

**RSPO PRINCIPLE AND CRITERIA –  
1<sup>st</sup> Annual Surveillance Assessment (ASA1\_1)  
Public Summary Report**

<b>TDM Plantation Sdn Bhd</b>
Client company Address: Level 3, Bangunan UMNO Terengganu Lot 3224, Jalan Masjid Abidin 21000 Kuala Terengganu Terengganu, Malaysia
Certification Unit:  <b>Kemaman Palm Oil Mill</b>  Location of Certification Unit: KM 121, Jerangau-Jabor Highway 24101 Kemaman Terengganu, Malaysia

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### Section 1: Scope of the Certification Assessment

1. Company Details			
<b>RSPO Membership Number</b>	1-0095-11-000-00	<b>Membership Approval Date</b>	28/02/2011
<b>Parent Company Name</b>	TDM Plantation Sdn Bhd		
<b>Address</b>	Aras 1-5, Bangunan UMNO Terengganu. Lot 3224, Jalan Masjid Abidin 20100 Kuala Terengganu, Terengganu, Malaysia		
<b>Subsidiary (Certification Unit Name)</b>	Kemaman Palm Oil Mill		
<b>Address</b>	KM 121, Jerangau – Jabor Highway 24101 Kemaman, Terengganu, Malaysia		
<b>Contact Name</b>	Hj Hassan Osman		
<b>Website</b>	<a href="http://www.tdemberhad.com.my">www.tdemberhad.com.my</a>	<b>E-mail</b>	<a href="mailto:kpom.tdmp@tdemberhad.com.my">kpom.tdmp@tdemberhad.com.my</a>
<b>Telephone</b>	09 822 6566	<b>Facsimile</b>	09 822 6704

2. Certification Information			
<b>Certificate Number</b>	RSPO 587626	<b>Date of First Certification</b>	01/11/2013
		<b>Certificate Start Date</b>	01/11/2018
		<b>Certificate Expiry Date</b>	31/10/2023
<b>Scope of Certification</b>	Palm Oil and Palm Kernel Production		
<b>Applicable Standards</b>	RSPO P&C MY-Ni 2014; RSPO Supply Chain Certification Standard 2017 (CPO Mill – Module D Identity Preserved)		

3. Other Certifications			
<b>Certificate Number</b>	<b>Standard(s)</b>	<b>Certificate Issued by</b>	<b>Expiry Date</b>
MSPO 678572	MS 2530-4 Malaysian Sustainable Palm Oil (MSPO) Part 4	BSI Services Malaysia Sdn Bhd	14/12/2022
MSPO 686877	MS 2530-3 Malaysian Sustainable Palm Oil (MSPO) Part 3		

4. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS Coordinates	
		Latitude	Longitude
Kemaman Palm Oil Mill	KM 121, Jerangau – Jabor Highway 24101 Kemaman, Terengganu, Malaysia	4° 24' 10.80" N	103° 14' 52.80" E
Tebak Estate	KM 121, Jerangau – Jabor Highway 24101 Kemaman, Terengganu, Malaysia	4° 25' 48.61" N	103° 13' 35.40" E
Pelantoh Estate	KM 121, Jerangau – Jabor Highway 24101 Kemaman, Terengganu, Malaysia	4° 24' 19.23" N	103° 14' 59.64" E
Jernih Estate	KM 121, Jerangau – Jabor Highway 24101 Kemaman, Terengganu, Malaysia	4° 26' 24" N	103° 12' 39.59" E
Air Putih Estate	KM 121, Jerangau – Jabor Highway 24101 Kemaman, Terengganu, Malaysia	4° 8' 23.99" N	103° 7' 47.99" E
Gajah Mati Estate	Bukit Besi 23000 Dungun, Terengganu, Malaysia	4° 41' 45.05" N	103° 12' 23.30" E
MAIDAM Estate	Bukit Besi 23000 Dungun, Terengganu, Malaysia	4° 37' 39.58" N	103° 12' 24.42" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Tebak Estate	2,922.33	30.46	340.84	3,293.63	88.73
Pelantoh Estate	3,153.27	0.25	138.08	3,291.60	95.80
Jernih Estate	2,822.07	65.46	248.07	3,135.60	90
Air Putih Estate	4,042.70	187.70	121.58	4351.98	94
Gajah Mati Estate	3,520.87	153.13	208.78	3,882.78	90.68
MAIDAM Estate	755.96	6.74	151.38	914.08	83.32
Total	17,217.20	443.74	1,208.73	18,869.67	91.24

6. Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Tebak Estate	564.39	87.39	227.29	1,684.45	358.81	2,357.94	564.39
Pelantoh Estate	1,335.84	0	0	0	1,817.43	1,817.43	1,335.84

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Jernih Estate	688.15	82.2	1,517.17	534.55	0	2,133.92	688.15
Air Putih Estate	0	2,517.73	0	1,524.97	0	4,042.70	0
Gajah Mati Estate	1,087.91	1,524.31	207.12	701.53	0	2,432.96	1,087.91
MAIDAM Estate	379.7	0	0	376.26	0	376.26	379.7
<b>Total</b>	<b>4,055.99</b>	<b>4,211.63</b>	<b>1,951.58</b>	<b>4,821.76</b>	<b>2,176.24</b>	<b>13,161.21</b>	<b>4,055.99</b>

<b>7. Certified Tonnage of FFB (Own Certified Scope)</b>			
<b>Estate</b>	<b>Tonnage / year</b>		
	<b>Estimated (Nov 2018-Oct 2019)</b>	<b>Actual (July 2018-August 2019)</b>	<b>Forecast (Nov 2019-Oct 2020)</b>
Tebak Estate	46,873.72	41,919.75	69,795
Pelantoh Estate	49,538.90	43,834.82	25,700
Jernih Estate	49,891.80	44,404.57	85,900
Air Putih Estate	31,424.55	54,906.20	61,300
Gajah Mati Estate	32,681.86	32,958.88	24,970
MAIDAM Estate	5,203.81	3,718.72	7,280
<b>Total</b>	<b>215,614.64</b>	<b>221,742.94</b>	<b>274,945</b>

<b>8. Certified Tonnage of FFB (from other certified unit(s)) if applicable *</b>			
<b>Estate</b>	<b>Tonnage / year</b>		
	<b>Estimated (Nov 2018-Oct 2019)</b>	<b>Actual (July 2018-August 2019)</b>	<b>Forecast (Nov 2019-Oct 2020)</b>
<b>Pinang Emas</b>	<b>N/A</b>	22,287.82	<b>N/A</b>
<b>Jerangau</b>		14,046.20	
<b>Tayor</b>		379.60	
<b>Bari/Jaya</b>		1,069.64	
<b>Fikri</b>		119.08	
<b>Total</b>		<b>N/A</b>	

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<b>9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable</b>			
Independent FFB Supplier	Tonnage / year		
	Estimated (Nov 2018-Oct 2019)	Actual (July 2018-August 2019)	Forecast (Nov 2019-Oct 2020)
N/A	N/A	N/A	N/A

<b>10. Certified Tonnage</b>			
Mill Capacity: 60 MT/hr  SCC Model: MB	Estimated (Nov 2018-Oct 2019)	Actual (July 2018-August 2019)	Forecast (Nov 2019-Oct 2020)
	FFB*	FFB	FFB
	223,060.64 mt	259,645.28 mt	274,945 mt
	CPO* (OER: 20.50%)	CPO (OER: 20.36 %)	CPO (OER: 20.5%)
	80,522.00 mt	52,868.12 mt	56,363.73 mt
	PK* (KER: 5.00%)	PK (KER: 4.78 %)	PK (KER: 5.00 %)
12,609.73 mt	12,400.68 mt	13,747.25 mt	

\*including volume extension CPO: 36,321 mt, PK: 1,829 mt & FFB: 7,446 mt

<b>11. Actual Sold Volume (CPO)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
CPO (MT)	30,921.75 mt	0	0	20,724.21 mt	51,645.96 mt

<b>12. Actual Sold Volume (PK)</b>					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
PK (MT)	9,690.73 mt	0	0	1,935.55 mt	11,626.28 mt

<b>13. Actual Group certification Claims</b>		
	Credit	Physical Volume (MT)
IS-CSPO	0	0
IS-CSPKO	0	0
IS-CSPKE	0	0

## Section 2: Assessment Process

### Certification Body:

BSI Services Malaysia Sdn Bhd,  
(ASI Accreditation Number: ASI-ACC-067)  
Suite 29.01, level 29  
The Gradens North Tower  
Mid Valley City, Lingkaran Syed Putra  
59200 Kuala Lumpur  
Tel +603 9212 9638 Fax +603 9212 9639  
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BSI is a leading global provider of management systems assessment and certification, with more than 80,000 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 and an office at Jakarta and Australia which involve in RSPO Certification Program.

### 2.1 Assessment Methodology, Programme, Site Visits

The on-site annual surveillance assessment was conducted from 03-06/09/2019. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The Major NC close out on-site assessment was conducted on 03/12/2019. The audit programmes 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 2013 (MY-NI 2014) and RSPO Supply Chain Certification Standard 2017 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment. The comments made by external stakeholders were also taken into account in the assessment where the stakeholder notification was made on 03/04/2019 through BSI & RSPO website.

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 (or 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.



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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**

<b>Assessment Program</b>					
<b>Name (Mill / Supply Base)</b>	<b>Year 1 (Recertification)</b>	<b>Year 2 (ASA 1_1)</b>	<b>Year 3 (ASA1_2)</b>	<b>Year 4 (ASA1_3)</b>	<b>Year 5 (ASA1_4)</b>
Kemaman Palm Oil Mill	√	√	√	√	√
Tebak Estate	√			√	
Pelantoh Estate	√			√	
Jernih Estate		√			√
Air Putih Estate			√		
Gajah Mati Estate		√			√
MAIDAM Estate			√		

**Tentative Date of Next Visit:** July 15, 2020 – July 18, 2020

**Total No. of Mandays:** 10 mandays including 1.0 manday for Supply Chain

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**2.2 BSI Assessment Team:**

<b>Team Member Name</b>	<b>Role</b> <i>(Team Leader or Team member)</i>	<b>Qualifications</b> <i>(Short description of the team members)</i>
Mohamed Hidhir Zainal Abidin	Team Leader	He holds Bachelor Degree in Chemical Engineering, graduated from National University of Malaysia on 2006. He has 7 years working experience in palm oil industry specifically on palm oil milling for 5 years. He also has the experiences as auditor for several standards including ISO 9001, ISO 140001, OHSAS 18001, MSPO and RSPO in his previous certification body. He completed the ISO 9001 Lead Auditor Course, ISO 14001 Lead Auditor Course and OHSAS 18001 Lead Auditor Course in 2012, Endorsed RSPO P&C Lead Auditor Course in 2013, MSPO Awareness Training in 2014 and Endorsed RSPO SCCS Lead Auditor Course in 2015. He had been involved in RSPO auditing since May 2012 in more than various companies in Malaysia. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health, environmental and workers and stakeholders consultation.
Muhamad Naquiuddin Mazeli	Team Member	He hold Bachelor of Science Horticulture at University Putra Malaysia. He has 11 years working experience in oil palm plantation industry as sustainability team. Joining the sustainability team, he managed, implement and monitors the RSPO, ISCC, MSPO and ISO9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also support in providing training related to RSPO, MSPO and other certifications where applicable to the operations during previous company. He is a trained as Safety and Health Officer, Food Safety System (FSSC and ISO 22000) for Mill and refineries, ISO 9001, ISO 45001 and already attend HCV training with Proforest. During this assessment, he assessed on the aspects of legal, mill best practices, estate best practices, safety and health, environmental and workers and stakeholders consultation. He is fluent in Bahasa Malaysia and English languages.
Elzy Ovktafia Chairul	Team Member	She graduated from Universiti Putra Malaysia in Diploma of Agriculture, holding the designatory of LISP from the Incorporated Society of Planters and currently in the midst of completing the AISP level (professional certificate and recognition from the Incorporated Society of Planters). She involve in audits and technical reviews works mainly for Sustainability Programme includes RSPO, MSPO and 2nd Party Audit for Social Compliance Programme (URSA, ETI) for 2 years in more than 11 countries. She is a qualified Lead Auditor/Auditor for RSPO P&C, RSPO NEXT, RSPO SCC, ISO 9001:2015 and Social Compliance Audit by Verite. Prior to this, she was the Agronomist in R&D Department for almost 5 years in Oil Palm Plantation where her task involved in all Oil Palm Plantation Operations such as conducting experimental trials on Research & Development with technical paper publications, Crop Forecast, Leaf & Soil Sampling Collection, Fertilizer Recommendation, Pest and Diseases Training, Quality Control as well as special project namely Yield Intensification Project and Food for Palm Project for estates. During this assessment, she assessed on the aspects of legal, social and stakeholder engagement. Able to communicate in Bahasa Malaysia and English.

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**Accompanying Persons:**

No.	Name	Role
1	Anis Nabihah	Observer from BSI Services Malaysia Sdn Bhd

**2.3 Assessment Plan**

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

PRELIMINARY AGENDA					
Date	Time	Subjects	MH	EO	MN
Monday 2/9/19	PM	Audit team travel to Kemaman. Check in at Kemaman Sands	√	√	√
Tuesday 3/9/2019  <b>Kemaman Palm Oil Mill/Pelantoh Estate (Main Office)</b>	0730	Audit Team travelling Kemaman POM/Pelantoh Estate (Main Office)	√	√	√
	0830	Opening Meeting: <ul style="list-style-type: none"> <li>• Opening Presentation by Audit team leader.</li> <li>• Confirmation of assessment scope and finalize Audit plan (including stakeholder’s consultation).</li> <li>• Verification on previous audit findings</li> </ul>			
	09.00 – 13.00	<b>Kemaman Palm Oil Mill</b> Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√	√
	10.00 – 13.00	<b>Meeting with stakeholders</b> (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 – 14.00	Lunch	√	√	√
	14.00 – 16.30	<b>Kemaman Palm Oil Mill:</b> Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P8: SOPs. Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc. Verify previous nonconformities.	√	√	√
	16.30-17.00	Interim Closing briefing and end of day 1	√	√	√
Wednesday 4/9/2019  <b>Jernih Estate</b>	08.30 – 13.00	<b>Jernih Estate</b> 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.	√	√	√

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PRELIMINARY AGENDA					
Date	Time	Subjects	MH	EO	MN
	10.00 – 12.00	<b>Meeting with stakeholders</b> (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 – 14.00	Lunch	√	√	√
	14.00 – 16.30	Document review P1 – P8: (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).	√	√	√
	16.30-17.00	Interim Closing Briefing and end of day 2	√	√	√
Thursday 5/9/2019	8.30 – 13.00	<b>Gajah Mati Estate</b> 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.	√	√	√
<b>Gajah Mati Estate</b>	10.00 – 12.00	<b>Meeting with stakeholders</b> (Government, village rep, smallholders, Union Leader, contractor etc.)	-	√	-
	13.00 – 14.00	Lunch	√	√	√
	14.00 – 16.30	<b>Continue with unfinished elements</b> Document review P1 – P8: (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).	√	√	√
	16.30-17.00	Interim Closing Briefing and end of day 3	√	√	√
Friday 6/9/2019	08.30 – 12.30	Supply chain audit for Kemaman POM <ul style="list-style-type: none"> <li>• General COC for supply chain</li> <li>• RSPO rules communication and claim</li> <li>• Module D: Identity Preserved</li> </ul>	√	√	-
<b>Kemaman POM</b>	13.00 - 14.30	Lunch break & Friday prayer	√	√	-
	1430 – 15.30	Closing meeting. Presentation of finding	√	√	-
	PM	Audit team travel back to KL	√	√	-

### Section 3: Assessment Findings

#### 3.1 Normative requirement applied for this assessment:

- TDM Plantation Berhad Multiple Management Units / Time Bound Plan
- RSPO P&C 2013 Generic
- RSPO Group Certification Standard 2016
- RSPO Supply Chain Certification Standard 2017
- RSPO P&C GA-NIWG 2017
- RSPO P&C INA-NIWG 2016
- RSPO P&C MY-NIWG 2014
- RSPO P&C PNG-NIWG 2017

#### 3.2 Time Bound Plan progress for multiple management units

Time Bound Plan		
Requirement	Remarks	Compliance
<b>Summary of the Time Bound Plan</b>		
Does the plan include all subsidiaries, estates and mills?	The time bound plan includes all operating units in Malaysia	Yes
Have all the estates and mills certified within five years after obtaining RSPO membership?	All the estates and mills certified within five years	Yes
Is the time bound plan challenging? <ul style="list-style-type: none"> <li>• Age of plantations.</li> <li>• Location.</li> <li>• POM development</li> <li>• Infrastructure.</li> <li>• Compliance with applicable law.</li> </ul>	The TBP is challenging due to the increasing regulations in the local laws including the current focus of the company’s management to implement MSPO which is a mandatory requirement.	Yes
Have there been any changes since the last audit? Are they justified?	No changes since last audit	Yes
If there have been changes, what circumstances have occurred?	N/A	N/A
Have there been any stakeholder comments?	To-date, no comments received from stakeholders on the TBP.	Yes
Have there been any newly acquired subsidiaries?	No	Yes
If yes, have the newly acquisitions certified within a three-year timeframe?	N/A	N/A

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Have there been any isolated lapses in implementation of the plan?	No	Yes
<b>Un-Certified Units or Holdings</b>		
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> <li>• Primary forest.</li> <li>• Any area required to maintain or enhance HCVs in accordance with RSPO P&amp;C criterion 7.3.</li> </ul>	No uncertified units.	Yes
Any new plantings since January 1 <sup>st</sup> 2010 shall comply with the RSPO New Plantings Procedure.	Any new NPP will be submitted but during this audit, the NPP for Pelung Estate is still in progress.	Yes
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 2.2, 6.4, 7.5 and 7.6.	There's no land conflicts reported against the company	Yes
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3.	To-date, no complaints on labour disputes received by the company.	Yes
Any Legal non-compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	None so far. No stakeholder comments or complaints received.	Yes
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	No uncertified units.	Yes

**3.3 Progress of scheme smallholders and/or outgrowers**

<b>Progress of scheme smallholders or outgrowers towards compliance with relevant standards</b>		
<b>Requirement</b>	<b>Remarks</b>	<b>Compliance</b>
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	Not applicable	N/A

after two years, and a major NC if this requirement is not met after three years.		
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**3.4 Details of findings**

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

During the 1<sup>st</sup> annual surveillance assessment there were 6 (six) Major Nonconformities & 2 (two) Minor Nonconformities raised. The Kemaman 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 Major Nonconformity(ies) has been verified for its effectiveness and closed accordingly.

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1820535-201903-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.6.11 Major
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	04/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	03/12/2019
<b>Statement of Nonconformity:</b>	Specific annual medical surveillance for pesticide operators (organophosphate) was not effectively demonstrated		
<b>Requirement Reference:</b>	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.		
<b>Objective Evidence:</b>	Based on form I, the last medical surveillance was 19/4/2018, application date: 3/5/18. Latest medical surveillance dated 10/7/19 did not include 8 trunk injector operators and only cover normal (glyphosate) spraying operator.		
<b>Corrections:</b>	To do the Medical Surveillance for pesticide operator (Organophosphate) which involved trunk injection (Bagworm treatment) programme (Done on 5th Sept 2019)		
<b>Root Cause Analysis:</b>	Medical surveillance not fully implemented and not include trunk injection workers.		
<b>Corrective Actions:</b>	i) To implement the Medical Surveillance before and after treatment trunk injection (Organophosphate). ii) To review and perform regular checking for the related worker. iii) Annually internal inspection to cross check with the related the document.		
<b>Assessment Conclusion:</b>	Major NC close out verification: Medical surveillance for 6 workers was carried out on 5/9/19 at Klinik Medic Bestari. All workers found to be fit with no detrimental of health based on USECHH4 from. List of sprayers that fit to work is maintained to ensure only active list of sprayers is used for future application. The NC is found to be effective thus the major NC is closed on 3/12/19. Continuous implementation will be further verified in the next assessment.		



