
6.2.1	<p>(C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in</p>	<p>All the workers are under direct employment and some electrical works are under contractor workers. The pay slip has included basic income, allowance pay, working days, medical leave, deduction of</p>	Complied

	<p>national languages (English or Bahasa Malaysia) and explained to them in language they understand.</p> <p>- Critical (Major) compliance -</p>	<p>salary and etc. as per employment contract. Sighted the pay slip for employees (January 2021 [low], October 2020 [peak] and Dec [normal] 2020) as below:</p> <p><u>Kerdau Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000161448, joined date: 02/08/2018 • Employee ID: 0000162390, joined date: 08/03/2021 • Employee ID: 0000117488, joined date: 28/09/2015 • Employee ID: 0000119821, joined date: 18/02/2016 • Employee ID: 0000161385, joined date: 16/02/2015 • Employee ID: 0000161427, joined date: 01/01/2018 • Employee ID: 0000161442, joined date: 02/08/2018 • Employee ID: 0000161480, joined date: 29/08/2019 • Employee ID: 0000161416, joined date: 09/05/2017 • Employee ID: 0000146724, joined date: 15/11/2018 <p><u>Kerdau POM</u></p> <ul style="list-style-type: none"> • Employee ID: 0000145158, joined date: 27/08/2018 • Employee ID: 0000052681, joined date: 04/07/2010 • Employee ID: 0000023376, joined date: 05/10/1992 • Employee ID: 0000038603, joined date: 19/12/2017 • Employee ID: 0000122581, joined date: 09/06/2016 • Employee ID: 0000120766, joined date: 30/04/2015 • Employee ID: 0000145161, joined date: 27/08/2018 • Employee ID: 0000102662, joined date: 25/06/2014 • Employee ID: 0000160439, joined date: 07/02/2019 • Employee ID: 0000127382, joined date: 13/05/2015 <p><u>Sg Mai Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000117122, joined date: 19/09/2015 	
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		<ul style="list-style-type: none"> • Employee ID: 0000151918, joined date: 28/06/2019 • Employee ID: 0000151934, joined date: 29/06/2019 • Employee ID: 0000113997, joined date: 22/05/2015 • Employee ID: 0000117110, joined date: 19/05/2015 • Employee ID: 0000150816, joined date: 22/05/2019 • Employee ID: 0000150810, joined date: 22/05/2018 <p><u>Chenor Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000055055, joined date: 05/09/2010 • Employee ID: 0000066004, joined date: 02/05/2011 • Employee ID: 0000151934, joined date: 29/06/2019 • Employee ID: 0000113997, joined date: 22/05/2015 • Employee ID: 0000117110, joined date: 19/05/2015 • Employee ID: 0000150816, joined date: 22/05/2019 • Employee ID: 0000150810, joined date: 22/05/2018 <p><u>Mentakab Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000117300, joined date: 26/09/2015 • Employee ID: 0000127782, joined date: 09/11/2016 • Employee ID: 0000070745, joined date: 11/08/2021 • Employee ID: 0000113997, joined date: 22/05/2015 • Employee ID: 0000151911, joined date: 20/06/2019 • Employee ID: 0000020757, joined date: 01/07/1996 • Employee ID: 0000105241, joined date: 08/02/2013 • Employee ID: 0000109461, joined date: 22/12/2014 • Employee ID: 0000142489, joined date: 27/04/2018 	
6.2.2	(C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for	All workers have the employment contract stated the regular working hours (8 hours for daily rate) and piece rates by works as per Employment Act 1955.	Complied

	<p>dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.</p> <p>- Critical (Major) compliance -</p>	<p>Sighted the employment contract for employees;</p> <p><u>Kerdau Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000161448, joined date: 02/08/2018 • Employee ID: 0000162390, joined date: 08/03/2021 • Employee ID: 0000117488, joined date: 28/09/2015 • Employee ID: 0000119821, joined date: 18/02/2016 • Employee ID: 0000161385, joined date: 16/02/2015 • Employee ID: 0000161427, joined date: 01/01/2018 • Employee ID: 0000161442, joined date: 02/08/2018 • Employee ID: 0000161480, joined date: 29/08/2019 • Employee ID: 0000161416, joined date: 09/05/2017 • Employee ID: 0000146724, joined date: 15/11/2018 <p><u>Kerdau POM</u></p> <ul style="list-style-type: none"> • Employee ID: 0000145158, joined date: 27/08/2018 • Employee ID: 0000052681, joined date: 04/07/2010 • Employee ID: 0000023376, joined date: 05/10/1992 • Employee ID: 0000038603, joined date: 19/12/2017 • Employee ID: 0000122581, joined date: 09/06/2016 • Employee ID: 0000120766, joined date: 30/04/2015 • Employee ID: 0000145161, joined date: 27/08/2018 • Employee ID: 0000102662, joined date: 25/06/2014 • Employee ID: 0000160439, joined date: 07/02/2019 • Employee ID: 0000127382, joined date: 13/05/2015 <p><u>Sg Mai Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000117122, joined date: 19/09/2015 	
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		<ul style="list-style-type: none"> • Employee ID: 0000151918, joined date: 28/06/2019 • Employee ID: 0000151934, joined date: 29/06/2019 • Employee ID: 0000113997, joined date: 22/05/2015 • Employee ID: 0000117110, joined date: 19/05/2015 • Employee ID: 0000150816, joined date: 22/05/2019 • Employee ID: 0000150810, joined date: 22/05/2018 <p><u>Chenor Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000055055, joined date: 05/09/2010 • Employee ID: 0000066004, joined date: 02/05/2011 • Employee ID: 0000151934, joined date: 29/06/2019 • Employee ID: 0000113997, joined date: 22/05/2015 • Employee ID: 0000117110, joined date: 19/05/2015 • Employee ID: 0000150816, joined date: 22/05/2019 • Employee ID: 0000150810, joined date: 22/05/2018 	
6.2.3	<p>(C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.</p> <p>- Critical (Major) compliance -</p>	<p>The paid salary sighted for Kerdau Certification Unit for March, April and May 2020 were complied with the Minimum Wage Order 2019 (for all workers) and Minimum Wage Order 2020 (for workers in town, if applicable).</p> <p>Sighted the pay slip for employees as below:</p> <p><u>Kerdau Estate</u></p> <ul style="list-style-type: none"> • Employee ID: 0000161448, joined date: 02/08/2018 • Employee ID: 0000162390, joined date: 08/03/2021 • Employee ID: 0000117488, joined date: 28/09/2015 • Employee ID: 0000119821, joined date: 18/02/2016 • Employee ID: 0000161385, joined date: 16/02/2015 • Employee ID: 0000161427, joined date: 01/01/2018 • Employee ID: 0000161442, joined date: 02/08/2018 	Non-compliance

		<ul style="list-style-type: none"> • Employee ID: 0000161480, joined date: 29/08/2019 • Employee ID: 0000161416, joined date: 09/05/2017 • Employee ID: 0000146724, joined date: 15/11/2018 <p>Kerdau POM:</p> <ul style="list-style-type: none"> • Employee ID: 0000145158, joined date: 27/8/2018 • Employee ID: 0000052681, joined date: 04/07/2010 • Employee ID: 0000023376, joined date: 05/10/1992 • Employee ID: 0000038603, joined date: 19/12/2017 • Employee ID: 0000122581, joined date: 09/06/2016 • Employee ID: 0000120766, joined date: 30/04/2015 • Employee ID: 0000145161, joined date: 27/08/2018 • Employee ID: 0000102662, joined date: 25/06/2014 • Employee ID: 0000160439, joined date: 07/02/2019 • Employee ID: 0000127382, joined date: 13/05/2015 <p>Sg Mai Estate:</p> <ul style="list-style-type: none"> • Employee ID: 0000117122, joined date: 19/09/2015 • Employee ID: 0000151918, joined date: 28/06/2019 • Employee ID: 0000151934, joined date: 29/06/2019 • Employee ID: 0000113997, joined date: 22/05/2015 • Employee ID: 0000117110, joined date: 19/05/2015 • Employee ID: 0000150816, joined date: 22/05/2019 • Employee ID: 0000150810, joined date: 22/05/2018 <p>Chenor Estate:</p> <ul style="list-style-type: none"> • Employee ID: 0000055055, joined date: 05/09/2010 • Employee ID: 0000066004, joined date: 02/05/2011 	
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		<ul style="list-style-type: none"> • Employee ID: 0000151934, joined date: 29/06/2019 • Employee ID: 0000113997, joined date: 22/05/2015 • Employee ID: 0000117110, joined date: 19/05/2015 • Employee ID: 0000150816, joined date: 22/05/2019 • Employee ID: 0000150810, joined date: 22/05/2018 <p>Permit for salary deduction was verified for;</p> <p><u>Kerdau Estate</u></p> <ul style="list-style-type: none"> • Electricity deduction, serial no. PP3/10604/2009/0013 dated 18/11/2009 <p><u>Kerdau POM</u></p> <ul style="list-style-type: none"> • Electricity Deduction, ref:BHG.PU/9/129 JLD 38 (53) dated 06/07/2017 (Sime Darby Pantation Berhad blanket approval) • Deduction permit, ref: JTK.PHG.600-2/11/3(33) dated 14th July 2016 for AMESU, life insurance, Tabung Haji and ASN. <p><u>Sg Mai Estate</u></p> <ul style="list-style-type: none"> • Deduction permit, ref: JTK.PHG.600-2/11/3(31) dated 20th June 2016 for union deduction. • School bus deduction, ref: PP3/10604/2010/0007 dated 20/01/2020 for the maximum of RM52.20. • Electricity deduction, ref: PP3/10604/2010/0006 dated 20/0120/20. <p><u>Chenor Estate</u></p> <ul style="list-style-type: none"> • Blanket approval for salary deduction, ref:PMT/10601/2015/0002(2) dated 24/04/2015. <p><u>Mentakab Estate</u></p> <ul style="list-style-type: none"> • Salary deduction approval for electricity, insurance and union, ref:JTK.PHG.600-2/11/3(25) dated 14th June 2016. <p>A Critical Non-Conformity was raised for the following lapses identified during the assessment.</p>	
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		<p><u>Mentakab Estate</u></p> <p>Reviewed the employees Allowance Deduction details for January 2021 to march 2021 and found that there were 28 workers who joined as union (MAPA/NUPW) members. It was found that there were deduction of wages of RM 11.00 for the union membership fees since they joined on 01/10/2019, 01/12/2019 and 01/02/2020. There was no reimbursement of RM 3.00 made to the workers as per MAPA/NUPW Circular No. 22/2015 dated 04/08/2015.</p> <p>The sampled workers are as below:</p> <ol style="list-style-type: none"> 4. Employee No.: 151764 (NUPW start date 01/12/19) 5. Employee No.: 150868 (NUPW start date 01/02/20) 6. Employee No.: 151875 (NUPW start date 01/10/19) <p><u>Kerdau Estate</u></p> <p>The management has made deductions of wages for the purpose of school bus fare of RM 25.00/person. Total 19 workers have been made deduction of wages as verified on Employees Allowance and Deductions Details of March 2021 for deduction code D065: School Bus Deduction. However there is no approval obtained from Labour Department for the said deduction.</p>							
6.2.4	<p>(C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers’ Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5years) is allowed to upgrade the infrastructure.</p> <p>- Critical (Major) compliance -</p>	<p>The basic amenities and facilities at the quarters provided by the company to the workers includes electricity, water and domestic waste disposal. Electricity and water were supplied by government and deducted from salary.</p> <p>Seen the Budget for housing repairs, sanitation, garden upkeep and CAPEX & OPEX from all operating units.</p> <p>Seen the record for weekly line site inspection done by Medical Assistant (estate) and QA (mill) in fortnightly basis as per the new Workers Minimum Housing and Amenities Regulation 2020. Inspection records checked:</p> <table border="1" data-bbox="1160 1358 1951 1406"> <thead> <tr> <th data-bbox="1160 1358 1424 1406">Estate/Mill</th> <th data-bbox="1424 1358 1688 1406">Date of inspection</th> <th data-bbox="1688 1358 1951 1406">Remarks</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Estate/Mill	Date of inspection	Remarks				Complied
Estate/Mill	Date of inspection	Remarks							

		Kerdau POM	03/03/2021, 10/03/2021, 17/03/2021 and 25/03/2021	Rubbish scattered surrounding house WQ68. No repeated issue noted.	
		Sg Mai Estate	03/04/2021, 27/03/2021, 20/03/2021 and 13/03/2021	No pending issue reported based on the latest inspection report	
		Chenor Estate	29/03/2021, 22/03/2021, 15/03/2021 and 08/03/2021	No pending issue reported based on the latest inspection report	
		Mentakab Estate	27/03/2021, 17/03/2021, 09/03/2021 and 03/03/2021	No pending issue reported based on the latest inspection report	
		<p>For local workers with family, each will be given a house while for foreign workers for single workers, it will be given shared house of 2 people per room. For foreign workers, all foreign workers will be given a starter kit which includes basis amenities (e.g. mattress, cooking utilizes).</p>			
6.2.5	<p>The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance -</p>	<p>There were sundry shops located in the estates compound and the estates are nearby to the nearest town. The workers can easily access to adequate, sufficient and affordable foods and goods. Price of goods were displayed at the sundry shops.</p> <p>Workers interview confirmed that they can easily purchase foods at the nearest shop or choose to go nearest town away from the estate by using their transport until the main guard post and public transport to the nearest town. Nearest town are Jerantut (25 km) from Sg Mai Estate and Temerloh (30 km) for Kerdau Estate and POM and Pekan Sg Jerik (5km) from Chenor Estate.</p>			Complied

<p>6.2.6</p>	<p>A DLW is paid to all workers, including piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE:</p> <p>STATEMENT FROM THE RSPO STANDARDS STANDING COMMITTEE REGARDING INDICATOR 6.2.6 ON DECENT LIVING WAGE</p> <p>With reference to procedural note of indicator 6.2.6, the RSPO has published a guidance on the DLW calculation in June 2019. The RSPO Secretariat will endeavour to carry out DLW country benchmarks for palm oil producing countries in which RSPO members operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist (As of September 2019, GLWC has developed national benchmarks in Bangladesh, Belize, Brazil, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Ethiopia, Ghana, Guatemala, India, Kenya, Malawi, Mexico, Nicaragua, Pakistan, South Africa, Sri Lanka, Uganda and Vietnam These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate).</p> <p><i>Where a GLWC living wage standard (benchmark), or one that fulfils the basic requirements of the RSPO-endorsed living wage methodology, has been established in the country or region of operation, the same should be used as benchmarks.</i></p> <p>In the absence of such benchmarks, the RSPO will collaborate with the GLWC and/or local experts on developing oil palm industry benchmarks (Benchmark in this context may include other approaches and/or methods to calculate the applicability of DLW in the country or region in accordance to the RSPO endorsed method for determining a DLW. Local applicability for benchmarks is important and it may differ based on the needs of each locality or country). These benchmarks will be developed in collaboration and consultation with relevant stakeholders such as palm oil industry members, workers’ union, authorities and/or relevant organisations.</p> <p><i>For countries where no living wage standard is established, until such time that an RSPO endorsed benchmark for the country is in place, national minimum wages shall be paid to all workers. In addition to the payment of minimum wages, the Unit of Certification (UoC) shall conduct an assessment of the prevailing wages and in-kind benefits provided to workers in the Unit of Certification aligned with the RSPO Guidance for Implementing a Decent Living Wage (RSPO Guidance for Implementing a Decent Living Wage. The RSPO will also develop further guidance and tools to calculate DLW in line with the RSPO endorsed methodology which may include independent studies by local experts in their respective region or country).</i></p> <p>Once these benchmarks are available, this procedural note is no longer applicable. UoC shall have an implementation plan towards the payment of a DLW with specific targets, and a phased implementation process including:</p> <ul style="list-style-type: none"> • Updated assessment on prevailing wages and in-kind benefits 	<p>Sime Darby Plantation Berhad – Kerdu POM & supply bases have provided the decent living wage for both local and foreign workers based on PREVAILING WAGES assessment. It includes wage, service bonus, meals, housing, health, facilities, sports and recreation, education, creche, welfare, etc. The payslip sighted in clause 6.2.1 showed that the salary received complied with the minimum wage order 2020 and the decent living wage set up by the group which is foreign worker is RM 2,375.78/worker and local RM 2,168.60/worker.</p>	<p>Complied</p>
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	<ul style="list-style-type: none"> • There is annual progress on the implementation of living wages • Where a minimum wage, based on equivalent of baskets of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment • The UoC may choose to implement the living wage payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before eventual scale up of the living wage implementation. <p>- Minor compliance -</p>		
6.2.7	<p>Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</p> <p>- Minor compliance -</p>	<p>There are no casual workers hired in Kerdu POM and supply bases. All employees are permanent employee (for locals) and contracted employee (for foreign workers). All permanent and full-time employment or contract workers used as the general worker, mandore, staff, etc. based on their employment contract sighted in clause 6.2.2.</p>	Complied
<p>Criterion 6.3: The unit of Certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p>			
6.3.1	<p>(C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.</p> <p>- Critical (Major) compliance -</p>	<p>The Group Sustainability & Quality Policy Statement signed by Group Managing Director on 02/12/2019 includes as below:</p> <p>We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> • Providing Equal Opportunities: We promote diversity and inclusion and will not condone discrimination. • Respecting Freedom of Association: We respect the rights of employees to join and form organisations of their own choice and to bargain collectively. <p>Company respect the rights of all personnel to form and join trade unions of their choice to bargain collectively.</p> <p>During the interview with workers, there are no evidence received that there is restriction from the company to allow workers to join</p>	Complied

		trade union. The workers have their freedom to join the NUPW/MAPA union.	
6.3.2	Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request. - Minor compliance -	Minutes of meetings between the unit of certification with trade unions or workers representatives available for verification. Issues discussed summarized as per below: Kerdau POM (16/03/2021) <ul style="list-style-type: none"> Request for school transport and transport for emergency. Sg Mai Estate (29/03/2021) <ul style="list-style-type: none"> House/line site upgrading Road repair Stray dog issue Chenor Estate (29/12/2020) <ul style="list-style-type: none"> Request to increase van subsidy issue. Mentakab Estate (08/02/2021) <ul style="list-style-type: none"> Water tanker from government water to cover the disruption of supply The above issues have been incorporated in the SIA management plan for further monitoring.	Complied
6.3.3	Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers. - Minor compliance -	Based on the worker's interview, the selection of NUPW representative made from the election among the NUPW member without management interference. Foreign workers included in the committee formation and appointment letter sighted. The selection also based on the election meeting.	Complied
Criterion 6.4: Children are not employed or exploited.			
6.4.1	A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.	The Group Sustainability & Quality Policy Statement signed by Group Managing Director on 02/12/2019 includes as below:	Complied