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Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1820535-201903-M2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.7.2 Major
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	04/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	03/12/2019
<b>Statement of Nonconformity:</b>	Risk assessment for operation was not effectively implemented.		
<b>Requirement Reference:</b>	All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.		
<b>Objective Evidence:</b>	Kemaman POM: HIRARC register dated 13 Jan 2019 did not include compost plant operation.		
<b>Corrections:</b>	HIRARC for new item and updated machine will be established and implemented accordingly.		
<b>Root Cause Analysis:</b>	HIRARC was already reviewed and implemented. However, HIRARC for new item or any updated machine related to operation was not fully covered		
<b>Corrective Actions:</b>	<ul style="list-style-type: none"> <li>- HIRARC will be reviewed annually related to any updated of operation in Compost plant.</li> <li>- Annually internal inspection ( internal audit ) to cross check with the related the document. Any updated will be discuss on SHC ( safety and health committee) meeting</li> </ul>		
<b>Assessment Conclusion:</b>	<p>Major NC close out verification:</p> <p>HIRARC for composting plant has been updated to include all activities in the operation starting from dumping of EFB until harvesting of composting material. Refer to HIRARC register dated 1/9/19. Any changes and review required in HIRARC will be discussed in the safety committee meeting. The corrective action implemented is found to be effective, thus the major NC is closed effectively on 3/12/19. Continuous implementation will be further verified in the next assessment.</p>		

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1820535-201903-M3	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.1 Major
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	04/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	03/12/2019
<b>Statement of Nonconformity:</b>	Some of the legal compliance are not effectively implemented.		
<b>Requirement Reference:</b>	<ul style="list-style-type: none"> <li>1) Evidence of compliance with relevant legal requirements shall be available.</li> <li>2) WORKERS' MINIMUM STANDARDS OF HOUSING AND AMENITIES ACT</li> </ul>		

	<p>1990: Weekly inspection of workers’ housing: 23. (1) It shall be the duty of the employer of a place of employment where workers and their dependents are provided with housing accommodation to ensure that— (a) the area surrounding the workers’ housing is kept clear of undergrowth and maintained in a clean and sanitary condition; (b) the perimeter drains around each dwelling or block of dwellings including all outlet drains are kept in a good state of repair and clear of refuse or undergrowth to permit free flow of water; (c) all refuse in the housing site is collected daily and disposed of satisfactorily; and (d) all communal latrines and bathrooms are kept in a clean, sanitary and working condition.</p> <p>2) AKTA PEMBANTU PERUBATAN (PENDAFTARAN) 1977: 11. (1) Tertakluk kepada subseksyen 18(1), sesuatu perakuan pendaftaran hendaklah tamat tempohnya pada 31 haribulan Disember tahun ia dikeluarkan tetapi Lembaga boleh membaharui perakuan itu tiap-tiap tahun mengikut borang yang ditetapkan setelah dibayar bayaran yang ditetapkan. (2) Sesuatu permohonan untuk membaharui perakuan itu hendaklah dibuat tidak lewat daripada 30 haribulan September tiap-tiap satu tahun dan Lembaga hendaklah memberikan keputusan mengenainya dan membaharui atau enggan membaharui perakuan itu dan hendaklah dalam salah satu hal menyampaikan keputusannya kepada orang yang berkenaan itu tidak lewat daripada 30 haribulan November dalam tahun yang sama.</p>
<p><b>Objective Evidence:</b></p>	<p>Jernih Estate: The effectiveness of line site inspection is not demonstrated where during the site visit, it was found that in Zone A (end of the row of Ashraful’s house) has blockage drainage and domestic waste near the housing area.</p> <p>Gajah Mati Estate: The effectiveness of line site inspection is not demonstrated where during the site visit, it was found that in Block G-05 blockage drain and domestic waste near the housing area.</p> <p>The latest “Perakuan Pembaharuan Tahunan” (No: 9961/2013) was expired on 31.12.2013 for Medical Assistant.</p>
<p><b>Corrections:</b></p>	<p>1) Gotong-royong in line site area zone A, B and C involving all Ladang Jernih workers (5 &amp; 6 Sept 2019).</p> <p>Gajah Mati Estate</p> <p>1) Block G-5 blockage drain already been cleared from rubbish also water flow already improved into main drain.</p> <p>2) To have a valid yearly “PerakuanPembaharuanTahunan” certificate.</p> <p>3) Medical Assistant already passed the exam on 1/08/2019 for renewing the license and already got approval to renew annual certificate – Business Licensing Electronic Support System (BLESS) website for medical assistant</p>
<p><b>Root Cause Analysis:</b></p>	<p>Jernih Estate</p> <p>1) Frequent flash flood and heavy raining occurred lead to blockage drainage. The small size of the drainage also contribute to the blockage.</p> <p>2) The inspection for housing not fully covered outside and inside house.</p> <p>Gajah Mati :</p> <p>1) Drainage were collapsed due to land erosion.</p>

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	2) Neglecton for Medical Assistant Annual Renewal Certificate.
<b>Corrective Actions:</b>	<p>Jernih Estate</p> <ol style="list-style-type: none"> <li>1) Briefing and training on schedule waste disposal system during Muster Call (8 Sept 2019)</li> <li>2) To construct a new drainage system in the line site area.</li> <li>3) Weekly inspection by staff in charge according to respective zone (A, B&amp; C) with proper record.</li> <li>4) Site inspection by VMO (outsourc) will be come out with supporting document and cross check by management.</li> </ol> <p>Gajah Mati Estate</p> <ol style="list-style-type: none"> <li>1) To do proper drainage by replacing collapsed drain and channel waterflow to main drain.</li> <li>2) To review and annually checking for any certificate related to this matter</li> </ol>
<b>Assessment Conclusion:</b>	<p>Major NC close out verification:</p> <ol style="list-style-type: none"> <li>i) Verified during on site verification, surrounding area at zone A, B and C has been cleaned and blockage drain has been cleared. New drain has been constructed at zone A to replace all damaged drain and realign gradient for drain. system. Verified records of line site inspection by person in charge and VMO dated 20/11/19. Sanitation and drainage system was found to be good.</li> <li>ii) Block G5 collapse drain is still in progress of repair. Verified quotation, "perjanjian pesanan kerja, LGM053/19 dated 17/11/19 " to contractor SDM Maju Bina Enterprise.</li> <li>iii) Verified the new "Perakuan Pembaharuan Tahunan" dated 16/9/19, and valid until 31/12/19. Ref. no. 17681/2019. Perakuan Pembaharuan Tahunan" has been updated in the list of license and being monitored using estate's dashboard. The corrective action is found to be effective thus the major NC is closed on 3/12/19. Continuous implementation will be further verified in the next assessment.</li> </ol>

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1820535-201903-M4	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.5.1 Major
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	04/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	03/12/2019
<b>Statement of Nonconformity:</b>	Evidence of transporter to comply with the requirements of the RSPO Supply Chain Certification Standard is not available.		
<b>Requirement Reference:</b>	In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mil cannot outsource processing activities like refining or crushing. This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).		

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<b>Objective Evidence:</b>	Sampled agreement between TDM Plantation – Kemaman POM dated 01 January 2019 and Koperasi Ladang Kelapa Sawit Kemaman Terengganu Berhad valid from 01-01.2019 – 31.12.2019, there is no evidence of transporter to comply with the requirements of the RSPO Supply Chain Certification Standard
<b>Corrections:</b>	1. To conduct meeting /briefing / training to the transporter or any outsources to ensure their understanding on all the RSPO Supply chain requirement. 2. Perjanjian Kerja will be clearly stated " The contractor/ transporter shall be comply with the requirement of the RSPO Supply Chain Certification Standard
<b>Root Cause Analysis:</b>	We have already organized stakeholder meeting for any outsources or third party. However, no representative from the mentioned transporter and the evidence which " Surat pengesahan kehadiran " by transporter cannot provided and the confirmation make only by phone
<b>Corrective Actions:</b>	Any related document will be reviewed annually include of training, briefing and communication with the transporter will be recorded. Internal audit for transporter will be conducted as per annual audit plan and the representative should be attend for any meeting/briefing related to RSPO requirement.
<b>Assessment Conclusion:</b>	Major NC close out verification: New contract was issued to the contractor, DS Rezki Trading for the CPO and PK transport to buyer. The contract is temporary and effective from 1/9/19 to 31/12/19. Additional requirements under clause 12 has been clearly spell out in the contract. Corrective action is found to be effective thus the major NC is closed on 3/12/19. Continuous implementation will be further verified in the next audit

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1820535-201903-M5	<b>Clause &amp; Category (Major / Minor)</b>	SCCS D5.1 Major
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	04/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	03/12/2019
<b>Statement of Nonconformity:</b>	Record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK was not consistently monitored on a real-time basis		
<b>Requirement Reference:</b>	The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. IP Mill must report on real time basis.		
<b>Objective Evidence:</b>	Real time monitoring was not effectively demonstrated based on quarterly records and balance from July 2018 to August 2019, it was found that: i) July 2018 : delivery of RSPO CPO (+295.50 mt) and PK (+167 mt) more than stock. ii) September 2018 : delivery of RSPO PK (+165 mt) more than stock iii) December 2018 : delivery of RSPO PK (+65 mt) more than stock		
<b>Corrections:</b>	The record for all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK will be updated and monitored accordingly		
<b>Root Cause Analysis:</b>	All document related to RSPO supply chain standard already implemented. However, monitoring and recording for deliveries of RSPO certified CPO and PK was not consistently monitored on a real- time basis due to no person in charge direct to monitor the record delivery.		

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<b>Corrective Actions:</b>	To appoint person in charge to monitor and record all mentioned item on a real time basis
<b>Assessment Conclusion:</b>	Major NC close out verification: Verified monitoring records for all transactions (in and out). Record of FFB received and deliveries were updated and recorded until November 2019 to ensure positive stock prior to delivery. Noted the appointment of person in charge dated 10/9/19 to ensure effective implementation of RPSO SCCS. Corrective action is found to be effective thus the major NC is closed on 3/12/19. Continuous implementation will be further verified in the next audit.

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1820535-201903-M6	<b>Clause &amp; Category (Major / Minor)</b>	SCCS D4.2 Major
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	04/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	03/12/2019
<b>Statement of Nonconformity:</b>	CB has not been informed for the projected overproduction of certified tonnage.		
<b>Requirement Reference:</b>	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.		
<b>Objective Evidence:</b>	Overproduction of certified tonnage recorded from July 2018 - August 2019 for FFB actual : 259,645.28 mt vs certificate volume: 215,614.64 mt (+44,030.64 mt)		
<b>Corrections:</b>	To monitor and provide proper recording regarding this matter accordingly.		
<b>Root Cause Analysis:</b>	Based on record, overproduction of certified tonnage occurred when KPOM has received certified FFB from STPOM. However, no person in charge direct to monitor the record delivery		
<b>Corrective Actions:</b>	To appoint person in charge to monitor, update and record all mentioned item		
<b>Assessment Conclusion:</b>	Major NC close out verification: FFB deliveries monitored on daily and monthly basis to ensure no overproduction of FFB based on forecast month. Based on actual FFB data, total FFB received is less and forecast until November 2019. Noted the appointment of person in charge dated 10/9/19 to ensure effective implementation of RPSO SCCS. Corrective action is found to be effective thus the major NC is closed on 3/12/19. Continuous implementation will be further verified in the next audit.		

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1820535-201903-N1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.6.3 Minor
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	Next annual surveillance assessment

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<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	Input data for GHG calculation was not accurately reported.		
<b>Requirement Reference:</b>	A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.		
<b>Objective Evidence:</b>	Inconsistent data input for GHG calculation compared with actual data for: i) Kemaman POM : GHG data input -184,000 mt vs actual FFB process for 2018 - 209,783 mt ii) Jernih Estate : GHG data input - 109,249 liter vs actual usage - 108,211 liter		
<b>Corrections:</b>	To revised and resubmit the GHG Calculation based on annual period.		
<b>Root Cause Analysis:</b>	Based on record, we found that, the data input for GHG calculation have different time of periods.		
<b>Corrective Actions:</b>	1.To appoint person in charge to monitor the recording and monitoring of data for GHG. 2. To perform weekly checking / inspection for the consistency of data input for GHG from mill and estates.		
<b>Assessment Conclusion:</b>	Corrective action is accepted. Effectiveness of corrective action taken will be further verified in the next audit.		

<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1820535-201903-N2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.2.4 Minor
<b>Date Issued</b>	06/09/2019	<b>Due Date</b>	Next annual surveillance assessment
<b>Closed (Yes / No)</b>	No	<b>Date of nonconformity Closure</b>	"Open"
<b>Statement of Nonconformity:</b>	Management plan and ongoing monitoring was not effectively implemented		
<b>Requirement Reference:</b>	Where a management plan has been created there shall be ongoing monitoring: • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan.		
<b>Objective Evidence:</b>	Management plan established did not specifically included HCV area identified at Jernih Estate. Further verification of monitoring record dated 28/8/19, no specific monitoring on HCV 4 area reported and only focus on conservation area.		
<b>Corrections:</b>	1) The buffer zone area will be clearly marked and maintenance will be performed according to the TDMP's policy on Slope Protection (7th Sept 2019). 2) A refreshment training for sprayer and manuring gang and monitoring record will be provided to ensure no activity at buffer zone area. (7th Sept 2019).		
<b>Root Cause Analysis:</b>	The document was already recorded based on Bio- Diversity Assessment Report. However, no specific monitoring on HCV 4 area reported and only focus on conservation area. HCV 4 refer to the river area.		

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	The river area have found that no clear demarcation of the buffer zone was marked and maintenance due to lack of monitoring by person in charge.
<b>Corrective Actions:</b>	1) A regular training and monitoring record will be provided. 2) The management plan will be reviewed, update and proper recording. 3) Annually internal inspection ( internal audit ) will be conducted as per internal audit plan.
<b>Assessment Conclusion:</b>	Corrective action is accepted. Effectiveness of corrective action taken will be further verified in the next audit.

<b>Opportunity for Improvements</b>	
<b>OFI #</b>	<b>Description</b>
OFI 1	-Nil-

<b>Positive Findings</b>	
<b>PF #</b>	<b>Description</b>
PF 1	No negative comments received from internal and external stakeholders.



**3.4.1 Status of Nonconformities Previously Identified and Observations**

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1664201-201807-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.5.1 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/10/2018
<b>Statement of Nonconformity:</b>	Documentation for pay and condition was not effectively implemented.		
<b>Requirement Reference:</b>	Documentation of pay and conditions shall be available.		
<b>Objective Evidence:</b>	Tebak Estate & Pelantoh Estate, there was no approval from Labour Department on the salary deduction for electric and water bill, insurance, union. Monitoring system - Display the approved permit at estate's office		
<b>Corrective Actions:</b>	Major NC close out verification: i) Salary deduction permit available at Tebak estate, refer to permit serial no. PMT.2009/0015 effective date 25/9/18. ii) Verified acknowledgement from employee for electricity and water deduction iii) Interviewed with the sampled worker, TB 1200656 confirmed that he signed the acknowledgment for deduction. iv) Application for the salary deduction permit verified at Pelatoh Estate, refer to letter to Labour Department office dated 26/9/18. I v) List of workers acknowledgement for deduction available at Pelantoh Estate. vi) Interviewed with the sampled worker, ID 730315-XX-XXXX and ID 670116-XX-XXXX confirmed that they signed the acknowledgment for deduction.  Corrective action is found to be effective, thus the major NC was closed on 18/10/18 based on-site verification and supported with sufficient documented evidence.		
<b>Assessment Conclusion:</b>	ASA1_1 verification: All the permit was publicly displayed and within its validity verified. <ol style="list-style-type: none"> <li>1. KPOM: Jabatan Tenaga Kerja Negeri Terengganu - Kebenaran Potongan Gaji Pekerja (Ref no: JTK(T): 600.2.2Jld.1(26) dated Jun 2010 for Simpanan Lembaga Tabung Haji dan Premium Insurans Syarikat Takaful Malaysia Berhad. Cross-referenced with Kebenaran Untuk Membuat Potongan Daripada Gaji Pekerja-Pekerja Untuk Tujuan Tabungan Melalui Lembaga Tabung Haji (Ref No: (15) BSM.7/2/35/68 Bhg.10 dated 12 Jun 1998.</li> <li>2. KPOM: Lembaga Pendaftaran Pembantu-Pembantu Hospital Estate – Sijil Pendaftaran P1468 dated 15/05/2014 for Hashidah Binti Ishak.</li> <li>3. KPOM: Jabatan Tenaga Kerja Semenanjung Malaysia – Permit Potongan Daripada Gaji Pekerja (No Siri: PMT.2010/020) dated 01 Jun 2010 for bill and electric, Potongan Sewa Beli Rumah KETENGAH (Jumlah Potongan Berdasarkan Harga Rumah/Tempoh Selama 6-20 Tahun)-housing loan deduction.</li> <li>4. KPOM: Jabatan Tenaga Kerja Semenanjung Malaysia (Ref no: BHG.PU/9/134 Jld 17 (38) dated 02 Januari 2019. For overtime limit for 130 hours valid from 2 years.</li> </ol>		



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	<p>5. Jernih Estate: Jabatan Tenaga Kerja Semenanjung Malaysia (Ref No: JTK(T)600.2.2.3(53) dated 28 February 2019 for Simpanan tabung Haji, Bil air &amp; Elektrik, Pinjaman Perumahan PMINT dan pas lawatan Sementara (PLKS).</p> <p>6. Gajah Mati Estate: Jabatan Tenaga Kerja Negeri Terengganu (Ref no: JTK/(T).600.2.2.2(23) dated 22 October 2018 for Bil Elektrik Dan Air, Skim Insurans – Great Eastern Life Assurans Malaysia Berhad, Yuran Kelab Sukan Dan Kebajikan Ladang Gajah Mati Dan Yuran Perkampungan.</p>
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<b>NCR Ref #</b>	1664201-201807-M2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.4.2 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/10/2018
<b>Statement of Nonconformity:</b>	The maintenance of the allocated riparian zones was not implemented in accordance to the established environmental management plan.		
<b>Requirement Reference:</b>	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated.		
<b>Objective Evidence:</b>	Based on the visits to the riparian zones at Sg Mas, Tebak Estate (Block 95B2, 92A1) and Sg Tebak, Pelantoh Estate (Block 93B), traces of herbicides spraying on palm circles near to the rivers were observed. There was also no clear demarcation to indicate the boundary of the buffer zones.		
<b>Corrective Actions:</b>	<p>i)Following that, a refreshment training and monitoring record will be provided and monitored.</p> <p>ii)The buffer zone area will be clearly marked and maintenance will be performed according to the TDMP' s Policy on Slope Protection</p> <p>Major NC close out verification:</p> <p>i) Show cause letter to the said sprayer was verified. Interviewed with the Bangladeshi translator and he has explained the intent of show cause given to the said group of sprayers.</p> <p>ii) Briefing given to the spraying gang on the buffer zone protection dated 30/7/18 was verified. Interview with other group of sprayers found the can clearly identified the buffer zone area.</p> <p>iii) Further check at buffer zone area (98B2 and 92A1 at Tebak Estate) and (93B at Pelatoh Estate), it was evident that demarcation and marking are visible and clear.</p> <p>iv) Training was given to the group of CDA sprayers on 16/8/18 at Pelantoh Estate. Further interview with the group of sprayer found that they understand the purpose of buffer zone demarcation and prohibition of upkeep activities at buffer zone area.</p> <p>Corrective action is found to be effective, thus the major NC was closed on 18/10/18 based on-site verification and supported with sufficient documented evidence. Continuous implementation will be further verified in the assessment.</p>		
<b>Assessment Conclusion:</b>	<p>ASA1_1 verification:</p> <p>Training record for buffer zone was done on 22 July 2019 and this monitored during visit by SHO, this can refer in SHC report (monthly report) latest was in August 2019.</p>		

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<b>NCR Ref #</b>	1664201-201807-M3	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 5.3.2 Major
<b>Date Issued</b>	26/07/2018	<b>Due Date</b>	23/10/2018
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/10/2018
<b>Statement of Nonconformity:</b>	The disposal of empty pesticide containers was not effectively implemented.		
<b>Requirement Reference:</b>	All chemicals and their containers shall be disposed of responsibly.		
<b>Objective Evidence:</b>	<p>The following lapses were found: Rat bait (Storm) container was used by a worker for keeping rice. This was found at Pelantoh line-site, house no. 143. Glyphosate containers used to keep petrol and rubbish by a couple of workers at line-site.</p> <p>Crosschecking between bin-card and scheduled wastes record book showed that there were issuance of 4 containers of rat bait on 22/3/2018 and 3 containers on 27/3/2018 and no record to show that the 7 containers have been return to SW store. However, there was no action taken to trace the missing containers.</p>		
<b>Corrections:</b>	For immediate action, the affected house no.143 has been warned and the containers has been collected and returned to SW store.		
<b>Root Cause Analysis:</b>	<p>As per best practice guidelines, the explanation regarding the chemicals and its usage already done to the workers. The information includes of health risk, storage and risk to the environmental.</p> <p>However, we have found that, the storekeeper make a mistake which did not trace the missing containers.</p>		
<b>Corrective Actions:</b>	<p>i) To perform the inspection for housing covering outside and inside house.  ii) The storekeeper to make sure that no containers will be take out from store. All containers have been punched for proper disposal.  iii) To perform refreshment training on scheduled waste disposal system</p> <p>Major NC close out verification:  i) Based on the house inspection records and verification at house no# 143, no evidence of used chemical container found at the visited line site.  ii) Records of rat bait issuance and returned container checked and found to be tally.  iii) Verified at scheduled waste store, the chemical container are properly stored and labeled with SW 409.  iv) Briefing was given to the P&amp;D operator (rat baiting) on 3/9/18 to remind on the SOP of rat baiting and handling of empty container. Further interview with the workers found that the aware on the SOP and memo given by the management on handling of empty oil and chemical container.  v) A memo issued by management, ref: PLT/MEMO/2018 dated 1/10/18 was verified. Based on the interview with workers at line site, they are aware on the memo and prohibition of empty chemical and oil container to be brought back home.</p>		

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	Corrective action is found to be effective, thus the major NC was closed on 18/10/18 based on-site verification and supported with sufficient documented evidence. Continuous implementation will be further verified in the assessment
<b>Assessment Conclusion:</b>	ASA1_1 verification: From site visit verification no container was been found in workers housing, last inspection been done on 23 August 2019 and inspection done by weekly. The training regarding to chemical container and rat bait container been done on 21 Feb 2019 as per training record.