	<p>- Minor compliance -</p>	<p>We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> • Providing Equal Opportunities: We promote diversity and inclusion and will not condone discrimination. • Respecting Freedom of Association: We respect the rights of employees to join and form organisations of their own choice and to bargain collectively. • Ensuring Favourable Working Conditions: We ensure decent living and working conditions for all our employees. We strive to provide a fair wage and access to basic needs for all our employees and workers in our operations. • Enhancing Safety and Health: We provide a safe and healthy working environment for our employees and workers in our operations and support the wellbeing of our communities. • Respecting Community Rights and the Rights of Indigenous People: We uphold the process of Free, Prior and Informed Consent and recognise that the local communities have the right to give or withhold their consent to proposed projects that may affect the lands they own, occupy or otherwise use. • Protecting the Rights of Vulnerable People: We respect the rights of vulnerable people such as marginalised groups, persons of different abilities and refugees. • Protecting the Rights of Children: We seek to promote the wellbeing of children and safeguard them from any form of maltreatment or exploitation, including child sex tourism, child trafficking, child labour and child pornography. <p>Field observation, interviewing with workers and verification of workers master list confirmed that there is no child labour hired.</p> <p>For contractors, the clause 5.8 abolishment of child labour & protecting the rights of children available in the Vendor COBC dated 21/06/2020, Human Rights Charter-protecting the rights of children.</p>	
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6.4.2	<p>(C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.</p> <p>- Critical (Major) compliance -</p>	<p>The screening procedure was included as per SOP Hiring of locals dated 01/11/2019 by the assistant operating unit while for foreign workers, the Workforce Management Unit Liaison & Recruitment SOPP (WMU/LR-SOPP/March2016) dated 30/03/2016 under clause procedures recruitment team shall be guided by approved requirement; Age 18-45 years old).</p>	Complied
6.4.3	<p>(C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.</p> <p>- Critical (Major) compliance -</p>	<p>There are no young workers/persons employed in Kerdu POM certification unit.</p>	Complied
6.4.4	<p>The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.</p> <p>- Minor compliance -</p>	<p>The unit of certification has communicated the Human Right Charter, Social Policy and Vendor COBC through the stakeholder meeting and muster briefing. For example, COBC briefing was given on 09/03/2021 at Chenor Estate.</p>	Complied
Criterion 6.5: There is no harassment or abuse in the workplace, and reproductive rights are protected.			
6.5.1	<p>(C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.</p> <p>- Critical (Major) compliance -</p>	<p>The Group Sustainability & Quality Policy Statement signed by Group Managing Director on 02/12/2019 includes as below:</p> <p>We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> • Eliminating Violence and Sexual Harassment: We seek to promote an environment where all forms of harassment and abuse are eliminated and to provide support for victims. • Eradicating any form of Exploitation: We endeavour to eradicate any form of forced or bonded labour, slavery, human trafficking and sexual exploitation. <p>The policy was communicated through the Gender Committee meeting.</p>	Complied
6.5.2	<p>(C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.</p>	<p>SDPSB has implemented Social Policy, Gender Policy and Social & Humanity Management Policy dated January 2015 where the</p>	Complied

	- Critical (Major) compliance -	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. The policy was displayed on the notice board which was accessible by the workers. Briefing of the policies was conducted during morning muster and the policies was displayed at the notice board outside the office.	
6.5.3	<p>Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified.</p> <p>- Minor compliance -</p>	<p><u>Kerdau POM</u> The assessment for new needs for new mother was conducted by Gender Committee representative. Assessment output dated 03/03/2021 sampled as below: Office operator: No need breast pump as her baby only drink formula milk.</p> <p><u>Sg Mai Estate</u> Allowing the new mothers to go for time off (2 hours) for monthly ante-natal check. The latest assessment was done on 12/03/2021.</p> <p><u>Chenor Estate</u> Assessment date – 01/03/2021. Her baby does not breast feed and only drink formula milk.</p> <p><u>Mentakab Estate (Edensor Division)</u> Assessment date – 25/01/2021 Request for time-off for post-natal check.</p>	Complied
6.5.4	<p>A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.</p> <p>- Minor compliance -</p>	Gender committee has been formed in each unit for the medium of sexual harassment grievances by female.	Complied
<p>Criterion 6.6: No forms of forced or trafficked labour are used.</p>			

<p>6.6.1</p>	<p>(C) All workers have entered into employment voluntarily and the following are prohibited:</p> <ul style="list-style-type: none"> • Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) • Charging the workers for recruitment fees. • Contract substitution • Involuntary overtime • Lack of freedom of workers to resign • Penalty for termination of employment • Debt bondage • Withholding of wages <p>- Critical (Major) compliance -</p>	<p>The recruitment cost was declared by the labour agent from source country for the applicable fees. Sampled for PT Wira Karitas & PT Cahaya Lombok for Indonesia effective date on 22/04/2019 (RM 1,505.00) and Agensi Pekerjaan Dashan International Sdn Bhd for India (RM 1,870 – Kolkata, Chennai – RM 1,670) for documents required, medical, insurance, transportation, etc. No other hidden recruitment fees paid to agent.</p> <p>Passport was kept by the management voluntarily or they can keep it by themselves. There is agreement letter signed by worker and employer on the safekeeping passport at office. If the workers want to obtain the passport for own usage, they can anytime request for it. Passport lockers are provided for those who want to keep their own passport.</p> <p>There is no contract substitution as the employment contract signed between Sime Darby and embassy of Indonesia and India was same with the employment contract signed between worker and estate/mill.</p> <p>Based on the workers interview, the overtime was given voluntarily if any work offered. The termination of service clearly stated that the termination of employment if:</p> <ol style="list-style-type: none"> 1. The company is not satisfied with your performance 2. You end employment for any reason; this may include abscondment, resignation or termination before expiry of the fixed term or extended term. 3. You commit any misconduct, including theft, fraud, insubordination, negligence or any other form of crime. 4. You have breached any express or implied terms of your employment. 5. Fail medical examination based on FOMEMA result. 	<p>Complied</p>
<p>6.6.2</p>	<p>(C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.</p> <p>- Critical (Major) compliance -</p>	<p>SDPB has implemented a Sime Darby's Human Rights Charter on where they committed as below:</p> <ol style="list-style-type: none"> a. Providing equal opportunity 	<p>Complied</p>

		<p>b. Respecting freedom of association c. Eradicating any form of exploitation d. Ensuring favourable working conditions e. Enhancing Safety and Health</p> <p>They also provided awareness and training to all the foreign workers for them to understand their responsibility in respect of human rights as included in the Group Sustainability Policy on 09/03/2021 (Kerdau Estate)</p>	
Criterion 6.7: The unit of certification ensures that the working environment under its control is safe and without undue risk to health.			
<p>6.7.1</p>	<p>(C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p> <p>- Critical (Major) compliance -</p>	<p>The responsible person(s) for H&S has been identified accordingly by Kerdau Palm Oil Mill and Supply Base. Records of regular meetings between the responsible person(s) and workers were maintained accordingly. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded. Sampled details as follows:</p> <p><u>Kerdau POM</u> OSH meeting conducted on quarterly basis. For year 2020/2021 sampled the meeting minutes dated 17/08/2020, 17/12/2020, & 25/03/2021. The OSH discussion agenda was adequately addressed and recorded. OSH Committee Chart for year 2021 was available accordingly with adequate representatives from employee and employer. Appointed letter for OSH Committee members available with latest issuance for year 2021 dated 31/12/2020. Verified also that appointment letters for Chairman, Employees Representative and Employer Representative has been issued accordingly with the respective roles & responsibilities clearly stated in the appointment letters.</p> <p><u>Kerdau Estate</u> OSH meeting conducted on quarterly basis. For year 2020/2021 sampled the meeting minutes dated 21/07/2020, 17/12/2020, & 17/03/2021. The OSH discussion agenda was adequately addressed and recorded.</p>	<p>Complied</p>

		<p>OSH Committee Chart for year 2021 was available accordingly with adequate representatives from employee and employer. Appointed letter for OSH Committee members available with latest issuance for year 2021 dated 1/01/2021. Verified also that appointment letters for Chairman, Employees Representative and Employer Representative has been issued accordingly with the respective roles & responsibilities clearly stated in the appointment letters.</p> <p><u>Sungai Mai Estate</u> OSH meeting conducted on quarterly basis. For year 2020/2021 sampled the meeting minutes dated 23/10/2020, 23/12/2020, & 26/03/2021. The OSH discussion agenda was adequately addressed and recorded. OSH Committee Chart for year 2021 was available accordingly with adequate representatives from employee and employer. Appointed letter for OSH Committee members available with latest issuance for year 2021 dated 15/02/2021. Verified also that appointment letters for Chairman, Employees Representative and Employer Representative has been issued accordingly with the respective roles & responsibilities clearly stated in the appointment letters.</p> <p><u>Mentakab Estate</u> OSH meeting conducted on quarterly basis. For year 2020/2021 sampled the meeting minutes dated 25/07/2020, 24/10/2020, & 23/01/2021. The OSH discussion agenda was adequately addressed and recorded. OSH Committee Chart for year 2021 was available accordingly with adequate representatives from employee and employer. Appointed letter for OSH Committee members available with latest issuance for year 2021 dated 15/02/2021. Verified also that appointment letters for Chairman, Employees Representative and Employer Representative has been issued accordingly with the respective roles & responsibilities clearly stated in the appointment letters.</p>	
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<p>6.7.2</p>	<p>Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</p> <p>- Minor compliance -</p>	<p>Accident and emergency procedures have been communicated to all employees, contractors and visitors. Fire Evacuation drill conducted once at least once a year at mill and estates.</p> <p>Fire Evacuation drill was conducted accordingly covering all workers. The latest Fire evacuation drill at Kerbau POM was conducted on 8/10/2020. Fire Certificate Kerbau POM was available with Certificate No. JBPM: PH/7/0198/2017 and valid until 17/02/2022. Sungai Mas Estate latest fire drill was conducted on 20/03/2021, Chenor Estate latest fire drill was conducted on 09/02/2021 and Mentakab Estate latest fire drill was conducted on 25/03/2021 to test the state of readiness during emergency situation.</p> <p>Accident and emergency procedures are available in English/Bahasa Malaysia and this is understood by the responsible workers, staff or executives involved in the operation. Good understanding level observed among the workers during workers interview session. Emergency response team organisation chart has been established accordingly in mill and estates. The team consist of accident investigation, firefighting, search & rescue, flood, first aid and spillage control teams. Verified also the emergency evacuation map has been established and pasted at relevant locations seen able by all workers.</p> <p>Training for First Aid is conducted on annual basis. Adequate first aiders trained available. Latest first aid training at Kerbau Estate done on 20/2/2021, at Kerbau POM on 22/03/2021, at Sungai Mas Estate on 03/03/2021 and at Mentakab Estate on 20/2/2021. First aid equipment is available at worksites. During the site visit there is evident that First Aid Box is available at the relevant workplace area. Appropriate DOSH guideline been used as first aid kit section control.</p>	<p>Complied</p>
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		<p>Fire extinguisher (ABC Powder) assessed during the site observation were available and within the expiry date.</p> <p>Portable emergency eye wash & shower facility available at chemical store, workshop and mixing area as applicable.</p> <p>JKKP 6 been submitted to DOSH on accidents involving medical leave of more than 4 days.</p> <p>Sampled details as follows: At Kerdau POM involving an accident at boiler area dated 19/01/2021 and the JKKP 6 submitted to DOSH accordingly. The HIRARC has been also reviewed accordingly after the accident.</p> <p>At Kerdau Estate, a total of 3 accidents has occurred dated 03/11/2020, 24/11/2020 & 16/10/2020 respectively. There was 2 reportable accidents occurred with JKKP 6 submission (MC > 4days). Verified that the accident investigation has been carried out accordingly along with HIRARC review.</p> <p>Seen the latest DOSH visit recorded dated 17/08/2020 at Mill, 02/11/2020 at Kerdau Estate, 03/09/2020 at Sungai Mai Estate.</p> <p>DOSH visit been recorded in the DOSH logbook. Seen the latest DOSH visit recorded dated 25/01/2020 at Mill, 02/11/2020 at Kerdau Estate and 21/07/2020 at Chenor Estate for the PMT/PMA renewal and safety inspection details been actioned accordingly.</p>	
6.7.3	<p>(C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</p> <p>- Critical (Major) compliance -</p>	<p>Appropriate personal protective equipment (PPE) been provided is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sampled of PPE issuance record details as follows: <u>Kerdau POM</u></p> <p>a) Foreman – Leather hand glove dated 10/01/2021 b) Shovel Driver – Safety helmet dated 05/08/2020</p>	Non-compliance

		<p>c) Engine Driver – Safety shoe dated 24/02/2021 d) Boilerman Driver – Leather hand glove dated 14/03/2021</p> <p><u>Kerdau Estate</u> a) Driver – Safety boot, safety helmet and reflector vest dated 05/04/2021. b) Manuring Operator – Nitrile glove, PVC apron dated 05/04/2021. c) Schedule waste operator –Nitrile glove and safety shoe dated 01/04/2021. d) Spraying Operator – Nitrile glove, PVC apron, safety glasses, respirator mask and wellington boots dated 03/04/2021</p> <p>Sungai Mai Estate: a) Sprayer – Rubber glove dated 25/02/2021, Apron dated 12/01/2021, mask dated 28/08/2020 and rubber boot 09/02/2021 b) Harvester – Rubber boot dated 05/04/2021.</p> <p><u>Chenor Estate</u> a) Manurer – Goggle dated 04/01/2021, Mask N95 dated 03/04/2021 b) Sprayer – Rubber glove dated 04/03/2021, Wellington Boot dated 09/03/2021</p> <p><u>Mentakab Estate</u> a) Sprayer – Apron dated 12/02/2021, Goggle dated 22/03/2021, Wellington Boot dated 30/03/2021. b) Harvesting operator – Safety helmet dated 30/12/2020, safety vest dated 17/03/2021.</p> <p>Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing. However, the sanitation facilities were not well maintained including sighted following PPE lapses at the audited estates:</p>	
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		<ol style="list-style-type: none"> 1. Kerdau Estate Workers sanitation facilities i.e. bathroom, toilet and personal clothing washing machine for pesticide application workers were not in well maintained condition. 2. Sungai Mai Estate During the field visit at Field No. 00SA sighted that the sprayers do not bring the safety goggle with them during the spraying activity although the goggle been provided by the employer to the respective workers and recorded in the PPE issuance record. 3. Chenor Estate During the manuring activity field visit at Field No. 16A sighted that the workers do not bring the safety goggle with them during the manuring activity although the goggle been provided by the employer to the respective workers and recorded in the PPE issuance record. 4. Mentakab Estate Water tab pressure for the sanitation facilities i.e. bathroom and toilet for pesticide application workers was low and 1 of the bathroom shower tab was not discharging water during testing of the water supply. <p>Thus, a Critical (Major) non-conformity was raised.</p>	
6.7.4	All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents leading to injury or sickness are covered in accordance with Malaysian law. - Minor compliance -	Medical care and accident insurance are provided to all the employees. Workers are covered under SOCSO scheme. Sampled the SOCSO scheme payment schedule at Kerdau POM, Sungai Mai Estate, Chenor Estate and Mentakab Estate for November 2020, December 2020 & January 2021. Above Sosco submission were done using the Borang 8A. Details of the Employer and worker's details been available accordingly.	Complied
6.7.5	Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	Lost Time Accident (LTA) metrics at Kerdau Palm Oil Mill and Supply Base were recorded accordingly with periodical annual submission made to DOSH on JKKP 8. Details sampled as follows:	Complied

	<p>- Minor compliance -</p>	<p><u>Kerdau POM</u> JKPP 8 been submitted to DOSH annually with latest done Ref No. JKPP 8/66493/2020 submitted for year ending 2020 to DOSH on 12/01/2021.</p> <p><u>Kerdau Estate</u> JKPP 8 been submitted to DOSH annually. Seen the JKPP 8 submission for year ending 2020 to DOSH on 29/01/2021.</p> <p><u>Chenor Estate</u> JKPP 8 been submitted to DOSH annually with latest done Ref No. JKPP 8/76250/2020 submitted for year ending 2020 to DOSH on 20/01/2021.</p> <p><u>Mentakab Estate</u> JKPP 8 been submitted to DOSH annually with latest done Ref No. JKPP 8/84496/2021 and submitted for year ending 2020 to DOSH on 31/01/2021.</p>	
Principle 7: Protect, conserve and enhance ecosystems and the environment			
Criterion 7.1: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.			
7.1.1	<p>(C) IPM plans are implemented and monitored to ensure effective pest control.</p> <p>- Critical (Major) compliance -</p>	<p>Estates have IPM plans in place, implemented, and monitored to ensure effective pest control. The IPM plan details include e.g. Barn Owl Census, Rat Census and Ganoderma Census. Summary of each census details were available at respective estates. Sampled Summary of Ganoderma Census at Chenor Estate (Main Division) dated 25/08/2020. Details includes Field No, Ha, Manuring Block No, Ha, Total no. of Original SPH during replant, No. of Infected & Unproductive palm, No. of fallen palms and vacant points, No. of Mounded Palms, % of Ganoderma Incidence and Current SPH. Verified the details been checked by Assistant Manager and verified by Estate Manager. As for Barn Owl Census the monitoring been done every 6 months and includes details on Field No, Ha, Box No.,</p>	<p>Complied</p>

		Type of Box, Box condition and Occupancy. The details been verified by the Estate Manager accordingly.	
7.1.2	Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented. - Minor compliance -	The estates conducted assessment on list of species invasiveness used for biological control. Presently verified that no invasive species listed in the CABI.org introduced in the estates.	Complied
7.1.3	There is no use of fire for pest control unless in exceptional circumstances such as plantation sanitation, i.e. where no other effective methods exist, and with prior approval of government authorities. - Minor compliance -	Based on field visit made at the estates verified that there was no use of fire for pest control in all estates.	Complied
Criterion 7.2: Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.			
7.2.1	(C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritised. - Critical (Major) compliance -	The written justification in Standard Operating Procedure (SOP) of all agrochemical are available the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby Agricultural Reference Manual, issue:1 version: 03 dated 01.07.2011. Selected products are specific to the target pest, weed and disease.	Complied
7.2.2	(C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided. - Critical (Major) compliance -	Estates maintain their records of pesticides consumption and updated on monthly basis. The information about LD50, and a.i. applied per ha from July 2020 – February 2021 was available for verification at all estates visited.	Complied
7.2.3	(C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans. - Critical (Major) compliance -	The estates have implemented a continuous improvement plan for year 2021 where they have stated the intention to reduce the usage of chemical through implementation of Integrated Pest Management Plan. Sighted during the site visit the establishment of beneficial plants along the estate roads and immature areas as well as barn owl boxes placed at intended areas. Paraquat was eliminated. In its place, alternatives such as Glyphosate is used instead.	Complied

7.2.4	<p>There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.</p> <p>- Minor compliance -</p>	<p>There was no prophylactic use of pesticides in the estates. The application of pesticides was based on level of attack severity which was normally obtained through census.</p>	Complied
7.2.5	<p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks.</p> <p>The due diligence refers to:</p> <ul style="list-style-type: none"> a) Judgment of the threat and verify why this is a major threat b) Why there is no other alternative which can be used c) Which process was applied to verify why there is no other less hazardous alternative d) What is the process to limit the negative impacts of the application e) Estimation of the timescale of the application and steps taken to limit application to the specific outbreak. <p>- Minor compliance -</p>	<p>Visit to the chemical stores at estates and chemical register details at Sungai Mai Estate & Chenor Estate dated 01/01/2021.</p> <p>Based on estates chemical register & on onsite chemical storage, no WHO class IA and IB used. The used of Paraquat is banned. Only class III and IV chemicals used in the estates with adequate due diligence process been followed accordingly.</p>	Complied
7.2.6	<p>(C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criteria 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.</p> <p>- Critical (Major) compliance -</p>	<p>Pesticides operators for all estates visited has been provided with proper Personal Protective Equipment. Observed during site visit, the PPE provided to the operators such as e.g. goggle, face respirator, nitrile hand glove, rubber boot and apron. Additionally, the operators have been given training regarding the usage safety and health issue and proper way for chemical application by the plantation executives, manager, and asst. manager and chemical supplier with knowledge on chemical handling and applications. E.g. sampled related trainings at Kerdau Estate - training for sprayer on chemical premixing & handling dated 7/01/2021, Sungai Mai Estate - Schedule waste and chemical management training dated 7/10/2020, Bufferzone & HCV Area Training dated 11/09/2020, Chenor Estate – Chemical handling & Chemical Spillage Training dated 24/03/2021, Mentakab Estate – P&D Training dated 19/3/2021 and Mycrop Spraying Techniques dated 15/10/2020.</p>	Complied

7.2.7	<p>(C) Storage of all pesticides is in accordance with recognised best practices.</p> <p>- Critical (Major) compliance -</p>	<p>Pesticides were found stored in the estates Chemical Store in accordance with the Occupational Safety and Health Act 1994 (Act 514) and Pesticides Act 1974 (Act 149) and their Regulations. The stores were at all times locked and at the time of visit the store clerk was seen to unlock the padlock to open entrance door for auditor to inspect the store. At the entrance door, signage requiring donning of PPE were visibly posted. The Chemical Store signage with required Hazard Symbols were available at the entrance. The facility ventilation fan was found working with adequate ventilation available, up-to-date chemical register, trade and generic names, and their Safety data Sheet were available with latest revision and up to date.</p>	Complied
7.2.8	<p>All pesticide containers are triple rinsed and punctured before being disposed of and/or handled responsibly if used for other purposes.</p> <p>- Minor compliance -</p>	<p>All chemical containers were reused as premix containers to transport diluted chemicals to the fields for application purpose. Otherwise the unused chemical containers are triple rinsed and punctured before being disposed to recycle waste collector/licensed schedule waste collector. At Chenor Estate sampled pesticide containers disposal control record CN Ref.Doc. No. 0155722 for SW 409 dated 16/03/2021 to Kualiti Alam Sdn Bhd. At Sungai Mai Estate the disposal record for the triple rinsed and punctured pesticide containers available dated 16/03/2021 which is sold to recycle collector – S.S Ravi Trading available for verification. Verified also both Kualiti Alam Sdn Bhd and the recycle collector has valid operating license.</p>	Complied
7.2.9	<p>(C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.</p> <p>- Critical (Major) compliance -</p>	<p>Pesticide application by aerial spraying is not practiced by the estates. Verified during onsite visit to the estates that no pesticide application by aerial spraying done.</p>	Complied
7.2.10	<p>(C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</p> <p>- Critical (Major) compliance -</p>	<p>CHRA has been carried out at all estates. Sampled CHRA assessment report No. HQ/14/ASS/00/00001-2020/15 dated 20/06/2020 at Chenor Estate conducted by DOSH registered assessor no. HQ/14/ASS/00/358. Based on the CHRA</p>	Complied

		<p>recommendation the Health Surveillance to be conducted on monthly basis by the Estate Health Assistant or Medical assistant (MA). Based on the monthly health surveillance report of sampled period January 2021 – March 2021 verified that no abnormality result been identified and all pesticide workers i.e. mixing operator, trunk injection gang, foggers were fit to work. As for workers exposed to Manganese fumes & organophosphate pesticide annual medical surveillance is required and conducted accordingly at all estates. At Chenor Estate seen the manganese exposed workers medical surveillance report for 2 workers dated 28/08/2020 conducted by OHD JKPP No. HQ/08/DOC/00/7 with result fit to work.</p> <p>Sampled also CHRA assessment report No. HQ/14/ASS/00/00001-2020/16 dated 06/06/2020 at Mentakab Estate conducted by DOSH registered assessor no. HQ/14/ASS/00/358. Based on the CHRA recommendation the Health Surveillance to be conducted on monthly basis by the Estate Health Assistant or Medical assistant (MA). Based on the monthly health surveillance report of sampled period January 2021 – March 2021 verified that no abnormality result been identified and all pesticide workers i.e. mixing operator, sprayer and manurer were fit to work. As for workers exposed to Manganese fumes & organophosphate pesticide annual medical surveillance is required and conducted accordingly at all estates. At Mentakab Estate seen the manganese exposed workers medical surveillance report for 1 worker dated 19/06/2020 conducted by OHD JKPP No. HQ/15/DOC/00/390 with result fit to work.</p>	
7.2.11	<p>(C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.</p> <p>- Critical (Major) compliance -</p>	<p>Based on the field visits at estates and pesticides workers list at estates including medical surveillance result, verified that no work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions.</p>	Complied
<p>Criterion 7.3: Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.</p>			

<p>7.3.1</p>	<p>A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.</p> <p>- Minor compliance -</p>	<p>The management of waste was not in accordance with the estate's Waste Management Plans and Legal Requirements.</p> <ol style="list-style-type: none"> 1. Scheduled Waste generated were not properly identified, notified and maintained its inventory according to Environment Quality (Scheduled Waste) regulations 2005. <p><u>Sg Mai Estate</u></p> <ol style="list-style-type: none"> a) Based on the 2nd Schedule – Notification of Scheduled Waste, the estate has only notified DOE on the generation of SW102, SW305, SW404 and SW409. Based on the visit to the SW store and verification on the SW Inventory Records the estate generates SW 410, SW306 and SW418 which have not been notified to DOE. b) The estate has generated SW 306 (Spent Hydraulic); Date of generation: 14/02/2019. The SW Store Clerk mentioned that the spent hydraulic has been disposed on 17/09/2020. There was no evidence (ex. Consignment Note) of disposal of the SW to a licensed SW Manager. c) The Clinical Waste (SW 404) does not indicate the generation date and only states the date of disposal. Based on the last disposal of clinical waste, it was verified that the waste was generated in 28.08.2020 and disposal is on 26/03/2021 which exceeds the limit allowed by DOE (Total Days: 210). The estate did not maintain an inventory record for the Clinical Waste generated. d) There were no inventory records for SW 409 (containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes). Sighted in the SW Store were Plastic Containers (Grease and Lubricant Drums) contaminated with SW stored. It was stated at the store the date of generation is 29/01/2021. There were no records of disposal of these waste prior to this as well. <ol style="list-style-type: none"> 2. Environment Quality (Scheduled Waste) regulations 2005; PU(A) 294/2005; Regulation 9; Storage of Scheduled Waste; 	<p>Non-compliance</p>
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		<p>No. 5 – Any person may store scheduled waste generated by him for 180 days or less after its generation.</p> <p><u>Chenor Estate</u></p> <table border="1"> <thead> <tr> <th>SW</th> <th>Date Generated</th> <th>Date Disposed</th> <th>Difference Days</th> </tr> </thead> <tbody> <tr> <td>SW404 (Clinical Waste)</td> <td>27.04.2020</td> <td>18/12/2020</td> <td>236</td> </tr> </tbody> </table> <p><u>Mentakab Estate</u></p> <table border="1"> <thead> <tr> <th>SW</th> <th>Date Generated</th> <th>Date Disposed</th> <th>Difference Days</th> </tr> </thead> <tbody> <tr> <td>SW410 (Spent Filter)</td> <td>23/07/2020</td> <td>06/04/2021</td> <td>258</td> </tr> <tr> <td>SW 409 (Contaminated Chemical Containers)</td> <td>30/01/2020</td> <td>06/04/2021</td> <td>421</td> </tr> <tr> <td>SW 305 (Spent Lubricant Oil)</td> <td>30/01/2020</td> <td>06/04/2021</td> <td>421</td> </tr> </tbody> </table> <p>3. The Waste Management Plan for domestic waste was stated as below:</p> <ul style="list-style-type: none"> - To collect all recyclable materials at the workers housing complex, office, workshop, store, shop and call recycle collectors for disposal. - Create further awareness on recycling among workers through training and recycling campaigns. <p><u>Kerdau Estate</u></p> <p>It was sighted at the landfill at Field P15B that there were recyclable wastes (plastic containers) in abundance disposed at the landfill.</p> <ul style="list-style-type: none"> • There was no evidence of any segregation done prior to waste being disposed to the landfill. 	SW	Date Generated	Date Disposed	Difference Days	SW404 (Clinical Waste)	27.04.2020	18/12/2020	236	SW	Date Generated	Date Disposed	Difference Days	SW410 (Spent Filter)	23/07/2020	06/04/2021	258	SW 409 (Contaminated Chemical Containers)	30/01/2020	06/04/2021	421	SW 305 (Spent Lubricant Oil)	30/01/2020	06/04/2021	421	
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SW 305 (Spent Lubricant Oil)	30/01/2020	06/04/2021	421																								

		<ul style="list-style-type: none"> • There was no evidence that any recyclable waste has been sold to any recycle waste collector prior to this. • There was no evidence that any awareness on recycling created among workers through recycling campaigns or trainings. <p>This was not in accordance with the Environmental Management Plan – Waste Management Plan at Kerdau Estate.</p> <p>4. <u>Kerdau Estate</u> Stated in the Waste Management Plan for Chemical Containers (SW409)</p> <ul style="list-style-type: none"> - Collect & Record amount of empty containers. - Store all scheduled waste under lock and key. <p>It was sighted during the field visit that several pesticide chemical drums have been left in the fields near the water catchment area, mill and in the field along the main road of the estate and not managed in accordance with the Waste Management Plan.</p> <p>Due to the lapses identified in managing the wastes in accordance with the management plan, a major non-conformity was raised as this is a reoccurrence of minor non-conformity.</p>	
7.3.2	<p>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</p> <p>- Minor compliance -</p>	<p>Scheduled wastes were found to be stored at the designated scheduled waste stores in the mill and estates. The disposal of all scheduled waste is in accordance with Scheduled Wastes Regulations 2005. The disposal records are as below:</p> <p><u>Kerdau POM</u></p> <ol style="list-style-type: none"> 1. SW 324 – Spent Hexane Chemical; Consignment Note: 2021031610ZQ8CN3; Date: 16/03/2021; Contractor: Kualiti Alam Sdn Bhd; Quantity: 0.03 mt. 2. SW 410 – Rags, plastics, papers or Filters Contaminated with SW; Consignment Note: 2021031610LF3GP4; Date: 	Complied