<b>NCR Ref #</b>	1664201-201807-M4	<b>Clause &amp; Category (Major / Minor)</b>	SCCS 5.3.2 Major
<b>Date Issued</b>	26/07/2018	<b>Due Date</b>	23/10/2018
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/10/2018
<b>Statement of Nonconformity:</b>	The procedure was not adequately implemented.		
<b>Requirement Reference:</b>	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; i) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. ii) Effectively implements and maintains the standard requirements within its organization.		
<b>Objective Evidence:</b>	Internal audit for supply chain at Kemaman POM yet to be carried out.		
<b>Corrections:</b>	To prepare procedure for any requirement in RSPO Supply Chain Certification Standard and include the procedure to conduct annual internal audit		
<b>Root Cause Analysis:</b>	Additional clause based on the RSPO Supply Chain Certification June 2017		
<b>Corrective Actions:</b>	An annual audit plan/ schedule will be provided and implemente Major NC close out verification: i) SOP for RSPO Supply Chain Standard Operating Procedure, IP and MB Module, TDM/MILLS/02, rev: MILL-01/2018 dated 1 July 2018 was verified. All pertinent elements under new RSPO SCC Standard June 2017 are incorporated in the SOP. ii) Internal audit for RSPO SCC was carried out on 20/8/18 and report is available for review.  Corrective action is found to be effective, thus the major NC was closed on 18/10/18 based on-site verification and supported with sufficient documented evidence. Continuous implementation will be further verified in the assessment		
<b>Assessment Conclusion:</b>	ASA1_1 verification:  SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018 established has make reference to RSPO Supply Chain Certification Standard & System 2017, RSPO Rules on Market Communication and Claims and MSPO Palm Oil Supply Chain Traceability Requirements.  The latest internal audit has been carried out on 04.08.2019 by Safety & Health Officer (Mohd Izwan Haffez) to TDM-Kemaman POM. There were 3 non-conformities raised and 2 of them has been closed accordingly while 1 non-		

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	conformity is still in progress which is on management review. The management review is planned to be conducted on November 2019.
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<b>NCR Ref #</b>	1664201-201807-M5	<b>Clause &amp; Category (Major / Minor)</b>	SCCS 5.13.1 Major
<b>Date Issued</b>	26/07/2018	<b>Due Date</b>	23/10/2018
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/10/2018
<b>Statement of Nonconformity:</b>	Management review on RSPO supply chain implementation has yet to be conducted.		
<b>Requirement Reference:</b>	The organization is required to hold management reviews annually at planned intervals appropriate to the scale and nature of the activities undertaken		
<b>Objective Evidence:</b>	There is no evidence that management review has been conducted which contains the input and output according to the RSPO SCCS standard.		
<b>Corrections:</b>	The management review will be conducted annually		
<b>Root Cause Analysis:</b>	Additional clause based on the RSPO Supply Chain Certification June 2017		
<b>Corrective Actions:</b>	<p>The management review will be implemented and the contains will discussed such as the findings from internal audit, input and output according to the RSPO SCCS standard</p> <p>Major NC close out verification:            i) Management review meeting for RSPO SCC was carried out on 23/9/18. Minutes of meeting was evident and available for review. All pertinent agenda as per the requirement were discussed and presented to management. Decision and action reported in the minute for further improvement.            ii) Verified MSPO/RSPO Compliance Plan for 2018. The next sustainability meeting will be carried out on November 2018.</p> <p>Corrective action is found to be effective, thus the major NC was closed on 18/10/18 based on-site verification and supported with sufficient documented evidence. Continuous implementation will be further verified in the assessment</p>		
<b>Assessment Conclusion:</b>	<p>ASA1_1 verification:            The latest management review was carried out on 11/8/19. All pertinent elements were discussed and presented to the management. No recurrence of issue noted and the previous NC is remained close.</p>		

<b>NCR Ref #</b>	1664201-201807-M6	<b>Clause &amp; Category (Major / Minor)</b>	SCCS 5.13.2 Major
<b>Date Issued</b>	26/07/2018	<b>Due Date</b>	23/10/2018
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/10/2018
<b>Statement of Nonconformity:</b>	Management review on RSPO supply chain implementation has yet to be conducted.		
<b>Requirement Reference:</b>	<p>The input to management review shall include information on:</p> <ul style="list-style-type: none"> <li>Results of internal audits covering RSPO Supply Chain Certification Standard.</li> </ul>		

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	<ul style="list-style-type: none"> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>
<b>Objective Evidence:</b>	There is no evidence that management review has been conducted which contains the input and output according to the RSPO SCCS standard.
<b>Corrections:</b>	The management review will be conducted annually
<b>Root Cause Analysis:</b>	Additional clause based on the RSPO Supply Chain Certification June 2017
<b>Corrective Actions:</b>	<p>The management review will be implemented and the contains will discussed such as the findings from internal audit, input and output according to the RSPO SCCS standard.</p> <p>Major NC close out verification:            i) Management review meeting for RSPO SCC was carried out on 23/9/18. Minutes of meeting was evident and available for review. All pertinent agenda as per the requirement were discussed and presented to management. Decision and action reported in the minute for further improvement. ii) Verified MSPO/RSPO Compliance Plan for 2018. The next sustainability meeting will be carried out on November 2018.</p> <p>Corrective action is found to be effective, thus the major NC was closed on 18/10/18 based on-site verification and supported with sufficient documented evidence. Continuous implementation will be further verified in the assessment. Closed</p>
<b>Assessment Conclusion:</b>	<p>ASA1_1 verification:            The latest management review was carried out on 11/8/19. All pertinent elements were discussed and presented to the management. No recurrence of issue noted and the previous NC is remained close.</p>

<b>NCR Ref #</b>	1664201-201807-M7	<b>Clause &amp; Category (Major / Minor)</b>	SCCS 5.13.3 Major
<b>Date Issued</b>	26/07/2018	<b>Due Date</b>	23/10/2018
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	18/10/2018
<b>Statement of Nonconformity:</b>	Management review on RSPO supply chain implementation has yet to be conducted.		
<b>Requirement Reference:</b>	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes</li> <li>• Resource needs.</li> </ul>		
<b>Objective Evidence:</b>	There is no evidence that management review has been conducted which contains the input and output according to the RSPO SCCS standard.		
<b>Corrections:</b>	The management review will be conducted annually		
<b>Root Cause Analysis:</b>	Additional clause based on the RSPO Supply Chain Certification June 2017		
<b>Corrective Actions:</b>	The management review will be implemented and the contains will discussed such as the findings from internal audit, input and output according to the RSPO SCCS standard		

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	<p>Major NC close out verification:</p> <p>i) Management review meeting for RSPO SCC was carried out on 23/9/18. Minutes of meeting was evident and available for review. All pertinent agenda as per the requirement were discussed and presented to management. Decision and action reported in the minute for further improvement.</p> <p>ii) Verified MSPO/RSPO Compliance Plan for 2018. The next sustainability meeting will be carried out on November 2018.</p> <p>Corrective action is found to be effective, thus the major NC was closed on 18/10/18 based on-site verification and supported with sufficient documented evidence. Continuous implementation will be further verified in the assessment</p>
<b>Assessment Conclusion:</b>	<p>ASA1_1 verification:</p> <p>The latest management review was carried out on 11/8/19. All pertinent elements were discussed and presented to the management. No recurrence of issue noted and the previous NC is remained close.</p>

Opportunity for Improvement	
OFI#	Description
OFI 1	-Nil-

**3.4.2 Summary of the Nonconformities and Status**

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1664201-201807-M1	Major	6.5.1	26/07/2018	Closed out on 18/10/2018
1664201-201807-M2	Major	4.4.2	26/07/2018	Closed out on 18/10/2018
1664201-201807-M3	Major	5.3.2	26/07/2018	Closed out on 18/10/2018
1664201-201807-M4	Major	SCCS 5.3.2	26/07/2018	Closed out on 18/10/2018
1664201-201807-M5	Major	SCCS 5.13.1	26/07/2018	Closed out on 18/10/2018
1664201-201807-M6	Major	SCCS 5.13.2	26/07/2018	Closed out on 18/10/2018
1664201-201807-M7	Major	SCCS 5.13.3	26/07/2018	Closed out on 18/10/2018
1820535-201903-M1	Major	4.6.11	06/09/2019	Closed out on 03/12/2019
1820535-201903-M2	Major	4.7.2	06/09/2019	Closed out on 03/12/2019
1820535-201903-M3	Major	2.1.1	06/09/2019	Closed out on 03/12/2019
1820535-201903-M4	Major	5.5.1	06/09/2019	Closed out on 03/12/2019
1820535-201903-M5	Major	SCCS D 5.1	06/09/2019	Closed out on 03/12/2019
1820535-201903-M6	Major	SCCS D 4.2	06/09/2019	Closed out on 03/12/2019
1820535-201903-N1	Minor	5.6.3	06/09/2019	"Open"
1820535-201903-N2	Minor	5.2.4	06/09/2019	"Open"

### 3.5. Stakeholders 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 Kemaman Palm Oil Mill 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	
<b>Internal Stakeholders</b> Mill Operators Field workers Gender committee NUPW/Union representative Mill and estate's management team	<b>Union/Contractors/Local Communities</b> Contractor – Chong Trading/Kejuruteraan Prisma/FA Sama Trading MPKK Sungai Mas
<b>Government Departments</b> Jabatan Kerja Raya – Cawangan Kemaman	<b>NGO</b> Nil

IS #	Description
1	<b>Feedbacks:</b> <u>MPKK Sungai Mas</u> There same issue raised last year which is on the improvement of the staff quarter road to TAR road since the quarter area is also recognized as the registered village with the state government.
	<b>Management Responses:</b> The quarters were belonged to the company and although the village is registered with the state government, it was under the estate's land title. Most of villagers of Sungai Mas were the former workers in estates and management has let them stay for free although no more working with TDM Plantations. According to the road upgrade works, management will prioritize existing workers housing area improvement and due to the bad financial status for palm oil price recently, this will keep on hold.
	<b>Audit Team Findings:</b> Noted on the information.
2	<b>Feedbacks:</b> <u>MPKK Padang Kubu</u> For information, there was an accident case causing death due to buffalo encroachment with mill worker's son recently. Villagers will be much appreciated if management willing to install the street lamp near the Kampung Padang Kubu Mosque.
	<b>Management Responses:</b>



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	<p>The accident case in already reported to DOSH and still under investigation. Management will consider to install the street lamp as per requested.</p> <p><b>Audit Team Findings:</b> To be verified in the next surveillance audit.</p>
3	<p><b>Feedbacks:</b> <u>Chong Trading/Kejuruteraan Prisma/FA Sama Trading</u> All the contractors have the same delay in payment issue from TDM Plantations Berhad where this year, 2-4 months of payment delay due to financial crisis. Most of the contractors has a long term business relationship with TDM Plantations Berhad.</p> <p><b>Management Responses:</b> Management agreed on the contractor’s comment and this is because of the financial crisis since the FFB price drop these 2 years. Management take note on the complaint and will escalate to the headquarters.</p> <p><b>Audit Team Findings:</b> To be verified in the next surveillance audit.</p>
4	<p><b>Feedbacks:</b> <u>NUPW representatives &amp; Gender Committee</u> So far, there is no complaint or grievance except for the housing maintenances. Workers didn’t have any issue regarding salary, freedom to have union and going out, express concern, etc. No discrimination is practised within the complex.</p> <p><b>Management Responses:</b> Noted on the information.</p> <p><b>Audit Team Findings:</b> Noted on the information.</p>
5	<p><b>Feedbacks:</b> <u>Jabatan Tenaga Kerja –Cawangan Kemaman (Puan Azizah)-through phone</u> The permit for salary deduction for housing loan approved for PMINT and KETENGAH is needed for each unit.</p> <p><b>Management Responses:</b> Noted on the information.</p> <p><b>Audit Team Findings:</b> Noted on the information.</p>



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<b>Formal Signing-off of Assessment Conclusion and Recommendation</b>	
<p>The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Kemaman Palm Oil Mill Certification Unit has complied with the RSPO P&amp;C MYNI 2014, RSPO Supply Chain Certification Standard (June 2017) 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 Kemaman Palm Oil Mill is approved and continued.</p>	
<b>Report prepared by</b>	<b>Acceptance of Assessment Conclusion</b>
<b>Name:</b> Mohamed Hidhir Zainal Abidin	<b>Name:</b> Hj. Hassan . Osman .
<b>Company Name:</b> BSI Services Malaysia Sdn Bhd	<b>Company Name:</b> TDM Plantation Sdn Bhd
<b>Title:</b> Lead Auditor	<b>Title:</b> Mill Manager
<b>Signature:</b> 	<b>Signature:</b>  <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>
<b>Date:</b> 28 <sup>th</sup> December 2019	<b>Date:</b> 29 <sup>th</sup> December 2019.

**Appendix A: Summary of Findings**

Criterion / Indicator		Assessment Findings	Compliance
<b>Principle 1: Commitment to Transparency</b>			
<b>Criterion 1.1:</b> Growers and millers provide 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	There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making. - Minor compliance -	Information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared through the website: <a href="http://www.tdumberhad.com.my/#2">http://www.tdumberhad.com.my/#2</a> , company policies at office notice boards, stakeholder meeting, trade union meeting and gender committee meeting.  Apart from that, any communication whether it's a complaint, feedback or compliment, TDM Plantation Sdn Bhd has TDM Plantation Sdn. Bhd. has developed a Social Issue Communication Flowchart version 2.0/2017.	Complied
1.1.2	Records of requests for information and responses shall be maintained. -Major compliance	All operating units maintain records of information request and response. Request for information are attended promptly and confirmed by stakeholders interviewed.	Complied
<b>Criterion 1.2:</b> Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.			

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Criterion / Indicator	Assessment Findings	Compliance
1.2.1 Publicly available documents shall include, but are not necessary limited to: <ul style="list-style-type: none"> <li>• Land titles/user rights (Criterion 2.2);</li> <li>• Occupational health and safety plans (Criterion 4.7);</li> <li>• Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8);</li> <li>• HCV documentation (Criteria 5.2 and 7.3);</li> <li>• Pollution prevention and reduction plans (Criterion 5.6);</li> <li>• Details of complaints and grievances (Criterion 6.3);</li> <li>• Negotiation procedures (Criterion 6.4);</li> <li>• Continual improvement plans (Criterion 8.1);</li> <li>• Public summary of certification assessment report;</li> <li>• Human Rights Policy (Criterion 6.13).</li> </ul> - Major compliance –	<p>There was no restriction noted as to the documents made available to the public except those prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>Documents that publicly available are such as social and environment impact assessment, action plan, meeting minutes and audit reports.</p> <p>Besides, policies were also displayed at various locations including the main notice boards of the estates, mill offices and muster ground notice boards for employees and visitors to view.</p>	<p>Complied</p>
<b>Criteria 1.3:</b> Growers and millers commit to ethical conduct in all business operations and transactions.		
1.3.1 There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations. -Minor compliance	<p>TDM Plantation Sdn. Bhd. has implemented Code of Ethical Policy dated 1/8/2017. The policy has been displayed at the notice board in front of office and canteen area for communication to the workers. The workers also been briefed on the policy during morning muster for every Tuesday. Sampled seen is the latest training been conducted on 28.05.2019 to 23 people (KPOM), 22.07.2019 to 250 people (Jernih Estate) and 12.06.19 to 148 people (Gajah Mati Estate) and kept in Weekly Briefing file.</p>	<p>Complied</p>
<b>Principle 2: Compliance with applicable laws and regulations</b>		
<b>Criterion 2.1:</b> There is compliance with all applicable local, national and ratified international laws and regulations.		