		<p>16/03/2021; Contractor: Kualiti Alam Sdn Bhd; Quantity: 0.06 mt.</p> <p>3. SW 306 – Spent Hydraulic; Consignment Note: 2021031610MOAB6X; Date: 16/03/2021; Contractor: Kualiti Alam Sdn Bhd; Quantity: 1.881 mt.</p> <p>4. SW 305 – Spent Lubricant Oil; Consignment Note: 2021031610JDUHF8; Date: 16/03/2021; Contractor: Kualiti Alam Sdn Bhd; Quantity: 0.20 mt.</p> <p><u>Kerdau Estate</u></p> <p>1. SW404 - Clinical Waste; Date: 26/03/2021; Transporter: Kualiti Alam Sdn. Bhd.; Total Waste Quantity: 9 kgs.</p> <p>2. SW305 - Spent Lubricant; Date: 08/03/2021; Contractor: Rengkas Maju (M) Sdn. Bhd.; Total Waste Quantity: 800 kgs.</p> <p>3. SW410 - Spent Filters; Date: 08/03/2021; Contractor: Rengkas Maju (M) Sdn. Bhd.; Total Waste Quantity: 225 kgs.</p> <p><u>Sg. Mai Estate</u></p> <p>1. SW 305 – Spent Lubricant; Date: 17/09/2020; Contractor: Alivirgo Sdn Bhd; Total Waste Quantity: 6 Drums.</p> <p>2. SW 404 – Clinical Waste; Date: 26/03/2021; Contractor: Kualiti Alam Sdn. Bhd; Total Waste Quantity: 2 kgs.</p> <p><u>Chenor Estate</u></p> <p>1. SW409 – Empty Chemical Container; Date 16/03/2021; Consignment Note Number: 0155722; Waste Transporter: Kualiti Alam Sdn Bhd; Quantity: 0.640mt.</p> <p>2. SW305 – Spent Lubricant Oil, Date: 16/03/2021; Quantity: 0.328 mt; Consignment Note Number: 0155720; Waste Transporter: Kualiti Alam Sdn. Bhd.</p> <p>3. SW410 – Spent Filter; Date: 16/03/2021; Consignment Note Number: 0155721; Quantity 0.035mt; Waste Transporter: Kualiti Alam Sdn Bhd.</p>	
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		<p>4. SW408 – Contaminated Soil; Quantity: 0.104mt; Date: 16/03/2021; Document Number: 0155723; Waste Transporter: Kualiti Alam Sdn Bhd.</p> <p>5. SW404 – Clinical Waste; Date: 18.12.2020; Quantity: 5.5kg; Consignment Serial Number: 0395839; Transporter: Kualiti Alam Sdn Bhd.</p> <p><u>Mentakab Estate</u></p> <p>1. SW 410 – Spent Filter; Consignment Note Number: 22752; Disposal Date: 06/04/2021; Quantity Disposed: 260kg</p> <p>2. SW 404 – Clinical Waste; Date: 06/03/2021; Quantity: 2.00kg; Consignment Note: 111570; Transporter: Future NRG Sdn Bhd.</p> <p>3. SW 409 – Contaminated Chemical Containers; Quantity: 160 Unit; Consignment Note Number: 22753; Date 06/04/2021; Transporter: Rengkas Maju Sdn Bhd.</p> <p>4. SW 302 – Spent Lubricant Oil; Quantity: 400L; Consignment Note Number: 22751; Date: 06/04/2021; Transporter: Rengkas Maju Sdn Bhd.</p>	
7.3.3	The unit of certification does not use open fire for waste disposal. - Minor compliance -	There was no wastes disposal by using open fire observed during the site visit at SOU 11 estates and mill.	Complied
Criterion 7.4: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
7.4.1	Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts. - Minor compliance -	Good agriculture practices are followed including as per recommendation from annual agronomist visit reports been followed at estates to manage accordingly on soil fertility to optimise yield and minimise environmental impacts. E.g. for Sungai Mai Estate, the agronomist visit was conducted on 24/02/2020 – 25/02/2020 and at Chenor Estate on 26/02/2020 to observe the general palm development in addition to providing the fertilizer recommendations for the period of July 2020 – June 2021. The visit covered all of the oil palm fields and findings were used as guidance in formulating the fertilizer inputs and suggesting site – specific agronomic practices for yield and growth improvement. The visit was accompanied by the Manager and Assistant Manager.	Complied

7.4.2	<p>Periodic tissue and soil sampling is carried out by Companies to monitor and manage changes in soil fertility and plant health.</p> <p>- Minor compliance -</p>	<p>Periodic tissue and soil sampling conducted by the certification unit as per detailed in the annual agronomist visit reports at each estate. E.g. for Sungai Mai Estate for Leaf N – percentage of sampling blocks with adequate level remained at 22%, overall leaf nitrogen level has decreased from 2.51% to 2.48%. This was due to an increase of sampling blocks with low level from only 20% to 37% currently. Similarly monitoring was also done for Leaf P – Phosphorus level, Leaf K – Potassium level, Leaf Mg – Magnesium Level and Leaf Boron – Boron level been monitored with field observation action plans been proposed and to be actioned accordingly for soil fertility and plant health as detailed in the agronomist report.</p>	Complied
7.4.3	<p>A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.</p> <p>- Minor compliance -</p>	<p>Nutrient recycling strategy is in place as per detailed in the annual agronomist visit reports at each estate and includes the recycling of EFB, palm residues and optimal use of inorganic fertilisers. During field visit to estates, visible EFB application and palm residues been practised accordingly.</p>	Complied
7.4.4	<p>Records of fertiliser inputs are maintained.</p> <p>- Minor compliance -</p>	<p>Records of fertiliser inputs were maintained as per 2021/2021 Fertiliser Program (Oil Palm). E.g. for Sungai Mai Estate sighted sample as following:</p> <p>Block 1 (30.82, 43.28), SPH (134), Total Palm (4133, 5804), Soil Series (Jempol, Tebok, Bungor), Fertilizer Rate (kg/palm) e.g. AC (25%N) = 2.00 (Feb-21 to Mar-21), MOP (60% K2O) =1.75 (Feb-21 to Mar-21).</p> <p>Sampled also details at Chenor Estate as follows:</p> <p>Field 2000C, Block 1 (19.71, 24.13), SPH (149), Ha (19.71, 24.13), Soil Series (Segamat, Local Alluvium), Fertilizer Rate (kg/palm) e.g. AC (25%N) = 1.75 (Feb-21 to Mar-21), MOP (60% K2O) =1.50 (Feb-21 to Mar-21).</p>	Complied
Criterion 7.5: Practices minimise and control erosion and degradation of soils.			
7.5.1	<p>(C) Maps identifying marginal and fragile soils, including steep terrain, are available.</p>	<p>Soil surveys and topographic details including of steep terrain, marginal and fragile soil was available at all estates. Sampled soil</p>	Complied

	- Critical (Major) compliance -	maps at Sungai Mai Estate and Chenor Estate. There was no soil categorisation as problematic or fragile soil. The details of map sample sighted were as follows: a) <u>Sungai Mai Estate</u> Main Division Soil Series Map, Data Source: GDPS Surveyed, Projection: Universal Transverse Mercator 48N, Datum: WGS 1984, Vertical Reference: Height Above Ellipsoid, Prepared by: R&D Precision Agriculture Unit (EIM) and Jerantut Division Soil Series Map, Data Source: GDPS Surveyed, Projection: Universal Transverse Mercator 48N, Datum: WGS 1984, Vertical Reference: Height Above Ellipsoid, Prepared by: R&D Precision Agriculture Unit (EIM). b) <u>Chenor Estate</u> Sighted Soil and Manuring Block Map Data Source: GDPS Surveyed, Projection: Universal Transverse Mercator 48N, Datum: WGS 1984, Differential Correction Accuracy: 98%, Prepared by: R&D Precision Agriculture Unit (EIM).	
7.5.2	No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25 degrees) larger than 25 Ha within the Unit of Certification. - Minor compliance -	No replanting on steep slopes (above 25 degrees) sighted at sampled Sungai Mai Estate and Chenor Estate. There were existing planted trees (year planted 1991) at Field 2016A at Sungai Mai Estate and verified that the area was conserved, and no activities of harvesting, manuring or spraying been sighted on the steep terrain. The major method to minimise soil erosion was construction of terrace. Avoidance of bare soil was done through establishment of low cover crop.	Complied
7.5.3	There is no new planting of oil palm on steep terrain. - Minor compliance -	Based on field visit to estates verified that no new planting of oil palm sighted on steep terrain.	Complied
Criterion 7.6: Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.			
7.6.1	(C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.	No new plantings in all estates.	Not Applicable

	- Critical (Major) compliance -		
7.6.2	Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices. - Minor compliance -	No new plantings in all estates.	Not Applicable
7.6.3	Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure. - Minor compliance -	No new plantings in all estates.	Not Applicable
Criterion 7.7: No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.			
7.7.1	(C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas. - Critical (Major) compliance -	Not applicable as no peat soil in this certification unit.	Not Applicable
7.7.2	Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peatland Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below). - Minor compliance -	Not applicable as no peat soil in this certification unit.	Not Applicable
7.7.3	(C) Subsidence of peat is monitored, documented and minimised. - Critical (Major) compliance -	Not applicable as no peat soil in this certification unit.	Not Applicable
7.7.4	(C) A documented water and ground cover management programme is in place. - Critical (Major) compliance -	Not applicable as no peat soil in this certification unit.	Not Applicable
7.7.5	(C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity	Not applicable as no peat soil in this certification unit.	Not Applicable

	<p>drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation.</p> <p>This is subject to transitional (5 years: 2019 to 2024) arrangement stated in the Drainability Assessment Procedure.</p> <p>Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.</p> <p>- Critical (Major) compliance -</p>		
7.7.6	<p>(C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2019) and associated audit guidance.</p> <p>- Critical (Major) compliance -</p>	Not applicable as no peat soil in this certification unit.	Not Applicable
7.7.7	<p>(C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2019) and associated audit guidance.</p> <p>- Critical (Major) compliance -</p>	Not applicable as no peat soil in this certification unit.	Not Applicable
Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.			
7.8.1	<p>A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:</p> <p>a) The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.</p> <p>b) Workers have adequate access to clean water.</p> <p>- Minor compliance -</p>	<p>SOU 11 Operating Units have established its Water Management Plan for year 2021 which was developed to maintain the quality and availability of natural water resources. This is made by practicing efficient water consumption through various methods such as;</p> <p>a) Implementation of rainwater harvesting,</p> <p>b) Construction of water gate for effective management of field drains,</p> <p>c) Establishment of <i>Mucuna bracteata</i> to prevent erosion,</p> <p>d) Side drain at field road to control water, frond stacking,</p> <p>e) Enhancement of ground vegetation at bare ground area.</p>	Complied

		<p>f) Monitor the quality of main water outlet for pollutants from estate operations g) Purchasing water from vendor during water shortage. h) Monitor the usage of treated water on a monthly basis</p> <p><u>Kerdau Estate</u> The estate treats its own water for consumption extracted from the water catchment in the estate. During the site visit it was verified that the water catchment was fenced with signages stating no fishing and no spraying works. It was noticed that the grasses were cut using motor cutters. The water supplied to the workers through water treatment plants was tested for NSDWQ compliance on monthly basis. Among the parameters tested were pH, TDS, Turbidity, Chloride, Al, E. Coli and Total Coliform.</p> <p><u>Sg. Mai Estate</u> The estate provide access to clean water to all workers obtained from Perbadanan Air Pahang (Government Agency).</p> <p><u>Chenor Estate</u> The estate provide access to clean water to all workers obtained from Perbadanan Air Pahang (Government Agency).</p> <p><u>Mentakab Estate</u> Mentakab Estate is divided to 3 divisions namely Mentakab Division, Lanchang Division and Edensor Division. Lanchang and Edensor Division obtaines water for domestic use from Perbadanan Air Pahang (Government Agency) while Mentakab Division has a water treatment to treat the water from the river for domestic use. The water is monitored on a monthly basis on the quality to ensure it is safe for consumption in accordance with the NSDWQ standards for domestic use. The latest Microbiology Analysis Test Report was</p>	
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		available for verification dated 06/04/2021 (Test Report No: ML112/2021). The results indicated that all the samples conforms with NSDWQ for domestic use.													
7.8.2	<p>(C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017) or applicable National legislation or specific environmental permit. Smallholders may replant existing planted areas provided there is no evidence of environmental deterioration having occurred during the previous cycle.</p> <p>- Critical (Major) compliance -</p>	<p>Water courses and wetlands are protected as per documented Guidelines on River Reserve Management (Management of River Reserve in Sime Darby Plantation; dated April 2014). The widths of the buffer zones are guided by the following measurements:</p> <table border="1" data-bbox="1184 533 1901 831"> <thead> <tr> <th>River width (m)</th> <th>Buffer zone width</th> </tr> </thead> <tbody> <tr> <td>> 40</td> <td>50</td> </tr> <tr> <td>20 to 40</td> <td>40</td> </tr> <tr> <td>10 to 20</td> <td>20</td> </tr> <tr> <td>5 to 10</td> <td>10</td> </tr> <tr> <td>< 5</td> <td>5</td> </tr> </tbody> </table> <p>Monitoring based on Sustainable Plantation Management System Appendix 7 Standard Operation Procedure (SOP) for taking water samples from streams/rivers, version 1, year 2008, issue no. 1, dated 1/11/2008.</p> <p>Based on verification at all the sampled estates, the riparian zones were satisfactorily maintained, and no evidence of agrochemicals application seen. Workers and staffs were regularly trained on HCVs and Riparian Zones especially for chemical sprayers and fertiliser applicators. Water courses were monitored by conducting water sampling on a quarterly basis at rivers inlet and outlet.</p> <p><u>Sg Mai Estate</u> River (Sungai Mai) flows across the estate where regular monitoring was done on the water quality that leaves the estate. Verified the Water Sampling Test Report (Test Report Number) sampled on 26/02/2021.</p>	River width (m)	Buffer zone width	> 40	50	20 to 40	40	10 to 20	20	5 to 10	10	< 5	5	Complied
River width (m)	Buffer zone width														
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		<p><u>Chenor Estate</u></p> <p>Mentakab Estate is divided to 3 divisions mainly Mentakab Division, Lanchang Division and Edensor Division. Sg. Chermang Kanan, Sg. Chermang Kiri and Sg. Semantan run through the estates. During the site visit to Sg. Chermang it was noticed that a wide buffer has been maintained at the riverbank. The management acknowledged that there is to be a Jungle Tree Planting Project planned along the riverbank to rehabilitate the riverbank area. There was no indication of any chemical or fertiliser application along the buffer area. Signages have been erected indicating the area is classified under the buffer zone area. Regular pesticide water analysis is done by the management on the incoming and outgoing water to monitor the river water quality. The later report available for verification was dated 22/12/2020 (Test Report Number: PL642/2020) indicating there were no presence of pesticide in the sampled water.</p>															
<p>7.8.3</p>	<p>Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.</p> <p>- Minor compliance -</p>	<p>The mill applies the biological system with 6 ponds in series for its treatment of effluent. The mill is disposing its effluent to the water ways. The quality of discharged effluent was analysed every month and the parameters are T, pH, BOD, COD, TS, SS, O&G, AN and TN. The sampled Effluent Test Report were noticed to conform with the parameter limits for watercourse discharge. The analysis test report was available for verification as below:</p> <ol style="list-style-type: none"> Test Report No: EP 122/2021 Date Sampled: 17/02/2021 Lab Code: C-W-Ep-202102-000472 <table border="1" data-bbox="1207 1155 1951 1321"> <thead> <tr> <th>Sample Reference</th> <th>pH (25°)</th> <th>BOD (mg/L)</th> <th>SS (mg/L)</th> <th>TN (mg/L)</th> <th>AN (mg/L)</th> <th>O&G (mg/L)</th> </tr> </thead> <tbody> <tr> <td>Final Discharge</td> <td>8.5</td> <td>17</td> <td>70</td> <td>31</td> <td><1</td> <td>3</td> </tr> </tbody> </table> <ol style="list-style-type: none"> Test Report No: EP 66/2021 	Sample Reference	pH (25°)	BOD (mg/L)	SS (mg/L)	TN (mg/L)	AN (mg/L)	O&G (mg/L)	Final Discharge	8.5	17	70	31	<1	3	<p>Complied</p>
Sample Reference	pH (25°)	BOD (mg/L)	SS (mg/L)	TN (mg/L)	AN (mg/L)	O&G (mg/L)											
Final Discharge	8.5	17	70	31	<1	3											

		<p>Date Sampled: 21/01/2021 Lab Code: C-W-Ep-202101-000220</p> <table border="1" data-bbox="1207 363 1953 528"> <thead> <tr> <th>Sample Reference</th> <th>pH (25°)</th> <th>BOD (mg/L)</th> <th>SS (mg/L)</th> <th>TN (mg/L)</th> <th>AN (mg/L)</th> <th>O&G (mg/L)</th> </tr> </thead> <tbody> <tr> <td>Final Discharge</td> <td>8.3</td> <td>28</td> <td>60</td> <td>31</td> <td><1</td> <td>4</td> </tr> </tbody> </table> <p>Competent Person as required by legal was also verified. Currently, the responsibility is held by the mill manager, Mr. Hudal Firdaus Bin Lahuri Certificate No. CePPOME/00073 since 20/02/2018.</p>	Sample Reference	pH (25°)	BOD (mg/L)	SS (mg/L)	TN (mg/L)	AN (mg/L)	O&G (mg/L)	Final Discharge	8.3	28	60	31	<1	4																										
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7.8.4	<p>Mill water use per tonne of FFB is monitored and recorded. - Minor compliance -</p>	<p>The mill processing water are obtained from the reservoir adjacent to the mill complex. The water usage for palm oil mill were recorded on a monthly basis and were available for verification as below:</p> <p>Water Usage/FFB for Kerdau POM – FY 2020 and 2021</p> <table border="1" data-bbox="1184 844 1921 1430"> <thead> <tr> <th>Month</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr><td>Jan 2020</td><td>1.811</td><td>0.890</td></tr> <tr><td>Feb 2020</td><td>1.466</td><td>1.209</td></tr> <tr><td>Mar 2020</td><td>1.395</td><td>0.835</td></tr> <tr><td>Apr 2020</td><td>1.270</td><td>-</td></tr> <tr><td>May 2020</td><td>0.806</td><td>-</td></tr> <tr><td>Jun 2020</td><td>0.502</td><td>-</td></tr> <tr><td>Jul 2020</td><td>0.912</td><td>-</td></tr> <tr><td>Aug 2020</td><td>0.997</td><td>-</td></tr> <tr><td>Sept 2020</td><td>0.505</td><td>-</td></tr> <tr><td>Oct 2020</td><td>0.372</td><td>-</td></tr> <tr><td>Nov 2020</td><td>0.295</td><td>-</td></tr> <tr><td>Dec 2020</td><td>0.472</td><td>-</td></tr> </tbody> </table>	Month	2020	2021	Jan 2020	1.811	0.890	Feb 2020	1.466	1.209	Mar 2020	1.395	0.835	Apr 2020	1.270	-	May 2020	0.806	-	Jun 2020	0.502	-	Jul 2020	0.912	-	Aug 2020	0.997	-	Sept 2020	0.505	-	Oct 2020	0.372	-	Nov 2020	0.295	-	Dec 2020	0.472	-	Complied
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Criterion 7.9: Efficiency of fossil fuel use and the use of renewable energy is optimised																																																																								
7.9.1	<p>A plan for efficiency of the use of fossil fuels and to optimise renewable energy is implemented, monitored and documented.</p> <p>- Minor compliance -</p>	<p>At the estates, the plan to optimise the usage of diesel is by regular maintenance of diesel-powered machinery and educational programme for the operators on fuel saving. At the mill, the utilisation of fibre and shell as biofuel for boiler operation is consistently implemented to generate electricity through turbines. This helps to reduce the dependency to fossil fuel.</p> <p>Records of use of Diesel, Electricity, Fibre and Shell and Kerdau POM was available for verification as below:</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th rowspan="2" style="width: 15%;">Month</th> <th colspan="2" style="width: 20%;">Diesel (L)</th> <th colspan="2" style="width: 20%;">Electricity (kWh)</th> </tr> <tr> <th style="width: 10%;">2020</th> <th style="width: 10%;">2021</th> <th style="width: 10%;">2020</th> <th style="width: 10%;">2021</th> </tr> </thead> <tbody> <tr><td>Jan 2020</td><td>12743</td><td>9960</td><td>234586</td><td>272597</td></tr> <tr><td>Feb 2020</td><td>16074</td><td>10920</td><td>302857</td><td>289621</td></tr> <tr><td>Mar 2020</td><td>8601</td><td>7620</td><td>373466</td><td>307108</td></tr> <tr><td>Apr 2020</td><td>9724</td><td>-</td><td>352388</td><td>-</td></tr> <tr><td>May 2020</td><td>15466</td><td>-</td><td>326985</td><td>-</td></tr> <tr><td>Jun 2020</td><td>22470</td><td>-</td><td>488329</td><td>-</td></tr> <tr><td>Jul 2020</td><td>25990</td><td>-</td><td>412426</td><td>-</td></tr> <tr><td>Aug 2020</td><td>17360</td><td>-</td><td>400909</td><td>-</td></tr> <tr><td>Sept 2020</td><td>8530</td><td>-</td><td>489395</td><td>-</td></tr> <tr><td>Oct 2020</td><td>8452</td><td>-</td><td>404350</td><td>-</td></tr> <tr><td>Nov 2020</td><td>11220</td><td>-</td><td>357343</td><td>-</td></tr> <tr><td>Dec 2020</td><td>8920</td><td>-</td><td>283594</td><td>-</td></tr> </tbody> </table>	Month	Diesel (L)		Electricity (kWh)		2020	2021	2020	2021	Jan 2020	12743	9960	234586	272597	Feb 2020	16074	10920	302857	289621	Mar 2020	8601	7620	373466	307108	Apr 2020	9724	-	352388	-	May 2020	15466	-	326985	-	Jun 2020	22470	-	488329	-	Jul 2020	25990	-	412426	-	Aug 2020	17360	-	400909	-	Sept 2020	8530	-	489395	-	Oct 2020	8452	-	404350	-	Nov 2020	11220	-	357343	-	Dec 2020	8920	-	283594	-	Complied
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		Month	Shell		Fibre		
			2020	2021	2020	2021	
		Jan 2020	592.07	632.17	3588.29	3831.36	
		Feb 2020	967.17	790.42	5861.63	4790.41	
		Mar 2020	1116.25	1142.20	6765.17	6922.45	
		Apr 2020	1106.02	-	6703.17	-	
		May 2020	1022.52	-	6197.12	-	
		Jun 2020	1457.83	-	8835.35	-	
		Jul 2020	1309.73	-	7766.73	-	
		Aug 2020	1289.46	-	7814.91	-	
		Sept 2020	1300.50	-	7881.80	-	
		Oct 2020	1118.25	-	6780.91	-	
		Nov 2020	986.25	-	5977.29	-	
		Dec 2020	883.76	-	5356.10	-	
Criterion 7.10: Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.							
7.10.1	(C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported. - Critical (Major) compliance -	Main sources of GHG emission identified were methane (CH) emission through POME treatment and boiler stack from the mill. Other less significant GHG emissions identified including CO, SOx and NOx from various sources including fossil fuel, chemical and fertilizer consumptions mainly from estates activities. The emission value is recorded and calculated through the utilisation of RSPO's Palm GHG Calculator ver. 4.					Complied
7.10.2	(C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared	Not applicable since no new development by the certification unit.					Not Applicable

	<p>and implemented (following the RSPO GHG Assessment Procedure for New Development).</p> <p>- Critical (Major) compliance -</p>										
7.10.3	<p>(C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.</p> <p>- Critical (Major) compliance -</p>	<p>Based on the assessment of all polluting activities as of the Environment Aspect and Impact assessment, among the identified sources of gaseous emissions were boiler chimney, diesel engines and POME to name a few. Current monitoring was through online boiler smoke density and alarm and six-monthly boiler stack monitoring for dust particulate.</p> <p>DOE Compliance Schedule; License Number: 005105; Reference Number: JP/KKS/2020/2021/005105; License Validity Period: 01/07/2020 – 30/06/2021. The license states that Stack Sampling has to be conducted every 6 months once in accordance with the methods that has been set by the Malaysian Standard for Air Pollution Control (MS1596:2003).</p> <p>The Stack Sampling was performed by UiTM – A & A Laboratory. The Report for Air Emission Monitoring conducted was available for verification as below:</p> <p>Results for air emission monitoring for Boiler Chimney at Kerdu POM.</p> <p>Sampling Date: 08/10/2020 Project Reference: 5327/2020/10</p> <table border="1" data-bbox="1162 1187 1951 1409"> <thead> <tr> <th>Parameter</th> <th>Unit</th> <th>Chimney Boiler ≤MW</th> <th>Second Schedule regulation 13, CAR 2014</th> </tr> </thead> <tbody> <tr> <td>Total Particulate Matter</td> <td>mg/m³</td> <td>69</td> <td>150</td> </tr> </tbody> </table>	Parameter	Unit	Chimney Boiler ≤MW	Second Schedule regulation 13, CAR 2014	Total Particulate Matter	mg/m ³	69	150	Complied
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		<table border="1"> <tr> <td>Total Particulate Matter corrected to 12% CO₂</td> <td>mg/m³</td> <td>90</td> <td>150</td> </tr> <tr> <td>Carbon Monoxide</td> <td>mg/m³</td> <td>400</td> <td>1000</td> </tr> </table> <p>Sampling Date: 04/02/2020 Project Reference: 5324/2020/02</p> <table border="1"> <thead> <tr> <th>Parameter</th> <th>Unit</th> <th>Chimney Boiler ≤MW</th> <th>Second Schedule regulation 13, CAR 2014</th> </tr> </thead> <tbody> <tr> <td>Total Particulate Matter</td> <td>mg/m³</td> <td>34</td> <td>150</td> </tr> <tr> <td>Total Particulate Matter corrected to 12% CO₂</td> <td>mg/m³</td> <td>91</td> <td>150</td> </tr> <tr> <td>Carbon Monoxide</td> <td>mg/m³</td> <td>300</td> <td>1000</td> </tr> </tbody> </table> <p>Both reports for stack sampling concluded that the chimney boiler of Kerdau POM had successfully fulfilled the Second Schedule, Regulation 13 of the Environmental Quality (Clean Air) Regulation 2014.</p>	Total Particulate Matter corrected to 12% CO ₂	mg/m ³	90	150	Carbon Monoxide	mg/m ³	400	1000	Parameter	Unit	Chimney Boiler ≤MW	Second Schedule regulation 13, CAR 2014	Total Particulate Matter	mg/m ³	34	150	Total Particulate Matter corrected to 12% CO ₂	mg/m ³	91	150	Carbon Monoxide	mg/m ³	300	1000	
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Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area																											
7.11.1	(C) Land for new planting or replanting is not prepared by burning. - Critical (Major) compliance -	Guided by SDPB ARM, preparation of replanting using fire is not allowed. Based on site visit at at SOU 11 estates, there was no trace of burning observed. Palm trunks were chipped and windrowed at estates conducting replanting.	Complied																								
7.11.2	The unit of certification establishes fire prevention and control measures for the areas directly managed by the unit of certification.	Hotspot monitoring managed by HQ (Fire Hotspot Monitoring Team) – if any fire detected, inform estate.	Complied																								

	- Minor compliance -	Sime Darby Daily Hotspot Monitoring system has been in place since November 2013 using NASA satellite data. The system monitors any possible occurrence of fire within or nearby the concession areas throughout Sime Darby Plantation Upstream operation globally. At the estates level, there are fire prevention team established. Among the mechanisms to prevent fire are training on firefighting for the ERT, preparing the fire-fighting facilities such as tractor mounted with water bowser and submersible water pump.															
7.11.3	The unit of certification engages with adjacent stakeholders on fire prevention and control measures. - Minor compliance -	<p>The estates have yet to engage with the sampled adjacent stakeholders on fire prevention and control measures as mentioned below:</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Stakeholders</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Kerdau Estate</td> <td>FELCRA Kerdau</td> </tr> <tr> <td>FELDA Jenderak</td> </tr> <tr> <td>Krau Forest Reserve (Jabatan Perhutanan)</td> </tr> <tr> <td rowspan="3">Chenor Estate</td> <td>Smallholders adjacent to Chenor Estate</td> </tr> <tr> <td>Felda Ulu Jempol</td> </tr> <tr> <td>Forest Reserve (Jabatan Perhutanan)</td> </tr> <tr> <td rowspan="3">Mentakab Estate</td> <td>Ladang Sg Kawang (KLK)</td> </tr> <tr> <td>Kg. Sementeh</td> </tr> <tr> <td>SMGB Group Sdn Bhd</td> </tr> </tbody> </table> <p>During the field visit to the estates it was identified that there were more adjacent stakeholders that have not been identified and included in the stakeholder list. Hence, a minor non-conformity was raised.</p>	Estate	Stakeholders	Kerdau Estate	FELCRA Kerdau	FELDA Jenderak	Krau Forest Reserve (Jabatan Perhutanan)	Chenor Estate	Smallholders adjacent to Chenor Estate	Felda Ulu Jempol	Forest Reserve (Jabatan Perhutanan)	Mentakab Estate	Ladang Sg Kawang (KLK)	Kg. Sementeh	SMGB Group Sdn Bhd	Non-compliance
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	Kg. Sementeh																
	SMGB Group Sdn Bhd																
<p>Criterion 7.12: Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.</p>																	
7.12.1	(C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests.	Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, this indicator is not applicable during this assessment. The immature areas are of replanted area.	Complied														

	<p>A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.</p> <p>- Critical (Major) compliance -</p>																																								
<p>7.12.2</p>	<p>(C) HCVs, HCS forests and other conservation areas are identified as follows:</p> <p>a) For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid.</p> <p>b) Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.</p> <p>PROCEDURAL NOTE: Requirement is further clarified under the Interpretation of Indicator 7.12.2 and Annex 5 (approved by BOG on 12 June 2019).</p> <p>- Critical (Major) compliance -</p>	<p>The PSQM Department has conducted the HCV Assessment for SOU 11 – Kerdu documented in the High Conservation Value (HCV) Reassessment for Pahang Zone dated March 2016. The HCV areas for SOU 11 – Kerdu were identified as follows.</p> <table border="1" data-bbox="1162 555 1942 1150"> <thead> <tr> <th>Estate</th> <th>Assessment Area</th> <th>(Ha)</th> <th>Present HCV</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Sg. Mai Estate</td> <td>Water Catchment</td> <td>1.95</td> <td rowspan="2">HCV 4</td> </tr> <tr> <td>River Reserve (Sg. Mai)</td> <td>48.74</td> </tr> <tr> <td>Jan Huat Cemetery</td> <td>0.01</td> <td>HCV 6</td> </tr> <tr> <td>Chenor Estate</td> <td>Water Catchment</td> <td>7.82</td> <td>HCV 4</td> </tr> <tr> <td rowspan="2">Kerdu Estate</td> <td>Water Catchment</td> <td>7.35</td> <td rowspan="2">HCV 4</td> </tr> <tr> <td>Pond</td> <td>1.05</td> </tr> <tr> <td rowspan="2">Jentar Estate</td> <td>Bukit Kiab</td> <td>59.0</td> <td>HCV 4</td> </tr> <tr> <td>Jan Hut Cemetery</td> <td>0.0002</td> <td>HCV 6</td> </tr> <tr> <td rowspan="3">Mentakab Estate</td> <td>River reserve (Sg. Chermang Kanan)</td> <td>0.5</td> <td rowspan="3">HCV 4</td> </tr> <tr> <td>River reserve (Sg. Chermang Kiri)</td> <td>1.2</td> </tr> <tr> <td>River Reserve (Sg. Semantan)</td> <td>30.0</td> </tr> </tbody> </table> <p>SOU 11 Certification Unit and supply base did not carry out any new plantings since November 2005.</p>	Estate	Assessment Area	(Ha)	Present HCV	Sg. Mai Estate	Water Catchment	1.95	HCV 4	River Reserve (Sg. Mai)	48.74	Jan Huat Cemetery	0.01	HCV 6	Chenor Estate	Water Catchment	7.82	HCV 4	Kerdu Estate	Water Catchment	7.35	HCV 4	Pond	1.05	Jentar Estate	Bukit Kiab	59.0	HCV 4	Jan Hut Cemetery	0.0002	HCV 6	Mentakab Estate	River reserve (Sg. Chermang Kanan)	0.5	HCV 4	River reserve (Sg. Chermang Kiri)	1.2	River Reserve (Sg. Semantan)	30.0	<p>Complied</p>
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<p>7.12.3</p>	<p><i>Indicator is not applicable in Malaysia context</i></p>	<p>Not Applicable</p>	<p>Not Applicable</p>																																						
<p>7.12.4</p>	<p>(C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance</p>	<p>The PSQM Department has conducted the HCV Assessment for SOU 11 – Kerdu documented in the High Conservation Value (HCV)</p>	<p>Complied</p>																																						