<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available.          - Major compliance -</p>	<ol style="list-style-type: none"> <li>1. KPOM: Jabatan Tenaga Kerja Negeri Terengganu - Kebenaran Potongan Gaji Pekerja (Ref no: JTK(T): 600.2.2Jld.1(26) dated Jun 2010 for Simpanan Lembaga Tabung Haji dan Premium Insurans Syarikat Takaful Malaysia Berhad. Cross-referenced with Kebenaran Untuk Membuat Potongan Daripada Gaji Pekerja-Pekerja Untuk Tujuan Tabungan Melalui Lembaga Tabung Haji (Ref No: (15) BSM.7/2/35/68 Bhg.10 dated 12 Jun 1998.</li> <li>2. KPOM: Lembaga Pendaftaran Pembantu-Pembantu Hospital Estate – Sijil Pendaftaran P1468 dated 15/05/2014 for Hashidah Binti Ishak.</li> <li>3. KPOM: Jabatan Tenaga Kerja Semenanjung Malaysia – Permit Potongan Daripada Gaji Pekerja (No Siri: PMT.2010/020) dated 01 Jun 2010 for bill and electric, Potongan Sewa Beli Rumah KETENGAH (Jumlah Potongan Berdasarkan Harga Rumah/Tempoh Selama 6-20 Tahun)-housing loan deduction.</li> <li>4. KPOM: Jabatan Tenaga Kerja Semenanjung Malaysia (Ref no: BHG.PU/9/134 Jld 17 (38) dated 02 Januari 2019. For overtime limit for 130 hours valid from 2 years.</li> <li>5. Jernih Estate: Jabatan Tenaga Kerja Semenanjung Malaysia (Ref No: JTK(T)600.2.2.3(53) dated 28 February 2019 for Simpanan tabung Haji, Bil air &amp; Elektrik, Pinjaman Perumahan PMINT dan pas lawatan Sementara (PLKS).</li> <li>6. Gajah Mati Estate: Jabatan Tenaga Kerja Negeri Terengganu (Ref no: JTK/(T).600.2.2.2(23) dated 22 October 2018 for Bil Elektrik Dan Air, Skim Insurans – Great Eastern Life Assurans Malaysia Berhad, Yuran Kelab Sukan Dan Kebajikan Ladang Gajah Mati Dan Yuran Perkampungan.</li> </ol> <p><u>In Jernih Estate:</u></p> <ol style="list-style-type: none"> <li>7. The effectiveness of line site inspection is not demonstrated where during the site visit, it was found that in Zone A (end of</li> </ol>	<p>Major nonconformance</p>
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		<p>the row of Ashraful’s house) blockage drain and domestic waste near the housing area. This is not complying with the WORKERS’ MINIMUM STANDARDS OF HOUSING AND AMENITIES ACT 1990:</p> <p>Weekly inspection of workers’ housing:</p> <p>23. (1) It shall be the duty of the employer of a place of employment where workers and their dependents are provided with housing accommodation to ensure that— (a) the area surrounding the workers’ housing is kept clear of undergrowth and maintained in a clean and sanitary condition;</p> <p>(b) the perimeter drains around each dwelling or block of dwellings including all outlet drains are kept in a good state of repair and clear of refuse or undergrowth to permit free flow of water;</p> <p>(c) all refuse in the housing site is collected daily and disposed of satisfactorily; and</p> <p>(d) all communal latrines and bathrooms are kept in a clean, sanitary and working condition.</p> <p>8. Depih was work on 2 rest day on Aug 2019 according to the pay slips he was not paid twice of the ordinary rate. This is not complying with the EMPLOYMENT ACT 1955: Work on rest day:</p> <p>(3) (a) In the case of an employee employed on a daily, hourly or other similar rate of pay who works on a rest day, he shall be paid for any period of work—</p> <p>(i) which does not exceed half his normal hours of work, one day’s wages at the ordinary rate of pay; or</p> <p>(ii) which is more than half but does not exceed his normal hours of work, two days’ wages at the ordinary rate of pay.</p> <p><u>In Gajah Mati Estate:</u></p>	
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		<p>9. The effectiveness of line site inspection is not demonstrated where during the site visit, it was found that in Block G-05 blockage drain and domestic waste near the housing area. This is not complying with the WORKERS' MINIMUM STANDARDS OF HOUSING AND AMENITIES ACT 1990: Weekly inspection of workers' housing: 23. (1) It shall be the duty of the employer of a place of employment where workers and their dependents are provided with housing accommodation to ensure that— (a) the area surrounding the workers' housing is kept clear of undergrowth and maintained in a clean and sanitary condition; (b) the perimeter drains around each dwelling or block of dwellings including all outlet drains are kept in a good state of repair and clear of refuse or undergrowth to permit free flow of water; (c) all refuse in the housing site is collected daily and disposed of satisfactorily; and (d) all communal latrines and bathrooms are kept in a clean, sanitary and working condition.</p> <p>10. The latest "Perakuan Pembaharuan Tahunan" (No: 9961/2013) was expired on 31.12.2013 for Medical Assistant. This is not complying with AKTA PEMBANTU PERUBATAN (PENDAFTARAN) 1977: 11. (1) Tertakluk kepada subseksyen 18(1), sesuatu perakuan pendaftaran hendaklah tamat tempohnya pada 31 haribulan Disember tahun ia dikeluarkan tetapi Lembaga boleh membaharui perakuan itu tiap-tiap tahun mengikut borang yang ditetapkan setelah dibayar bayaran yang ditetapkan. (2) Sesuatu permohonan untuk membaharui perakuan itu hendaklah dibuat tidak lewat daripada 30 haribulan September tiap-tiap satu tahun dan Lembaga hendaklah</p>	
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		<p>memberikan keputusan mengenai dan membaharui atau enggan membaharui perakuan itu dan hendaklah dalam salah satu hal menyampaikan keputusannya kepada orang yang berkenaan itu tidak lewat daripada 30 haribulan November dalam tahun yang sama.</p> <p>11. Payment rate for Public Holiday in August 2019 pay slip (RM 35.80) for Azrul Bin Azis is below his daily rate (RM 42.31/day). This is not complying with the EMPLOYMENT ACT 1955 Holidays 60D. (1) Every employee shall be entitled to a paid holiday this ordinary rate of pay on the following days in any one calendar year and (b) on any day declared as a public holiday under section 8 of the Holidays Act 1951 [Act 369].</p> <p><u>Kemaman Palm Oil Mill</u></p> <ul style="list-style-type: none"> <li>i. DOE licence no. 004055, reference number, AS (B)T 31/152/000/001; licensing period: 1/7/19 – 30/6/20. Method of discharge: waterways (BOD3 limit @ 30°C is 100 mg/l.</li> <li>ii. Contravention of license application dated 29/5/19, ref: KPOM/JAS/004/2019, pending for resubmission of incomplete information (Professional Engineer @ PE drawing for stack, appendix B para 7 &amp; 8). Status will be further verified in the next audit.</li> <li>iii. MPOB license: 500041904000 (validity period 1/4/2019 – 31/03/2019) for 384,000MT.</li> <li>iv. Energy commission license no: 2018/03203; serial no: 32404 (validity period 22/11/2018 – 21/11/2019) for 2,400 kW installation capacity.</li> <li>v. There are 14 CFs belonged to the mill covering various equipment such as sterilizers, hoist and crane and boilers. Sample of CF checked: <ul style="list-style-type: none"> <li>- Boiler (PMD 12383, valid until 21/1/20)</li> <li>- Boiler (TG PMD 232, valid until 21/1/20)</li> </ul> </li> </ul>	
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		<p>- Back Pressure Receiver (PMT 107391 valid until 16/6/20) Total of 16 CFs exempted for renewal. Latest UPV inspection was last carried out on 19/3/19.</p> <p>viii. Fire Certificate, serial no. 310857, cert. no. JBPM:TR/7/03/2019 valid until 26/2/20.</p> <p>ix. Diesel Permit , Serial no. T001513, ref. no.: KPDNKK/KMN/25-02/08 SK D, quantity: 42,000 litre valid until 28/5/20.</p> <p>x. Competent Person</p> <table border="1" data-bbox="1075 686 1825 917"> <thead> <tr> <th>Competency</th> <th>Certificate reference</th> <th>Validity Period</th> </tr> </thead> <tbody> <tr> <td>AGTES</td> <td>NW-NCT-AGT-0198-Q</td> <td>Until 22<sup>nd</sup> February 2020</td> </tr> <tr> <td>AESP</td> <td>NW-NCT-AE-R-2383-R</td> <td>Until 27<sup>th</sup> April 2021</td> </tr> <tr> <td>CePSWaM</td> <td>CePSWaM/172048</td> <td>FTR submitted, waiting for presentation</td> </tr> </tbody> </table> <table border="1" data-bbox="1075 949 1825 1212"> <tbody> <tr> <td>CePPOME</td> <td>CePPOME/182863</td> <td>Certified as competent person</td> </tr> <tr> <td>Electrical charge man (A4)</td> <td>PJ-T-4-B-0260-1998</td> <td>Valid until 25/12/19</td> </tr> <tr> <td>Electrical charge man (A4)</td> <td>PJ-T-4-H-0068-1999</td> <td>Valid until 22/10/19</td> </tr> </tbody> </table> <p><u>Jernih Estate</u></p> <p>i. MPOB license: 501868702000, <i>Menjual dan Mengalih FFB</i>: 2,998.6 Ha, licence holder: Ladang Jernih (validity period 01/11/2018 – 31/10/2019)</p>	Competency	Certificate reference	Validity Period	AGTES	NW-NCT-AGT-0198-Q	Until 22 <sup>nd</sup> February 2020	AESP	NW-NCT-AE-R-2383-R	Until 27 <sup>th</sup> April 2021	CePSWaM	CePSWaM/172048	FTR submitted, waiting for presentation	CePPOME	CePPOME/182863	Certified as competent person	Electrical charge man (A4)	PJ-T-4-B-0260-1998	Valid until 25/12/19	Electrical charge man (A4)	PJ-T-4-H-0068-1999	Valid until 22/10/19	
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Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>ii. Diesel Permit # T001552, ref KPDNKK/KMN/25-02/07(02/2017) (validity 6/8/2019 – 5/8/19) Quantity: 16,380 litre</li> <li>iii. Unfired pressure vessel certificate of fitness, air compressor: TG PMT 1251 valid until 5/6/20</li> <li>iv. Petrol Permit # T000061, ref KPDNKK/KMN/25-05/11 P SK (validity 9/7/2019 – 8/1/20) Quantity: 150 litre</li> </ul> <p><u>Gajah Mati Estate</u></p> <ul style="list-style-type: none"> <li>i. MPOB license: 502036302000, <i>Menjual dan Mengalih FFB</i>: 3692.08 ha, licence holder: Gajah Mati (validity period 01/9/2019 –31/08/2020)</li> <li>ii. MPOB license: 562823011000, <i>Menghasilkan, Menjual dan Mengalih, Menyimpan SLGBIJI</i>, licence holder: Gajah Mati (validity period 01/7/2019 – 30/06/2020)</li> <li>iii. Diesel Permit # T011952, ref TR/DGN/09/10 SKD (validity 14/11/2019 – 13/11/19) Quantity: 8,190 litre</li> <li>iv. Unfired pressure vessel certificate of fitness, air compressor: TG PMT 4867 valid until 14/10/20</li> <li>v. Permit to buy Highly Toxic Pesticides (Paraquat Dichloride), ref. no. TRG/2019/PARA/005(GL), dated 21/1/19 for 600 litre.</li> </ul>	
2.1.2	<p>A documented system, which includes written information on legal requirements, shall be maintained.</p> <p>- Minor compliance -</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	Evaluation of the legal requirements and compliance status with legal requirement are through internal audits by the compliance and productivity team. At POM, internal audit was carried out on 17 <sup>th</sup> July and 4 <sup>th</sup> August 2019 and by compliance executive and sustainability team. Assessment report for respective area with all the findings have been documented. Refer to internal audit report dated 24 <sup>th</sup> July 2019 8 <sup>th</sup> August 2019.	Complied
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH website as well as from government gazette website. The latest updates such as Noise Exposure Regulation 2019 and Minimum Wages Order 2018. Latest MAPA/NUPW Circular no.14/2019 was communicated to all operating units.	Complied
<b>Criterion 2.2:</b> 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.			

Criterion / Indicator	Assessment Findings	Compliance												
2.2.1 Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available. - Major compliance -	<p>TDM Plantation group 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 &amp; 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> <p>Example of land titles checked:</p> <table border="1" data-bbox="1032 624 1827 970"> <thead> <tr> <th>Estate</th> <th>Land title</th> <th>Land use type</th> <th>Tenure</th> </tr> </thead> <tbody> <tr> <td>Jernih Estate</td> <td>Sample: HSD 1779, No. PT 1666, Mukim Tebak , District: Kemaman</td> <td>Oil Palm Plantation</td> <td>60 years until 19/12/52</td> </tr> <tr> <td>Gajah Mati</td> <td>Sample : HSD 14644, lot no. 3999, Mukim Besul, District: Dungun</td> <td>Agriculture</td> <td>Freehold</td> </tr> </tbody> </table>	Estate	Land title	Land use type	Tenure	Jernih Estate	Sample: HSD 1779, No. PT 1666, Mukim Tebak , District: Kemaman	Oil Palm Plantation	60 years until 19/12/52	Gajah Mati	Sample : HSD 14644, lot no. 3999, Mukim Besul, District: Dungun	Agriculture	Freehold	<p>Complied</p>
Estate	Land title	Land use type	Tenure											
Jernih Estate	Sample: HSD 1779, No. PT 1666, Mukim Tebak , District: Kemaman	Oil Palm Plantation	60 years until 19/12/52											
Gajah Mati	Sample : HSD 14644, lot no. 3999, Mukim Besul, District: Dungun	Agriculture	Freehold											
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	<p>Whenever the land boundaries are adjacent with third party (smallholders, villages, other oil palm companies, etc.) the normal practice of TDM Plantation estate to indicate the legal boundaries are through demarcation of boundary marker. This was confirmed through the field visit at Jernih, Dusun Durian and East estates. Apart from that, erection of pegs painted with red and white along the boundaries was also commonly practiced and clearly visible.</p>	<p>Complied</p>												

Criterion / Indicator	Assessment Findings	Compliance
2.2.3	Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC). - Minor compliance -	Complied
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. -Major compliance	Complied
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). -Minor compliance	Complied
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. -Major compliance	Complied
<b>Criterion 2.3:</b> Use of the land for oil palm does not diminish the legal rights, customary or user right of other users without their free, prior and informed consent.		
2.3.1	Maps of an appropriate scale showing the extent of recognized legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Major compliance -	Complied

Criterion / Indicator	Assessment Findings	Compliance
2.3.2	<p>Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for 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 company's title, concession or lease on the land.</p> <p>- Minor compliance -</p>	Complied
2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>-Minor compliance</p>	Complied
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>-Major compliance</p>	Complied
<p><b>Principle 3: Commitment to long-term economic and financial viability</b></p>		

Criterion / Indicator	Assessment Findings	Compliance
<b>Criterion 3.1:</b> There is an implemented management plan that aims to achieve long-term economic and financial viability.		
3.1.1	<p>A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p>- Major compliance -</p> <p>Kemaman POM and estates has established an annual budget for 2019. The palm oil mill budget includes the projected FFB processed, CPO and PK production which projected for five years. As part of continual improvement, CAPEX has been allocated for building, plant and machinery, utilities and lab equipment to improve process efficiency and improve workers accommodation. For example:</p> <ul style="list-style-type: none"> <li>i) Workers quarters – cluster: 1 x 4 unit</li> <li>ii) LTDS cyclone structure, conveyor &amp; roofing</li> <li>iii) Particulate Emission Control System: compliance towards Clean Air Regulation 2014</li> <li>iv) Post-heating cooker: improve pre-digestion process</li> </ul> <p>Sighted for business plan for all estates visited from the 2019 until 2025 to include upkeep mature cost, oil palm harvesting and collection cost, oil palm transport cost, oil palm manuring cost.</p>	<p>Complied</p>

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**Revision 8 (Mar /2019)**

Criterion / Indicator	Assessment Findings	Compliance
3.1.2	<p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p>- Minor compliance -</p> <p>TDM Plantations have long range replanting programme until FY 2024. Replanting planned for the palm older than 25 years, non-performance field (yield) and ganoderma infected palm. Sighted TDM Plantations Group Estates replanting programme as per below:</p> <p><u>Jernih Estate</u>            2020: 221.24 ha            2021: 272.40 ha            2022: nil            2023: nil            2024: nil</p> <p><u>Gajah Mati Estate</u>            2020: nil            2021: 287.70 ha            2022: 231.35 ha            2023: 182.48 ha            2024: nil</p>	Complied
<p><b>Principle 4: Use of appropriate best practices by growers and millers</b></p>		
<p><b>Criterion 4.1:</b>            Operating procedures are appropriately documented, consistently implemented and monitored.</p>		
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills are documented</p> <p>- Major compliance -</p> <p>For Kemaman POM, the Standard Operating Procedure &amp; Operation Manual updated on November 2012 (TDM/KPOM/01 dated 1 May 2011) as a guidance document to operate the mill. There were total 25 SOP has been established and documented.</p> <p>For SCCS implementation, RSPO Supply Chain Standard Operating Procedure – Identity Preserved and Mass Balance Module, TDM/MILLS/02 rev:01/2018 dated 1/7/18 is referred to.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance												
4.1.2	A mechanism to check consistent implementation of procedures shall be in place. - Minor compliance -	Evaluation of the legal requirements and compliance status with legal requirement and SOPs are through internal audits by the compliance and productivity team. At POM, internal audit was carried out on 17 <sup>th</sup> July and 4 <sup>th</sup> August 2019 and by compliance executive and sustainability team. Assessment report for respective area with all the findings have been documented. Refer to internal audit report dated 24 <sup>th</sup> July 2019 and 8 <sup>th</sup> August 2019.	Complied												
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance -	Records of monitoring and action taken maintained and kept in each specific principle/indicator. Correspondence with authority such as DOSH, DOE and MPOB etc kept for reference. Example of monitoring report checked: <table border="1" data-bbox="1032 807 1827 1241"> <thead> <tr> <th>Report</th> <th>Date of report</th> <th>Operating Unit</th> </tr> </thead> <tbody> <tr> <td>Internal audit report (RSPO P&amp;C and RSPO SCCS)</td> <td>RSPO P&amp;C internal audit report (24<sup>th</sup> July 2019) RSPO SCCS internal audit report (8<sup>th</sup> August 2019)</td> <td>Kemaman POM</td> </tr> <tr> <td>MPOB (EL) MF4, PX 4-MF</td> <td>Date of report 5/8/19</td> <td>Kemaman POM</td> </tr> <tr> <td>Plantation advisory report</td> <td>Report dated 16/8/19 was verified. Date of visit: 22<sup>nd</sup> – 24<sup>th</sup> July 2019 by TDM internal plantation advisory.</td> <td>Jernih Estate</td> </tr> </tbody> </table>	Report	Date of report	Operating Unit	Internal audit report (RSPO P&C and RSPO SCCS)	RSPO P&C internal audit report (24 <sup>th</sup> July 2019) RSPO SCCS internal audit report (8 <sup>th</sup> August 2019)	Kemaman POM	MPOB (EL) MF4, PX 4-MF	Date of report 5/8/19	Kemaman POM	Plantation advisory report	Report dated 16/8/19 was verified. Date of visit: 22 <sup>nd</sup> – 24 <sup>th</sup> July 2019 by TDM internal plantation advisory.	Jernih Estate	Complied
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Criterion / Indicator		Assessment Findings	Compliance
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	No 3rd party sourced FFB received at Kemaman POM.	Not applicable
<b>Criterion 4.2:</b> Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance -	<p>TDM Plantation Sdn Bhd - Standard Operating Procedure has established covers mature upkeep (water management, weeding, bunch census, thinning, P&amp;D, pruning, raking), Immature upkeep, , manuring mature and immature oil palm, harvesting and collection, workshop, roads bridges and culverts, chemical control of common oil palm, use of beneficial plants, use of barn owls and etc. The SOP covering all aspects of oil palm management including safety. The related SOP, namely Leaf and Soil Sampling Notes procedure was sighted.</p> <p>All estates operate in accordance with the standard operating procedures. The practices consistently monitored by estate operation management and estate inspectorate. The recommendations for improvements are given to maintain the sustainable practices.</p> <p>The specific SOP on managing soil fertility was describe in the SOP- Mature Upkeep, page 38. The foliar analysis was conducted to determine the nutrient level of the palm and subsequently formulate an integrated manuring programme.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
4.2.2 Records of fertiliser inputs shall be maintained. - Minor compliance -	<p><u>Jernih Estate</u>            The records of agronomic and fertilizer recommendation report by agronomist shown application date, block number, dosage applied per palm, type of fertilizer. Sampled monthly manuring report dated July 2019, block 04A1 the application of RRP (2 kg/palm), total applied: 18.50 mt @ 370 bags.</p> <p><u>Gajah Mati Estate</u>            The records of agronomic and fertilizer recommendation report by agronomist shown application date, block number, dosage applied per palm, type of fertilizer. Sampled monthly manuring report dated July 2019, block 96G1 the application of MOP (1.5 kg/palm), total applied: 22.81 mt @ 456 bags.</p>	Complied
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	<p>Agronomy department prepare the annual fertilizer recommendation base leaf analysis result. Leaf analysis show the nutrient level was used as the guidance for the recommendation.</p> <p><u>Jernih Estate</u>            Latest foliar analysis was done on 28/8/2018 by UTCL Laboratory. The report (LE/1807/2066-2070) dated 7/9/18 was sighted. Soil sampling and analysis was last done on 8/10/2018. Refer SE/1812/0429-0432.</p> <p><u>Gajah Mati Estate</u>            Latest foliar analysis was done on 4/7/19 by UTCL Laboratory. The report (LE/1907/0827-0831) dated 30/5/19 was sighted. Soil sampling and analysis was last done on 6/5/2019. Refer SE/1905/0192-0195.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance									
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance -	TDM Plantation has established nutrient recycling program. Bio-compost @ bio-organic fertilizer was used for mature palm. Recommendation rate 100 kg per palm. <table border="1"> <thead> <tr> <th>Estate</th> <th>Tonnage applied</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>Jernih</td> <td>221.21 mt (August 2019)</td> <td>21.68 mt/ha</td> </tr> <tr> <td>Gajah Mati</td> <td>777.41 mt (to date 2019)</td> <td>14.1 mt/ha</td> </tr> </tbody> </table>	Estate	Tonnage applied	Remarks	Jernih	221.21 mt (August 2019)	21.68 mt/ha	Gajah Mati	777.41 mt (to date 2019)	14.1 mt/ha	Complied
Estate	Tonnage applied	Remarks										
Jernih	221.21 mt (August 2019)	21.68 mt/ha										
Gajah Mati	777.41 mt (to date 2019)	14.1 mt/ha										
<b>Criterion 4.3:</b> Practices minimise and control erosion and degradation of soils.												
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	Soil suitability report dated December 2011 by Department of Agriculture was sighted. Refer to Soil Map dated 20/12/11, ref. no. JP.TNH 207/7/680/8(31). No fragile or problematic soil identified within Jernih Estate. Based on recommendation, steep area >25° has to be excluded for any plantation activities due to risk of erosion.	Complied									
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance -	The management has identified steep areas (>25°: 22.26% - 688 ha) for setting aside as conservation areas. Inspection of field conditions at estate showed well established and maintained groundcover vegetation.	Complied									
4.3.3	A road maintenance programme shall be in place. - Minor compliance -	Both estate visited has established road maintenance program to ensure the road are in good condition to ensure the estate operation run smoothly in all-weather condition. The programme include road grading, resurfacing/patching pot holes and road site pruning. The work were programmed throughout the year. Roads inspected during field audit are generally in a good condition.	Complied									
4.3.4	Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place. - Minor compliance -	No peat soil at the visited estates. Thus, this indicator is not applicable.	Complied									

Criterion / Indicator	Assessment Findings	Compliance
4.3.5	Drainability assessments shall be required prior to replanting on peat to determine the long-term viability of the necessary drainage for oil palm growing. - Minor compliance -	No peat soil at the visited estates. Thus, this indicator is not applicable.  Complied
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance -	There were no problematic soils at both visited estates. Thus, this indicator is not applicable.  Complied
<b>Criterion 4.4:</b> Practices maintain the quality and availability of surface and ground water.		
4.4.1	An implemented water management plan shall be in place. - Minor compliance -	In TDM Kemaman, the following aspects have been incorporated in the water management plan 2019 dated review was on Feb 2019. I this management plan already incorporated with action plan to reduce water usage, identified water source in mill and estate and also contingency plan if any water shortage happen in future. Sampling on water reduction plan Mill and estate was plan to use rain water harvesting in their activity such as cleaning, chemical mixture and others. The Contingency plan during water shortage – to purchase water from SATU (Terengganu Water Company), to obtain water supply from nearby estates, to train staff/workers to save water usage  Monsoon drain water discharge quality was also checked once a year to monitor the pollutant from the mill escape through the monsoon drain. Last analysis was done in April 2019. Among the parameters tested were pH, COD, TSS, O&G, Ammonia TN. All spec was complied with APHA.

Criterion / Indicator	Assessment Findings	Compliance
4.4.2 Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -	<p>TDM has guideline to protect the water course including maintaining and restoring appropriate riparian zone. Water analysis was carried out to protect water course including maintaining and restoring appropriate riparian and other buffer zones. Water analysis been done by mill (River Water Quality Monitoring Report) dated on April 2019 by ERALAB (KT) Sdn Bhd refer report 19/04/W0317.</p> <p>In Jernih Estate, River water quality monitoring report was done on august 2019 by ERALAB (KT) Sdn Bhd referred Lab report no; 18/07/W0587.</p> <p>For Gajah Mati estate, the water sampling for Sg Kersik and Sg Pasir was done annually by management, in Gajah Mati estate last sampling was done on 7 August 2019 by ERALab (KT) Sdn Bhd referred lab report no. 19/08/W0683. All parameter tested complied with NWQS under class 3.</p>	Complied
4.4.3 Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6). - Minor compliance -	<p>Mill effluent is treated through biological system with several ponds in series. Quality of discharged effluent to water ways was analysed every month. Among the parameters analysed were T, pH, BOD, COD, TS, SS, O&amp;G, AN and TN. Verification of the last 12 months results showed that the highest BOD=73 ppm and lowest BOD=25 ppm. The results complied with the regulated requirement i.e. 100 ppm. The from OER(Online Environmental Report) on July 2019 was BOD= 43ppm.</p>	Complied
4.4.4 Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored. - Minor compliance -	<p>The mill has been monitoring its consumption of water on daily basis. The water was sourced from nearby water ways. Based on the daily records, the consumption in 2018 was 2.34 m3/mt FFB, whereas for 2019, 2.14 m3/mt FFB as at August 2019.</p>	Complied
<p><b>Criterion 4.5:</b>            Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>		

Criterion / Indicator		Assessment Findings	Compliance									
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	<p>IPM Manual includes the planting of beneficial plants and control of damage by rodents, leaf-eaters, oryctes and natural enemies. Beneficial plants such as <i>Turnerasubulata</i>, <i>Antigonon leptopus</i> and <i>Cassia Cobanensis</i> are grown in the estates although there is no outbreak of pest. Records of planting of new areas and maintenance of existing areas of beneficial plants, location maps and barn owl census are available.</p> <table border="1"> <tr> <td>IPM plan/programme</td> <td>Census results</td> <td>Estate</td> </tr> <tr> <td>Barn owl box</td> <td>Occupancy rate: 53%</td> <td>Gajah Mati</td> </tr> </table>	IPM plan/programme	Census results	Estate	Barn owl box	Occupancy rate: 53%	Gajah Mati	Complied			
IPM plan/programme	Census results	Estate										
Barn owl box	Occupancy rate: 53%	Gajah Mati										
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	<p>Traning for those involved in IPM implementation was demonstrated. Summary of training carried out at all visisted estates;</p> <table border="1"> <tr> <td>Training</td> <td>Date of training</td> <td>Estate</td> </tr> <tr> <td>Rat baiting training</td> <td>21/2/19</td> <td>Jernih</td> </tr> <tr> <td>Agrochemical</td> <td>26/6/19</td> <td>Gajah Mati</td> </tr> </table>	Training	Date of training	Estate	Rat baiting training	21/2/19	Jernih	Agrochemical	26/6/19	Gajah Mati	Complied
Training	Date of training	Estate										
Rat baiting training	21/2/19	Jernih										
Agrochemical	26/6/19	Gajah Mati										
<b>Criterion 4.6:</b>												
Pesticides are used in ways that do not endanger health or the environment												
4.6.1	Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available. - Major compliance -	In both estate the justification of pesticides applied is available in the TDM agriculture policy. Refer to agriculture policy no 05.0205.03:weed control for immature & mature oil palm. For pest and disease control, refer to 09.01 – 09.08. The use of pesticide is specific to the target pest, weed and disease. Justification takes consideration to minimize effect on nontarget species. No changes in the policy. The other justification of all pesticide used was in Standarc operating Procedure A12;Weeding –Immature & A13: Weeding – Mature revision May 2017 (2 revision).	Complied									

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Criterion / Indicator	Assessment Findings	Compliance												
4.6.2	<p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.</p> <p>- Major compliance -</p>	<p>Records of pesticides use (including active ingredients used and their LD 50, area treated, amount of a.i. applied per ha and number of applications) had been maintained and kept by the estate. The record Pesticide usage Ai/Ha was available under chemical document, record as per detail below:-</p> <table border="1" data-bbox="1032 555 1825 659"> <thead> <tr> <th>Estate/ Month</th> <th>June</th> <th>July</th> <th>August</th> </tr> </thead> <tbody> <tr> <td>Jernih</td> <td>0.16</td> <td>0.03</td> <td>0.13</td> </tr> <tr> <td>Gajah Mati</td> <td>0.23</td> <td>0.10</td> <td>0.12</td> </tr> </tbody> </table>	Estate/ Month	June	July	August	Jernih	0.16	0.03	0.13	Gajah Mati	0.23	0.10	0.12
Estate/ Month	June	July	August											
Jernih	0.16	0.03	0.13											
Gajah Mati	0.23	0.10	0.12											
4.6.3	<p>Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines.</p> <p>- Major compliance -</p>	<p>Use of pesticide is minimized and part of the IPM programme. To reduce chemical use the following is implemented in Jernih Estate and Gajah Mati Estate:</p> <p>a) Planting of beneficial plant :already plant tunera and Antigonan, manager declare for planting cassia cobanansis.</p> <p>b) Barn Owls Target was 1:10</p>												
4.6.4	<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, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p> <p>- Minor compliance -</p>	<p>Latest Methamidaphos permit was applied on 13 June 2019 (TRG/2019/Metha/0569(GL) with total 100 liter to standby if there is any major outbreak for bagworm. From the record, last application of trunk injection was in May 2018.</p>												

Criterion / Indicator		Assessment Findings	Compliance
4.6.5	Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7). - Major compliance -	Pesticide operators given training on the safe handling and application of the pesticides. Suitable personal protective equipment's and application equipment provided to the operators. All precautions attached to the products explained to operators and understood by them. This was noted during the interview with the sprayer at field	Complied
4.6.6	Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -	The operating units comply with Regulation 9 of the Pesticides Act 1974 requiring balance of remaining solution to be kept under lock and key. During visit it was found that no stock of pesticides in the store. The chemical stores was securely locked and comply with regulation.	Complied
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	Pesticides had been applied using the Best Management Practices that minimize risk and impacts. The pesticide operators found to understand the use of the right nozzle, spray drift, spray quality and run-off.	Complied
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	No aerially spraying on site.	Complied
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated, including provision of appropriate information materials (see Criterion 4.8). - Minor compliance -	No associated smallholders. Employees handling pesticide given knowledge and skill required by the Assistant Manager to cover safe handling practices and standard operating procedures.	Complied



Criterion / Indicator		Assessment Findings	Compliance
4.6.10	Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3). - Minor compliance -	The disposal of all wastes material (domestic, recyclable and toxic) was done in accordance to their established SOP (B8: Domestic Waste and B9: Schedule Waste, ver. May 2017). Based on interviews with the workers, their understandings on proper disposal of wastes were satisfactory.	Complied
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	Annual medical surveillance was done annually in Jernih estate dated latest done was on 10/7/2019 at Klinik Bestari Paka, 18 workers was attend this medical surveillance, result all fit to work with glyphosate. Based on form I, the last medical surveillance was 19/4/2018, application date: 3/5/18. Latest medical surveillance dated 10/7/19 did not include 8 trunk injector operators and only cover normal (glyphosate) spraying operator. Thus,a major NC was raised.	Major nonconformance
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	At Gajah Mati and Jernih Estate, based on interview with female sprayers confirmed knowledge of the policy of transfer to alternative duties if they wished to continue working when pregnancy was confirmed or breast-feeding. All the female sprayers interviewed were not pregnant.	Complied
<b>Criterion 4.7:</b> An occupational health and safety plan is documented, effectively communicated and implemented. The health and safety plan shall cover the following:			

<p>4.7.1</p>	<p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>Safety and Health Policy was established where the policy was signed by CEO of TDM Plantations Sdn Bhd on 1/6/2017. OHS plan for 2019 was established to cover all activities involved in the estate and mill.</p> <p>CHRA was conducted at Kemaman POM on 17/5/2015 by a competent assessor (JKKP HIE 127/171-2(259)). The plan was established through the recommendation by the assessor. Medical Surveillance Medical surveillance was conducted by Klinik Nabilah (HQ/08/DOC/00/547) on 11/6/2019. Based on the report, all workers were found fit to work (eg: Sample id-B01630/19,B01364/19,B01363/19).</p> <p><u>Jernih estate</u> OSH plan was available for 2019 dated January 2019 in Jernih estate, it cover all operation activity including training, OSH meeting, WPI and others. Chemical register was available dated 17 Feb 2019, estate was using 16 chemical for spraying, 13 chemical for manuring and 5 chemical for rat baiting. CHRA done by Dr Liwauddin Mohamad (JKKP HIE 127/171-2(306)) dated 24 May 2016 from Medi-Ihsan Occupational safety And Health Sdn Bhd. OSH meeting was done periodically 3 month once in Jernih estate, latest meeting done on 19 June 2019 and previously done was on 18 March 2019.</p> <p><u>Gajah Mati Estate.</u> OSH plan been reviewed dated Jan 2019, This OSH plan include compliance to OSH act, ERP, OSH meeting, WPI and training. Chemical register already been reviewed dated 6 Jan 2019, this chemical register was include chemical for spraying, manuring, lubricant and others.</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance	
4.7.2	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p>- Major compliance -</p>	<p>From the OSH document, estate assistant was been appointed as OSH coordinator in Gajah Mati estate as per letter dated 1 July 2019.</p> <p>Jernih estate Estate All HIRARC review on 8/10/2018. The HIRARC related to the harvesting, weeding, pruning &amp; sanitation, road &amp; bridges, transporting workers, workshop were reviewed. The corrective action has been done as the management conducted harvesting training on 13 Jan 2019 to ensure the accident never happen in the future as per HIRARC review.</p> <p>In Gajah Mati estate, HIRARC already been reviewed on 19 August 2019 for accident happen on 5 July 2019. The action been taken and already conduct on 10 July 2019 for all harvester.</p> <p>At KPOM, Found in the latest HIRARC updated On 13 Jan 2019 has not include compost plant operation in the risk assessment. Thus Major NC has been raised.</p>	Major nonconformance
4.7.3	<p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Minor compliance -</p>	<p>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 in understanding MSDS, safe working practices and the correct use of PPE. Suitable PPE has been provided to the workers based on the information in the MSDS and CHRA assessor's recommendation. During the site visit, the PPE were adequately implemented. Eg: Sterilizer Station, Press Station, Oil Room, harvesting and spraying.</p> <p>The chemical store was found to be adequately organized, properly labelled, secured and person in charge understands the OSH procedures. CSDS was placed at the chemical stores and is available. The person in charge understands the information written in CSDS.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.4 The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.                      - Major compliance -</p>	<p>The person in-charge for safety and health has been appointed at mill and estate. Sighted the OHS organization chart for 2019.</p> <p>In Jernih estate refer LJKK/2018/001 appointment letter for estate assistant dated 19 March 2018 as JKKP committee. OSH meeting was done periodically 3 month once in Jernih estate, latest meeting was done on 19 June 2019 and previously done was on 18 March 2019.</p> <p>In Gajah Mati estate, latest meeting was done on 25 June 2019 (02-2019). This meeting done 3 monthly and previously record was on 27 March 2019.</p>	<p>Complied</p>
<p>4.7.5 Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.                      - Minor compliance -</p>	<p>Accident and emergency procedures had been written and briefed to staff, workers, contractors and visitors. Emergency response Team organization chart for 2019 available. Training on safety such as ERT, First Aid training was done on May 2019</p> <p>Records on all accidents had been verified to be maintained satisfactorily. Quarterly review on accident cases had been carried out during quarterly meeting of Safety &amp; Health (OSH). Fire drill was last conducted in collaboration with BOMBA on 5/7/2017 to all workers, staff and executive. First aid boxes were available at worksite. First aid training was last conducted on 13/3/2018 by hospital assistant, Air Putih Estate Clinic.</p> <p>For year 2019, KPOM has recorded 2 accidents based on (JKKP 6) dated 9 January 2019 and 7 July 2019. Total LTI was 70 days. SOCSO been paid to workers as part of compensation. Refer to letter KPOM/SOCSO/001/2019. No accident occurred in 2019 at Jernih estate.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance															
4.7.6	All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -	<p>Medical care is provided to all the employees. Local workers are covered under SOCSO scheme while foreign workers are covered under foreign workers compensation scheme.</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Operating Unit</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>FWCS</td> <td>Jernih estate</td> <td>Valid from 11 Sept 2019 – 10 March 2021.(JN1400683, JN1400684)</td> </tr> <tr> <td>SOCSO</td> <td>Jernih estate</td> <td>SSFW 201900727215 (JN1900883)</td> </tr> <tr> <td>FWCS</td> <td>Gajah Mati</td> <td>Valid from 4 Dec 2018 – 3 Dec 2019 ( GM0901547, GM0901550, GM0901548)</td> </tr> <tr> <td>SOCSO</td> <td>Gajah Mati</td> <td>SSFW 8100000275</td> </tr> </tbody> </table>	Type	Operating Unit	Remarks	FWCS	Jernih estate	Valid from 11 Sept 2019 – 10 March 2021.(JN1400683, JN1400684)	SOCSO	Jernih estate	SSFW 201900727215 (JN1900883)	FWCS	Gajah Mati	Valid from 4 Dec 2018 – 3 Dec 2019 ( GM0901547, GM0901550, GM0901548)	SOCSO	Gajah Mati	SSFW 8100000275	Complied
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SOCSO	Gajah Mati	SSFW 8100000275																
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics - Minor compliance -	<p>Records of all accidents are kept. Accident incidences are reviewed during the safety meetings. Records on Lost Time Accident (LTA) metrics was maintained and based on JKKP 6, 7 &amp; 8. Sample of accident statistic as shown below :</p> <table border="1"> <thead> <tr> <th>Year</th> <th>POM</th> <th>Jernih estate</th> <th>Gajah Mati</th> </tr> </thead> <tbody> <tr> <td>2019(Todate)</td> <td>24.33</td> <td>8.44</td> <td>7.35</td> </tr> </tbody> </table>	Year	POM	Jernih estate	Gajah Mati	2019(Todate)	24.33	8.44	7.35	Complied							
Year	POM	Jernih estate	Gajah Mati															
2019(Todate)	24.33	8.44	7.35															
<b>Criterion 4.8:</b>																		
All staff, workers, smallholders and contract workers are appropriately trained.																		
4.8.1	A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme. - Major compliance -	<p>Kemaman POM and supply base has established an annual training program that covers all aspects of the RSPO Principles and Criteria. The training need and program was made available for verification at all visited sites.</p>	Complied															

Criterion / Indicator		Assessment Findings	Compliance																													
4.8.2	Records of training for each employee shall be maintained. - Minor compliance -	<p>Training records for employees available and maintained at the office. Records are verified on a sampling basis which covers all aspect of training and RSPO P&amp;C requirement.</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Training</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>27/8/2019</td> <td>Harvesting training 2019</td> <td rowspan="6">Jernih estate</td> </tr> <tr> <td>13/3/2019</td> <td>OSH Management training</td> </tr> <tr> <td>22/7/2019</td> <td>Policy Training</td> </tr> <tr> <td>25/8/2019</td> <td>Fire Fighting Training</td> </tr> <tr> <td>21/2/2019</td> <td>Rat baiting training</td> </tr> <tr> <td>10/7/2019</td> <td>Slope protection &amp; river buffer zone policy</td> <td rowspan="7">Gajah Mati Estate</td> </tr> <tr> <td>26/6/2019</td> <td>Agrochemical management</td> </tr> <tr> <td>12/6/2019</td> <td>Spraying and Buffer zone training</td> </tr> <tr> <td>10/7/2019</td> <td>Harvester training</td> </tr> <tr> <td>20/3/2019</td> <td>Wildlife Interface Training</td> </tr> <tr> <td>20/6/2019</td> <td>HCV &amp; Hunting Prohibition Training</td> </tr> <tr> <td>24/7/2019</td> <td>First Aid Training</td> </tr> </tbody> </table>	Date	Training	Remark	27/8/2019	Harvesting training 2019	Jernih estate	13/3/2019	OSH Management training	22/7/2019	Policy Training	25/8/2019	Fire Fighting Training	21/2/2019	Rat baiting training	10/7/2019	Slope protection & river buffer zone policy	Gajah Mati Estate	26/6/2019	Agrochemical management	12/6/2019	Spraying and Buffer zone training	10/7/2019	Harvester training	20/3/2019	Wildlife Interface Training	20/6/2019	HCV & Hunting Prohibition Training	24/7/2019	First Aid Training	Complied
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**Principle 5: Environmental responsibility and conservation of natural resources and biodiversity**

**Criterion 5.1:**

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

Criterion / Indicator	Assessment Findings	Compliance
5.1.1 An environmental impact assessment (EIA) shall be documented. - Major compliance -	<p>Kemaman Palm Oil Mill The mill had established Environmental Impact Assessment (EIA) procedure and has been documented as per KPOM Environmental Aspect and Impact Identification (TDM/KPOM/01 rev. KPOM-01-2011). All significant impacts have been determined and mitigation plan was developed thereafter as per document KPOM Environmental Improvement Plan/Pollution Prevention Plan reviewed in January 2018.</p> <p>In estate EAI and EIE was available for each activity reviewed dated 19 August 2019. This aspect and impact include activity such as construction, power station, workshop activity and etc. For estate, production and non-production activities were identified; for example harvesting, spraying, manuring as well as replanting activities.</p>	Complied
5.1.2 Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance -	<p>Kemaman Palm Oil Mill The environmental management plan has been reviewed annually as stated in KPOM Environmental Aspect and Impact Identification (TDM/KPOM/01 rev. KPOM-01-2011). The latest document review for KPOM Environmental Improvement Plan/Pollution Prevention Plan in January 2019, No changes from the previous year and still on going.</p> <p>Jernih Estate has established Environmental management plan as per document Environmental Management Plan and Pollution Prevention Plan reviewed on 1 Feb 2019. The management plan has identified the mitigation plan for negative impacts, time plan and the responsible personnel as per document.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
5.1.3 This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. - Minor compliance -	<p>In estate and Mill, the environmental action plan is supported with other action plan such as waste management plan continuous action plan. This action plan incorporate a monitoring protocol, adaptive to operational changes. Sighted action plan such as Kemaman POM waste management plan for year 2019 and for implementation Continuous Improvement Environmental Plan 3R Waste Management Practices Campaign in Mill record.</p> <p>Reporting for POME results and in line with mil’s compliance schedule requirements. New Guided SelfRegulation was introduced by DOE to ensure all operator self-assessed the compliance status on environmental related issues. The approach is based on Environmental Monitoring Tools (EMT) and implemented.</p>	<p>Complied</p>
<p><b>Criterion 5.2:</b>            The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and and operations managed to best ensure that they are maintained and/or enhanced.</p>		
5.2.1 Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). - Major compliance -	<p>Information was collated in a Bio-Diversity Assessment by SRA Consultancy in 2011 (report dated Nov 2011) which had covered all estates under Kemaman POM certification unit, including the POM. HCV Toolkit for Malaysia by WWF – Malaysia was used. There were appropriate consultation processes as per the HCV Toolkit-Malaysia which covers the three main components of identification, management and monitoring.</p> <p>RTE by IUCN was recorded in the report i.e. elephant (Elephasmaximus), Malayan tiger (Pantheratigriscorbetti), Malayan tapir (tapirusindicus) and boar.</p>	<p>Complied</p>



Criterion / Indicator	Assessment Findings	Compliance
5.2.2	Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan. - Major compliance -	Complied
5.2.3	There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species. - Minor compliance -	Complied
5.2.4	Where a management plan has been created there shall be ongoing monitoring: • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. - Minor compliance -	Minor nonconformance
5.2.5	Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights. - Minor compliance -	Complied

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 5.3:</b> Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			
5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Generally, the identification of waste products was done through EAI evaluation as mentioned in Indicator 5.1.1. Scheduled wastes were registered through DOE's eswiss which include the notification of type of scheduled wastes generated, inventory and disposal. Other waste products were domestic wastes from line-sites and office and recyclable wastes such as plastic and metal.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly.                      - Major compliance -</p>	<p>Latest disposal empty container was collected on 29 August 2019 by Pentas Flora (Kelantan) Sdn Bhd for SW 409. Refer consignment note 2019090213XTD35J with 0.1266 MT. From the site visit and store verification, no evidence of any chemical empty container, box or other related found in worker housing and in field area. No recurrence of issue observed. Verified on site regarding to empty container SW 409 as per Bin card 12/3/2019 have 114 pieces (0.5 mt) of empty container. This record was same with consignment note 3RQ No. 15581 dated 12/3/2019 collected by 3R Quest Sdn Bhd.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance	
5.3.3	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented. - Minor compliance -	Waste management and disposal plan has been documented and implemented. Basically the type of wastes generated were scheduled wastes, recyclable and non-recyclable wastes. For the scheduled wastes, the method of disposal is by delivering the wastes to authorised collector according to EQA regulations. The non-recyclable wastes are disposed through landfill and recyclable wastes are disposed through recycle wastes collectors. This remain and no changes during visit 4 Sept 2019. Verified in Gajah Mati estate for disposal Domestic waste in field 18A1 latest 3 Sept 2019.	Complied
<b>Criterion 5.4:</b> Efficiency of fossil fuel use and the use of renewable energy is optimised.			
5.4.1	A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored. - Minor compliance -	Recording of fossil fuel consumption was continuously practiced to monitor the efficiency of usage. Diesel usage at KPOM in 2018 was 1.375 lt/mt FFB whereas in 2019 as at June was 0.76 lt/mt FFB everage. The plan to improve the efficiency of consumption mainly focussing of regular maintenance of vehicles and machinery and continuous education to the operators.	Complied
<b>Criterion 5.5:</b> Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.			
5.5.1	There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Major compliance -	Based on the assessment done by the mill of all polluting activities as of the Environment Aspect and Impact assessment, identified sources were SW, boiler chimney & POME treatment as the main GHG pollutants. For estate, identified sources were fertilizer, diesel and pesticide chemicals as the main GHG pollutants.  Current monitoring was through online boiler smoke density and alarm and quarterly boiler stack monitoring of dust particulate. Other environmental assessment carried out as per Action Plan for Environmental Assessment 2019 established.	Complied

Criterion / Indicator		Assessment Findings	Compliance
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH) emission through POME treatment as well as boiler stack from the mill. Other less significant GHG emissions identified including COX, SOX and NOX from various sources including fossil fuel, chemical and fertilizer consumptions mainly from estates activities.	Complied
<b>Criterion 5.6:</b> Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			

<p>5.6.1</p>	<p>An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -</p>	<p>Assessment of all polluting activities was conducted under Environmental Aspect Impact for identifying activities that contributes significant impact to environment</p> <p>As prescribed under "Jadual Pematuhan, license# 004055, air emission from boiler stack have to be monitored twice per year. Stack sampling results for 2018 &amp; 2019 :</p> <table border="1" data-bbox="1032 587 1825 1155"> <thead> <tr> <th>Date of monitoring</th> <th>Stack no.1</th> <th>Stack no.2</th> </tr> </thead> <tbody> <tr> <td>23<sup>rd</sup> May 2019 report reference L-GB-TC1905CTP-0444  Report date: 14<sup>th</sup> June 2019</td> <td>Solid particle (dust) – 28.35 mg/m<sup>3</sup>, dry@ 12%CO<sub>2</sub>. Opacity – not exceeding Ringellman 1</td> <td>Not in operation – under maintenance</td> </tr> <tr> <td>8<sup>th</sup> November 2019 report reference L-GB-TC1811CTP-0124  Report date: 19<sup>th</sup> November 2019</td> <td>Solid particle (dust) – 24.56 mg/m<sup>3</sup>, dry@ 12%CO<sub>2</sub>. Opacity – not exceeding Ringellman 1</td> <td>Not in operation – under maintenance</td> </tr> </tbody> </table> <p>The emissions of all parameters tested were complied with their respective limits as stipulated in the EQ (Clean Air) Regulations 1978.</p> <p>Smoke emission was monitored using online system (CEMS-DIS) to DOE based on the transmitted data from boiler smoke density</p>	Date of monitoring	Stack no.1	Stack no.2	23 <sup>rd</sup> May 2019 report reference L-GB-TC1905CTP-0444  Report date: 14 <sup>th</sup> June 2019	Solid particle (dust) – 28.35 mg/m <sup>3</sup> , dry@ 12%CO <sub>2</sub> . Opacity – not exceeding Ringellman 1	Not in operation – under maintenance	8 <sup>th</sup> November 2019 report reference L-GB-TC1811CTP-0124  Report date: 19 <sup>th</sup> November 2019	Solid particle (dust) – 24.56 mg/m <sup>3</sup> , dry@ 12%CO <sub>2</sub> . Opacity – not exceeding Ringellman 1	Not in operation – under maintenance	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>indicator and recorder. Emission result was found in compliance with the regulatory limit.</p> <p>For effluent discharge, regular monitoring was conducted as per requirement. Monthly and quarterly report was submitted to DOE. Refer to Indicator 4.4.3 for details.</p> <p>Based on the assessment done by the mill of all polluting activities as of the Environment Aspect and Impact assessment, identified sources were SW, boiler chimney &amp; POME treatment as the main GHG pollutants. For estate, identified sources were fertilizer, diesel and pesticide chemicals as the main GHG pollutants.</p> <p>Current monitoring was through online boiler smoke density and alarm and quarterly boiler stack monitoring of dust particulate. Other environmental assessment carried out as per Action Plan for Environmental Assessment 2019 established.</p>	
5.6.2	<p>Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented.</p> <p>- Major compliance</p>	Complied
5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>- Minor compliance -</p>	Minor nonconformance

Criterion / Indicator	Assessment Findings	Compliance	
<p><b>Principle 6: Responsible consideration of employees and of individuals and communities affected by growers and millers.</b></p>			
<p><b>Criterion 6.1:</b>            Aspects of plantation and mill management that have social impacts, including replanting, are identified in a participatory way, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.</p>			
<p>6.1.1</p>	<p>A social impact assessment (SIA) including records of meetings shall be documented.            - Major compliance -</p>	<p>SIA was conducted on 23/10-1/11/2011 by SRA Consultancy. The assessment was covered the whole Kemaman Complex which included Kemaman POM, Pelantoh Estate, Jernih Estate, Air Putih Estate, Gajah Mati Estate, MAIDAM Estate and Tebak Estate. The assessment team has interviewed with the relevant stakeholders such contractors, local communities, internal workers included local and foreign and etc.</p>	<p>Complied</p>
<p>6.1.2</p>	<p>There shall be evidence that the assessment has been done with the participation of affected parties.            - Major compliance -</p>	<p>The attendance list of stakeholders interviewed during SIA was sighted. The assessment team has interviewed about 300 of relevant stakeholders. Interviewed with the stakeholder during recertification assessment confirmed that they had attended the assessment meeting before.</p>	<p>Complied</p>
<p>6.1.3</p>	<p>Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation.            - Major compliance -</p>	<p>The mill and estates have developed SIA Action Plan for Year 2018/2019 which covered the social profile such as safety &amp; health, education, infrastructure &amp; amenities and etc. The plan was developed through the issues raised during SIA and stakeholder meetings. The plan has incorporated the specific time frame with the person in charge to solve the issue. The SIA plan was updated by each SOU accordingly. The updated SIA plan for each issues raised in the stakeholder meeting was verified.</p>	<p>Complied</p>



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<b>Criterion / Indicator</b>		<b>Assessment Findings</b>	<b>Compliance</b>
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance -	The plan was reviewed on yearly basis and the last review was conducted on 1/2/2019 for mill, 21/2/2019 for Jernih Estate and 19/8/2019 for Gajah Mati Estate.	Complied
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance -	Not applicable as there is no scheme smallholders involved in the operating units.	Not applicable
<b>Criterion 6.2:</b> There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	TDM Plantation Sdn Bhd has established Flowchart Social Issue Communication Flowchart version 2.0/2017 for Handling Social Issue and Procedures for External and Internal Communication to handle any communication, consultation and complaints from stakeholders.	Complied
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	Mill manager was appointed as officer to handle social issue by Human Resource Department. Letter of appointment dated 18/9/2017 was sighted. In Jernih Estate, Estate Manager is in charge for social issue and the letter of appointment sighted effective from 18.09.17 while in Gajah Mati Estate, the social officer is Assistant Manager as per letter dated 01.07.2019.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.2.3 A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	<p>Records of communication with stakeholders were sighted. Most of them are related to request for assistance such as donation for sports day, Raya celebration, transportation, and netball pole. The management has responded and provided with assistance.</p> <p>The mill and estates have developed the stakeholder list which included all relevant stakeholders such as local communities, government authorities, contractors and suppliers and etc.</p> <p>Stakeholder meeting was conducted on 02/7/2019 for whole Kemaman Complex with stakeholders such as local communities, managers from other estates, workers' representatives, school representatives and etc. Issues raised during the stakeholders was explained in the meeting and unresolved issue has incorporated into the Social Action Plan to monitor.</p>	Complied
<b>Criterion 6.3:</b> There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all effected parties.		
6.3.1 The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	TDM Plantation Sdn Bhd has established a flowchart on handling social issue. Two-way communication was the method been utilized by the management. The management has to discuss the issue raised by stakeholders within 2 weeks for the first meeting and full timeframe is within 30 days.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance –	<p>The mill management has implemented Pemeriksaan Bangunan Awam dan Perumahan KPOM Tahun 2018/2019, Pemeriksaan Perumahan &amp; Creche at Jernih Estate to record any complaints related to housing by the workers. For eg: roof was leaking, water pipe broken and etc. The management has taken action to rectify the problem. Interviewed with the workers’ representatives confirmed that the management has repaired the issues raised by them.</p> <p>KPOM, Jernih Estate and Gajah Mati Estate have implemented Complaint Form for external and internal to report if there is any issue. Also, there is Permohonan Membaiki Kerosakan Rumah form to records all the housing complaints.</p>	Complied
<p><b>Criterion 6.4:</b> 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.</p>		
6.4.1 A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance -	<p>TDM Plantation Sdn Bhd has established Procedures for Handling Boundaries Disputes and Procedures for Handling Squatters Disputes. 'Prosedur Penyelesaian Pertikaian Tanah dan Carta, dated 09.01.18 was established by the Head Office. The objective of the procedure is to provide guideline to SOU on how to compensate any land disputes and ensure proper practices of compensation. The compensation can be settled by mutual agreement od refer to District Land Department to value the land on dispute. If the consultation process failed, higher authority and resurvey shall be conducted. There have been no issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.4.2	<p>A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land.</p> <p>- Minor compliance -</p>	<p>SOP is as per in 6.4.1 above.</p> <p>Complied</p>
6.4.3	<p>The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available.</p> <p>- Major compliance -</p>	<p>No issues related to loss of legal customary rights with indigenous peoples, local communities and other stakeholders reported during the time of audit through interviewed with the local communities. Boundary stone and trenches were available to demarcate the boundary of land between the local communities.</p> <p>Complied</p>
<p><b>Criterion 6.5:</b> Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>		

<p>6.5.1</p>	<p>Documentation of pay and conditions shall be available. - Major compliance -</p>	<p>Estate have employed local and foreign workers while in Mill only local employee. All the mill and estates workers are under direct and contract employment. The pay slip has included basic wage, allowances, normal working days, medical leave, holiday pay, deduction of April, June and August 2019 summary was sampled as below:</p> <ul style="list-style-type: none"> <li>a. Employee no: Saidi Bin Alias (KPOM)</li> <li>b. Employee no: Siti Zabidah Binti Bedol (KPOM)</li> <li>c. Employee no: Jamaludin Bin Adnan (KPOM)</li> <li>d. Employee no: Siti Normalesa Bt Mohd Keri (KPOM)</li> <li>e. Employee no: Mohd Surizam Bin Sulong (KPOM)</li> <li>f. Employee no: Syahmer Izzat Bin Sudin (KPOM)</li> <li>g. Employee no: Aminah Binti Abdul Rahim (JE)</li> <li>h. Employee no: Subuh (JE)</li> <li>i. Employee no: Kaci (JE)</li> <li>j. Employee no: Depih (JE)</li> <li>k. Employee no: Azrul Bin Aziz (GME)</li> <li>l. Employee no: Rodi (GME)</li> <li>m. Employee no: Md Babul Hoque (GME)</li> <li>n. Employee no: Haerin (contract GME)</li> <li>o. Employee no: Zulpikri (contract GME)</li> </ul> <p>All the sampled workers have achieved the Minimum Wage Order 2018 of RM 1100/ month or RM 42.31/day. The NUPW subscription fees was RM 11 by the workers and RM 3 subsidized by the management. The mill management has applied permit for deduction of bill, electricity and KETENGAH rent &amp; purchase from the salary. The permit with Series No.: PMT.2010/020 which valid from 15/6/2010 is sighted. For overtime, Kemaman POM has the JTK permit (Ref No: BHG.PU/9/134 Jld 17 (38) dated 02.01.2019 (2 years of validity) for overtime maximum of 130 hours. <b>In Jernih Estate, the</b></p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
<p>6.5.2 Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>The mill and estates have employed local and foreign workers under direct and contract employment. Employment contract and offer letters are available in language that understood by workers. The contract has detailing the payments and employment conditions such as period of working, working hour, medical assistance, holiday and annual leave, period of notice and etc. All the terms and conditions stated in the contract and offer letters were standardized among local and foreign workers. Sampled of the workers' employment contracts and offer letters as below:</p> <ul style="list-style-type: none"> <li>a. Employee no: Saidi Bin Alias (KPOM)</li> <li>b. Employee no: Siti Zabidah Binti Bedol (KPOM)</li> <li>c. Employee no: Jamaludin Bin Adnan (KPOM)</li> <li>d. Employee no: Siti Normalesa Bt Mohd Keri (KPOM)</li> <li>e. Employee no: Mohd Surizam Bin Sulong (KPOM)</li> <li>f. Employee no: Syahmer Izzat Bin Sudin (KPOM)</li> <li>g. Employee no: Aminah Binti Abdul Rahim (JE)</li> <li>h. Employee no: Subuh (JE)</li> <li>i. Employee no: Kaci (JE)</li> <li>j. Employee no: Depih (JE)</li> <li>k. Employee no: Azrul Bin Aziz (GME)</li> <li>l. Employee no: Rodi (GME)</li> <li>m. Employee no: Md Babul Hoque (GME)</li> <li>n. Employee no: Haerin (contract GME)</li> <li>o. Employee no: Zulpikri (contract GME)</li> </ul>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
6.5.3	Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. - Minor compliance –	Linesite inspection was carried out on weekly basis by HA (Hashidah) and Assistant Manager in the mill and estates. Weekly Linesite Inspection form was utilized during linesite inspection. Medical facilities were provided for the workers and the dependents without any charges. Transportation to send children to neighbouring school was provided as well. Subsidy of RM 6 for water and RM 5 for electricity was given by the management.	Complied
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers’ access to adequate, sufficient and affordable food. - Minor compliance –	Accesses to food for the workers are considered adequately and sufficiently. There are sundry shops and restaurants within the vicinity and access to the nearby township is available.	Complied
<b>Criterion 6.6:</b> The employer 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.			
6.6.1	A published statement in local languages recognising freedom of association shall be available. - Major compliance -	TDM Plantation Sdn Bhd has implemented Freedom of Association Policy dated 1/6/2017. The workers were able to join or form any association according to the Employment Act without any restriction. Besides, they also implemented Social Policy dated 1/6/2017 where they workers are allowed to join and form association freely. Interviewed with the workers confirmed that they are allowed to join NUPW without any restriction.	Complied
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	In KPOM, the minutes of meeting for trade union 01/2019 available on 02.07.2018. There is no union meeting held in Jernih Estate and Gajah Mati Estate as most of workers has unsubscribe NUPW.	Complied
<b>Criterion 6.7:</b> Children are not employed or exploited.			

Criterion / Indicator	Assessment Findings	Compliance
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	TDM Plantation Sdn Bhd has developed Protection of Children Policy dated 1/6/2017. They are committed not to exploit or recruit any individual less than 16 years old in the plantations. Through document reviewed on the Employee Listing confirmed that the workers recruited are above 18 years old.
<b>Criterion 6.8:</b> Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, or age, is prohibited.		
6.8.1	A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented. - Major compliance -	TDM Plantation Sdn Bhd has developed Social Policy dated 1/6/2017 where they are committed to treat all the workers equally during the recruitment and promotion process without discrimination based on nationality, race, ethnic, religion, sexual orientation, age and etc.
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance -	Through document reviewed on the list of employees found that the workers consisted of local and foreign workers, male and female workers. The management treated all the workers fairly and equally without any discrimination. No discrimination was sighted based on interview with the workers. Through interviewed with the head of local village (Kg Pdang Kubu and Kg Sungai Mas) confirmed that the management has recruited local workers as employees.
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance -	TDM Plantation Sdn Bhd has developed a Procedure on Foreign Workers Recruitment, revision May 2017. The procedure has detailed the process of recruitment was conducted by Human Resource Department of TDM Berhad. Only workers with valid legal documentation will be recruited.
<b>Criterion 6.9:</b> There is no harassment or abuse in the work place, and reproductive rights are protected.		



Criterion / Indicator	Assessment Findings	Compliance
6.9.1 Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce. - Major compliance -	TDM Plantation Sdn Bhd has developed Gender Policy dated 1/6/2017 where they are responsible to ensure the workplaces are free from any harassment related to sexual, religion, nationality and etc. The policy has been displayed at the notice board in front of office. The policy training also been conducted on weekly basis which is every Tuesday. Seen the training record on 20.8.2019 attended by 24 workers (KPOM), 22.07.2019 attended by 250 workers (JE) and 08.07.2019 attended by 12 workers through Gender Policy (GME).	Complied
6.9.2 A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce. - Major compliance -	TDM Plantation Sdn Bhd has implemented Reproductive Policy dated 1/6/2017. The management will not control on the reproductive rights of women and they are allowed to seek for advice from any parties for the planning of give birth. The policy has been displayed at the notice board in front of estate and mill office visited.	Complied
6.9.3 A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce. - Minor compliance -	TDM Plantation Sdn Bhd has established flowchart for handling Sexual Harassment complaint in workplace. The management is required to investigate within 2 days from the date of receiving the complaints.  Gender Committee was established to monitor any issues related to women in workplace. Meeting was conducted to discuss issues and the last meeting was conducted on 24/6/2019 and 19/3/2019 in Mill, on 13/06/2019 and 12/02/2019 in Jernih Estate and 22/04/2019 and 08/07/2019 in Gajah Mati Estate. No case of sexual harassment or violence was reported. Interviewed with the female workers confirmed that no case was reported. The committee has conducted activities such as bowling, muslimah attire distribution, cooking etc.	Complied
<b>Criterion 6.10:</b> Growers and mills deal fairly and transparently with smallholders and other local businesses.		

Criterion / Indicator		Assessment Findings	Compliance
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	Kemaman palm oil mill process FFB from company owned estates only. No FFB purchased from out-growers or smallholders.	Complied
6.10.2	Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation). - Major compliance -	Kemaman palm oil mill process FFB from company owned estates only. No FFB purchased from out-growers or smallholders.	Complied
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	Kemaman palm oil mill process FFB from company owned estates only. No FFB purchased from out-growers or smallholders.	Complied
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	Kemaman palm oil mill process FFB from company owned estates only. No FFB purchased from out-growers or smallholders.	Complied
<b>Criterion 6.11:</b>			
Growers and millers contribute to local sustainable development where appropriate.			
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	The mill and estates have made contribution to the stakeholders such as donation and assistance as below: 1. KPOM: SK Padang Kubu (Asrama Desa) on 30/01/2019 (RM150), SMK Seri Bandi on 17/02/2019 (RM100), MPKK (request to borrow tools for Islamic Forum held by IMITS and PEMUDA DUN KIJAL in Dataran Padang Kubu on 02/05/2019. 2. JE: Request to lend transportation for school event from SK Padang Kubu on Jan-Aug 2019. 3. GME: Request to use van for SK Ladang Gajah Mati on 10.06.2018, cash donation (RM 100) to Klinik Kesihatan Bukit Besi on 26/08/2019.	Complied

Criterion / Indicator		Assessment Findings	Compliance
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	No scheme smallholder involved in the Kemaman Certification Unit.	Not applicable
<b>Criterion 6.12:</b> No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	TDM Plantation Sdn Bhd has developed Social Policy dated 1/6/2017 where they are committed to confront to forced labour and child labour.  TDM Plantation Sdn Bhd has recruited all the employees with legal identification for local and valid passport and work permit for foreign workers. Contract of employment was signed by the workers prior to work.  Consent letter of passport retention acknowledged by the workers also sighted as per workers sampled in 6.5.1.	Complied
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Minor compliance –	Interviewed with the foreign workers confirmed that no contract substitution has occurred. The terms and condition of contract they have signed prior to Malaysia and signed in the plantations were same as no contradiction of contract happened.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Major compliance -	Complied
<b>Criterion 6.13:</b> Growers and millers respect human rights.		
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	Complied
6.13.2	As long as children of foreign workers in Sabah and Sarawak are ineligible to attend government school, the plantation companies should engage in a process to secure these children access to education as a moral obligation.	Not applicable
<b>Principle 7: Responsible development of new plantings (if applicable)</b>		

Criterion / Indicator		Assessment Findings	Compliance
<p><b>Kemaman Palm Oil Mill</b> Certification Unit and supply base did not carry out any new plantings since November 2005. Therefore, Principle 7 is not applicable during this annual surveillance assessment. The immature areas are replanted area.</p>			
<p><b>Criterion 8.1:</b>            Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.</p>			
8.1.1	<p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> <li>• Reduction in use of pesticides(Criterion 4.6);</li> <li>• Environmental impacts (Criteria 4.3, 5.1 and 5.2);</li> <li>• Waste reduction (Criterion 5.3);</li> <li>• Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8);</li> <li>• Social impacts (Criterion 6.1);</li> <li>• Optimising the yield of the supply base.</li> </ul> <p>- Major compliance -</p>	<p>Continuous improvement plan FY2019 dated February 2019 was established at Kemaman POM and all estates visited.</p> <ol style="list-style-type: none"> <li>1. Particulate emission control system – ESP</li> <li>2. Reduce noise emission – reroute blow pipes (to comply with Noise Exposure Regulation 2019)</li> <li>3. To build a new Biogas Plant</li> <li>4. To reroute the blow pipe which will reduce the impact of noise pollution</li> <li>5. Triple rinsing</li> <li>6. Recycle programme</li> <li>7. Integrated Pest Management (planting of beneficial plant and barn owl box)</li> </ol>	Complied

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**Appendix B: Approved Time Bound Plan**

No	Name of the Estate and Mills	TBP for certification	Status as Aug, 2016	Any unresolved (Labour Disputes/Land conflicts/Legal Non-Compliance etc.)	
1	TDM Plantation Sdn. Bhd. Tebak Estate , Kemaman, Terengganu, Malaysia	Supply base for TDM Plantation Sdn. Bhd. Kemaman Palm Oil Mill, Kemaman, Terengganu, Malaysia.	Nov, 2013	Certified	None
2	TDM Plantation Sdn. Bhd. Pelantoh Estate , Kemaman, Terengganu, Malaysia		Nov, 2013	Certified	None
3	TDM Plantation Sdn. Bhd. Jernih Estate , Kemaman, Terengganu, Malaysia		Nov, 2013	Certified	None
4	TDM Plantation Sdn. Bhd. Air Putih Estate , Kemaman, Terengganu, Malaysia		Nov, 2013	Certified	None
5	TDM Plantation Sdn. Bhd. Gajah Mati Estate, Dungun, Terengganu, Malaysia		Nov, 2013	Certified	None
6	TDM Plantation Sdn. Bhd. MAIDAM Estate, Dungun, Terengganu, Malaysia		Nov, 2013	Certified	None
1	TDM Plantation Sdn. Bhd. Tayor Estate, Setiu, Terengganu, Malaysia	Supply base for TDM Plantation Sdn. Bhd. Sungai Tong Palm Oil Mill, Setiu, Terengganu, Malaysia.	Dec, 2013	Certified	None
2	TDM Plantation Sdn. Bhd. Pelong Estate , Setiu, Terengganu, Malaysia		Dec, 2013	Certified	None
3	TDM Plantation Sdn. Bhd. Jaya Estate , Setiu, Terengganu, Malaysia		Dec, 2013	Certified	None
4	TDM Plantation Sdn. Bhd. Fikri Estate , Setiu, Terengganu, Malaysia		Dec, 2013	Certified	None
5	TDM Plantation Sdn. Bhd. Pinang Emas Estate, Dungun, Terengganu, Malaysia		Dec, 2013	Certified	None
6	TDM Plantation Sdn. Bhd. Jerangau Estate, Ajil, Terengganu, Malaysia		Dec, 2013	Certified	None

**Appendix C: GHG Reporting Executive Summary**

The GHG emissions that were produced in 2018 for Kemaman Palm Oil Mill and supply base was calculated using the PalmGHG Calculator version 3.0.1. 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 2018 for Kemaman Palm Oil Mill and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	0.17
PK	0.17

Extraction	%
OER	22.03
KER	5.31

Production	t/yr
FFB Process	186,009.14
CPO Produced	40,982.68
PK Produced	9,874

Land Use	Ha
OP Planted Area	16,514.98
OP Planted on peat	0
Conservation (forested)	0
Conservation (non-forested)	353.84
<b>Total</b>	<b>16,868.82</b>

**Summary of Field Emission and Sink**

	Own Crop*		Group		3 <sup>rd</sup> Party		Total	
	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB	tCO <sub>2</sub> e	tCO <sub>2</sub> e / FFB
<b>Emission</b>								
Land Conversion	58,699.74	0.35	0	0	0	0	58,699.74	0.35
CO <sub>2</sub> Emission from fertilizer	2,793.24	0.01	0	0	0	0	2,793.24	0.01
NO <sub>2</sub> Emmision	629.2	0	0	0	0	0	629.2	0
Fuel Consumption	1,571.75	0.01	0	0	0	0	1,571.75	0.01
Peat Oxidation	0	0	0	0	0	0	0	0
<b>Sink</b>								
Crop Sequestration	-55,639.56	-0.34	0	0	0	0	-55,639.56	-0.34
Conservation Sequestration	-300.14	0	0	0	0	0	-300.14	0
<b>Total</b>	<b>7,754.23</b>	<b>0.04</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,754.23</b>	<b>0.04</b>

**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	245.86	0
Fuel Consumption	876.63	0
Grid Electricity Utilisation	0	0
<b>Credit</b>		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>1,122.49</b>	0.01

**Summary of Kernel Crusher Emission and Credit (if applicable)**

Emissions	tCO <sub>2</sub> e
PK from own mill	1,723.45
PK from other source	0
Fuel Consumptions	0
<b>Total Crusher emissions</b>	<b>0</b>

\*This mill has no kernel crusher operation.

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

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



**Appendix D: General Chain of Custody Requirements for the Supply Chain**

<b>5.1 Applicability of the general chain of custody requirements for the supply chain</b>			
	<b>Requirement</b>	<b>Evidence</b> For any N/A raised, justification is required.	<b>Compliance</b> (Yes / No or N/A)
5.1.1	The General Chain of Custody requirements of the RSPO Supply Chain Standard shall apply to any organization throughout the supply chain that takes legal ownership and physically handles RSPO Certified Sustainable oil palm products at a location under the control of the organization including outsourced contractors. After the end product manufacturer, there is no further requirement for certification.	Kemaman POM takes the legal ownership and physically handles RSPO certified FFB from the estates and produce CPO and PK.	Yes
5.1.2	Traders and distributors require a licence obtained from RSPO Secretariat to sell RSPO certified product but do not themselves require certification. When selling RSPO certified products, a licensed trader and/or distributor shall pass on the certification number of the product manufacturer and the applicable supply chain model.	Not applicable as Kemaman POM is not a trader or distributor.	Not applicable
5.1.3	Either the operator at site level or its parent company seeking certification shall be a member of the RSPO and shall register on the RSPO IT platform.	The Palmtrace ID for Kemaman Palm Oil Mill: RSPO_PO1000001053.	Yes
5.1.4	Processing aids do not need to be included within an organization’s scope of certification.	There was no processing aid used in TDM – Kemaman mill processing.	Yes
<b>5.2 Supply chain model</b>			
5.2.1	The site can only use the same supply chain model as its supplier or go to a less strict system. Declassification/downgrading can only be done in the following order: Identity Preserved -> Segregated -> Mass Balance.	Kemaman POM is using the IP supply chain model since it received the FFB from own certified estate only.	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Kemaman POM is using the IP supply chain model since it received the FFB from own certified estate only.	Yes

<b>5.3. Documented Procedures</b>			
5.3.1	The site 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: <ul style="list-style-type: none"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> </ul>	SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018 was established and cover all the element of the supply chain model requirement standard version 2017.	Yes
	<ul style="list-style-type: none"> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> </ul>	SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018 was established as per latest Supply Chain requirement. Sighted the Training Plan for 2019 and the SCC training was held on 07/08/2019 by compliance executive to all relevant personnel including laboratory operator, weighbridge clerk, security and storekeeper.	Yes
	<ul style="list-style-type: none"> <li>• Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organization’s procedures for the implementation of this standard.</li> </ul>	The mill manager has awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. Sighted the appointment letter to Mill Manager (the Head of Operating Unit) Ref no: TDMP/OD/SUST/RSPO dated 12 August 2018.	Yes
5.3.2	The site shall have a written procedure to conduct annual internal audit to determine whether the organization; <ul style="list-style-type: none"> <li>i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</li> </ul>	SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018 established has make reference to RSPO Supply Chain Certification Standard & System 2017, RSPO Rules on Market Communication and Claims and MSPO Palm Oil Supply Chain Traceability Requirements.	Yes
	<ul style="list-style-type: none"> <li>ii) effectively implements and maintains the standard requirements within its organization</li> </ul>	The latest internal audit has been carried out on 04.08.2019 by Safety & Health Officer (Mohd Izwan Haffez) to TDM-Kemaman POM. There were 3 non-conformities raised and 2 of them has been closed accordingly while 1 non-conformity is still in progress which is on management	Yes

		review. The management review is planned to be conducted on November 2019.	
<b>5.4. Purchasing and goods in</b>			
5.4.1	<p>The receiving site shall ensure that purchases of RSPO certified oil palm products are in compliance and the following minimum information for RSPO certified products is made available by the supplier in document form:</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply Chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<p>The daily records are prepared at the entry point at the weighbridge. Daily summary report and monthly summary report documented for all the certified FFB. Records verified by internal and external audit.</p> <p>Supplier: Ladang Gajah Mati  Date: 28/08/2019  Docket No: P0249867  Description: FFB IP  Gross total weight: 30980  Transport: Contract (JDX 3458)  Delivery note no: 44932  Block: 15A2/G2/15c5/F1/13A2  Certificate no: RSPO 587626</p> <p>Supplier: Ladang Maidam  Date: 28/08/2019  Docket No: P0249847  Description: FFB IP  Gross total weight: 8540  Transport: TDM Plantation Sdn Bhd  Delivery note no: 02542  Block: 98A1  Certificate no: RSPO 587626</p> <p>Supplier: Ladang Pinang Emas  Date: 28/08/2019  Docket No: P0249799</p>	Yes

		Description: FFB IP Gross total weight: 7020 Transport: TDM Plantation Sdn Bhd Delivery note no: 22232 Block: 97A1 Certificate no: RSPO 595564	
	<ul style="list-style-type: none"> <li>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).</li> </ul>	Information gathered through multiple records as per 5.4.1 above.	Yes
	<ul style="list-style-type: none"> <li>The site receiving RSPO certified oil palm products shall ensure that the products are verified as being RSPO certified. For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements/Announcements and Confirmations on the RSPO IT platform per shipment or group shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	Kemaman POM only receive the FFB from own estates and outside certified suppliers under Sg Tong certification unit and the mechanism to check the validity of supply chain certification is as per SOP for other RSPO certified unit. Shipping announcement has been made by TDM Trading.	Yes
	<ul style="list-style-type: none"> <li>A check of the validity of the Supply Chain Certification of suppliers is required for all sites that are SC certified. This shall be checked via the list of RSPO Supply Chain Certified sites on the RSPO website (<a href="http://www.rsपो.org">www.rsपो.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> </ul>	Kemaman POM only receive the FFB from own estates and outside certified suppliers under Sg Tong certification unit and the mechanism to check the validity of supply chain certification is as per SOP for other RSPO certified unit.	Yes
	<ul style="list-style-type: none"> <li>The validity of license for traders and distributors shall also be checked via the RSPO website at least annually or through the RSPO IT platform by confirmation of shipping announcements / announcements.</li> </ul>	Not applicable as Kemaman POM is not a trader or distributors.	Yes
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	Materials received with insufficient information for verification, or any error in incoming documents shall be treated as non-conforming documents and shall be referred to 10.0 Non-Conforming Products and/or Documents. When there is contamination of RSPO certified material during receiving, processing, storage and dispatch the	Yes

		mill/estate shall downgrade the materials following the downgrade order: RSPO: Identity preserved -> Mass balance > non-certified The volume of downgraded material shall be recorded accordingly.	
<b>5.5. Outsourcing activities</b>			
5.5.1	<p>In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO Supply Chain Certification Standard. A CPO mill and independent mil cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organization (not the tank farm manager).</p>	<p>TDM Plantation – Kemaman POM has only outsource transporters to send CPO/PK to buyer. These transporters were not in the TDM-Kemaman POM’s Supply Chain scope of registration.</p> <p>Sampled agreement between TDM Plantation – Kemaman POM dated 01 January 2019 and Koperasi Ladang Kelapa Sawit Kemaman Terengganu Berhad valid from 01-01.2019 – 31.12.2019, there is no evidence of transporter to comply with the requirements of the RSPO Supply Chain Certification Standard. Thus, a major NC was raised.</p>	Major nonconformance
5.5.2	<p>Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <p>a. The site has legal ownership of all input material to be included in outsourced processes;</p>	<p>As per agreement between TDM Plantation – Kemaman POM dated 01 January 2019 and Koperasi Ladang Kelapa Sawit Kemaman Terengganu Berhad valid from 01-01.2019 – 31.12.2019, transporter will provide transportation or tanker to fill, transport belonged to TDM to agreed destination and price. The procedures for outsourced process has been clearly mentioned and agreed with signature of acceptance by both parties.</p>	Yes
	<p>b. The site 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 site to ensure that</p>	<p>These transporters were not in the TDM-Kemaman POM’s Supply Chain scope of registration therefore this requirement is not applicable.</p>	Not applicable

	certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.		
	c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.	These transporters were not in the TDM-Kemaman POM's Supply Chain scope of registration therefore this requirement is not applicable.	Not applicable
	d. The site seeking or holding certification 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 any and all information, when this is announced in advance.	These transporters were not in the TDM-Kemaman POM's Supply Chain scope of registration therefore this requirement is not applicable.	Not applicable
5.5.3	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	TDM-Kemaman POM has the stakeholder list including their transporters with information such as address and contact number. There were 9 transporters for CPO & PK used in TDM-Kemaman POM.	Yes
5.5.4	The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.	These transporters were not in the TDM-Kemaman POM's Supply Chain scope of registration therefore this requirement is not applicable.	Not applicable
<b>5.6. Sales and goods out</b>			
5.6.1	<p>The supplying site shall ensure that the following minimum information for RSPO certified products is made available in document form.</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer;</li> <li>• The name and address of the seller;</li> <li>• The loading or shipment/ delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> </ul>	<p>Kemaman POM ensured the required information is available in document form. Sampled of CPO contract: TDM/CPO/82/03/19, quantity 500 mt (delivery month – August 2019)</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer; XXX</li> <li>• The name and address of the seller: Kemaman Palm Oil Mill, Kemaman, Terengganu</li> <li>• The loading or shipment/ delivery date; e.g. 1/8/19</li> <li>• The date on which the documents were issued;</li> </ul>	Yes

	<ul style="list-style-type: none"> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number</li> </ul>	<ul style="list-style-type: none"> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); Crude Palm Oil (CPO) RSPO IP</li> <li>• The quantity of the products delivered; e.g. 44.71 mt</li> <li>• Any related transport documentation; e.g. Delivery order e.g. #S0095731</li> <li>• Supply chain certificate number of the seller; e.g. On weighbridge ticket e.g. RSPO 587626</li> <li>• A unique identification number: palm trace no. TR-8346bbd1- a940</li> <li>• Available in a few forms e.g. DN no., seal no., etc.</li> </ul> <p>Kemaman POM ensured the required information is available in document form. Sampled of PK contract: TDM/PK/01/01/19 dated , quantity 200 mt (delivery month – February 2019)</p> <ul style="list-style-type: none"> <li>• The name and address of the buyer; XXX</li> <li>• The name and address of the seller: Kemaman Palm Oil Mill, Kemaman, Terengganu</li> <li>• The loading or shipment/ delivery date; e.g. 19/2/2019</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations); Palm Kernel (PK) RSPO IP</li> <li>• The quantity of the products delivered; e.g. 45.16 mt</li> <li>• Any related transport documentation; e.g. Despatch note e.g. #S0091141</li> <li>• Supply chain certificate number of the seller; e.g. On weighbridge ticket e.g. RSPO 587626</li> </ul>	
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		<ul style="list-style-type: none"> <li>• A unique identification number: palm trace no. TR-e7731719-8ee9</li> <li>• Available in a few forms e.g. DN no., seal no., etc.</li> </ul>	
	<ul style="list-style-type: none"> <li>• 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).</li> </ul>	Information is complete and available in various documents such as sales contract, mill weighbridge ticket, delivery note, transporter collection order.	Yes
	<ul style="list-style-type: none"> <li>• For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments. Refer to section 5.7.1 of this document for further guidance.</li> </ul>	Review period from July 2018 to August 2019. For shipping announcement details refer to table C.	Yes
<b>5.7. Registration of transactions</b>			
5.7.1	<p>Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries and;</li> <li>• take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, Refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable.</li> </ul>	Kemaman POM is a mill and takes legal ownership and/or physically handle RSPO CSPO/CSPK. Kemaman POM has the Palmtrace id: RSPO_PO1000001053. The registration of Palm Trace is carried out by the TDM Trading. All transaction will be registered in the Palm Trace.	Yes
5.7.2	<p>The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform:</p> <ul style="list-style-type: none"> <li>• Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform.</li> </ul>	Shipping announcement has been made by TDM Trading. All transaction registered in palm trace based on period of July 2018 to August 2019.	Yes



	The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.		
	<ul style="list-style-type: none"> <li>Trace: When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</li> </ul>	Every shipping announcement made with unique id for traceability and recorded accordingly.	Yes
	<ul style="list-style-type: none"> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> </ul>	There were volume sold for other scheme and conventional (refer to Table 11 & 12; Supply Chain declaration of Table D & E; Summary Template).	Yes
	<ul style="list-style-type: none"> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	Samples of shipping announcement documents and found that the management done the shipping announcement accordingl	Yes
<b>5.8. Training</b>			
5.8.1	The organization shall have a training plan on RSPO Supply Chain Standards requirements, which is subject to on-going review and is supported by records of the training provided to staff.	SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018 was established as per latest Supply Chain requirement. Sighted the Training Plan for 2019 for all training. RSPO SCC training has been planned on March 2019 and implemented on 07/08/2019.	Yes
5.8.2	Appropriate training shall be provided by the organization for personnel carrying out the tasks critical to the effective implementation of the supply chain certification standard requirements. Training shall be specific and relevant to the task(s) performed.	Sighted the Training Plan for 2019 and the SCC training was held on 07/08/2019 by compliance executive to all relevant personnel including laboratory operator, weighbridge clerk, security and storekeeper.	Yes
<b>5.9. Record Keeping</b>			
5.9.1	The organization shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification Standard requirements.	Kemaman POM has keep the records such as SOP, training, despatch note as per RSPO SCC Standard 2017 requirement.	Yes

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		Sampled seen as per 5.4.1, 5.6.1.	
5.9.2	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	The records are kept for 2 years as per own established SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018. All records kept in the weighbridge office.	Yes
5.9.3	The organization shall be able to provide the estimate volume of palm oil/palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed (output) over a period of twelve (12) months.	The forecast volume for November 2019 – October 2020: CSPO: 56,363.73 mt CSPK: 13,747.25 mt	Yes
<b>5.10. Conversion factors</b>			
5.10.1	Where applicable a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organizations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ); RSPO Rules for Physical Transition of Oleochemicals and its derivatives. This is relevant for derivatives of Palm Oil and Palm Kernel Oil, as used in the oleochemical and personal care industries.	Conversion factor of CPO and PK production is depending on the actual OER and KER. Previous period under review's average were reported in earlier section of this report	Yes
5.10.2	Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.	The facility is using the actual extraction rate and therefore updating of rates is not necessary	Yes
<b>5.11. Claims</b>			
5.11.1	The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications and Claims.	According to SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018, 10 Product claims: 1. Any claims regarding the use of or support of certified oil palm products shall comply with the rules of respective certification scheme (Eg: RSPO & MSPO).	Yes

		<p>2. Operation unit to seek advice from TDMP Operation Department if any assistance needed.</p> <p>During the site visit and documentation review in TDM-Kemaman POM, there were no RSPO claim sighted anywhere.</p>	
<b>General corporate communications</b>			
4.1	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.	TDM-Kemaman POM did not use any of the general corporate communications.	Not applicable
4.2	<p>In corporate communications a member is allowed to:</p> <ul style="list-style-type: none"> <li>a. Display its RSPO membership status</li> <li>b. Display the RSPO web address (www.rspo.org)</li> <li>c. State that the member supports the work of the RSPO</li> <li>d. State the member's history with regard to the RSPO.</li> <li>e. Use the RSPO trademark to promote its membership of the RSPO.</li> </ul> <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>	TDM-Kemaman POM did not use any of the general corporate communications.	Not applicable
4.3	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.	TDM-Kemaman POM did not use any of the general corporate communications.	Not applicable
4.4	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.	TDM-Kemaman POM did not use any of the general corporate communications.	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.	TDM-Kemaman POM did not use any of the general corporate communications.	Not applicable
<b>Business to business communications</b>			
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.	TDM-Kemaman POM did not use business to business communications.	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.	TDM-Kemaman POM did not use business to business communications.	Not applicable
5.3	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: 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. b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.	TDM-Kemaman POM did not use business to business communications.	Not applicable
5.4	A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must	TDM-Kemaman POM did not use business to business communications.	Not applicable

	<p>not be labelled as certified or sold in such a way that implies RSPO certification.</p> <p>For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.</p>		
<b>Business to consumer communication</b>			
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.	TDM-Kemaman POM did not use business to consumer communications.	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.	TDM-Kemaman POM did not use business to consumer communications.	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.	TDM-Kemaman POM did not use business to consumer communications.	Not applicable
6.4	Business to consumer communication shall not include information about the claimant's RSPO membership status.	TDM-Kemaman POM did not use business to consumer communications.	Not applicable
6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	TDM-Kemaman POM did not use business to consumer communications.	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.	TDM-Kemaman POM did not use business to consumer communications.	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.	TDM-Kemaman POM did not use business to consumer communications.	Not applicable

6.8	<p>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 <a href="http://www.rspo.org">www.rspo.org</a>.</p>	<p>TDM-Kemaman POM did not use business to consumer communications.</p>	<p>Not applicable</p>
<b>MODULE A – IDENTITY PRESERVED &amp; SEGREGATED SPECIFIC RULES</b>			
<b>Certified oil palm content (IP)</b>			
	<p>For IP, 95% or above of the oil palm content must be RSPO IP-certified.</p>	<p>There is no usage of IP claim in TDM-Kemaman POM.</p>	<p>Not applicable</p>
	<p>For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.</p>	<p>There is no usage of IP claim in TDM-Kemaman POM.</p>	<p>Not applicable</p>
	<p>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 volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.</p>	<p>There is no usage of IP claim in TDM-Kemaman POM.</p>	<p>Not applicable</p>
<b>Labelling and trademark (IP)</b>			

	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ol style="list-style-type: none"> <li>RSPO trademark which includes the tag 'CERTIFIED' or</li> <li>RSPO trademark which includes the tag 'This product contains certified sustainable palm oil'. Wherever a 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 4pt (1.4 mm or 0.06 inch). In on-pack communications, the RSPO trademark can be printed anywhere on the pack.</li> </ol>	<p>There is no usage of IP claim in TDM-Kemaman POM.</p>	<p>Not applicable</p>
<b>Messaging (IP)</b>			
	<p>Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements:</p> <ul style="list-style-type: none"> <li>The oil palm products contained in this product have been certified to come from RSPO sources. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>By choosing this product, you are sure it contains RSPO-certified palm oil. For more information: <a href="http://www.rspo.org">www.rspo.org</a></li> <li>RSPO-certified sustainable oil palm products were kept apart from other oil palm products throughout the supply chain. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>Certified sustainable oil palm products can be traced back to RSPO-certified mills and plantations. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>The entire supply chain is monitored by independent, RSPO-accredited auditors. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>RSPO-certified sustainable palm oil has been produced to stringent environmental and social criteria. <a href="http://www.rspo.org">www.rspo.org</a></li> <li>References to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown by company records.</li> </ul>	<p>There is no usage of IP claim in TDM-Kemaman POM.</p>	<p>Not applicable</p>
<b>MODULE B – MASS BALANCE SPECIFIC RULES</b>			

<b>Minimum Mass Balance content (MB)</b>			
	95% or above of the oil palm content must be RSPO MB-certified.	TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.	Not applicable
	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.	TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.	Not applicable
<b>Labelling and trademark (MB)</b>			
	<p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> <li>• Surrounded by the text: 'Certified sustainable palm oil'.</li> <li>• 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.</li> <li>• The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'.</li> <li>• 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).</li> <li>• 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 &amp; Claims document.</li> </ul>	TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.	Not applicable



<b>Messaging (MB)</b>			
	<p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> <li>• [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.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<p>TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.</p>	<p>Not applicable</p>
	<p>Messaging NOT ALLOWED in storytelling in product-related communications:</p> <p>Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product.</p>	<p>TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.</p>	<p>Not applicable</p>
<b>MODULE C – PARTIAL PRODUCT CLAIMS</b>			
	<p>To increase awareness among consumers of the availability of sustainable oil palm products and to help accelerate the uptake, it is permissible to make a claim on product when the percentage of the oil palm content is less than 95% certified, but only when the following conditions have been met:</p> <ul style="list-style-type: none"> <li>• The member making the claim is the end product manufacturer, is an RSPO member and is certified against the RSPO SCCS or is an RSPO retailer member authorized to use the trademark by the RSPO.</li> <li>• At least 50% of the oil palm content has been supplied through an RSPO certified supply chain as IP, SG or MB.</li> <li>• The remainder of the oil palm content that is not RSPO-certified is covered by the purchase of RSPO Credits to an equivalent volume.</li> </ul>	<p>TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.</p>	<p>Not applicable</p>

	<ul style="list-style-type: none"> <li>The product-specific claim is limited to only the following phrase: 'This product contributes to the production of certified sustainable palm oil'.</li> <li>The use of the RSPO label with this claim is mandatory and must include the tag '50% MIXED'. No other percentage is allowable within this claim.</li> </ul>		
<b>MODULE D – COMBINED SUPPLY CHAIN MODELS SPECIFIC RULES</b>			
	<p>Where a mixture of inputs supplied through different RSPO supply chain models are present in a product, the following applies:</p> <p>75% IP + 20% SG =&gt; 95% SG claim is made          65% SG + 30% MB =&gt; 95% MB claim is made          55% MB + 40% B&amp;C =&gt; 95% partial product claim can be made          45% SG + 55% B&amp;C &lt; 50% B&amp;C claim can be made</p>	TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.	Not applicable
	<p>Where one supply chain model accounts for 95% of the oil palm content, the claim for this specific model may be made:</p> <p>95% IP + 5% MB =&gt; 95% IP IP claim can be made          95% SG + 5% MB =&gt; 95% SG SG claim can be made          95% MB + 5% C =&gt; 95% MB MB claim can be made</p>	TDM-Kemaman POM is using the IP supply chain model therefore, this requirement is not applicable.	Not applicable
<b>5.12. Complaints</b>			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	<p>According to SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018, 17 Complaints, where there are any stakeholder complaints received by the Mill, Mill shall handle the complaints in accordance to Procedure for External Communication. The procedure available as per complaint flow chart. The complaints shall be resolved within 14 days.</p> <p>The complaint is regarding quality of FFB sent to mills received so far, no other issue captured. Sampled the complaint from Hup Lee Oil Mill Sdn Bhd in regards of Kernel</p>	Yes

		Quality (moisture 7.80%). No other complaint received for RSPO certified products.	
<b>5.13. Management Review</b>			
5.13.1	The organization is required to hold management reviews annually at planned intervals, appropriate to the scale and nature of the activities undertaken.	RSPO SCC management review was last conducted on 11/8/2019. It was chaired by top management and conducted in TDM Berhad, HQ. Mill SCCS committee, marketing and operation team were involved for the review meeting.	Yes
5.13.2	The input to management review shall include information on: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback.</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	Based on the minutes of meeting, the following agendas were adequately recorded: <ul style="list-style-type: none"> <li>• Results of internal audits covering RSPO Supply Chain Certification Standard.</li> <li>• Customer feedback. (quality claim – buyer WILMAR, CARGILL etc)</li> <li>• Status of preventive and corrective actions.</li> <li>• Follow-up actions from management reviews.</li> <li>• Changes that could affect the management system.</li> <li>• Recommendations for improvement.</li> </ul>	Yes
5.13.3	The output from the management review shall include any decisions and actions related to: <ul style="list-style-type: none"> <li>• Improvement of the effectiveness of the management system and its processes.</li> <li>• Resource needs.</li> </ul>	Discussion about the improvement of the effectiveness of the management system and its processes, and any resource needs were found to be included in the meeting minute.	Yes

**Appendix E: CPO Mill Supply Chain Assessment Report (Module D - CPO Mills: Identity Preserved)**

<b>D.1 Definition</b>			
	<b>Requirement</b>	<b>Evidence</b> For any N/A raised, justification is required.	<b>Compliance</b> (Yes / No or N/A)
D.1.1	A mill is deemed to be Identity Preserved (IP) if the FFB used by the mill are sourced from plantation/ estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing 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 Module E is applicable.	Kemaman Palm Oil Mill only accepts certified FFB. Therefore, qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.	Yes
<b>D.2 Explanation</b>			
D.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the certification body (CB) in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products must be recorded in the RSPO IT platform, supply chain certificate and public summary audit 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. Review period checked is from (last audit date) July 2018 to Aug 2019.	Yes
D.2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).	Registration and reporting requirements reported through RSPO IT platform @ palmtrace. For the period of July 2018 to August 2019 CSPO transaction: 30,494.13 mt CSPK transaction: 10,638.66 mt	Yes

<b>D.3 Documented procedures</b>			
D.3.1	<p>The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:</p> <p>a. Complete and up to date procedures covering the implementation of all the elements in these requirements;</p>	<p>Latest written documented procedure SOP TDM/MILLS/02 Rev: Mill-01/2018 date 1 July 2018, for the chain of custody is with Identity Preserved (IP) model covering all the RSPO Supply Chain Certification Standard and Traceability for handling certified and noncertified FFB. The procedure was updated based on latest version of on the RSPO SCCS July 2017. The Head of Operating Unit has the responsibility to ensure implementation of SOP.</p> <p>The IP model is used because only certified FFB from own supply base is received and processed at Kemaman Palm Oil Mill.</p>	Yes
	<p>b. The role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site's procedures for the implementation of this standard.</p>	<p>The mill manager has awareness of the supply chain system. The manager has overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. Sighted the appointment letter to Mill Manager (the Head of Operating Unit) Ref no: TDMP/OD/SUST/RSPO dated 12 August 2018.</p>	Yes
D.3.2	<p>The site shall have documented procedures for receiving and processing certified FFBs.</p>	<p>Kemaman Palm Oil mill has documented procedures (as mentioned in D 3.1) from the delivery of FFB from the estate, receiving FFB at the Mill, process monitoring until CPO &amp; PK dispatch. The procedure also explaining the flowchart for crop diversion.</p>	Yes
<b>D.4 Purchasing and goods in</b>			
D.4.1	<p>The site shall verify and document the tonnage and sources of certified FFBs received.</p>	<p>When FFB delivered to the mill from the estates, the transporters presented delivery note (nota hantaran BTB) to the mill weighbridge clerk in order the FFB to be received by the mill. The delivery note (nota hantaran BTB) has the information</p>	Yes

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		of supplier ID (which indicates the supplying estate), receipt number, date of delivery, block number (which indicates the origin of the FFB), vehicle registration number and weight.	
D.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	Overproduction of certified tonnage recorded from July 2018 - August 2019 for FFB actual : 259,645.28 mt vs certificate volume: 215,614.64 mt (+44,030.64 mt). Thus, a major NC was raised.	Major nonconformance
<b>D.5 Record keeping</b>			
D.5.1	The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. <i>IP Mill must report on real time basis.</i>	Real time monitoring was not effectively demonstrated based on quarterly records and balance from July 2018 to August 2019, it was found that: i) July 2018 : delivery of RSPO CPO (+295.50 mt) and PK (+167 mt) more than stock. ii) September 2018 : delivery of RSPO PK (+165 mt) more than stock iii) December 2018 : delivery of RSPO PK (+65 mt) more than stock. Thus, a major NC was issued.	Major nonconformance
<b>D.6 Processing</b>			
D.6.1	The site 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 product including during transport and storage to strive for 100% separation.	The mill does not received any FFB from non-RSPO certified estates and this can be seen in their daily process report and monthly summary. Therefore, the 100% separation from non-certified is achievable by the facility.	Yes

**Supply Chain Declaration**

<b>A. Monthly Records of Certified and Uncertified FFB Received since the last audit</b>				
<b>No.</b>	<b>Month - Year</b>	<b>Volume of FFB from certified supply bases (mt)</b>	<b>Volume of FFB from uncertified supply bases (mt)</b>	<b>Total FFB/Month (mt)</b>
1	July 18	13,561.06	0	13,561.06
2	Aug 18	13,256.85	0	13,256.85
3	Sept 18	17,324.82	0	17,324.82
4	Oct 18	15,316.74	0	15,316.74
5	Nov 18	21,025.44	0	21,025.44
6	Dec 18	22,341.72	0	22,341.72
7	Jan 19	23,588.91	0	23,588.91
8	Feb 19	20,109.52	0	20,109.52
9	Mar 19	18,414.36	0	18,414.36
10	Apr 19	19,700.87	0	19,700.87
11	May 19	19,837.75	0	19,837.75
12	June 19	18,005.46	0	18,005.46
13	July 19	18,258.89	0	18,258.89
14	Aug 19	18,902.89	0	18,902.89
	Total	259,645.28	0	259,645.28

<b>B. Monthly Records of Certified CPO &amp; PK since the last audit</b>			
<b>No.</b>	<b>Month - Year</b>	<b>Certified CPO (mt)</b>	<b>Certified PK (mt)</b>
1	July 18	2,806.56	567.73
2	Aug 18	2,801.00	530.73
3	Sept 18	3,622.34	718.82
4	Oct 18	3,132.80	765.69
5	Nov 18	4,099.00	1,033.60
6	Dec 18	4,121.50	1,082.56
7	Jan 19	4,450.77	1,185.32
8	Feb 19	4,117.93	1,057.60
9	Mar 19	3,907.10	968.34
10	Apr 19	4,049.81	1,024.88
11	May 19	4,177.26	915.46
12	June 19	3,757.48	812.69

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13	July 19	3,836.10	789.85
14	Aug 19	3,988.47	947.41
15	Total	52,868.12	12,400.68

<b>C. Records of Certified CPO &amp; PK Sold under PalmTrace to Buyers since the last audit (if any)</b>				
<b>No.</b>	<b>Buyers Name</b>	<b>Palmtrace Trading License Number</b>	<b>Certified CPO Sold (mt)</b>	<b>Certified PK Sold (mt)</b>
1	X	TR-8346bbd1-a940, TR-279050f8-727c, TR-fb8dbdc8-df75, TR- 99255863-e96d, TR- 80037c47-8648, TR-ce36ce06-0a2b, TR-7eb64d5e-6bcc, TR-a4c1a26e-46f0, TR-991dfdca-a4c2, TR-dcd364c3-6f6a, TR- c2d98630-9dcc, TR- 5506176a-4b64, TR-89b1ac53-8ce9, TR-4d2a4a1f-31a9, TR-f0523310-6b5d, TR- 60869583-16d6, TR-de81758a-f03d, TR-ece65759-32b2, TR-3b6073ae-b174, TR-fe94ca06-8c13, TR-d379e45b-feec, TR-7cb19b91-b19a, TR-ce6aeb62-8209, TR- 31c98196-5a05, TR-56962dfb-4485, TR-f7437514-95f4, TR-1f9bc35b-19b6, TR-c0c0d544-7de2, TR-c3fd3cbe-677f, TR- 8c935130-a32a, TR- 88a9c918-1a8a, TR-0493fc16-42a1, TR-54645df7-a7d5, TR-463dca18-083f, TR- de164654-ec8e, TR-3ac1f1a7-c25f, TR-079eb9ab-caa4, TR- e7731719-8ee9, TR- 65310608-e44b, TR-af0020be-c58e, TR-1fd9b0a9-29f3, TR-f08d796f-	30,921.75	-



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		0467, TR-fdbfed47-e61d, TR- a52348d2-2fcb, TR- 145ac036-7c1d, TR-3e2af452-c76b, TR-b3cf51f4-9a8d, TR-010c3f70-c7c0, TR-f3db8ae7-3fac, TR- 49e63333-7752, TR-821fa20c-0f18, TR- 409a91c8-52ed, TR-4a5a89f5-71cd, TR-0aa5f6b9-0c9f, TR-1220fa95-9e98, TR- 2b22d218-a76d, TR- d9567536-7fc8, TR-e674a48c-b189, TR-63a39aca-6cb9, TR-33fc7f02-2ad0		
2	Y	TR- a799898a- 254c, TR-720db42d- c6d3, TR-720db42d-c6d3,TR-dbc8bef0-afb1, TR-6a5af23d-18fb, TR-85aba9f2-14f5, TR-ed7f61eb-7cb3, TR-2ea13a9a-5b6b, TR-1cc7a344-23ab, TR- 9e0d9654-0e61, TR-4e02248f-4f88, TR- 51728158-c281, TR-ffcc50a6-95f1, TR-6229a8af-32c8, TR-ce0b9188-fe1b, TR-6b1feed1-f3c8, TR- 7a88d435-6ff3, TR-a0fb85b5-2ec6, TR a344bae2-2a91, TR-ae7895ac-5f05, TR- c2a77146-5245, TR-380a3a0b-8bdf, TR-4894177f-ff2b, TR-7caffbb2-8e63, TR-e70fd514-b9d6, TR-c743e4f6-f6f6	-	9,690.73
3	Total		30,921.75	9,690.73

**D. Records of CPO & PK Sold under other schemes to Buyers since the last audit (if any)**

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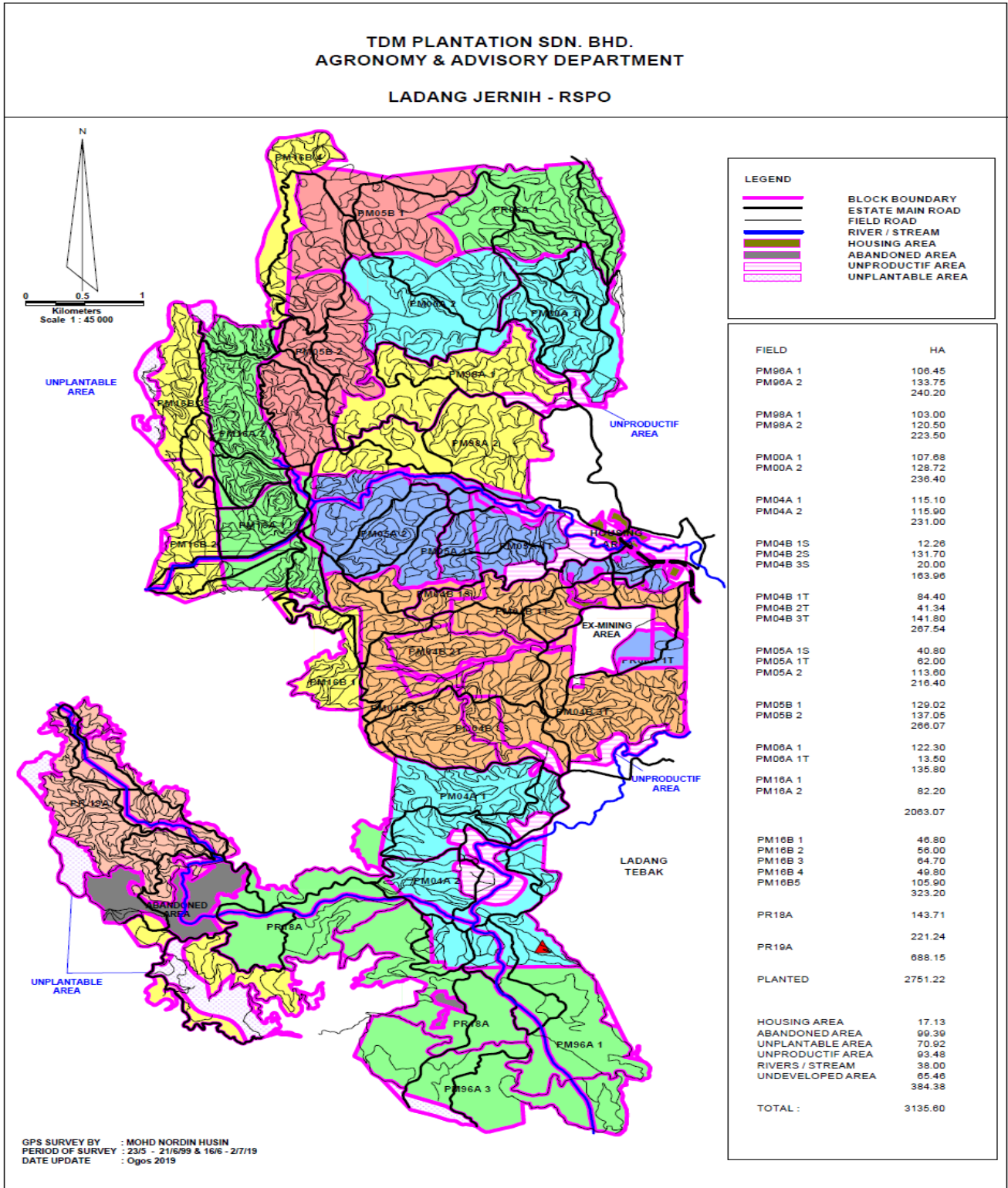
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
Nil				

<b>E. Records of CPO &amp; PK Sold as conventional to Buyers since the last audit (if any)</b>			
No.	Buyers Name	CPO Sold (mt)	PK Sold (mt)
1.	A	20,724.21	-
2.	B	-	1,935.55

<b>F. Records of Certified CPO Sold under RSPO Credits to Buyers since the last audit (if any)</b>			
No.	Buyers Name	PalmTrace Trading License Number	RSPO Credits of Certified CPO Sold (mt)
Nil			



**Appendix G: Jernih Estate Estate Field Map**







**Appendix I: List of Smallholder Sampled**

Not applicable

## Appendix J: 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
GJBE	Genting Jambongan Estate
GJOM	Genting Jambongan Oil Mill
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