	<p>HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).</p> <p>- Critical (Major) compliance -</p>	<p>Reassessment for Pahang Zone dated March 2016. The HVC areas for SOU 11 – Kerdau were identified as stated in indicator 7.12.2. Based on the identified HCVs, the management have implemented the HCV Management Plan where they have identified the possible threats that could arise at the HCVs and the Management and Monitoring of the areas. Among the observations recorded were possible encroachment or sign of trespassing, wildlife issues or sightings, pollution or erosion issues.</p> <p>During the site visit to the sampled HCVs at all the estates, it was sighted that the signages on prohibition of illegal hunting or fishing, no swimming and chemical application at buffer zone area were erected at the area. All the signages were noted to be well maintained. Buffer zones were demarcated along the rivers and catchment area banks and no indication of chemical or fertilizer application were sighted. Regular monitoring of incoming and outgoing water quality was monitored at rivers that pass through the estates. Slopes declared as steep terrains (>25°) were left abandoned. Regular patrolling by the estates Auxiliary Police were done at HCV areas to monitor on trespassing and RTE species with the patrolling records available for verification.</p> <p>The estates continue to train the workers and staffs on HCV and RTE Species. Verified the training on HCVs and biodiversity awareness as follows:</p> <ol style="list-style-type: none"> 1. Sg Mai Estate: <ul style="list-style-type: none"> - Biodiversity Training – 16/03/2021 2. Sg Mai Estate: <ul style="list-style-type: none"> - Buffer Zone and HCV Area Training – 11/09/2020 3. Chenor Estate: <ul style="list-style-type: none"> - HCV and Biodiversity Training – 10/03/2021 4. Mentakab Estate: <ul style="list-style-type: none"> - HCV & Biodiversity in Plantations Training – 15/03/2021 <p>Sime Darby Plantation, Group Sustainability – Conservation & Biodiversity Unit have proposed to conduct a HCV & Biodiversity Training for SOU 11 Management team on 28 and 29 April 2021 on strategizing and how to manage HCV and conservation areas within</p>	
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		the estates and mills as stated in the email to all the operating units dated 06/04/2021.	
7.12.5	Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peat land and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas. - Minor compliance -	Not applicable since there is no land clearing after November 2005.	Not Applicable
7.12.6	All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species. - Minor compliance -	<p>SOU 11 estates continue to train the workers on HCV and RTE Species. Signages on prohibition of illegal hunting or fishing, no swimming and chemical application at buffer zone areas were erected at the HCV areas, Housing Complex and Notice Boards to educate the workers. Pictorial posters on Wildlife Species under the RTE categories were available at the estates and regular awareness programmes were conducted for the staffs and stakeholders.</p> <p>Verified the training on RTE and biodiversity awareness as follows:</p> <ol style="list-style-type: none"> 1. Sg Mai Estate: <ul style="list-style-type: none"> - Biodiversity Training – 16/03/2021 2. Chenor Estate: <ul style="list-style-type: none"> - HCV and Biodiversity Training - 10/03/2021 3. Mentakab Estate: <ul style="list-style-type: none"> - HCV & Biodiversity in Plantations Training – 15/03/2021 <p>Fauna Assessment at Sime Darby Plantations, Temerloh Pahang was conducted by Zoology Branch, Forest Biodiversity Division, FRIM on 21 – 27/05/2018. The assessment states that a total of 8 species of mammals were documented from four. A total of 14 avifauna species from 10 families were documented. It was concluded that the sampled site at Kerdau Region provide habitat for the species to live.</p> <p>Sime Darby has initiated a “Plant a Tree” Project consisting of 60 species of threatened tropical trees at Kerdau Estate, Jentar Division. Approximately 136,036 trees at an approximate area of 136 Ha have been planted which is expected to grow and provide enough canopy and shelter for the avifauna populations.</p>	Complied

7.12.7	<p>The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.</p> <p>- Minor compliance -</p>	<p>Not applicable since there is no land clearing after November 2005. Nonetheless, educational activities on RTE species were done through a few means such as briefings/training and no hunting signage. Interview with workers showed that they have a good understanding in the restriction of capturing the RTE species.</p>	Not Applicable
7.12.8	<p>(C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.</p> <p>- Critical (Major) compliance -</p>	<p>Not applicable since there is no land clearing after November 2005.</p>	Not Applicable

Appendix B: Approved Time Bound Plan

SDP- RSPO Certification Status for Malaysia Operations

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	Sg. Dingin	Karangan, Kedah	12 Aug '10	11-Aug-25	RSPO 550179	N.A
2	Chersonese	Kuala Kurau, Perak	5 Oct '11	4-Oct-21	CU-RSPO-815148, RSPO 590800	N.A
3	Elphil	Sg Siput, Perak	18 Jun '11	17-Jun-21	RSPO 550180	N.A
4	Flemington	Teluk Intan, Perak	5 Oct '11	4-Oct-21	CU-RSPO-819144, RSPO 590802	N.A
5	Seri Intan	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-811218, RSPO 0015	N.A
5	Selaba	Teluk Intan, Perak	3 Mar '11	2-Mar-21	CU-RSPO-819142, RSPO 0016	N.A
5a	Sg Samak		3 Mar '11	NA	NA	Mill was closed down.
6	Tennamaram	Bestari Jaya, Selangor	3 Mar '11	2-Mar-21	CU-RSPO-819143, RSPO 0014	N.A
7	Bkt Kerayong	Kapar, Selangor	15 Apr '11	14-Apr-21	RSPO 550181	N.A
8	East	Carey Island, Selangor	19 May '10	18-May-25	RSPO 543543	N.A
9	West	Carey Island, Selangor	19 May '10	18-May-25	RSPO 543594	N.A
9a	Sepang	Sepang, Selangor	19 May '10	NA	NA	Mill was closed down.
10	Bukit Puteri	Raub, Pahang	7 Jul '11	6-Jul-21	RSPO 745403	N.A
11	Kerdau	Temerloh, Pahang	7 Jul '11	6-Jul-21	RSPO 745399	N.A
12	Jabor	Kuantan, Pahang	7 Jul '11	6-Jul-21	RSPO 745191	N.A
13	Labu	Nilai, Negeri Sembilan	30 Dec '11	29-Dec-21	CU-RSPO-855480	N.A
14	Tanah Merah	Port Dickson, Negeri Sembilan	19 May '10	18-May-21	CU-RSPO-855720	
15	Sua Betong	Port Dickson, Negeri Sembilan	18/2/2014	17-Feb-24	CU-RSPO-855718	N.A

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
16	Kok Foh	Bahau, Negeri Sembilan	7 Jul '11	6-Jul-21	CU-RSPO-819157, RSPO 928188, 824 502 16051, MUTU-RSPO/093	N.A
17	Kempas	Jasin, Melaka	19 May '10	18-May-25	RSPO-PC-00101	N.A
18	Diamond Jubilee	Jasin, Melaka	5 Oct '11	4-Oct-21	CU-RSPO-819146, RSPO 591224	N.A
19	Pagoh	Muar, Johor	28/1/2014	27-Jan-24	RSPO 600305	N.A
19a	Yong Peng	Yong Peng, Johor	20 Oct '10	19-Oct-15	RSPO 550182	Mill was closed down.
20	Chaah	Chaah, Johor	18 Nov '10	17-Nov-25	RSPO 548299	N.A
21	Gunung Mas	Kluang, Johor	19 May '10	18-May-25	CU-RSPO-863078	N.A
22	Bukit Benut	Kluang, Johor	5 Oct '11	4-Oct-21	CU-RSPO-819147, RSPO 591229	N.A
23	Ulu Remis	Layang-layang, Johor	11 Apr '11	10-Apr-21	SGS-RSPO/PM-00722, 824 502 16042, BV-RSPO-20170705-01	N.A
24	Hadapan	Layang-layang, Johor	29 Mar '11	28-Mar-21	RSPO 739013	Re-certification conducted on 11/12/2020.
25	Segaliud	Sandakan, Sabah	20 May '10	19-May-15	RSPO 547123	Mill was closed down.
26	Sandakan Bay	Sandakan, Sabah	1 Oct '08	30-Sep-23	RSPO 537872	N.A
27	Melalap	Tenom, Sabah	21 Jan '11	20-Jan-21	RSPO 547124	N.A
28	Binuang	Kunak, Sabah	16 Jan '09	12-Jul-25	RSPO-PC-00116	N.A
29	Giram	Kunak Sabah	16 Jan '09	12-Jul-25	RSPO-PC-00115	
30	Merotai	Tawau, Sabah	16 Jan '09	12-Jul-25	RSPO-PC-00117	
30a	Jeleta Bumi	Kunak, Sabah	24/5/2010	NA	NA	Mill was closed down.
30b	Mostyn	Kunak Sabah	16 Jan '09	NA	NA	Mill was closed down.
31	Lavang	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819166, MUTU-RSPO/053	N.A
32	Rajawali	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819167, RSPO 0020	N.A
33	Derawan	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-819169, RSPO 0019	N.A

SOU NO	Name of SOU	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
34	Pekaka	Bintulu, Sarawak	30 Dec '11	29-Dec-21	CU-RSPO-815150, MUTU-RSPO/054	Pekaka Mill is being mothballed and all the supply bases certified to it (Pekaka Estate; Ruai Estate, Dulang Estate, Paroh Estate & Chartquest Estate.) has been transferred to SOU Lavang.
35	Bintang	Johor	N/A	N/A	N/A	SDP acquired Bintang Palm Oil Mill in Johor in April 2017. As at Dec 2017, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on hold. As at 1st Oct 2018, the mill has completed the selling off transaction.

Legends

Certification
Withdrawal

NA - NOT APPLICABLE

Note: There are 2 certificate numbers for some SOUs due to transfer of CB.

SDP- RSPO Certification Status for Indonesia Operations

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
1	PT LAHAN TANI SAKTI	ALUR DUMAI	Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau	16-Jan-12	15-Jan-22	SGS-RSPO/PC17-00005	N.A
2	PT SAJANG HEULANG	ANGSANA MINI	Sebamban, Indonesia	6-Jul-11	6-Jul-16	MUTU-RSPO/006b	Mill closed down
3	PT SAJANG HEULANG	MUSTIKA	Sebamban, Indonesia	3-Jul-13	2-Jul-23	MUTU-RSPO/027	N.A
4	PT LADANGRUMPUN SUBURUBADI	ANGSANA	Sebamban, Indonesia	9-Nov-16	8-Nov-21	MUTU-RSPO/006a	N.A
5	PT LANGGENG MUARAMAKMUR	BEBUNGA	Pamakan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur	16-Mar-12	3-Aug-22	MUTU-RSPO/014	N.A
6	PT KRIDATAMA LANCAR	SUKAMANDANG	Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah	2-Sep-16	1-Sep-21	MUTU-RSPO/003	N.A
7	PT BAHARI GEMBIRA RIA	LADANG PANJANG	Kumpeh Ulu, Jambi, Muaro Jambi, Jambi	9-Jul-12	28-Nov-22	MUTU-RSPO/019	N.A
8	PT TUNGGAL MITRA PLANTATIONS	MANGGALA	Riau, Indonesia	25-Nov-10	24-Nov-20	RSPO 744708	Re-certification remote audit conducted on 22/02/2021. License end date 24-May-2021.
9	PT PARIPURNA SWAKARSA	PONDOK LABU	Pamakan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan	16-Mar-12	19-Jul-22	MUTU-RSPO/016	N.A
10	PT BERSAMA SEJAHTERA SAKTI	GUNUNG ARU	Sebamban, Indonesia	21-Oct-16	20-Oct-21	MUTU-RSPO/005	N.A
11	PT GUTHRIE PECCONINA	RANTAU PANJANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	16-Mar-12	19-Nov-22	MUTU-RSPO/017	N.A
12	PT LAGUNA MANDIRI	RANTAU	Sungai Durian, Kotabaru, Kalimantan Selatan	30-Dec-11	29-Dec-21	MUTU-RSPO/009	N.A
13		BETUNG		1-April-14	31-Mar-24	MUTU-RSPO/035	
14	PT INDOTRUBA TENGAH	SEKUNYIR	Kalimantan Tengah, Indonesia	23-Nov-10	22-Nov-20	RSPO 744702	Re-certification remote audit conducted on 20/02/2021. License end date 22-May-2021.
15	PT SWADAYA ANDIKA	SELABAK	Sungai Durian, Kotabaru, Kalimantan Selatan	16-Mar-12	15-Mar-17	MUTU-RSPO/015	Cert. discontinued – supply bases extended to Rantau POM
16	PT BINA SAINS CEMERLANG	SG PINANG	Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan	11-Sep-12	28-Nov-22	MUTU-RSPO/020	N.A

NO	Name of PT	Name of Mill	Location	Date of Certification	End Date of Certification	Certificate Number	Remarks
17	PT TEGUH SEMPURNA	PEMANTANG	Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah	9-Sep-16	8-Sep-21	MUTU-RSPO/004	N.A
18	PT BHUMIREKSA NUSA SEJATI	TELUK BAKAU	Pelangiran, Sg. Guntung, Indragiri Ilir, Riau	01-Dec-16	30-Nov-21	MUTU-RSPO/008	N.A
19		MANDAH		1 April 2014	31/03/24	MUTU-RSPO/036	
20	PT ANEKA INTIPERSADA	TELUK SIAK	Tualang, Perawang, Siak, Riau	8-Dec-16	7-Dec-21	MUTU-RSPO/007	N.A
21	PT TAMACO GRAHA KRIDA	UNGKAYA	Witaponda, Kolonodale, Morowali, Sulawesi Tengah	10-Jul-12	28-Dec-22	MUTU-RSPO/018	N.A
22	PT SIME INDO AGRO	BK AJONG	Kalimantan Barat, Indonesia	18-Jul-16	17-Jul-21	MUTU-RSPO/088	N.A
23	PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI	BLANG SIMPO	Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam	3-May-13	2-May-23	MUTU-RSPO/026	N.A
24	PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI	LEMBIRU	Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat	3-Jul-14	2-Jul-24	MUTU-RSPO/044	N.A
25	PT MITRAL AUSTRAL SEJAHTERA	MAS Mill	Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat	NA	NA	NA	The property was disposed on 25 June 2019 and a official letter on disposal of PT Mas was sent to RSPO Secretariat on 27 June 2019. Last meeting with all releve stakeholders was done with RSPO CP during recent RT in Bangkok last November 2019. Both parties have responded to the legal reviwer report and submitted the comment to RSPO CP.

Legends

Pending Certification by RSPO EB	Mill closed down
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NA - NOT APPLICABLE

SDP - RSPO Certification for Time Bound Plan - NBPOL Operations

As at end Apr 2020

No	Management Unit	Supply Base	Time Bound Plan	Location	Status	Certified Date
	SOU Name					
1	Guadalcanal Plains Palm Oil Limited (GPPOL)	Tetere Oil Mill	NA	Guadalcanal Province, Solomon Islands	Certified	18-Mar-11
		Tetere Estate				
		Ngalimbiu Estate				
		Mbalisuna Estate				
		Smallholders – West Zone (83)				
		Smallholders – Central Zone (53)				
		Smallholders – MBA East Zone (59)				
Smallholders – MBE East Zone (37)						
2	Milne Bay Estates (MBE)	Hagita Oil Mill	NA	Milne Bay Province, Papua New Guinea	Certified	15-Feb-18
		Giligili Estate				
		Hagita Estate				
		Waigani Estate				
		Sagarai Estate				
		Padipadi Estate				
		Mariawatte Estate				
		Smallholders - East Gurney Estate (264)				
		Smallholders - West Gurney Estate (229)				
		Smallholders - East Sagarai Estate (157)				
		Smallholders - West Sagarai Estate (221)				
3	Poliamba (POL)	Poliamba Oil Mill		New Ireland Province, Papua New Guinea	Certified	19-Mar-12
		Kara Estate				
		Nalik Estate				
		West Coast Estate				
		Noatsi Estate				
		Madak Estate				
		Smallholders -North Division (615)				
		Smallholders- South Division (868)				
Smallholders -West Division (309)						
4	Ramu Agricultural Industries Ltd (RAIL)	Gusap Mill	NA	Morobe Province, Papua New Guinea	Certified	5-Aug-10
		Gusap East (Gusap) Estate				
		Gusap West (Paddock) Estate				
		Surinam Estate				
		Dumpu Estate				
		Ngaru Estate				
		J Estate (Jephcott) Estate				
		Smallholders - Madang VOPs (71)				
Smallholders - Morobe VOPs (253)						
5	Higaturu Oil Palm (HOP)	Sangara Oil Mill	NA	Oro Bay Province,	Certified	1-Feb-13

		Mamba Oil Mill		Papua New Guinea		
		Embi Estate				
		Ambogo Estate				
		Sangara Estate				
		Sumbiripa Estate				
		Mamba Estate				
		Sambogo Estate				
		Scheme Smallholder Sorovi Division(2019)				
		Scheme Smallholder Saiho Division(842)				
		Scheme Smallholder Aeka Division (911)				
		Scheme Smallholder Igora Division (1367)				
		Scheme Smallholder Ilimo Division (671)				
6	West New Britain (WNB)	Mosa Oil Mill				
		Kumbango Oil Mill				
		Kapiura Mill				
		Numundo Mill				
		Waraston Mill				
		Bebere Estate				
		Kumbango Estate				
		Togulo Estate				
		Dami Estate				
		Waisisi Estate				
		Kautu Estate				
		Karaisu Estate				
		Moroa Estate				
		Bilomi Estate				
		Loata Estate				
		Haella Estate	NA	Kimbe, West New Britain, Papua New Guinea	Certified	10-Sep-08
		Garu Estate				
		Daliavu Estate				
		Sapuri Estate				
		Malilimi Estate				
		Rigula Estate				
		Nomundo Estate				
		Navarai / Karato ME /KDC EU Estate				
		Volupai / Lotomgam / Natupi / Goruru Estate				
		Lolokoru Estate				
		Ove Estate				
		Tamare Estate				
		Smallholders LSS Mosa (1822)				
		Smallholders VOP East (1817)				
		Smallholders VOP Central (1964)				
		Smallholders VOP West (1279)				

7	Markham Farming Company Limited (MFCL)/Markham Agro Pte. Ltd.	Smallholders LSS Kapiura (551)		Markham Farms	Certified	Certified on 27 March 2020. There is total area for NPP: 710.30 ha which is currently excluded from the certification scope until the NPP is approved.
		Smallholders VOP Kapiura (850)				
		Smallholders Kaulong/Akami/Pushiki/Repamira/Sakapei (20)				
		Erap Mill	Sep-20			
		Munum Estate	Sep-20			
		Maralumi Estate	Sep-20			
		Erap Estate	Sep-20			

Legends

Pending Certification

NA - NOT APPLICABLE

Appendix C: GHG Reporting Executive Summary

The GHG emissions that were produced in 2020 for SOU 11 Kerdu Palm Oil Mill and supply base was calculated using the PalmGHG Calculator version 4.0. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in 2020 for SOU 11 Kerdu Palm Oil Mill and supply base are as following:

Emission per product	tCO ₂ e/tProduct
CPO	1.35
PKO	1.35

Extraction	%
OER	20.37
KER	4.53

Production	t/yr
FFB Process	198,754.54
CPO Produced	40,479.03
PK Produced	9,003.65

Land Use	Ha
OP Planted Area	12,503.52
OP Planted on peat	-
Conservation (forested)	-
Conservation (non-forested)	-
Total	12,503.52

Summary of Field Emission and Sink

	Own Crop*		Group		3 rd Party		Total	
	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB	tCO ₂ e	tCO ₂ e / FFB
Emission								
Land Conversion	120,524.02	0.71	94.0	0.70	0.00	0.00	120,618.02	0.71
CO ₂ Emission from fertilizer	9,575.67	0.06	7.69	0.06	0.00	0.00	9,583.36	0.06
NO ₂ Emission	4,850.75	0.03	3.66	0.03	0.00	0.00	4,854.41	0.03
Fuel Consumption	947.07	0.01	0.74	0.01	0.00	0.00	945.81	0.01
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sink								
Crop Sequestration	-112302.09	-0.66	-89.10	-0.66	0.00	0.00	-112,391.19	-0.66
Conservation Sequestration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	23593.42	0.14	16.99	0.13	0.00	0.00	27545.58	

*Note: Includes both estates and smallholders

Summary of Mill Emission and Credit

	tCO ₂ e	tCO ₂ e/tFFB
Emission		
POME	38,959.26	0.20
Fuel Consumption	480.22	0.00
Grid Electricity Utilization	0.00	0.00
Credit		
Export of Grid Electricity	0.00	0.00
Sales of PKS	0.00	0.00
Sales of EFB	0.00	0.00
Total	39,439.48	0.20

Summary of Kernel Crusher Emission and Credit (if applicable)

Emissions	tCO ₂ e
PK from own mill	0.00
PK from other source	0.00
Fuel Consumptions	0.00
Total Crusher emissions	0.00

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0
Divert to anaerobic diversion (%)	100

POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0
Divert to methane captured (energy generation) (%)	0

Appendix D: Supply Chain Declaration

A. Monthly Records of Certified and Uncertified FFB Received since the last audit				
No.	Month - Year	Volume of FFB from certified supply bases (mt)	Volume of FFB from uncertified supply bases (mt)	Total FFB/Month (mt)
1	July 2020	17,378.68	2,230.67	19,609.35
2	Aug 2020	17,733.90	1,380.24	19,114.14
3	Sep 2020	18,394.90	1,879.04	20,273.94
4	Oct 2020	14,887.34	1,232.06	16,119.40
5	Nov 2020	14,199.62	854.90	15,054.52
6	Dec 2020	12,621.55	615.20	13,236.75
7	Jan 2021	9,151.00	634.31	9,785.31
8	Feb 2021	10,960.96	932.56	11,893.52
9	Mar 2021	15,353.86	2,083.11	17,436.97
TOTAL		130,681.81	11,842.09	142,523.90

B. Monthly Records of Certified CPO & PK since the last audit			
No.	Month - Year	Certified CPO (mt)	Certified PK (mt)
1	July 2020	3,590.44	889.79
2	Aug 2020	3,738.31	854.77
3	Sep 2020	3,885.00	844.33
4	Oct 2020	3,209.71	777.12
5	Nov 2020	3,034.46	692.94
6	Dec 2020	2,634.12	571.76
7	Jan 2021	1,835.69	416.37
8	Feb 2021	2,239.32	511.88
9	Mar 2021	3,027.55	772.24
TOTAL		27,194.60	6,331.20

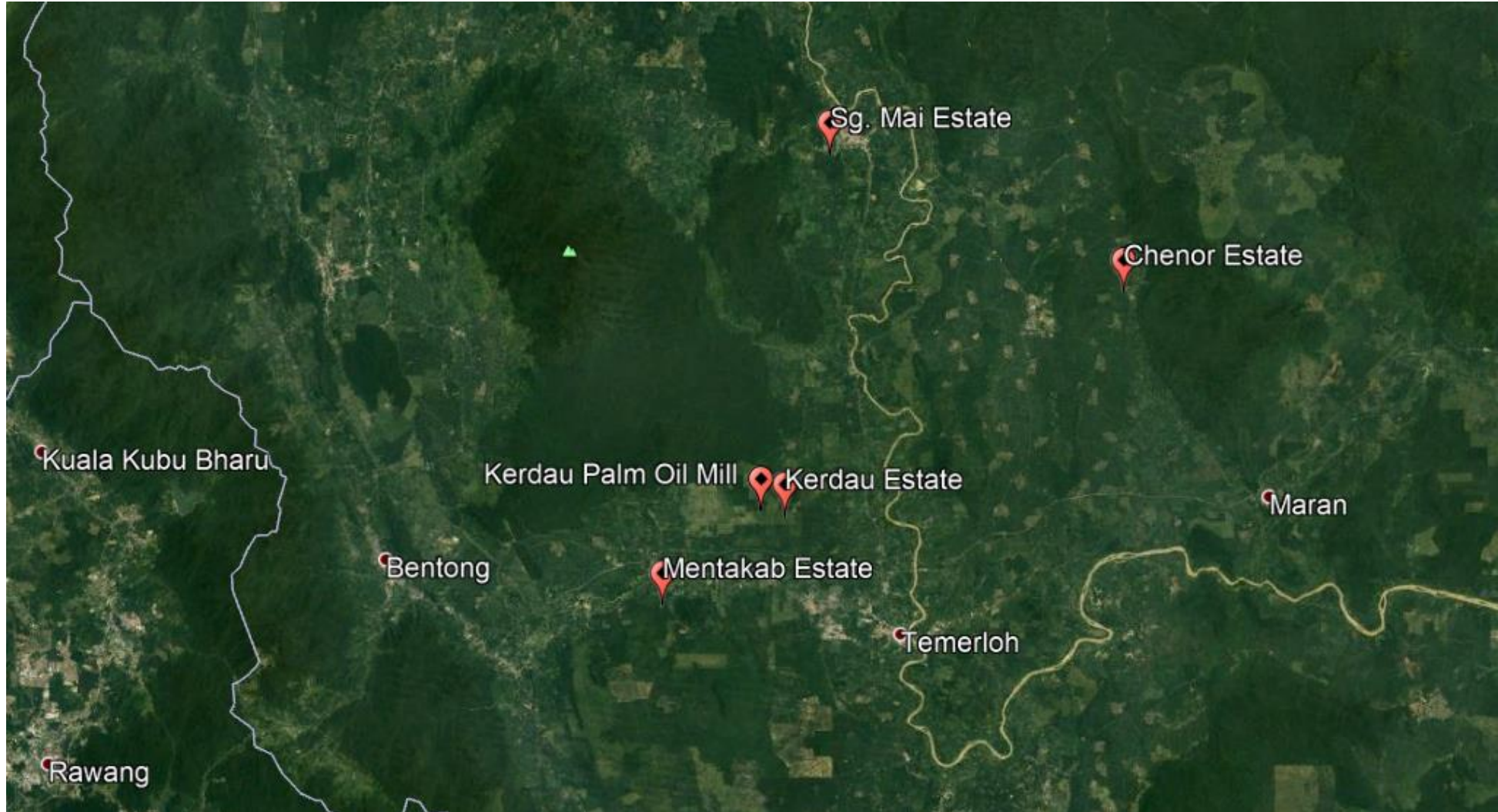
C. Records of Certified CPO & PK Sold under PalmTrace since the last audit				
No.	Buyers Name	Palmtrace Trading License Number	Certified CPO Sold (mt)	Certified PK Sold (mt)
1	XXX	TR-78c371ad-8881 TR-a1098668-d45a	554.09	-
2	XXX	TR-e6302c09-f010	500.00	-
3	XXX	TR-42a9a05f-05c3	-	200.00
4	XXX	TR-7cd48c33-7370	-	172.82
5	XXX	TR-199f17d7-560b	28.88	-
Total			1082.97	372.82

D. Records of CPO & PK Sold under other schemes since the last audit				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
NIL				

E. Records of CPO & PK Sold as conventional since the last audit			
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1	XXX	25,946.23	-
2	XXX	-	6,028.14
Total		25,946.23	6,028.14

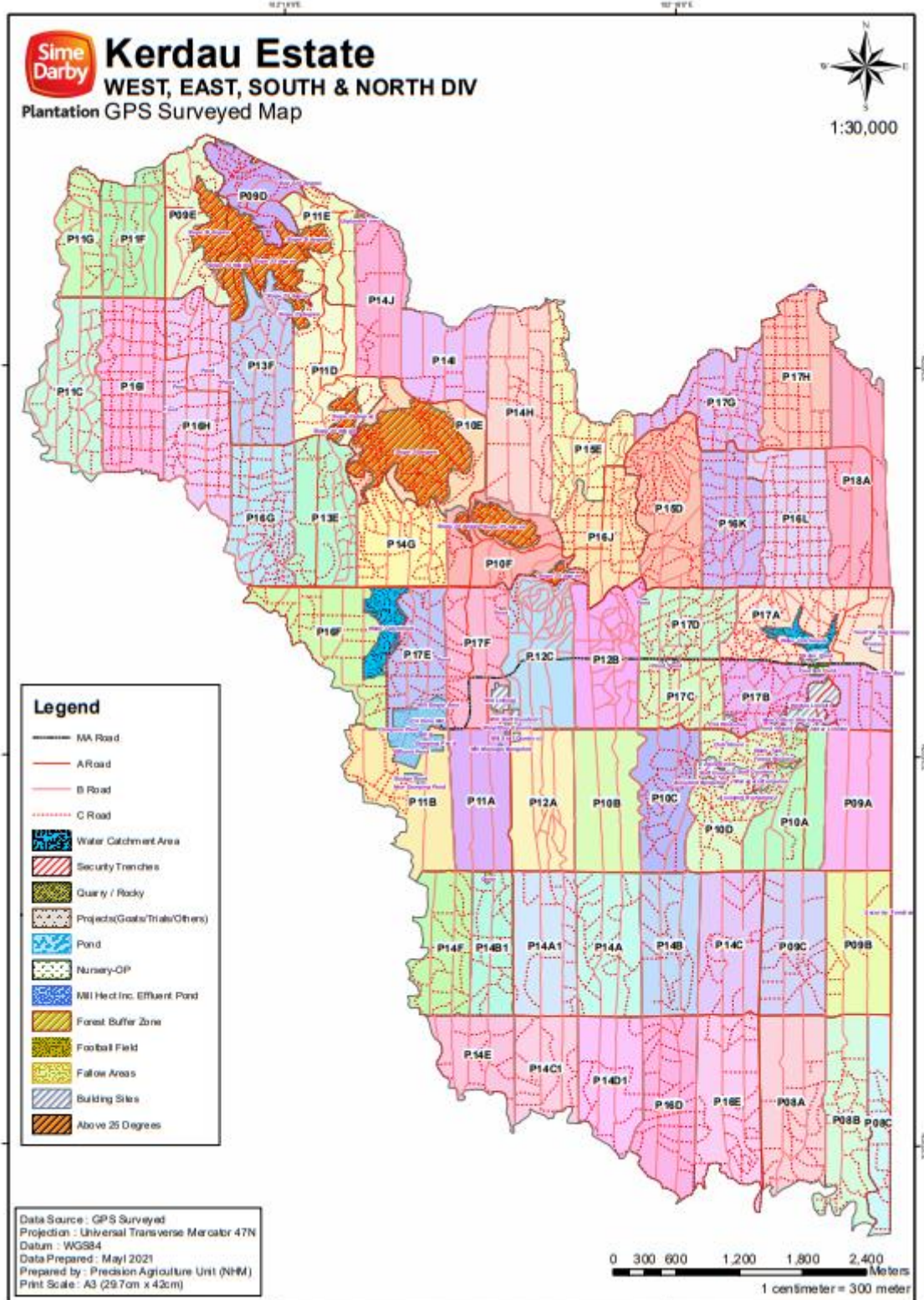
F. Records of Certified CPO Sold under RSPO Credits since the last audit			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
NIL			

Appendix E: Location Map of Certification Unit and Supply bases



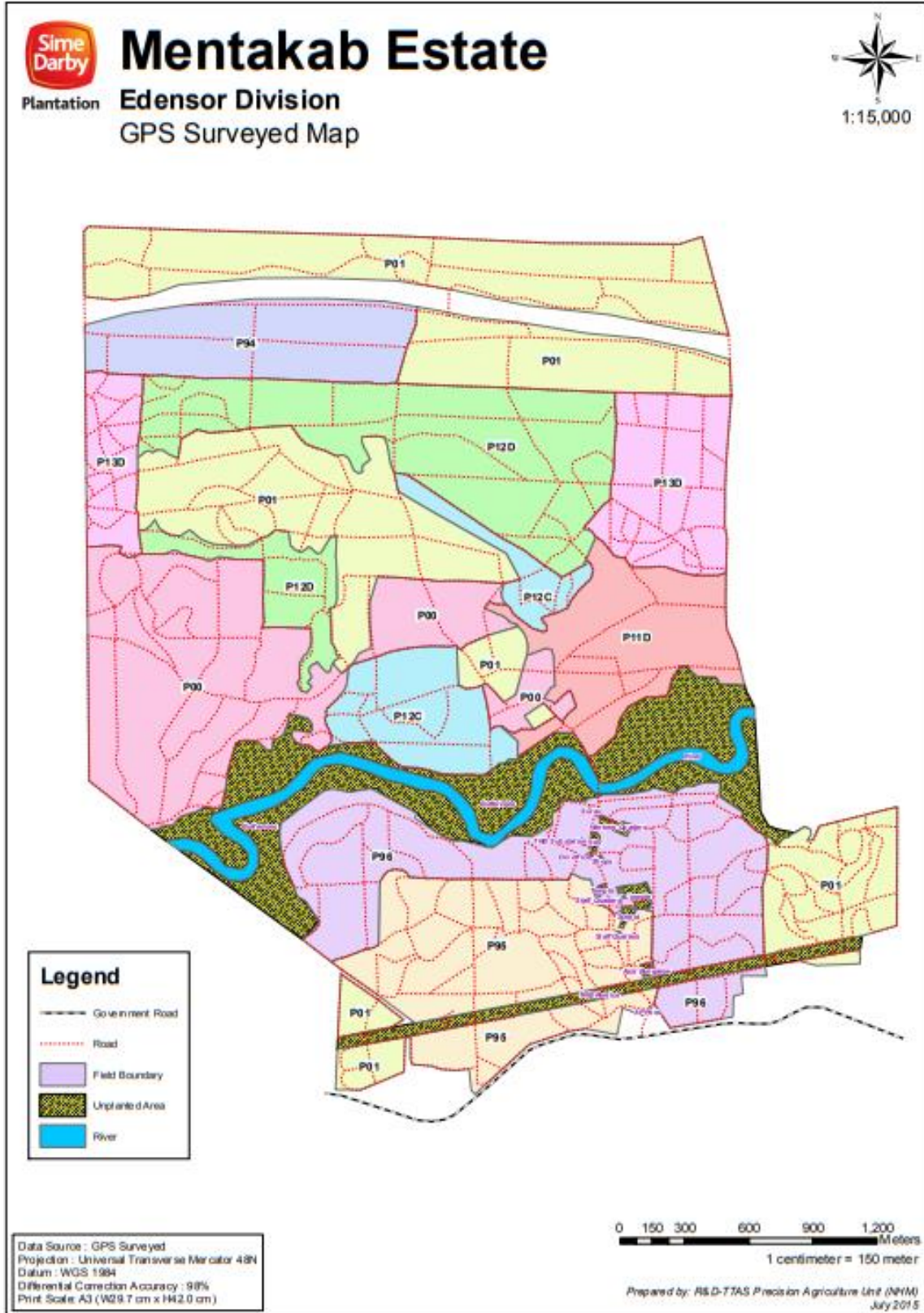
Appendix F: Estate Field Map

Kerdau Estate

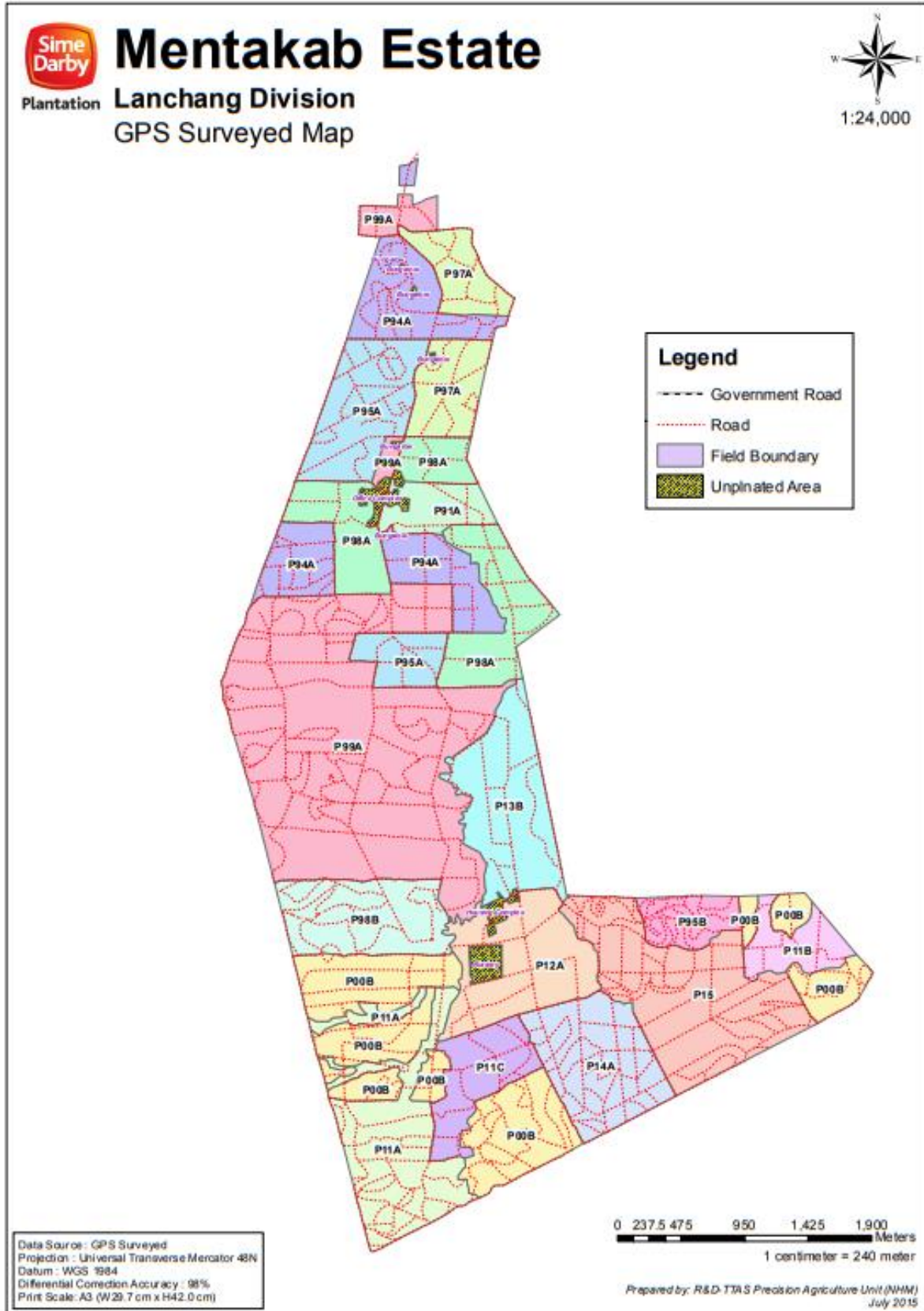


Mentakab Estate

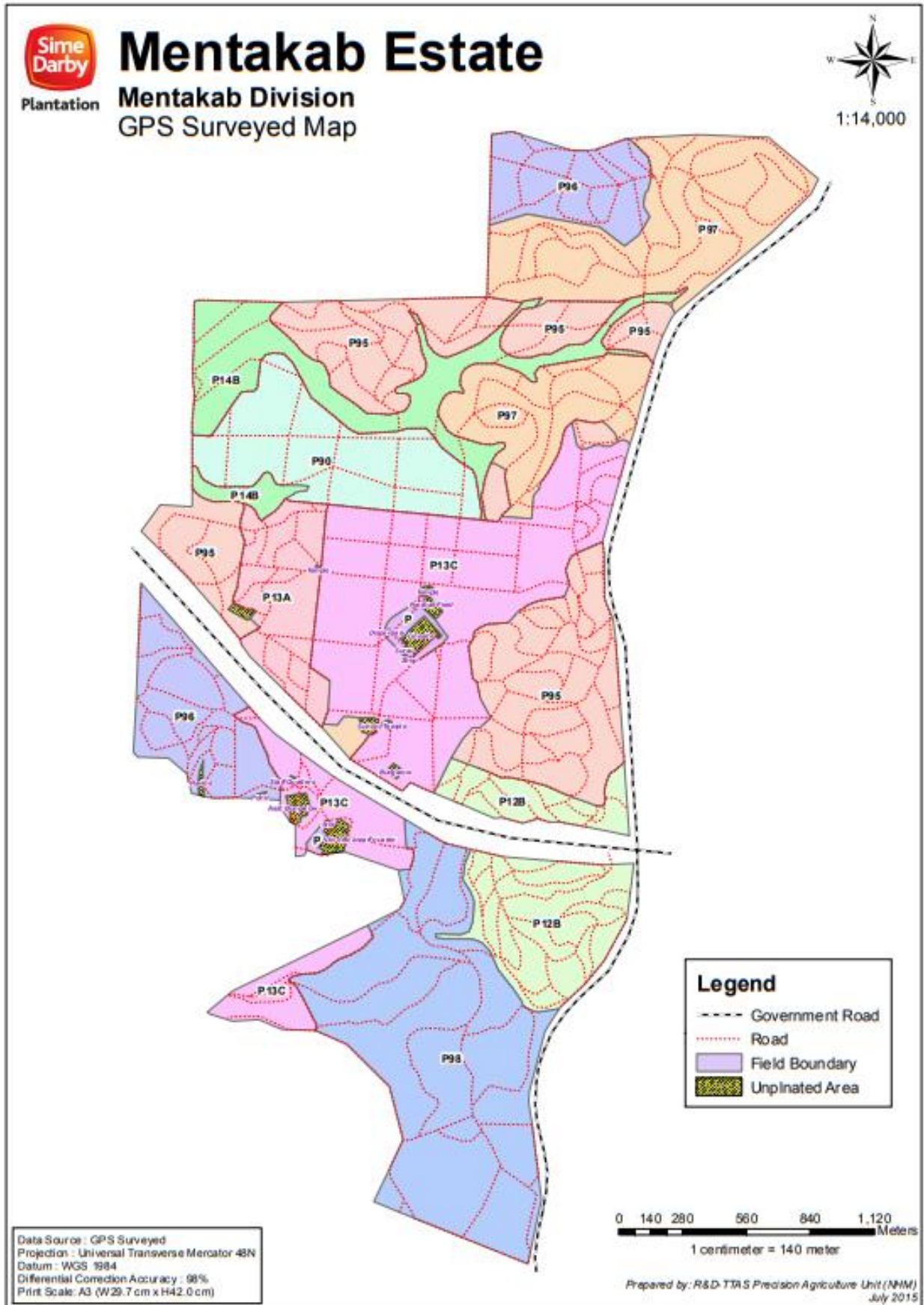
➤ Edensor Division



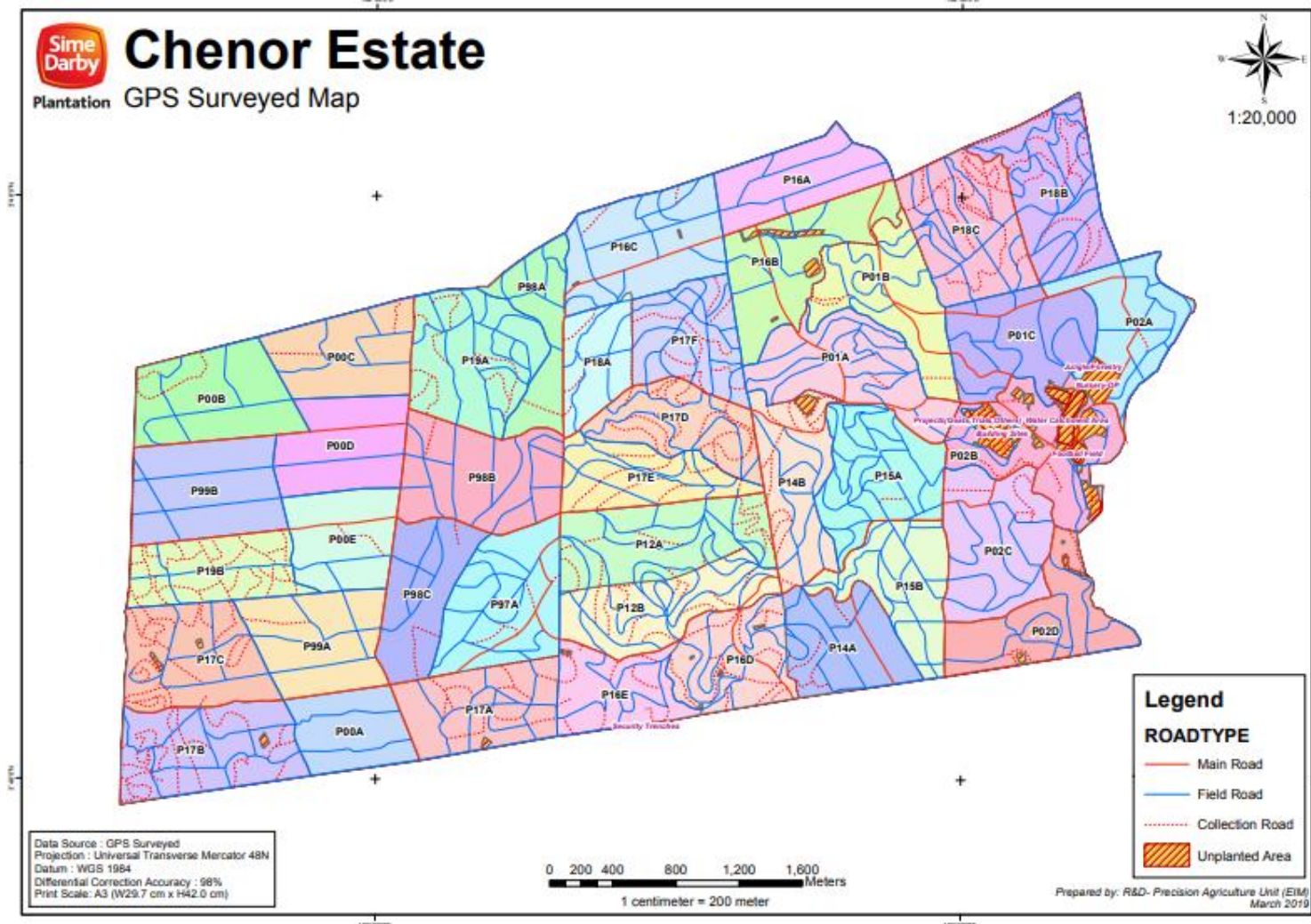
➤ Lanchang Division



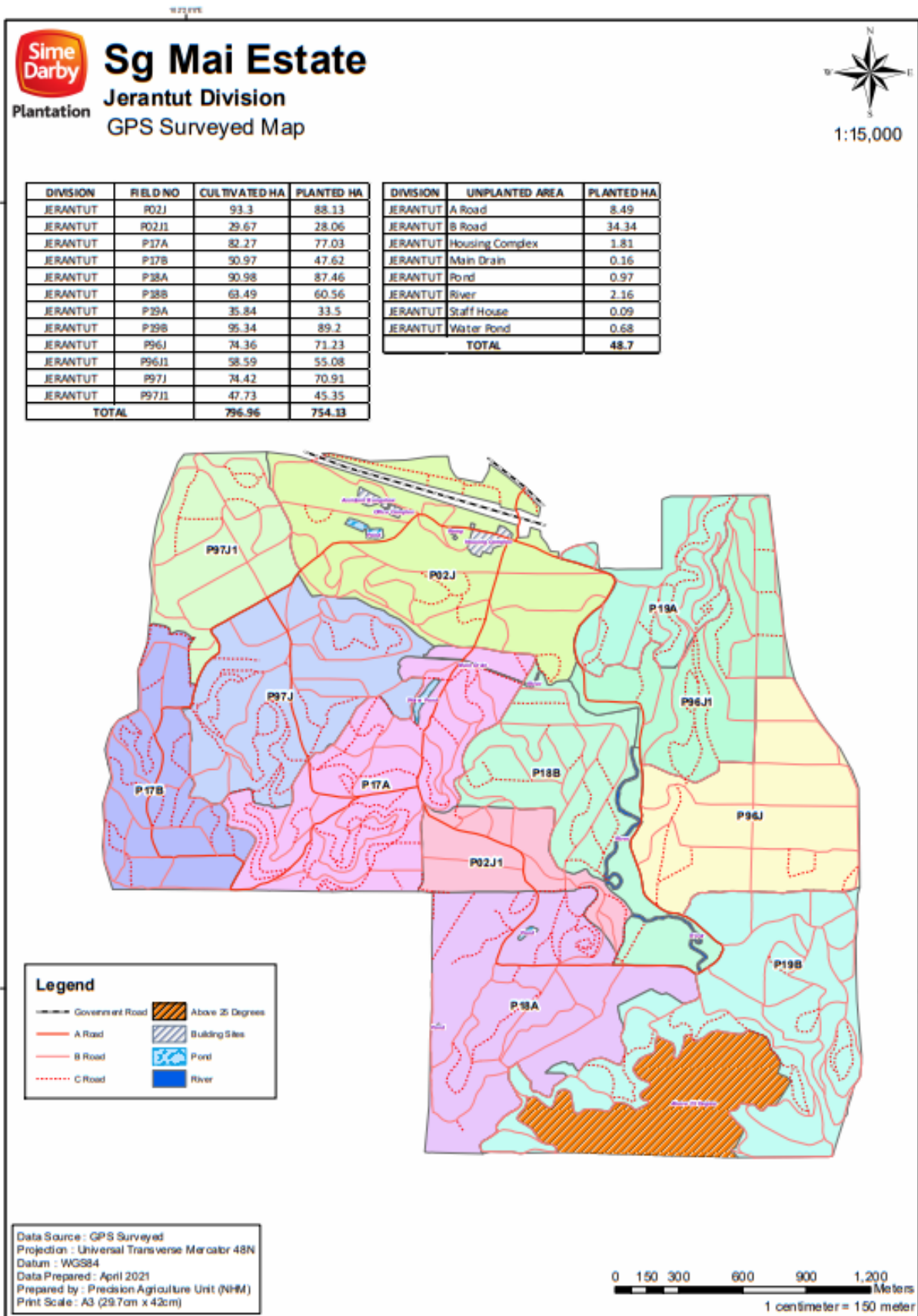
➤ Mentakab Division



Chenor Estate



➤ Jerantut Division



Appendix G: List of Smallholder Sampled

Not Applicable

Appendix H: List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel 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
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MB	Mass Balance
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
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure