

**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>Sungai Tong Palm Oil Mill</b>  Location of Certification Unit: Lot 7663, Batu 23, Jalan Kuala Terengganu-Kota Bharu 21500 Setiu 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 3 Bangunan UMNO Terengganu, Lot 3224, Jalan Masjid Abidin, 20100 Kuala Terengganu, Terengganu, Malaysia		
<b>Subsidiary (Certification Unit Name)</b>	Sungai Tong Palm Oil Mill		
<b>Address</b>	Lot 7663, Batu 23, Jalan Kuala Terengganu-Kota Bharu 21500 Setiu, Terengganu, Malaysia		
<b>Contact Name</b>	Haji Shahbudin bin Usop		
<b>Website</b>	<a href="http://www.tdmberhad.com.my">www.tdmberhad.com.my</a>	<b>E-mail</b>	<a href="mailto:ksst.tdmp@tdmberhad.com.my">ksst.tdmp@tdmberhad.com.my</a> <a href="mailto:shahbudin.tdmp@tdmberhad.com.my">shahbudin.tdmp@tdmberhad.com.my</a>
<b>Telephone</b>	09 - 824 7290 019 - 914 1399	<b>Facsimile</b>	

2. Certification Information			
<b>Certificate Number</b>	RSPO 595564	<b>Date of First Certification</b>	27/12/2013
		<b>Certificate Start Date</b>	27/12/2018
		<b>Certificate Expiry Date</b>	26/12/2023
<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 E Mass Balance)		

3. Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
MSPO 678754	MS 2530-4 Malaysian Sustainable Palm Oil (MSPO) Part 4	BSI Services Malaysia Sdn Bhd	26/12/2022
MSPO 686825	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
Sungai Tong Palm Oil Mill	Lot 7663, Batu 23, Jalan Kuala Terengganu-Kota Bharu 21500 Setiu, Terengganu, Malaysia	5° 18' 29.88" N	102° 54' 37.80" E
Jaya Estate	Jalan Kuala Terengganu – Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 23' 43.61" N	102° 53' 03.32" E
Fikri Estate	Jalan Kuala Terengganu – Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 19' 21.50" N	102° 53' 46" E
Tayor Estate	Jalan Kuala Terengganu – Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 15' 58.00" N	102° 53' 26.00" E
Pelong Estate	Jalan Kuala Terengganu – Kota Bharu, 21500 Setiu, Terengganu, Malaysia	5° 16' 55.56" N	102° 49' 59.52 E
Jerangau Estate	Jalan Jerangau, 21810 Ajil, Hulu Terengganu, Terengganu, Malaysia	4° 57' 41.50" N	103° 9' 47.00" E
Pinang Emas Estate	Bukit Besi, 23000 Dungun, Terengganu, Malaysia	4° 45' 39.96" N	103° 13' 25.68" E

5. Description of Supply Base					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infras & Other (ha)	Total Area (ha)	% of Planted
Jaya Estate	3,365.50	-	90.29	3,455.79	97.39
Fikri Estate	3,103.85	-	607.20	3,711.05	83.64
Tayor Estate	2,127.27	-	92.65	2,219.92	95.83
Pelong Estate	1,351.88	305.88	1,359.44	3,017.20	44.81
Jerangau Estate	1,436.57	-	44.35	1,480.92	97.01
Pinang Emas Estate	2,823.91	-	1,046.27	3,870.18	72.97
Total	14,208.98	305.88	3,240.20	17,755.06	80.03

*Note: Infras = infrastructure; \*Other area including conserved (abandoned) area due to water log & steep*  
*Note: Access and path road widening were conducted for estates with replanting program for 2019 hence increasing infras area. Total area increased compare to previous year (RC1) due to redemarcation of area during replanting which includes reconstruction of field and boundary drains.*

6. Plantings & Cycle			
Estate	Age (Years)	Mature	Immature

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	<b>0 - 3</b>	<b>4 - 10</b>	<b>11 - 20</b>	<b>21 - 25</b>	<b>26 - 30</b>		
Jaya Estate	-	-	2,920.72	444.78	-	3,365.50	-
Fikri Estate	282.21	82.36	1,323.06	1,213.65	202.57	2,821.64	282.21
Tayor Estate	-	-	465.98	1,199.10	462.19	2,127.27	-
Pelong Estate	671.44	-	-	304.54	375.90	680.44	671.44
Jerangau Estate	689.08	479.61	208.16	59.72	20 8.16	747.49	689.08
Pinang Emas Estate	886.17	79.57	565.50	1,257.43	35.24	1,937.74	886.17
<b>Total</b>	<b>2,528.90</b>	<b>641.54</b>	<b>5,483.42</b>	<b>4,479.22</b>	<b>1,075.90</b>	<b>11,680.08</b>	<b>2,528.90</b>

**7. Certified Tonnage of FFB (Own Certified Scope)**

<b>Estate</b>	<b>Tonnage / year</b>		
	<b>Estimated (Jan 2019-Dec 2019)</b>	<b>Actual (Oct 2018-Aug 2019)</b>	<b>Forecast (Jan 2020-Dec 2020)</b>
Jaya Estate	67,400.00	59,031.41	69,000.00
Fikri Estate	49,500.00	43,353.93	45,600.00
Tayor Estate	29,430.00	25,775.88	30,300.00
Pelong Estate	6,100.00	5,342.61	5,600.00
Jerangau Estate	14,200.00	12,436.88	15,200.00
Pinang Emas Estate	5,700.00	4,992.27	5,000.00
<b>Total</b>	<b>172,330.00</b>	<b>150,932.98</b>	<b>170,700.00</b>

**8. Certified Tonnage of FFB (from other certified unit(s)) if applicable \***

<b>Estate</b>	<b>Tonnage / year</b>		
	<b>Estimated (Jan 2019-Dec 2019)</b>	<b>Actual (Oct 2018-Aug 2019)</b>	<b>Forecast (Jan 2020-Dec 2020)</b>
Gajah Mati Estate		10,729.07	
MAIDAM Estate		510.23	
Tebak Estate		2,183.36	
Jernih Estate		2,124.92	
Air Putih Estate		874.54	
Pelantoh Estate		2,440.97	
<b>Total</b>		<b>18,863.10</b>	

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9. Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) if applicable			
Independent FFB Supplier	Tonnage / year		
	Estimated (Jan 2019-Dec 2019)	Actual (Oct 2018-Aug 2019)	Forecast (Jan 2020-Dec 2020)
N/A	N/A	N/A	N/A

10. Certified Tonnage			
Mill Capacity: 60 MT/hr  SCC Model: MB	Estimated (Jan 2019-Dec 2019)	Actual (Oct 2018-Aug 2019)	Forecast (Jan 2020-Dec 2020)
	FFB	FFB	FFB
	*191,354.00 mt	169,796.08 mt	170,700.00 mt
	CPO (OER: 20.50%)	CPO (OER: 18.95%)	CPO (OER: 20.59%)
	*39,227.65 mt	32,176.36 mt	35,147.13 mt
	PK (KER: 5.05%)	PK (KER: 4.21%)	PK (KER: 4.94%)
*9,663.50 mt	7,148.41 mt	8,432.58 mt	

\*including volume extension

11. Actual Sold Volume (CPO)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
CPO (MT)	5,313.71	-	-	25,171.92	30,485.63

Conventional product = product that is produced using certified FFB but sold without RSPO claim.

12. Actual Sold Volume (PK)					
	RSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSB		
PK (MT)	5,265.27	-	-	1,254.87	6,520.14

Conventional product = product that is produced using certified FFB but sold without RSPO claim.

13. Actual Group certification Claims		
	Credit	Physical Volume (MT)
IS-CSP0	N/A	-
IS-CSPKO	N/A	-
IS-CSPKE	N/A	-

## 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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[www.bsigroup.com](http://www.bsigroup.com)

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 23-26/09/2019. 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 04/12/2019. 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>
Sungai Tong Palm Oil Mill	√	√	√	√	√
Jaya Estate	√			√	
Fikri Estate		√			√
Tayor Estate			√		
Pelong Estate		√			√
Jerangau Estate			√		
Pinang Emas Estate	√			√	

**Tentative Date of Next Visit:** September 21, 2020 – September 25, 2020

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

**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>
Hafriazhar Mohd Mokhtar	Team Leader	Hafriazhar Mohd. Mokhtar is a Chemical Engineer by qualification. He has more than five years of direct work experience in the upstream processes of palm oil within the plantation industry. He is a qualified Lead Auditor for CDM, ISO 14001, ISO 50001 and ISO 9001 and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Indonesia and Thailand. He has been trained in the RSPO P&C and SCCS standards and recently completed his RSPO P&C Lead Assessor training and has been involved in RSPO audits within Malaysia, Papua New Guinea, Solomon Islands and Gabon. During assessment, he covered the legal issues, social issues, worker’s welfare and stakeholder consultation. He is fluent in Bahasa Malaysia and English languages
Muhammad Fadzli Masran	Team Member	He graduated in Bachelor of Forestry Science at University Putra Malaysia. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers’ welfare, workers’ occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. He had accumulated auditing experience when he was the internal auditor for ISO9001 and ISO14001 at Kulim Plantations. He has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in April 2018 and endorsed RSPO Lead Auditor Course in July 2018. During this assessment, he assessed on the aspects of environmental and estate best practise. He is fluent in Bahasa Malaysia and English languages.
Ronnie Tan	Team Member	Ronnie Tan is a Social Compliance and Security Auditor for more than 15 years. He is a qualified Lead Auditor for SMETA 2 & 4 Pillar, Responsibility Business Alliance (RBA), C-TPAT, TAPA FSR & TSR and other code of conduct audits scheme. He is a National Social Compliance Manager during his past employment and manages a pool of social auditors on social and security audits. He has accumulated more than 400 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia, Singapore, Vietnam and Philippines. He has been trained in the RSPO P&C standards, BSCI standard, RBA standards, McDonalds SWA, Disney ILS and has been actively involved in RSPO audits & 2 <sup>nd</sup> party audits within Malaysia. During assessment, he covered the mill and estate best practices, legal issues, social issues, workers consultation, stakeholder consultation, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.

**Accompanying Persons:**

<b>No.</b>	<b>Name</b>	<b>Role</b>
Nil	N/A	N/A

**2.3 Assessment Plan**

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

PRELIMINARY AGENDA					
Date	Time	Subjects	Hafri	Fadzli	Ronnie
Sunday 22/09/2019	PM	Travel to Kuala Terengganu & Check-in @ TH Hotel	√	√	√
Monday 23/09/2019  <b>Sungai Tong POM (Opening meeting)/ Fikri Estate</b>	0830 – 0900	Opening Meeting at Sungai Tong POM: <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>	√	√	√
	0900-1230	<b>Fikri 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.	√	√	√
	1230-1330	Lunch break	√	√	√
	1330-1630	<b>Fikri Estate:</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.)	√	√	√
	1430-1600	<b>Fikri Estate:</b> Stakeholder consultation	-	-	√
	1630-1700	Interim briefing	√	√	√
Tuesday 24/09/2019  <b>Pelung Estate</b>	0830-1230	<b>Pelung 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.	√	√	√
	1000-1230	<b>Pelung Estate:</b> Stakeholder consultation	-	-	√
	1230-1330	Lunch break	√	√	√

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PRELIMINARY AGENDA					
Date	Time	Subjects	Hafri	Fadzli	Ronnie
	1330-1630	<b>Pelung Estate:</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.)	√	√	√
	1630-1700	Interim briefing	√	√	√
Wednesday 24/09/2019  <b>Sungai Tong POM</b>	0900-1230	<b>Sungai Tong Palm Oil Mill:</b> Inspection of 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.	√	√	√
	1230-1330	Lunch break	√	√	√
	1330-1630	<b>Sungai Tong Palm Oil Mill:</b> Lab, weighbridge and palm product storage area. Document Review P1 – P8: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation	√	√	√
	1630-1700	Interim briefing	√	√	√
Thursday 25/09/2019  <b>Sungai Tong POM</b>	0830-1230	Supply chain audit for Sungai Tong POM • General COC for supply chain • RSPO rules communication and claim Module E: Mass balance	√	√	-
	1230-1300	Closing meeting	√	√	-

### 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

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If yes, have the newly acquisitions certified within a three-year timeframe?	N/A	N/A
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?	Not applicable	N/A

<p>OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.</p>		
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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 3 (three) Major Nonconformities raised. The Sungai Tong 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>	1828237-201906-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.1 Major
<b>Date Issued</b>	26/09/2019	<b>Due Date</b>	24/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	23/12/2019
<b>Statement of Nonconformity:</b>	<ol style="list-style-type: none"> <li>1. Sg. Tong POM workers working hours exceeded 12 hours per day violating Employment Act 1955 (Act 625) Part XII Rest day, Hours of Work, Holiday and Other Condition of Service. Section 60A. Hours of Work: (7).</li> <li>2. Pelung Estates migrant workers found not contributing the SOCSO in accordance to 'Akta Keselamatan Social Pekerja 1969 (Akta 4)'.</li> <li>3. No approval letter obtained for wage deduction such as electricity, water, village fee (yuran perkampungan), Work Permit Deduction (Permotongan permit kerja) and Store Deduction (Potongan Stor), violating Employment Act 1955 (Act265); Part IV Deduction from Wages; Section 24 – Lawful Deduction.</li> <li>4. 2 Foreign workers passports are currently kept/hold by the Pelung Estate management without letter of consent, violating Passport Act 1966 (Act 1950) – Regulation 12 (1) (f)</li> <li>5. 3 Union members at Pelung Estate wage found deducted with MYR11 instead of MYR8 (i.e. employer did not subsidized the MYR3) – NUPW Personal Accident Insurance Scheme premium, violating the NUPW MAPA Circular No. 12/2019, Article 37, Para 130 (i)</li> </ol>		

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	<p>6. 2 selected contract worker at Sg. Tong POM found not contributing to Employee Provident Fund; from both the employer and employee; violating the Employment Provident Fund Act 1991 (ACT 452); Section 45 (2) - Payment of contributions.</p> <p>7. No objective evidence sighted that Pelung Estate and Fikri Estate’s workers accommodations were inspected effectively and on weekly basis, violating the Akta Standard Minimum Perumahan Dan Kemudahan Pekerja 1990, (Akta 446) Bahagian III, Kesihatan, Hospital, Rawatan Perubathan Dan Kebersihan, Section 23 - Pemeriksaan mingguan ke atas perumahan pekerja (1) &amp; (2).</p> <p>8. 3 months records selected for review and sighted workers at Fikri Estate found paid less than minimum wage of MYR1,100 during the month of February 2019, violating the Minimum Wage Council 2018.</p> <p>9. No evidence of compliance against Electric Supply Act 1990 for installation of electric fencing within Pelung Estate</p>
<b>Requirement Reference:</b>	Evidence of compliance with relevant legal requirements shall be available.
<b>Objective Evidence:</b>	<p>1. 1 out of 9 selected worker at Sg. Tong POM (Emp. No.: SM0900164) found working more than 12 hours / day. Biometric scanning attendance record sighted for the month of June 2019 as below (1) 28.06.2019 - 0802~2218 (16 hours), (2) 21.06.2019 – 0753~2343 (17 hours), (3) 15.06.2019 – 0728~2205 (16 hours). Sighted process workers (e.g. SM0900122) on afternoon shift consistently worked from 1600~0800; i.e. 16 hours a day (8 ordinary hours of work + 1 rest hour + 7 overtime hours).</p> <p>2. SOCSO Contribution Form 8A verified at Pelung Estate, sighted that no SOCSO contribution made by the employer for 8 migrant / Indonesian workers who joined since 10.03.2019 and 6 migrant / Indonesian workers who joined since 20.03.2019.</p> <p>3. Fikri and Pelung Estate workers payslip reviewed, sighted there are deduction made for electricity, water, village fee, work permit fee, store deduction without prior approval obtained from the labour office accordance with Employment Act 1955, Part IV - Deduction of Wages, Section 24 – Lawful deduction, . E.g. Pelung Estate Water Utility - MYR3.44 ~ MYR8.01 Store Deduction - MYR70.00 Electricity Utility - MYR5.36 ~ MYR8.67 Fikri Estate Water Utility - MYR5 Electric Utility - MYR5 Village Fee - MYR2 Work Permit - MYR85</p> <p>4. All sampled migrant workers passport at selected Estates kept by the management. Letter of Consent to safe keep passport sighted, except 2 out of 7 selected samples at Pelung Estate found without letter of consent. I.e. (1) Emp. No.: PL1100916 / Saprudin (Passport No.: AU443712) (2) Emp. No.: PL1100689 / Razikin (Passport No.: AT939006)</p> <p>5. 3 out of 10 selected workers at Pelung Estate found deducted with MYR11.00 of NUPW Personal Accident Insurance Scheme premium instead of MYR8 for the month of June 2019, whereby MYR3 shall be subsidized by the estate management. i.e. Emp. No.: PL1100890, PL1100888, PL1100763. However, payslip for the month of July 2019 for the affected 3 workers found corrected to MYR8.</p>



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	<p>6. 2 contract workers found not contributing to KWSP / EPF (Employee Provident Fund). i.e. Azhar Mansor (joined since 01.11.2017) &amp; Ahmad Shahril Bin Abu Bakar (Joined since August 2019). 7. Pelung Estate – no objective evidence sighted that that weekly inspection is carried out on workers housing. The presented evidences sighted such as “Pemeriksaan Rumah Pekerja” and “Workers Complain Record” logbook are more to request for house repair reports. Line-site inspection discovered: - - Ground sewage tank cover is missing; overflowed to the soil and drainage system. - Excessive power extension used for rice cooker; wiretapping / extension / wire joined not done appropriately.</p> <p>Fikri Estate – weekly linesite inspection record from July 2019 sighted. However inspection noted ineffective. Interview with MA confirmed that he is not being provided a list of available housing to be inspected. Presented inspection reports does not reflects the actual condition of the houses. Line-site inspection discovered : - - Mosquito Larvae found in water tank at Crèche - K05B 16019 &amp; 16020 – Excessive wire extension and improper wiretapping / wiring sighted &amp; rubbish / domestic waste found disposed at the rear side of the house. The drainage system at the house surrounding damaged. - K05B 16027 - Ceramic Squat Toilet Pan found broken, toilet no lights, sewage pipe from the housing to the sewage tank found leaking, improper wire tapping/joining and drainage system at the external broken.</p> <p>- K05B 16029 – main pipe water with leaking.          - K05B 16077 &amp; 16078 – old housing with wooden floor at kitchen area broken, external sewage tank cover missing, drainage system at the surrounding broken and broken rear door. 8. 7 selected workers at Fikri Estate found paid lesser than the legal mandated minimum wage of MYR1,100 during the month of February 2019. Rollcall attendance and payslip confirmed that affected workers found having full attendance without absenteeism. i.e. Emp. No.: FK1801113, FK1801112, FK1801038, FK1801084, FK1801077, FK1801091, FK1801110. Average pays found from MYR1,015.44 ~ 1078.04. 9. Pelung Estate: The estate has install 16 km of electric fencing along the estate boundary without license from Suruhanjaya Tenaga. This against the Electric Supply Act 1990, Electrical Regulation 1994 under regulation 15, 65, 68, 75, 110 and 111.</p>
<p><b>Corrections:</b></p>	<ol style="list-style-type: none"> <li>1. Started from 1st October 2019, mill management have issued Memorandum Letter to the workers that they are mandatory to thumbprint for check-in and check-out during their approved break hour. These requirements also have been communicated during weekly briefing every Monday at 8.00 am.</li> <li>2. SOCSO contribution has been made for both employees and employer to 14 Indonesian workers on 13th October 2019</li> <li>3. Pelung Estate management had follow up with JTK officer for approved permit on 7th October 2019. Fikri Estate management has requested the copy of the approval letter from JTK Besut/ Setiu.</li> <li>4. Both employees had sign the Letter of Consent on 1st October 2019.</li> <li>5. Estate management made a correction on July salary which only deducted RM8.00 from the employees. A refund has been paid to the employees on 7th October 2019.</li> <li>6. EPF contribution has been made for both employees and employer on 7th October 2019.</li> <li>7. Starting October 2019, to create a new schedule of line-site weekly inspection or depend to current situation Fikri Estate Starting October 2019, to create a new schedule of line-site weekly inspection or depend to current situation. The</li> </ol>

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	<p>water tank has been cleaned and turned upside down on the same day right after auditors' visit. Excessive wire extension and improper wiretapping issues for quarters number 16019 &amp; 16020 have been settled by doing completely new rewiring. The errant residents were also issued warning letter not to do illegal wiring in future. Repair works to worker quarters including drainage system was actually started few months ago and still in progress.</p> <p>8. While the daily rate is stipulated under the Minimum Wages Order 2018 and Article 8 of the MAPA/NUPW Collective Agreement 2019, the minimum monthly wages for field workers in estate is stipulated under Section 16 Employment Act 1955. Section 16, Employment Act 1955 states that the minimum wages for a daily rated employee in the estate shall 24 days only. Further clarification will be obtained from MAPA secretariat.</p> <p>9. The management (SHO) has been in touch with the Energy Commission on 7th October 2019.</p>
<p><b>Root Cause Analysis:</b></p>	<ol style="list-style-type: none"> <li>1. The workers did not thumbprint for check-in and check-out during their approved break hour. Thus, showing they are in the mill straight for more than 12 hours a day. In actual the total working hour is less than 12 hours a day.</li> <li>2. The SOCSO contribution has not been made to 14 Indonesian workers because the SPPA insurance expiry date on March 2020.</li> <li>3. Pelung Estate has submitted the application to JTK Besut/ Setiu for electricity and water deduction on January 2019. However, did not receive any feedback from the day the application was submitted. Fikri Estate has submitted the application to JTK Besut/ Setiu in year 2017 and has been approved. However, during the auditing process, estate management unable to produce the approval letter to auditors</li> <li>4. The Letter of Consent to keep the passport has been distributed and communicated to all foreign workers. , but both employees (Saprudin and Razikin) are left behind.</li> <li>5. Pelung Estate just received a letter from NUPW for deduction of fees and insurance. There was an error on estate part for overcharge the affected employees</li> <li>6. For contract workers, only SOCSO contribution are being made, considering of accidents before or after work. However, no EPF contribution were made until they get their confirmation as permanent worker</li> <li>7. Pelung team has been inspecting the workers line-site once a month. However, in the event of a complaint, the management will act accordingly. Fikri Estate Recently estate started facing water supply disruption. The water tank is a "contingency plan" for the creche. However, the water tank cover was accidentally not closed properly. Despite of regular briefing on safety and hygiene at the quarters/ line sites, even estate management did question/ remind estate workers to make compliant on any issues pertaining to amenities and welfare, there are some errant residents/ workers take own action and take for granted management instruction</li> </ol>
<p><b>Corrective Actions:</b></p>	<ol style="list-style-type: none"> <li>1. Application of flexible operation hour which depends on normal crop and peak crop to prevent the working hour exceeded 12 hours a day. Mill Management have conducted a meeting dated 1st October 2019 with workers representative to inform about this flexible operation hour.</li> <li>2. SOCSO contribution will be made automatically once the Indonesian/ Bangladesh worker joined to work with the estate</li> <li>3. Estate will improve the current available checklist of all relevant document/ certificate and its' permit expiry</li> <li>4. The Letter of Consent shall be sign by the foreign workers once they are hired</li> </ol>

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	<ol style="list-style-type: none"> <li>5. Estate will ensure the deduction from workers are according to NUPW Personal Accident Insurance Scheme and fees.</li> <li>6. EPF contribution will be made even though the hired worker is contract worker.</li> <li>7. To assign coordinator to inspect workers housing and line-site.</li> <li>8. Clarification MAPA secretariat will be obtained. Any updates pertaining to latest minimum wages order and CA will be checked from time to time</li> <li>9. Head Office (TDMP) was contact with the Energy Commission to appoint an electrician over the electric fence and will submit an application with the Energy Commission.</li> </ol>
<p><b>Assessment Conclusion:</b></p>	<p>Major NC Close Out Verification:</p> <ol style="list-style-type: none"> <li>1. Monitoring of working hours is based on clock in and out @ thumbprint record. Movement of workers will be recorded and the used of thumbprint is mandatory during approved break hours. Verified sample of thumbprint record for employee ID (1107 and 1060). All approved break hours are recorded with normal and overtime hours.</li> <li>2. SOCSO contribution for new foreign workers and after new visa/work permit renewal is made mandatory for all. Verified SOCSO contribution @ "Jadual Caruman 8A" for October 2019 for foreign workers sampled. All contribution has been made based on the said statement.</li> <li>3. Salary deduction permit has been obtained from JTK, refer to JTK/(T) 600.2.2.4 JLD 2(2) (Ladang Pelung) dated 28/4/19 and JTK/(T) 600.2.4(14) dated 22/10/17for Ladang Fikri. Verified checklist of legal permit/license for future monitoring for both estates.</li> <li>4. Consent letter to keep passport dated 1/10/19 was sighted with the list of workers by nationality (Bangladesh &amp; Indonesia) at Ladang Pelung. Verified that all workers have signed the consent letter to keep passport for safe keep.</li> <li>5. Verified reimbursement of NUPW fees for the said workers on 7/10/19. No evidence of over-deduction after June 2019.</li> <li>6. EPF contribution was made for 2 contract workers for October 2019 contribution. Refer to KWSP 6 (Borang A) dated 7/10/19. Verified internal memo dated 29/9/19 with regards EPF mandatory contribution for contract workers, temporary/part time workers and workers under probation is subject for EPF contribution. The new employment contract has included clause on lawful deduction such as EPF and SOCSO for the newly hired employee.</li> <li>7. Pelung Estate: All related line site issues have been rectified based on inspection during site visit. Weekly line site inspection was carried out, refer to latest inspection report dated 27/11/19 supported with VMO visit dated 21/11/19. Based on both reports, all houses inspected in satisfactorily condition.  Fikri Estate: All related line site issues have been rectified based on inspection during site visit. Weekly line site inspection was carried out, refer to latest inspection report dated forth week of November 2019 supported with VMO visit dated 13/11/19. Based on both reports, all houses inspected in satisfactorily condition.</li> <li>8. Correspondence email with MAPA/NUPW Assistant Director dated 19/12/19 was sighted and has concluded that a "fixed daily wage rate shall be paid a minimum of 24 days wages in any calendar month in accordance with Section 16 of the Employment Act 1955".</li> </ol>

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	<p>9. Tendering process for electric fence was started for 7 estates and selection of contractor has been made. Refer to borang D, approval for installation of electric fence.</p> <p>The corrective action is found to be effective thus the major NC is closed on 23/12/19. Continuous implementation will be further verified in the next assessment.</p>
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<b>Summary of Total Number of Nonconformity</b>			
<b>Nonconformity</b>			
<b>NCR Ref #</b>	1828237-201906-M2	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 4.7.2 Major
<b>Date Issued</b>	26/09/2019	<b>Due Date</b>	24/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	23/12/2019
<b>Statement of Nonconformity:</b>	The estate yet to identify all risk for all operation in the storage area The existing control measure stated in the HIRARC register in 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>	<p>Fikri Estate During site visit at the chemical store, sighted rat baiting boxes were stacked high. As the stacked box are unstable, it can fell and cause injury to the employee. The risk is not identified in the HIRARC register.</p> <p>During interview with sprayers, sighted that the sprayers was wearing low cut rubber boots and not wearing safety eyewear provided as per existing control measures stated in the HIRARC register. In the HIRARC register stated the PPE required for sprayers were safety google, mask, nitrile glove, apron and wellington boots.</p>		
<b>Corrections:</b>	1. The rat baiting boxes has been rearranged immediately right after the audit. Estate management has added the risk in HIRARC Register and conducted training on this topic. 2. The errant sprayers have been reprimanded to comply to SOPs		
<b>Root Cause Analysis:</b>	1. Store attendant and staff in charge do not practise the safety work etiquette. 2. Regular training on PPE has been practised from time to time by the estate management, however the enforcement and taking disciplinary action need to be improved		
<b>Corrective Actions:</b>	<p>1. Both store attendant and staff in charge have been reprimanded to practise safety in handling stocks and not to repeat the mistake in future.</p> <p>2. Estate management shall be conducting HIRARC training to all estate management team at minimum yearly interval.</p> <p>3. Estate management shall be conducting regular training on Safety and PPE to all sprayers.</p> <p>4. The Assistant Manager and staff in charge have been reprimanded to be more strict on the enforcement of SOPs pertaining to safety and PPEs</p>		
<b>Assessment Conclusion:</b>	Major NC close out verification:		

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	HIRARC for chemical store has been revised and included the control measure for chemical box stacking. Maximum height for stacking is 1.6 meter and marking limit was painted for visual reference. Training was carried out on 8/10/19 for chemical handler. Verified training workers on the said date. The corrective action is found to be effective thus the major NC is closed on 23/12/19. 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>	1828237-201906-M3	<b>Clause &amp; Category (Major / Minor)</b>	RSPO SCCS 5.5.2 Major
<b>Date Issued</b>	26/09/2019	<b>Due Date</b>	24/12/2019
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	03/12/2019
<b>Statement of Nonconformity:</b>	Contract not stated 'that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary'		
<b>Requirement Reference:</b>	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.		
<b>Objective Evidence:</b>	No evidence of clause stated "that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary" in the contract agreement between TDM Plantation Sdn. Bhd. with Koperasi Ladang Sg. Tong Terengganu Berhad.		
<b>Corrections:</b>	To revise contract agreement between TDM Plantation Sdn. Bhd. with Koperasi Ladang Sg. Tong Terengganu Berhad. which include "that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary."		
<b>Root Cause Analysis:</b>	The contract agreement was prepared by HQ, and one copy will be given to mill management for record keeping.		
<b>Corrective Actions:</b>	An email has been sent dated 8th October 2019 to the person in-charge about the requirement to include related clause for outsourcing activities. 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.		
<b>Assessment Conclusion:</b>	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.		

Opportunity for Improvements	
OFI #	Description
OFI 1	-Nil-

Positive Findings	
PF #	Description
PF 1	-Nil-

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

Summary of Total Number of Nonconformity																																												
Nonconformity																																												
<b>NCR Ref #</b>	1687913-201808-M1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 2.1.3 Major																																									
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	25/11/2018																																									
<b>Statement of Nonconformity:</b>	Mechanism to ensure the compliance of the overtime limit was not properly implemented. The nonconformity was escalated from Minor to Major during Recertification Audit.																																											
<b>Requirement Reference:</b>	A mechanism for ensuring compliance shall be implemented.																																											
<b>Objective Evidence:</b>	<p>Verified the Check Roll Logbook found that sampled workers below have worked more than 130 hours and interviewed with the workers confirmed that the monitoring system of overtime has captured the 2 to 4 hours' rest time. The workers did not thumb out even they were away from work station for break. Sampled of workers as below:</p> <table border="1"> <thead> <tr> <th>Employee ID</th> <th>Month</th> <th>Total Hours</th> </tr> </thead> <tbody> <tr> <td rowspan="3">SM 00084</td> <td>November 2017</td> <td>150</td> </tr> <tr> <td>December 2017</td> <td>131</td> </tr> <tr> <td>January 2018</td> <td>139</td> </tr> <tr> <td rowspan="2">SM 00062</td> <td>November 2017</td> <td>148</td> </tr> <tr> <td>January 2018</td> <td>136</td> </tr> <tr> <td rowspan="2">SM 00085</td> <td>November 2017</td> <td>142</td> </tr> <tr> <td>December 2017</td> <td>138</td> </tr> <tr> <td rowspan="3">SM 0900197</td> <td>January 2018</td> <td>136</td> </tr> <tr> <td>February 2018</td> <td>133</td> </tr> <tr> <td>August 2018</td> <td>147</td> </tr> <tr> <td rowspan="4">SM 0900219</td> <td>January 2018</td> <td>136</td> </tr> <tr> <td>April 2018</td> <td>136</td> </tr> <tr> <td>July 2018</td> <td>136</td> </tr> <tr> <td>August 2018</td> <td>136</td> </tr> <tr> <td rowspan="2">SM 0900167</td> <td>November 2017</td> <td>154</td> </tr> <tr> <td>December 2017</td> <td>136</td> </tr> </tbody> </table>			Employee ID	Month	Total Hours	SM 00084	November 2017	150	December 2017	131	January 2018	139	SM 00062	November 2017	148	January 2018	136	SM 00085	November 2017	142	December 2017	138	SM 0900197	January 2018	136	February 2018	133	August 2018	147	SM 0900219	January 2018	136	April 2018	136	July 2018	136	August 2018	136	SM 0900167	November 2017	154	December 2017	136
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SM 0900167	November 2017	154																																										
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<b>Corrective Actions:</b>	<p>Overtime will be monitored through checklist/ log book provided by mill management. The checklist will include gang, name of worker, month, date, overtime hour, overtime details, etc and will be verified by Assistant Manager and approved by Mill Manager weekly.</p> <p>Verification during Major onsite verification:</p> <ol style="list-style-type: none"> <li>Briefing on overtime guideline and explanation by the management of Sg Tong POM was done on 23/10/18 and 7/11/2018. Sighted the attendance list for both briefing conducted.</li> <li>Checkroll book and checklist for monitoring on overtime for operators and security were sighted:</li> </ol> <table border="1"> <thead> <tr> <th>Employee ID</th> <th>Month</th> <th>Total Hours</th> </tr> </thead> <tbody> <tr> <td rowspan="2">SM 00084</td> <td>October</td> <td>100</td> </tr> <tr> <td>November (15/11/10)</td> <td>48</td> </tr> </tbody> </table>			Employee ID	Month	Total Hours	SM 00084	October	100	November (15/11/10)	48																																	
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	SM 0006	October	83
		November (15/11/10)	42
	SM 00085	October	108
		November (15/11/10)	60
	SM 090019	October	123
		November (20/11/10)	60
	SM 0900219	October	130
		November (22/11/10)	85
	SM0900208	October	120
		November (15/11/10)	63
	SM 0900167	Upgraded to staff at KPOM	
	3. Interviewed with the management confirmed that they were monitored on wekkly basis. Sighted the weekly checklist for overtime.		
<b>Assessment Conclusion:</b>	ASA1_1 verification: Corrective action found to be effective, based on-site verification and supported with sufficient documented evidence. All randomly selected workers overtime found below the legally allowed maximum overtime hours. Hence, Major NC remained closed.		

Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1687913-201808-M2	<b>Clause &amp; Category (Major / Minor)</b>	SCCS 5.3.2 Major
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	25/11/2018
<b>Statement of Nonconformity:</b>	The SOP for RSPO Supply Chain (TDM/KPOM/STPOM/01), Revision: Mill01/2018, Dated July 2018 was not effectively implemented		
<b>Requirement Reference:</b>	ii) effectively implements and maintains the standard requirements within its organization		
<b>Objective Evidence:</b>	The competency for lead auditor was not evident where the procedure stated that the lead auditor shall be competently train in Supply Chain System & Standard.		
<b>Corrective Actions:</b>	An email was sent to Mr. David and CC to you requesting their quotation and the exact date for the training. Pending Mr. David's reply for the quotation and exact training date. Please refer the email dated 21st October 2018.  Verification during Major onsite verification: 1. The communication between the management and David Ogg CheckMarkTraining was sighted. The training will be conducted 17-18 January 2019. The quotation by Mr David for 3 participants (Mohd Izwan Haffez bin Che Azmi, Norwati binti Mamat, Wan Ahmad Amilin bin Wan Ngah) from TDM Plantations was sighted.		
<b>Assessment Conclusion:</b>	ASA1_1 verification: Internal audit was conducted by TDM Sustainability Department personnel. The internal auditor was qualified as per requirement stated in the SOP established. Latest internal audit was conducted on 8/8/2019. 3 non-conformity was raised during the audit. The mill has submitted the CAP to the internal audit team and accepted on 18/9/2019. CAP for non-conformity raised were available for review.		

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Hence, Major NC remained closed.
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Summary of Total Number of Nonconformity			
Nonconformity			
<b>NCR Ref #</b>	1687913-201808-N1	<b>Clause &amp; Category (Major / Minor)</b>	Indicator 6.10.4 Minor
<b>Closed (Yes / No)</b>	Yes	<b>Date of nonconformity Closure</b>	25/09/2019
<b>Statement of Nonconformity:</b>	The payment for the contractor was not paid according to the term stated in agreement.		
<b>Requirement Reference:</b>	Agreed payments shall be made in a timely manner		
<b>Objective Evidence:</b>	<p>Sampled the invoices submitted by contractor in Sungai Tong POM and e-Payment voucher issued by Head Office found that payment was made not according to the agreed terms as below:</p> <p>a. Invoice# 252/18 dated 30/6/2018 and submitted to mill management on 12/7/2018 e-Payment Voucher Ref. No.# JV 41560 dated 3/9/2018</p> <p>b. Invoice# 275/18 dated 23/7/2018 and submitted to mill management on 23/7/2018 e-Payment Voucher Ref. No.# JV 41560 dated 3/9/2018</p> <p>c. Invoice# 224/18 dated 31/5/2018 and submitted to mill management on 7/6/2018 e-Payment Voucher Ref. No.# JV 0040695 dated 5/7/2018</p> <p>d. Invoice# 181/18 dated 30/4/2018 and submitted to mill management on 14/5/2018 e-Payment Voucher Ref. No.# JV 0040391 dated 10/6/2018</p> <p>e. Invoice# 238/18 dated 30/5/2018 and submitted to mill management on 1/7/2018 e-Payment Voucher Ref. No.# JV 0040990 dated 30/7/2018</p>		
<b>Corrective Actions:</b>	To review current Agreement between TDM Plantation Sdn. Bhd. and Transporter ended 31st December 2018.		
<b>Assessment Conclusion:</b>	<p>ASA1_1 verification:            The agreement / contract made with the contractor / supplier extended to 21 days upon received of invoice. E-payment records presented confirmed that payment made within the agreed period. Sampled last 3 months as listed below.</p> <p><u>Fikri Estate</u>            Payment Voucher No – PV257/09 dated 10.09.2019, Supplier Inv. No.: 20962 dated 02.09.2019            Payment Voucher No – PV226/08 dated 14.08.2019, Supplier Inv. No.: 20961 dated 31.07.2019            Payment Voucher No – PV195/07 dated 14.07.2019, Supplier Inv. No.: 20959 dated 30.06.2019</p> <p><u>Pelung Estate</u>            Payment Voucher No – PV152/08 dated 01.08.2019, Supplier Inv. No.: 3618 (for work done on July 2019)            Payment Voucher No – PV130/07 dated 08.07.2019, Supplier Inv. No.: 3614 (for work done on Jun3 2019)            Payment Voucher No – PV173/09 dated 10.09.2019, Supplier Inv. No.: 3620 (for work done on Aug 2019)            Payment Voucher No – PV131/07 dated 09.07.2019, Supplier Inv. No.: 8554 (for work done on June 2019)            Payment Voucher No – PV153/08 dated 07.08.2019, Supplier Inv. No.: 8556 (for work done on July 2019)</p>		



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	<p>Payment Voucher No – PV174/09 dated 10.09.2019, Supplier Inv. No.: 8563 (for work done on Aug 2019)</p> <p>Hence, Minor NC has been closed on 25/09/2019.</p>
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<b>Opportunity for Improvement</b>	
OFI#	Description
<b>OFI 1</b>	-Nil-

**3.4.2 Summary of the Nonconformities and Status**

CAR Ref.	Category (Major / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1687913-201808-M1	2.1.3	Major	04/10/2018	Closed out on 25/11/2018
1687913-201808-M2	SCCS 5.3.2	Major	04/10/2018	Closed out on 25/11/2018
1687913-201808-N1	6.10.4	Minor	04/10/2018	Closed out on 25/09/2019
1828237-201906-M1	2.1.1	Major	26/09/2019	Closed out on 23/12/2019
1828237-201906-M2	4.7.2	Major	26/09/2019	Closed out on 23/12/2019
1828237-201906-M3	SCCS 5.5.2	Major	26/09/2019	Closed out on 03/12/2019

**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 Sungai Tong 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 Harvesters Sprayers Gender committee representative	<b>Union/Contractors/Local Communities</b> MPKK Kampung Selamat MPKK Kampung Tayor Tengah MPKK Kampung Sungai Tong Vendor/Supplier Contractor
<b>Government Departments</b> SK Kampung Fikri, Sungai Tong SK Kampung Tayor, Sungai Tong	<b>NGO</b> -

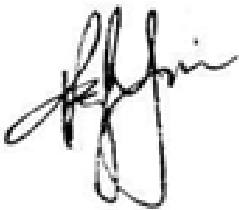
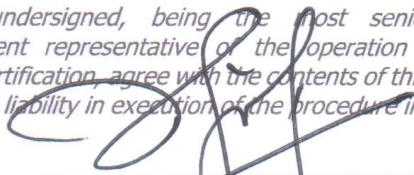
IS #	Description
1	<b>Feedbacks:</b> School's Representatives – No issue with estate and mill. TDM management is supportive and provide contribution whenever requested. Students are from estate, village and nearby town area. No negative feedback or complaint received from any parents related to TDM management. Based on communication and daily observation done by teachers, there is no signs that students is working after school or during school break.
	<b>Management Responses:</b> Will continue to include schools representative in stakeholder meeting and support any request made by the school.
	<b>Audit Team Findings:</b> No further issue.
2	<b>Feedbacks:</b> Suppliers and Contractors - Informed that payment are made promptly, within 20~25 days once invoice is issued. Has good relationship with the management, receive regular invitation for meeting and attended stakeholder meeting. No late payment.
	<b>Management Responses:</b> Have being dealing with the company for years and will continue to ensure payment is made promptly.
	<b>Audit Team Findings:</b> Payment records reviewed and confirmed they are made promptly.
3	<b>Feedbacks:</b> Neighbouring Village Representative (Kg. Selamat, Kg. Tayor Tengah, Kg Ladang Sungai Tong) – Estate management is supportive and responded to request made promptly. No complain received so far from any of the villager. No land encroachment. Have good relationship with the estate management and always receive invitation for meeting. The most recent meeting is in regards to MSPO and RSPO introduction and sharing of information.
	<b>Management Responses:</b> The management acknowledged good relationship with the village representative and recently meet up with stakeholder. Will continue to support the villager and assist on any request made to the best they can
	<b>Audit Team Findings:</b> No further action.
4	<b>Feedbacks:</b> Gender Committee Representatives – Well verse with the procedure to lodge complain if there is any case of sexual harassment. No issues received in relates to sexual abuse or harassment from members. TDM management is supportive and contributes to the committee including participating events organized. Have carried out several activities such as break fasting during Ramadhan month, volley ball competition, tour, etc.
	<b>Management Responses:</b>

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	Will continue to support the committee and open to any suggestion and complaints for further improvement.
	<b>Audit Team Findings:</b> No further action
5	<b>Feedbacks:</b> Workers' Representatives – The workers have informed that their wages were according to Minimum Wage Order 2018. No discrimination was occurred and they were treated equally does not matter the gender and nationalities. They were provided with free housing and medical facilities, but charged on water and electricity utilities.
	<b>Management Responses:</b> Will ensure compliance to legal requirements is maintained.
	<b>Audit Team Findings:</b> No other issue.

**Formal Signing-off of Assessment Conclusion and Recommendation**

The audit objectives have been achieved and the certificate scope remains appropriate. Based on the results of this audit, it is concluded that Sungai Tong Palm Oil Mill Certification Unit has complied with the RSPO P&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 Sungai Tong Palm Oil Mill is approved and continued.

Report prepared by	Acceptance of Assessment Conclusion
<b>Name:</b> Hafriazhar Bin Mohd Mokhtar	<b>Name:</b> Haji Shahbudin Bin Usop
<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>HAJI SHAHBUDIN BIN USOP</b> PENGURUS KILANG KELAPA SAWIT SUNGAI TONG, 21500 SETIU, TERENGGANU
<b>Date:</b> 19/1/2020	<b>Date:</b> 19/1/2020

**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 -	Communication Flowchart with Mill/ Estate Management was developed where it has clearly described the process of request of information/ report. Timeline to respond and solve is within 28 working days. The company has implemented Request and Response Form for the stakeholders	Complied

<p>1.1.2</p>	<p>Records of requests for information and responses shall be maintained.          -Major compliance</p>	<p>Records of request for information by DOSH during visit dated 22/4/2019 as per DOSH Visit record book and request letter dated 2/5/2019. Refer no JKPP.T.127/9/20. The mill has replied the letter as per letter dated 2/6/2019. Refer letter ref no. KL.KKS/03/09.01.</p> <p>The company has implemented Form for records of Communication with Stakeholders to record all the requests from the stakeholders. Seen the requests from stakeholders such as below: a. Neighboring school has requested van transportation for UPSR program and Jaya Estate’s management has approved and provided the transport. b. Local Community has requested for donation for the Hari Raya celebration from Pinang Emas Estate.</p> <p>DOSH and VMO have visited to the mill and estates by recorded in the visit book which was sighted at all sites. The request for information are handle adequately. Any information requested will be handled by the clerks and estate/mill manager. The response of the request will be immediately.</p> <p>DOE Borang Selongkar; JAS/ATOP1/10/2015; Date: 27/8/2019 as follow-up visit to previous visit on 24/6/2019 where DOE Enforcement Officer instructed the following:</p> <ul style="list-style-type: none"> <li>- to repair pipe tube for smoke density meter (transmitter &amp; receiver tuber) for boiler # 2</li> <li>- to submit report with photo of desludging work, status, of facultative pond 1 – 4 and anaerobic pond 1 – 2.</li> <li>- to submit CEMS data and CCTV info for March 2019 Before 15/7/2019.</li> </ul> <p>Response by the mill through letter Ref. # KL.KKS/3/05.021(007.19) dated 11/7/2019 with action taken for addressing the request by DOE</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance	
<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.			
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 –	All documents are available at the operating sites and head office. There is no restriction reported by the stakeholders regarding obtaining of information or documents. The access of any relevant documentation is made available upon request. Procedure for communication which includes the information request is available at notice boards of the estates and mill. The company polices is made available at notice boards of the estates and mill vicinity.	Complied
<b>Criteria 1.3:</b> Growers and millers commit to ethical conduct in all business operations and transactions.			

Criterion / Indicator	Assessment Findings	Compliance
<p>1.3.1</p> <p>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.</p> <p>-Minor compliance</p>	<p>Written policy is in place as per "Kod Etika Kerja" dated 01.06.2017 signed by the Chief Executive Officer which covers the Ethical Standard, company code of conduct and prohibition of all forms of corruption, bribery and fraudulent use of funds and resources. Policy noted briefed to workers during muster ground, gender committee meeting as well as stakeholder meeting which conducted simultaneously for all estates and mill dated 23.07.2019.</p> <p>E.g.</p> <ul style="list-style-type: none"> <li>- Sighted training attendance record during muster ground / rollcall for Pelung Estate (Pemberitahuan Mengenai Polisi Syarikat Kepada Pekerja/ Notification of company policy to employee) dated 22.05.2019</li> <li>- Training attendance record for morning briefing for Sg. Tong POM sighted carried out in several session dated 04.09.2019~10.09.2019, covering all level of workers.</li> </ul>	<p>Complied</p>
<p><b>Principle 2: Compliance with applicable laws and regulations</b></p>		
<p><b>Criterion 2.1:</b>            There is compliance with all applicable local, national and ratified international laws and regulations.</p>		

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<p>2.1.1</p>	<p>Evidence of compliance with relevant legal requirements shall be available.          - Major compliance -</p>	<p>TDM Sg Tong Certification Unit continued to implement its compliance with legal requirements. Among the evidence of compliance verified were:</p> <p><u>Fikri Estate</u></p> <ul style="list-style-type: none"> <li>i. MPOB License no. 503379102000, valid from 1/9/2019 – 31/8/2020</li> <li>ii. Air compressor permit no. PMT-TG/18 13639, valid from 20/12/2018 – 19/3/2020</li> </ul> <p>PE</p> <ul style="list-style-type: none"> <li>i. MPOB Nursery License no. 613577111000, valid from 1/8/2019 – 31/7/2020</li> <li>ii. MPOB License no. 502826702000, valid from 1/4/2019 – 31/3/2020</li> <li>iii. Air compressor permit no. PMT-TG/19 14346, valid from 21/2/2019 – 20/5/2020</li> <li>iv. Petrol Permit no. B.PGK.KT.003/1/14(343), valid from 2/7/2019 – 19/1/2020</li> <li>v. Diesel Permit no. KPDKK.BST.800-1/8/10/14(SK/D), valid from 24/1/2019 – 23/1/2020</li> </ul> <p>The estate has install 16 km of electric fencing along the estate boundary without license from Suruhanjaya Tenaga. This against the Electric Supply Act 1990, Electrical Regulation 1994 under regulation 15, 65, 68, 75, 110 and 111.</p> <p>Thus, NC were raised.</p> <p><u>STPOM</u></p> <ul style="list-style-type: none"> <li>i. DOE License no. 004064, valid from 1/7/2019 – 30/9/2020</li> <li>ii. MPOB License no. 500042704000, valid from 1/4/2019 – 31/3/2020</li> </ul>	<p>Major nonconformance</p>
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		<p>iii. Fire certificate no. JBPM:TR/7/05/2018, valid from 2/4/2019 – 1/4/2020</p> <p>iv. Diesel Permit no. KPDNKK.BST.800-1/8/23/14(SK/D), valid from 28/1/2019 – 27/1/2020</p> <p>v. Competent Person</p> <p>a. AESP for Confined Space</p> <p>i. NW-NCT-AE-R-1608-Q valid till 28/4/2020</p> <p>ii. NW-NCC-AE-R-1123-D valid till 8/4/2020</p> <p>iii. NW-NCT-AE-R-2362-R valid till 27/4/2021</p> <p>iv. NW-NCT-AE-R-2364-R valid till 27/4/2021</p> <p>b. Steam Engineer</p> <p>i. 1<sup>st</sup> Grade, Cert no. 091/2006</p> <p>ii. 2<sup>nd</sup> Grade, Cert no. 174/2013</p> <p>c. Boilerman</p> <p>i. 1<sup>st</sup> Grade, Cert no. TG/14/EIS/01/9</p> <p>ii. 1<sup>st</sup> Grade, Cert no. T/007/09</p> <p>iii. 2<sup>nd</sup> Grade, Cert no. T.08/94</p> <p>- Online Environmental Reporting (OER) First Schedule (Regulation 10(2)) Quarterly Return Form latest 12/7/2019 &amp; previous 12/4/2019</p> <p>- Letter ref. # KL.KKS/3/05.021(05.19); dated 30/5/2019 for Permohonan Lesen Pelanggaran Dibawah Seksyen 22(1), Akta Kualiti Alam Sekeliling Dan Peraturan 25, Peraturan-peraturan Kualiti Alam Sekeliling (Udara Bersih) 2014 Bagi Sektor Kilang Kelapa Sawit</p> <p>- Reply by DOE Terengganu via letter ref. # AS(B)T:31/152/000/008 Jld. 20(25); dated 22/8/2019 requiring incomplete information to be provided together with application</p> <p>- Letter ref. # KL.KKS/3/05.021(08.19) dated 28/8/2019 to respond on DOE’s request</p> <p>- Competency Certificate Serial # CePSWaM/172052; Validity: 11/9/2017 -11/9/2018; Assessment interview date: 24/5/2019 – Pending result</p>	
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		<p>Sg Tong POM has obtained a letter from labour office Reg. No.: PTK/ST/600.2.2.(32), dated 23.01.2013 which prohibits any deduction on workers salaries according to the legal requirement, unless it is pre-authorized by the workers in writing and does not violate the item (i)~(vii) of the letter. I.e. conflict with any applicable law, which is not beneficial to the workers, payment relates to safety and health, disciplinary fines, payment on any damages of employer’s property, recruitment fees and remittance payment &amp; income tax payment to the home country. Written consent from workers authorising deduction of housing utility, union fees, etc. sighted.</p> <p>Sighted Letter of Waiver from Labour office, allowing Sg Tong POM workers to work more than maximum overtime hours up to 130 hours per month. Ref. No.: BHG PU/9/134 JLD 9 (60), dated 09.08.2017.</p> <p>However, there are several violation against legal requirements as listed below.</p> <ol style="list-style-type: none"> <li>1. Sg. Tong POM workers working hours exceeded 12 hours per day violating Employment Act 1955 (Act 625) Part XII Rest day, Hours of Work, Holiday and Other Condition of Service. Section 60A. Hours of Work: (7).</li> <li>2. Pelung Estates migrant workers found not contributing the SOCSO in accordance to ‘Akta Keselamatan Social Pekerja 1969 (Akta 4)’.</li> <li>3. No approval letter obtained for wage deduction such as electricity, water, village fee (yuran perkampungan), Work Permit Deduction (Permotongan permit kerja) and Store Deduction (Potongan Stor), violating Employment Act 1955 (Act265); Part IV Deduction from Wages; Section 24 – Lawful Deduction.</li> </ol>	
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		<p>4. Foreign workers passports are currently kept/hold by the Pelung Estate management without letter of consent, violating Passport Act 1966 (Act 1950) – Regulation 12 (1) (f)</p> <p>5. 3 Union members at Pelung Estate wage found deducted with MYR11 instead of MYR8 (i.e. employer did not subsidized the MYR3 – NUPW Personal Accident Insurance Scheme premium, violating the NUPW MAPA Circular No. 12/2019, Article 37, Para 130 (i)</p> <p>6. 2 selected contract worker at Sg. Tong POM found not contributing to Employee Provident Fund; from both the employer and employee; violating the Employment Provident Fund Act 1991 (ACT 452); Section 45 (2) - Payment of contributions.</p> <p>7. No objective evidence sighted that Pelung Estate and Fikri Estate’s workers accommodation is inspected effectively and on weekly basis, violating the Akta Standard Minimum Perumahan Dan Kemudahan Pekerja 1990, (Akta 446) Bahagian III, Kesihatan, Hospital, Rawatan Perubathan Dan Kebersihan, Section 23 - Pemeriksaan mingguan ke atas perumahan pekerja (1) &amp; (2).</p> <p>8. 3 months records selected for review and sighted workers at Fikri Estate found paid less than minimum wage of MYR1,100 during the month of February 2019, violating the Minimum Wage Council 2018.</p> <p>- Competency Certificate Serial # CePPOME/182862; Validity: 20/12/2017 -20/12/2018; FTR submission response email dated 16/4/2019 – FTR to redo with new format to submit within 3 months</p> <p>Environmental Mainstreaming Tools (EMT) Compliance Report Guided Self-Regulation (GSR) Minutes of Meeting of Environmental Performance Monitoring Committee (EPMC); Date: 15/9/2019</p>	
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Criterion / Indicator		Assessment Findings	Compliance
		EPMC appointment letter dated 1/1/2019; Norwati Mamat (Compliance Executive)	
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance -	List of applicable laws registered in a document called "Mill/Estate Legal Requirement" and FY 2019 version was available. Among the Acts and their sub-regulations available were OSHA, FMA, Pesticide Act, Electrical Supply Act, Petroleum (Safety Measure) Act, EQA, and Code of Practice for Safe Working in a Confined Space, Local Government Act, and Employment Act.	Complied
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance -	The mechanism for ensuring compliance for both mill and estates was done through evaluation of compliance. The status of compliance was reported in the legal register itself. The Sustainability Department monitor legal compliancy during internal audit. Noted the internal audit conducted as follows: PE: 22/8/2019 STPOM: 3/7/2019	Complied
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance -	Changes in law can be detected by both plantation and HQ levels. Either one detected the change, communication about the change must be made to each other. (ref.: "Prosedur Undang-undang dan Lain-lain Keperluan"). Latest review has been conducted to include Occupational Safety and Health (Noise Exposure) Regulations 2019 and Employees' Social Security (Amendment) Act 2019.	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>Management Agreement between Kumpulan Ladang-ladang Terengganu Sdn. Bhd. and TDM Plantation Sdn. Bhd. dated 20/7/2016. Duration 5 years from 1/1/2016 – 31/12/2020.</p> <p>Management Agreement between TDM Plantation Sdn. Bhd. and TDM Berhad dated 20/7/2016. Duration 5 years from 1/1/2016 – 31/12/2020.</p> <p><u>Fikri Estate:</u>            Ownership documents consists of 20 land titles divided by 3 divisions i.e. main division (Fikri), Pakoh Jaya and Sentosa as per sample sighted:            - Div. Fikri; Lot # 7662; Title # GRN 6491; Mukim Belara, KT            - Div. Fikri; Lot # 7251; Title # GRN 6003; Mukim Hulu Nerus, KT            - Div. Pakoh Jaya; Lot # PT 381 K; Title # HSD 561; Mukim Belara, KT            - Div. Sentosa; Lot # 8187; Title # GRN 8238; Mukim Belara, KT</p> <p><u>Pelung Estate:</u>            Ownership documents consists of 2 land titles divided as per sighted:            - Title # HSD 1285; PT # PT12682; Mukim Setiu            - Title # HSD 1235; PT # PT7218; Mukim Setiu</p> <p><u>Sungai Tong POM:</u>            Mill situated within Fikri Estate area occupying a total of 30.48 ha of land under Div. Fikri; Lot # 7663; Title # 6251; Mukim Belara, KT.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
2.2.2 Legal boundaries shall be clearly demarcated and visibly maintained. - Minor compliance -	<p><u>Fikri Estate</u> Legal boundaries was clearly demarcated with red and white PVC pole. Sighted the demarcation of legal boundaries at PM96A adjacent with Kg. Pak Ba was clearly demarcated.</p> <p><u>Pelung Estate</u> Legal boundary was clearly demarcated with red and white PVC pole. Sighted the demarcation of legal boundaries with PM95A with Dusun Nukleus, Kg. Pelong and PM97A1 adjacent with Forest Reserve.</p>	Complied
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 -	There is no land dispute in Sungai Tong certification unit at the time of audit. The concession that is developed by TDM Plantations are all sub-lease land of Kumpulan Ladang-Ladang Terengganu Sdn Bhd. through a leasing agreement of TDM Bhd and Kumpulan Ladang-Ladang Terengganu Sdn Bhd; and land ownership documents verified. Interviewed with selected workers and stakeholder consultation (including neighbouring villagers and smallholders) confirmed that no issues in relates to encroachment of land	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	In this assessment there were no land disputes identified. It has been confirmed by interviewing surrounding stakeholders.	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	In this assessment there were no land disputes identified. It has been confirmed by interviewing surrounding stakeholders.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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	In this assessment there were no land disputes identified. It has been confirmed by interviewing surrounding stakeholders.	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 -	There were no land disputes identified during the time of audit. There was no customary land was identified.	Complied

Criterion / Indicator	Assessment Findings	Compliance
2.3.2	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: 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; 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; 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. - Minor compliance -	There were no land disputes identified during the time of audit. There was no customary land was identified.  Complied
2.3.3	All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. -Minor compliance	There were no land disputes identified during the time of audit. There was no customary land was identified.  Complied
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. -Major compliance	There were no land disputes identified during the time of audit. There was no customary land was identified.  Complied

**Principle 3: Commitment to long-term economic and financial viability**



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	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	TDM has continued its commitment to long term sustainability and improvements through a capital expenditure programme. 5 years management plan (2019 - 2024) was verified during the audit. Sungai Tong Palm Oil Mill and supply bases have made progress towards achieving their performance production targets for the current financial year. Fikri Estate Yield Target 2019: 18.90 mt/ha. Mill OER & KER Target 2019: 20.50% and 5.00% respectively.	Complied
3.1.2	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. - Minor compliance -	The estates visited has established 5 years replanting programme. The replanting programme was planned for tall palm and older than 25 years old as well as low production field.  Replanting programme as follow:  <u>Fikri Estate</u> 2020 : 271.27 ha 2021 : 374.21 ha 2022 : 225.32 ha 2023 : 144.70 ha 2023 : 0.00 ha  <u>Pelung Estate</u> 2020 : 0.00 ha 2021 : 121.88 ha 2022 : 233.85 ha 2023 : 0.00 ha 2023 : 0.00 ha	Complied
<b>Principle 4: Use of appropriate best practices by growers and millers</b>			

Criterion / Indicator	Assessment Findings	Compliance
<b>Criterion 4.1:</b> Operating procedures are appropriately documented, consistently implemented and monitored.		
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills are documented            - Major compliance -</p> <p>SOP has been established for the Palm Oil Mill and the Estates as a guidance for the operating units to conduct daily operations</p> <p>STPOM holds two SOPs as follows:            i. Mill Standard Operating Procedure and Operation Manuals, TDM/STPOM/01 rev. 01/2011 issued on 11 May 2011 which covers mill operations by stations i.e Reception station, sterilization station, kernel recovery, water treatment plant, Laboratory, product quality and HIRARC. The latest reviewed was conducted on Nov 2012 and no changes was made.</p> <p>ii. Sustainability Standard Operating Procedure which covers sustainability management procedure i.e Water sampling, flood management, OSH committee, complaint, communication and handling of scheduled waste.</p> <p>Estates holds SOP as references to run the operation and documented in TDM Plantation Sdn. Bhd. Standard Operating Procedure. Latest review was conducted on May 2017. The SOP covers all main and support operations i.e Boundary marking, Replanting, Soil Conservation, Water management, Manuring, Weeding, Harvesting, Clinic, handling of Domestic and Scheduled Waste.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>4.1.2</p> <p>A mechanism to check consistent implementation of procedures shall be in place.                      - Minor compliance -</p>	<p>The Mill Advisor/Plantation Advisor visit the estate two time a week. The report covers on crop quality, Mill and processing, Manpower deployment, production performance, Quality of Input FFB, Quality of Palm Products, Process efficiency, Palm products storage and dispatch and Production Cost.</p> <p>Agronomist visited the estate on monthly basis to conduct Quality Control Audit. The reports covers on Field grading summary, loose fruit collection and crop recovery.                      The estate/mill submitted monthly report to Operation Department.</p>	<p>Complied</p>
<p>4.1.3</p> <p>Records of monitoring and any actions taken shall be maintained and available, as appropriate.                      - Minor compliance -</p>	<p><u>Fikri Estate</u>                      Sighted the latest Plantation Advisor report for visit dated 11-13/6/2019 as per email dated 19/6/2019. The estate has address all issue raised during the visit as per reply email dated 7/7/2019.</p> <p><u>Pelung Estate</u>                      Sighted the latest Plantation Advisor report for visit in 28 – 30/4/2018 as per report by the External Plantation Advisor in July 2018. The estate has address all issue raise during the visit as per reply report dated 6-7/5/2019.</p> <p><u>Sungai Tong Palm Oil Mill</u>                      Latest mill advisor report was conducted on 10-11/6/2018 by engineer from SDSAS Sdn. Bhd. No major issue raised during the visit. The report was yet to receive by the mill. The mill maintain the reports of Mill Advisor visit for future references.</p> <p>Boundary Noise Exposure Monitoring at TDM Sungai Tong Palm Oil Mill; Conducted by: Haniff Bin Jamaluddin; JKPP IH 127/5/3-1 (NO 87); Monitoring Date: 3-4/10/2017; Zabsi LEV &amp; IAQ Consultant Services</p>	<p>Complied</p>

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 -	<p>STPOM maintain the daily records of all third party FFB received and documented in daily processing records. The records include the FFB suppliers, weight, and vehicle transportation details.</p> <p>The mill maintain records of FFB received such as Delivery Notes and Weighbridge operator. Sighted the sample of records as follows:</p> <p>Supplier: Pusat Timbang Komuniti            Date: 15/8/2019            D/N no. 3015            Docket no: P0278754            Lorry no: TBT 8348            Time in/out: 16.22/16.30            Net weight: 840 kg</p> <p>Supplier: Cahaya Ikhtiar Sdn. Bhd.            Date: 15/8/2019            D/N no. 0285            Docket no: P0278712            Lorry no: TAQ 5669            Time in/out: 12.12/12.57            Net weight: 840 kg</p>	<p>Complied</p>
<p><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.</p>		
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>Good agriculture practices which follows the group agriculture manual contains Standard Operating Procedures to ensure soil fertility is managed to a level that ensures optimal and sustained yield</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.2.2</p>	<p>Records of fertiliser inputs shall be maintained.            - Minor compliance -</p> <p>Fertilizer application program is based on the recommendation by Agronomist and documented in Fertilizer Recommendation FY 2019. Observed the recommendation and implementation record for FY 2019:</p> <p>Observed application records as per agronomist recommendation:</p> <p><u>Fikri Estate</u>            Month program: Feb 19            Field: PM96A1            Type: AS NK3A            Rate/palm: 2.50 kg/palm            Month applied: Feb 19</p> <p>Month program: Apr 19            Field: PM00A3            Type: KIES-BOR            Rate/palm: 1.00kg/palm            Month applied: Jul 19</p> <p><u>Pelung Estate</u>            Month program: Jul 19            Field: PR2017A1            Type: Bio-Organic            Rate/palm: 10.00kg/palm            Month applied: Jul 19</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance												
4.2.3 There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance -	<p>The agronomist 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>Fikri Estate</u>            Agronomist and Advisory Department conducted the leaf sampling and soil sampling analysis.            Latest leaf sampling was conducted on 28/4/2019 – 27/May/2019. The leaf nutrient level report was yet to be received by the estate.</p> <p>Latest soil sampling was done on 17/02/2016. Refer report no. SE/1603/0124-0127.</p> <p><u>Pelung Estate</u>            Agronomist and Advisory Department conducted the leaf sampling and soil sampling analysis.            Latest leaf sampling was conducted on 22/4/2019. The leaf nutrient level report was available at the estate to be reviewed.</p> <p>Latest soil sampling was done in 2016 as per report no CE/16/2/0394-0409 dated 14/12/2016.</p>	Complied												
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 -	<p>All palm by-products including fronds, EFB, shell and fibre were recycled. The compost fertiliser which is process from EFB is applied at the rate of 10kg/palm. Sighted the records for dispatch of EFB and compost by Sg Tong POM:</p> <table border="1" data-bbox="1032 1203 1805 1305"> <thead> <tr> <th>Month</th> <th>Jun 19</th> <th>July 19</th> <th>Aug 19</th> </tr> </thead> <tbody> <tr> <td>Field Application</td> <td>923.64</td> <td>864.30</td> <td>508.20</td> </tr> <tr> <td>Compost Plant</td> <td>2357.29</td> <td>2097.28</td> <td>2318.25</td> </tr> </tbody> </table>	Month	Jun 19	July 19	Aug 19	Field Application	923.64	864.30	508.20	Compost Plant	2357.29	2097.28	2318.25	Complied
Month	Jun 19	July 19	Aug 19											
Field Application	923.64	864.30	508.20											
Compost Plant	2357.29	2097.28	2318.25											

Criterion / Indicator	Assessment Findings	Compliance
<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 -	Estates visited has established soil map for the estate. No fragile soil identified at the estates visited.  <u>Fikri Estate</u> No fragile soil identified at the estate. Main soil series in the estate Alma, Awang, Bungor-Batu Lapan, Binjai-Lubuk Itik, Batu Lapan-Padang Besar, Batu Lapan, Batang Merbau, Bukit Tuku, Cherang Hangus-Kg. Pusu, Jabil, Kg. Pusu, kerayong, Lundang-Chempaka, Penambang, Pak Bong and Rengam.  <u>Pelung Estate</u> No fragile soil identified at the estate. Main soil series in the Bungor-Batu Lapan, Bungor, Batang Merbau-Batu Lapan, Berserah-Rengam and Penambang.	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 -	TDMP has established SOP for plantings on slope. Contour terraces will be constructed for slopes of 10 -25 degree to conserve soil and moisture documented in TDM Plantation Sdn. Bhd. Standard Operating Procedure section A4: Replanting oil palm to oil palm.	Complied
4.3.3 A road maintenance programme shall be in place. - Minor compliance -	The estate has established the road maintenance program. The program focusing on road grading, fixing and repair culvert and resurfacing/patching roads. Noted during site visit the road was in good condition.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 fragile soil identified at the estates visited.	Complied
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 fragile soil identified at the estates visited.	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 -	No fragile soil identified at the estates visited.	Complied
<b>Criterion 4.4:</b> Practices maintain the quality and availability of surface and ground water.			



<p>4.4.1</p>	<p>An implemented water management plan shall be in place.          - Minor compliance -</p>	<p>Water management plan covers contingency during water shortage for FY2019 and Contingency Plan During Water Shortage for FY2019 as well as monitoring. There was a plan to replace old asbestos pipe to PVC pipe for housing supply.</p> <p>Water management involved monitoring of outgoing water. Monitoring done by taking water samples from streams/rivers based on the procedure of Water Sampling (TDMP/Estate/01; Rev. Estate-01/2016; dated 1/10/2016).</p> <p>For Fikri Estate, monitoring was performed on stream from few sampling points as per following:</p> <ul style="list-style-type: none"> <li>• W1: Upstream of Sg. Tong</li> <li>• W2: Downstream of Jambatan 95</li> <li>• W3: Upstream of Sg. Goga</li> <li>• W4: Downstream of Sg. Kulim</li> <li>• W5: Upstream of Sg. Pok Bidin</li> <li>• W6: Downstream of Sg. Pok Bidin</li> </ul> <p>Samples were analysed against the National Water Quality Standard Malaysia (NWQSM) Class IIA/IIB parameters (pH, BOD, COD, TSS, NH<sub>3</sub>N &amp; P) as well as Organochlorine Pesticides content. Previous sampling was done on 26/7/2018 (Report no.: ERAKT/TDM/FIKRI/18/07-11) shown that water samples from all sampling points are in compliance to the INWQS. Latest water sampling was conducted on 26/8/2019.</p> <p>Rainfall Fikri Estate 2018: 1115..72mm; Jan – Aug 2019: 1250.33mm          Water consumption Fikri Estate 2019: 4.97 liter/mt</p> <p>There was an internal memo ref. # TDM/OD/07/60.01; Date: 19/10/2016 by Operation Department of TDM Plantation HQ</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>instructing on the reduction of sampling analysis frequency from 4 times to 1 time annually.</p> <p>For Pelong Estate, monitoring was performed on stream from few sampling points as per following:</p> <ul style="list-style-type: none"> <li>• W1: Upstream of Sg. Tengadoh</li> <li>• W2: Downstream of Sg. Tualan</li> <li>• W3: Upstream of Sg. Dagang Besar</li> <li>• W4: Downstream of Sg. Dagang Besar</li> </ul> <p>Samples were analysed against the National Water Quality Standard Malaysia (NWQSM) Class IIA/IIB parameters (pH, BOD, COD, TSS, NH<sub>3</sub>N &amp; P) as well as Organochlorine Pesticides content. Previous sampling was done on 30/3/2016 (Report no.: ERAKT/TDM/PELUNG/18/07-12) shown that water samples from all sampling points are in compliance to the INWQS. Latest water sampling was conducted on 18/9/2019.</p> <p>Diesel consumption as of August 2019: 33,292 liters; 9.31 liters/mt FFB                      Rainfall Pelung Estate 2018: 2693.80mm; Jan – Aug 2019: 1084.00mm                      Total water consumption Pelung Estate as of August 2019: 5826 liters</p>	

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.2</p> <p>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.</p> <p>- Major compliance -</p>	<p><u>Sungai Tong POM:</u></p> <ul style="list-style-type: none"> <li>• MPOB license: 500042704000 (validity period 1/4/2019 - 31/3/2020) for 300,000MT</li> <li>• DOE Licence (<i>Jadual Pematuhan</i>): JPKKS 004064 (validity period 1/7/2019 - 30/6/2020) for 60 MT/hr and method of POME discharge is water course with BOD final discharge limit &lt;100mg/l; TSS &lt;400mg/l; O&amp;G &lt;50mg/l; AN &lt;150mg/l; TN &lt;200mg/l; 5&lt;pH&lt;9; T &lt;45°C</li> </ul>	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.3</p> <p>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).</p> <p>- Minor compliance -</p>	<p>Mill:</p> <p>Sg. Tong POM implemented monitoring of its outgoing water from POME treatment final discharge and drain water. Sampled water monitoring records:</p> <ul style="list-style-type: none"> <li>- POME final discharge sample analysis (Monthly Effluent Sample Report) Certificate of Analysis Lab Report ref. # 19/08/W0760 dated 5/9/2019 for sample taken on 28/8/2019, analyzed by ERA Lab (KT) Sdn. Bhd., Kuala Terengganu; parameters monitored:- pH, BOD, TSS, AN (NH<sub>3</sub>N), TN (TKN), O&amp;G. BOD results shown was 45 mg/l which was in compliance with 100 mg/l limit. Other parameters results were also in compliance with license regulations.</li> </ul> <p>Mill perimeter monsoon discharge sample analysis: (Monthly Discharge Sample Report) Certificate of Analysis Lab Report ref. # 19/07/W0650 dated 13/8/2019 for sample taken on 31/7/2019, analyzed by ERA Lab (KT) Sdn. Bhd., Kuala Terengganu; parameters monitored:- pH, BOD, TSS, AN (NH<sub>3</sub>N), TN (TKN), O&amp;G. BOD results shown was 9 mg/l which was in compliance with 100 mg/l limit. Other parameters results were also in compliance with license regulations.</p>	<p>Complied</p>
<p>4.4.4</p> <p>Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.</p> <p>- Minor compliance -</p>	<p>2019 to-date Jan-Aug 2019 mill water consumption: 4.10 m<sup>3</sup>/mt FFB processed</p> <p>2018 mill water consumption: 3.33 m<sup>3</sup>/mt FFB processed</p>	<p>Complied</p>
<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
<p>4.5.1</p>	<p>Implementation of Integrated Pest Management (IPM) plans shall be monitored.                      - Major compliance -</p> <p>The estates visited has established the IPM management plan FY 2019 and documented in Environmental Improvement Plan under IPM System. The plan identified Barn owl census, rat census, Red Palm Weevil and Beneficial Plant Planting as issue in the management plan.                      Sighted the implementation of the IPM management plant as follows:</p> <p><u>Fikri Estate</u></p> <p>i. Barn owl census was conducted on bimonthly basis. Sighted the latest barn owl census conducted on August 2019. Current barn owl ratio at 1:9.98ha with 41.63% occupancy rate.                      ii. Sighted the beneficial plant, Antigonon spp. planted along the main road at Fikri Division.</p> <p><u>Pelung Estate</u></p> <p>i. Sighted the 2<sup>nd</sup> campaign of rat baiting for field PM97B and PM99A conducted from July to August 2019. 3 rounds of rat baiting was conducted with acceptance level at 16%.                      ii. Sighted the beneficial plant, Tunera, Cassia and Antigonon spp. planted along the main road to P18A.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
4.5.2 Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	Workers/staff involve with IPM implementation have been have been provided appropriate training by the Manager, Asst. Manager, Executive/Agronomist and suppliers of Spraying Equipment/Pesticides who are knowledgeable on the IPM implementation. Noted during the interview with the workers involve in the IPM shows satisfactory understanding on the IPM such as importance of planting beneficial plant and Barn Owl Boxes. Sighted the sampled training records as follows:  <u>Fikri Estate</u> i. SOP for rat baiting training dated 12/2/2019  <u>Pelung Estate</u> i. Rat baiting training dated 23/1/2019	Complied
<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 -	Justification of pesticides applied is available in the TDM agriculture policy. Refer to agriculture policy no 05.02 - 05.03: 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 non-target species.	Complied

Criterion / Indicator	Assessment Findings	Compliance																											
<p>4.6.2</p> <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.</p> <table border="1" data-bbox="1032 523 1780 826"> <thead> <tr> <th>Month</th> <th>Fikri Estate</th> <th>Pelung Estate</th> </tr> </thead> <tbody> <tr> <td>Jan 19</td> <td>0.046</td> <td>0.109</td> </tr> <tr> <td>Feb 19</td> <td>0.065</td> <td>0.233</td> </tr> <tr> <td>Mar 19</td> <td>0.064</td> <td>0.435</td> </tr> <tr> <td>Apr 19</td> <td>0.080</td> <td>0.874</td> </tr> <tr> <td>May 19</td> <td>0.067</td> <td>0.652</td> </tr> <tr> <td>Jun 19</td> <td>0.007</td> <td>0.283</td> </tr> <tr> <td>Jul 19</td> <td>0.026</td> <td>0.428</td> </tr> <tr> <td>Aug 19</td> <td>0.015</td> <td>0.371</td> </tr> </tbody> </table>	Month	Fikri Estate	Pelung Estate	Jan 19	0.046	0.109	Feb 19	0.065	0.233	Mar 19	0.064	0.435	Apr 19	0.080	0.874	May 19	0.067	0.652	Jun 19	0.007	0.283	Jul 19	0.026	0.428	Aug 19	0.015	0.371	<p>Complied</p>
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<p>4.6.3</p> <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>The quantity of agrochemicals required for various field conditions are documented and justified in TDM agriculture policy 09-01 to 09-08. The implementation in the field is consistent with the TDM agriculture policy.</p>	<p>Complied</p>																											
<p>4.6.4</p> <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>No usage of pesticides categorised as World Health Organisation Class 1A or 1B.</p>	<p>Complied</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 -	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 -	Complied
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance -	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 -	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 -	Complied



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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 -	Estates and mill has identified all waste material and proper disposal for all waste has been documented in waste management plan.  Schedule waste handler has been provided with training conducted centrally. Sighted the training attendance and material for Schedule waste storekeeper and clerk dated 29/1/2019.	Complied
4.6.11	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated. - Major compliance -	<u>Fikri Estate</u> The estate has conducted CHRA as per report dated 13/1/2015. In the report stated "the annual medical surveillance in not required as the workers are not using organophosphate pesticides and exposure to paraquat is rare." The estate conducted medical screening by the EHA on monthly basis. Sighted the monthly medical screening for the month of June, July and August 2019. All workers are found fit to work as sprayers.  <u>Pelung Estate</u> The estate conducted medical surveillance for pesticides operators on annually basis. Latest surveillance was conducted by OSH doctor, DOSH Reg. No. HQ/08/DOC/00/352 on 3/7/2019. 12 workers were sent to surveillance and found fit to work as sprayers.	Complied
4.6.12	No work with pesticides shall be undertaken by pregnant or breast-feeding women. - Major compliance -	The estates visited has issue an internal memo on prohibition of work with pesticides shall not be done by pregnant or breast-feeding women.	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>TDM Plntations Sdn. Bhd. has established Safety and Health Policy signed by CEO of on 1/9/2017. The operating units communicates the policy to the workers through training, briefing and displayed at notice board.</p> <p>Both estates visited has established safety and health plan and documented in OSH Plan, Training matrix and Training Schedule FY 2019. The plan was conducted on annually basis. The plan covers on OSH legal compliance, ERP, Management review, HIRARC review, training and etc.</p> <p><u>Sungai Tong Palm Oil Mill</u>          The mill has established the OSH Plan. The plan was reviewed on annually basis. Latest review was done on 23/1/2019. The plan covers on Safety committee, ERP and OSH Management System.</p> <p>Sighted the implementation records as follows:</p> <p>i. Annual LEV test has been conducted on 14/4/2019 by registered Hygiene Tech's. Refer registration no. HQ/15/JHII/00/202. The assessment result stated "the fume hood FH-01 (LEV-1) and FH-02 (LEV-2) are achieve acceptable performance based on ANSI/AIHA Z9.5 1992 and ACGIH guidelines stipulated by DOSH.</p> <p>ii. Annual Audiometric test was conducted on 17-18/4/2019 by registered OHD. Refer registration no. HQ/08/DOC/00/272. 105 employee were sent for the test. 16 personnel were found to have hearing impairment and 3 of them are having temporary standard Threshold Shift. The employee has been send for retest on 7/7/2019 and 20/9/2019. Notification to DOE has been submitted through form JKPP 7 on 10/7/2019 and 24/9/2019.</p>	<p>Complied</p>
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	<p>iii. Annual Medical Surveillance was conducted on 10/4/2019 by registered OHD. Refer registration no. HQ/08/DOC/00/272. 22 employee attended the surveillance and found fit to perform the current job (exposed with chemical) but wear appropriate PPE.</p> <p>iv. CHRA was conducted on 5/8/2019. Refer report no. HQ/08/ASS/00/259-2019/005. The mill has established CHRA Management Plan dated 12/9/2019.</p>	

<p>4.7.2</p>	<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. - Major compliance -</p>	<p>The estates and mill visited assess risk for all operations and documented in the HIRARC register. The HIRARC was reviewed at minimum of once a year or when accident occur.</p> <p><u>Fikri Estate</u> The estate has conducted assessment to determine risk for all estate operation and documented in HIRARC register. The HIRARC was reviewed on annually basis. Latest review was conducted on 13/3/2019.</p> <p>During site visit at the chemical store, sighted rat baiting boxes were stacked high. As the stacked box are unstable, it can fell and cause injury to the employee. The risk is not identified in the HIRARC register.</p> <p>During interview with sprayers, sighted that the sprayers was wearing low cut rubber boots and not wearing safety eyewear provided as per existing control measures stated in the HIRARC register.</p> <p>Thus NC were raised.</p> <p><u>Pelung Estate</u> The estate has conducted assessment to determine risk for all estate operation and documented in HIRARC register. The HIRARC was reviewed on annually basis. Latest review was conducted on 21/7/2019 with review on work station General Work.</p> <p><u>Sungai Tong Palm Oil Mill</u> The mill has conducted assessment to determine risk for all operation and documented in HIRARC register. The HIRARC was reviewed on annually basis. Latest review was conducted on</p>	<p>Major non conformance</p>
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	1/6/2019 as per recommendation by DOSH officer during their visit on 22/4/2019.	

<p>4.7.3</p>	<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. - Minor compliance -</p>	<p>All workers involved in operation has been provided with adequate training in safe working practice as per program in the training plan. Training was conducted by the person with knowledge on the training subject such as Manager, Asst. Manager, HQ executive and chemical/equipment supplier.</p> <p>The estates and mill visited has established training plan based on training need analysis conducted. Training required were programmed throughout the year. Sighted the training record as follows:</p> <p><u>Fikri Estate</u></p> <ul style="list-style-type: none"> <li>i. PPE and SOP for sprayers training dated 24/7/2019</li> <li>ii. Harvesting and FFB quality training dated 17/2/2019</li> <li>iii. Pesticides application technique training dated 23/1/2019</li> <li>iv. Safety for motorcyclist training dated 3/7/2019</li> </ul> <p><u>Pelung Estate</u></p> <ul style="list-style-type: none"> <li>i. Safety and SOP at workplace training dated 10/9/2019</li> <li>ii. Bufferzone for sprayers training 5/8/2019</li> <li>iii. PPE and SOP for harvester training dated 23/7/2019</li> <li>iv. SOP for workshop training dated 26/3/2019</li> </ul> <p><u>Sungai Tong Palm Oil Mill</u></p> <ul style="list-style-type: none"> <li>i. Chemical handling, boiler water and raw water treatment dated 29/1/2019</li> <li>ii. Lev training dated 18/6/2019</li> <li>iii. AESP for confined space training dated 28/4/2019</li> <li>iv. PPE: Right practice training dated 22/7/2019</li> </ul> <p>All employee were provided with personal protective equipment (PPE) as per safety work procedure and HIRARC register established.</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p>Noted during interview with sprayers noted that they are provided with PPE such as safety goggles, respirator/face mask, apron, nitrile gloves and wellington boots.</p> <p>The mill provided appropriate PPE to all workers. The PPE were recorded by workers. Sighted the PPE issuance record for employee no. SM0900208, SM00070, SM0900234.</p>	
<p>4.7.4</p>	<p>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.</p> <p>- Major compliance -</p>	<p><u>Fikri Estate</u>            The estate has established the safety and health committee lead by the Estate Manager as chairman. The Manager has appointed the committee member such as vice chairman, secretary, employer representative and employee representative. The committee conducted meeting on quarterly basis. Sighted the minutes meeting conducted as follows:</p> <p>FE: 17/9/2019, 25/6/2019 and 13/3/2019.            Pelung Estate: 13/3/2019 and 3/7/2019            STPOM: 15/9/2019, 26/6/2019 and 25/3/2019</p>

<p>4.7.5</p>	<p>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. ERT Training schedule 2019 sighted.</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).</p> <p>First aid box were provided at designated and strategic workstation at the mills and the estates visited. Supervisor and mandores were appointed and trained as first aider and provided with first aid box. Noted during site visit and interview with spraying gang mandores shows satisfactory understanding on basis first aid treatment.</p> <p>The ERP and first aid training were conducted as per training program established. Sighted the sampled training records as follows:</p> <p><u>Fikri Estate</u> i. First aid treatment training dated 27/2/2019 ii. Firefighting training collaboration with Fire Department dated 9/5/2019</p> <p><u>Pelung Estate</u> i. Basic first aid training dated 24/6/2019 ii. Firefighting training collaboration with Fire Department dated 9/5/2019</p> <p><u>Sungai Tong Palm Oil Mill</u> i. First Aider course dated 9/1/2019 ii. ERT training dated 27/2/2019</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	iii. First aid treatment training dated 12/9/2019 iv. Fire simulation training dated 27/8/2019	

<p>4.7.6</p>	<p>All workers shall be provided with medical care, and covered by accident insurance. - Minor compliance -</p>	<p>Medical care is provided to all the employees. All workers is covered with SOCSO as per Regulations 2019 and Employer’s Circular No. 3 Year 2018, Employees’ Social Security Act, 1969. For foreign workers with valid Foreign Workers Compensation Scheme, the insurance is still applicable until expiry date before switching to SOCSO contribution.</p> <p>Reviewed on workers profile records found that all workers are covered by the accident insurances.</p> <p><u>Fikri Estate</u> Malaysian workers are covered by SOCSO or Perkeso (Pertubuhan Keselamatan Sosial). Refer to form 8A, “Jadual Caruman” for February and July 2019. Foreign workers with valid Foreign Workers Compensation Scheme is covered with insurance. Sampled insurance cover letter as follows:</p> <table border="1" data-bbox="1032 911 1753 1070"> <thead> <tr> <th>Policy no.</th> <th>Validity</th> </tr> </thead> <tbody> <tr> <td>MG 212642</td> <td>29/12/2018 – 28/6/2020</td> </tr> <tr> <td>MW 295727</td> <td>27/12/2018 – 28/12/2019</td> </tr> </tbody> </table> <p><u>Pelung Estate</u> Malaysian workers are covered by SOCSO or Perkeso (Pertubuhan Keselamatan Sosial). Refer to form 8A, “Jadual Caruman” for October 2018, January and June 2019. Foreign workers with valid Foreign Workers Compensation Scheme is covered with insurance. Sampled insurance cover letter as follows:</p> <table border="1" data-bbox="1032 1331 1753 1374"> <thead> <tr> <th>Policy no.</th> <th>Validity</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Policy no.	Validity	MG 212642	29/12/2018 – 28/6/2020	MW 295727	27/12/2018 – 28/12/2019	Policy no.	Validity			<p>Complied</p>
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		MW 280691	22/11/2018 – 21/11/2019																											
		MW 270476	27/10/2018 – 26/10/2019																											
		<p><u>Sungai Tong Palm Oil Mill</u>                      Malaysian workers are covered by SOCSO or Perkeso (Pertubuhan Keselamatan Sosial). Refer to form 8A, "Jadual Caruman" for January, June and August 2019.</p>																												
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 JKPP 6, 7 &amp; 8. Sample of accident statistic as shown below :</p> <table border="1"> <thead> <tr> <th></th> <th></th> <th>FE</th> <th>PE</th> <th>STPOM</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>Case</td> <td>0</td> <td>0</td> <td>2</td> </tr> <tr> <td></td> <td>LTA</td> <td>0</td> <td>0</td> <td>52</td> </tr> <tr> <td></td> <td>Case</td> <td>0</td> <td>0</td> <td>2</td> </tr> <tr> <td>2017</td> <td>LTA</td> <td>0</td> <td>0</td> <td>18</td> </tr> </tbody> </table> <p><u>Fikri Estate</u> – JKPP 8 – 2/1/2019  <u>Pelung Estate</u> – JKPP 8 – 7/1/2019  <u>Sungai Tong Palm Oil Mill</u> : JKPP 8 – 23/1/2019</p>					FE	PE	STPOM	2018	Case	0	0	2		LTA	0	0	52		Case	0	0	2	2017	LTA	0	0	18	Complied
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<p><b>Criterion 4.8:</b>                      All staff, workers, smallholders and contract workers are appropriately trained.</p>																														
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>The mill and estates visited has established the training program base on training need analysis conducted. The training need analysis conducted on annually basis to determine the training required by the management team, employee and contractors. The training identified include general and operation training have been programmed throughout the year.</p>			Complied																									

Criterion / Indicator	Assessment Findings	Compliance
<p>4.8.2</p> <p>Records of training for each employee shall be maintained.</p> <p>- Minor compliance -</p>	<p>The mill and estates visited maintain the training records for all employee. Sighted the training records as follows:</p> <p><u>Fikri Estate</u></p> <ul style="list-style-type: none"> <li>i. First aid treatment training dated 27/2/2019</li> <li>ii. Firefighting training collaboration with Fire Department dated 9/5/2019</li> <li>iii. PPE and SOP for sprayers training dated 24/7/2019</li> <li>iv. Harvesting and FFB quality training dated 17/2/2019</li> <li>v. Pesticides application technique training dated 23/1/2019</li> <li>vi. Safety for motorcyclist training dated 3/7/2019</li> </ul> <p><u>Pelung Estate</u></p> <ul style="list-style-type: none"> <li>i. Basic first aid training dated 24/6/2019</li> <li>ii. Firefighting training collaboration with Fire Department dated 9/5/2019</li> <li>iii. Safety and SOP at workplace training dated 10/9/2019</li> <li>iv. Bufferzone for sprayers training 5/8/2019</li> <li>v. PPE and SOP for harvester training dated 23/7/2019</li> <li>vi. SOP for workshop training dated 26/3/2019</li> </ul> <p><u>Sungai Tong Palm Oil Mill</u></p> <ul style="list-style-type: none"> <li>i. First Aider course dated 9/1/2019</li> <li>ii. ERT training dated 27/2/2019</li> <li>iii. First aid treatment training dated 12/9/2019</li> <li>iv. Fire simulation training dated 27/8/2019</li> <li>v. Chemical handling, boiler water and raw water treatment dated 29/1/2019</li> <li>vi. Lev training dated 18/6/2019</li> <li>vii. AESP for confined space training dated 28/4/2019</li> <li>viii. PPE: Right practice training dated 22/7/2019</li> </ul>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance	
<b>Principle 5: Environmental responsibility and conservation of natural resources and biodiversity</b>			
<b>Criterion 5.1:</b> 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.			
5.1.1	An environmental impact assessment (EIA) shall be documented. - Major compliance -	- Minit Mesyuarat Jawatankuasa Pengawasan Prestasi Alam Sekitar Environmental Performance Monitoring Committee (EPMC) 01/19; Date: 19/3/2019 - Minit Mesyuarat Jawatankuasa Pengawasan Prestasi Alam Sekitar Environmental Performance Monitoring Committee (EPMC) 02/19; Date: 17/7/2019	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 -	<u>Pelung Estate: Pelan Pengurusan Alam Sekitar</u> 1) Water collection - menyediakan tong-tong untuk pengumpulan air hujan bagi tujuan mengurangkan penggunaan air berbayar - Air boleh digunakan untuk menyiram pokok bunga, membasuh traktor, mencuci lantai dan sebagainya - Semua air yang telah dikumpul direkod dan disimpan 2) Barn owl boxes - Pemasangan sarang burung hantu adalah bertujuan bagi menyediakan perumahan kepada burung hantu dan ia dapat mengawal pembiakan tikus yang ramai di dalam ladang Program ini dapat mengurangkan penggunaan racun kima dalam membasmi tikus	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Minor compliance -</p>	<p>DOE License Compliance Schedule: Pengurusan Buangan Pepejal Kelapa Sawit</p> <p>19. Lokasi penstoran tandan buah kosong (EFB) <math>\geq</math> 100m dari alur air</p> <p>20. Kapasiti <math>\geq</math> 14 hari</p> <p>21. Air larut resap -&gt; salur ke system pengolahan efluen</p> <p>22. Aktiviti pembakaran prohibited</p> <p>23. Pelupusan EFB dalam tempoh 14 hari</p> <p>24. Jadual pelupusan EFB dan lokasi pelupusan hendaklah disediakan dan dikemukakan ke DOE setiap bulan</p> <p>Environmental Management Plan FY2019/2020; Review date: 12/8/2019:</p> <ul style="list-style-type: none"> <li>- Objective 1: To ensure compliance on EQ (Clean Air) Reg. 2014 – Conduct CEMS, Biannual boiler stack sampling, To install Boiler Particulate Emissions System</li> <li>- Objective 2: To ensure compliance on USECHH 2000 – Annual LEV test</li> <li>- Objective 3: To ensure compliance on EQ (Prescribed Premises) (Crude Palm Oil) Reg. 1977</li> </ul> <p>Environmental Monitoring Plan FY2019/2020; Review date: 12/8/2019:</p> <ul style="list-style-type: none"> <li>- Air Quality – boiler stack emission sampling</li> <li>- Waste Management – SW, POME final discharge sampling</li> </ul>	<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>		

Criterion / Indicator	Assessment Findings	Compliance
5.2.1	<p>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).</p> <p>- Major compliance -</p>	<p>Complied</p>
5.2.2	<p>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.</p> <p>- Major compliance -</p>	<p>Complied</p>
5.2.3	<p>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.</p> <p>- Minor compliance -</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
5.2.4	Where a management plan has been created there shall be ongoing monitoring: <ul style="list-style-type: none"> <li>• The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported;</li> <li>• Outcomes of monitoring shall be fed back into the management plan.</li> </ul> - Minor compliance -	Complied
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
<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 -	Complied



Criterion / Indicator		Assessment Findings	Compliance
5.3.2	All chemicals and their containers shall be disposed of responsibly. - Major compliance -	The disposal of used chemicals and containers were done accordingly as per regulation. Stores for scheduled waste were inspected at audited sites i.e. Mill and Estates. Disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment. The mill and estates also have designated Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Disposal records as per next indicator.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.3 A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.                      - Minor compliance -</p>	<p><u>Fikri Estate:</u>                      Plan documented as Waste Management Action Plan 2019; Identified Waste are Scheduled Waste, Domestic Waste and Industrial Waste Latest Scheduled Waste disposal was done on 31/7/2019 by Pentas Flora (Kelantan) Sdn. Bhd. (SW305 - Consignment # 2019073113X54VZK; SW409 – Consignment # 2019073113NIAS5R; SW 410 – Consignment # 2019073113Y86GNX).                      5<sup>th</sup> Scheduled File Reference # AS(B)T:31/152/000/025</p> <p><u>Pelung Estate:</u>                      Plan documented as Waste Management Action Plan 2019; Identified Waste are Scheduled Waste, Domestic Waste and Industrial Waste Latest Scheduled Waste disposal was done on 23/9/2019 by Pentas Flora (Kelantan) Sdn. Bhd. (SW305 - Consignment # 2019092316YT8QB4; SW409 – Consignment # 2019002316V14QJW; SW 410 – Consignment # 2019092316HQP8LS).                      5<sup>th</sup> Scheduled File Reference # AS(B)T:31/152/000/032</p> <p><u>Mill:</u>                      Latest Scheduled Waste disposal was done on 23/9/2019 by Pentas Flora (Kelantan) Sdn. Bhd. (SW305 - Consignment # 20190922139WBR2U; SW 410 – Consignment # 20190922131KJ6XQ).                      5<sup>th</sup> Scheduled File Reference # (B)T:31/152/000/008</p>	<p>Complied</p>
<p><b>Criterion 5.4:</b>                      Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>		

Criterion / Indicator	Assessment Findings	Compliance	
5.4.1	<p>A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p>- Minor compliance -</p>	<p>Mill diesel consumption as of Aug 2019 = 1.61 liter/mt FFB processed; 2018 consumption = 0.79 liter/mt FFB processed.            Shell used Jan-Aug 2019 = 7,693.60 mt; 0.06 mt/mt FFB processed            Fibre used Jan-Aug 2019 = 16,318.90 mt; 0.14 mt/mt FFB processed            FFB processed Jan-Aug 2019 = 14,795.39 mt</p> <p>2018 shell: 0.06 mt/mt FFB processed            2018 fiber: 0.12 mt/mt FFB processed</p>	Complied
<p><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.</p>			
5.5.1	<p>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.</p> <p>- Major compliance -</p>	<p>TDMP has established Zero Burning Policy and documented in Occupational Safety, Health and Environmental Policy signed by the CEO on 5th June 2017. No evidence of open burning sighted during site visit.</p>	Complied
5.5.2	<p>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.</p> <p>- Minor compliance -</p>	<p>No use of fire for land preparation during replanting as sighted at replanting of visited estates. No open burning noted based on the records on the land clearing and felling for the replanting work. Method of land clearing and preparation was used such as (felling &amp; chipping, cambering/land forming and path construction).</p>	Complied
<p><b>Criterion 5.6:</b>            Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.</p>			

Criterion / Indicator	Assessment Findings	Compliance
5.6.1 An assessment of all polluting activities shall be conducted, including gaseous emissions, particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	Measurement of Dust Particulates Concentration (Malaysia Standard 1596:2003) Stack Flue Gas of Boiler No. 1 for Semahir Niaga at Sungai Tong Palm Oil Mill; Ref. # L-GB-TC1902CSN-0444; Sampling date: 27/2/2019; Reporting date: 12/3/2019 by Environmental Science (M) Sdn. Bhd.  * Measurement was still based on EQ (Clean Air) Regulations 1978 for dust emission limit of 0.4 gm/Nm <sup>3</sup> . Result of average dust concentration was result was 0.2060 gm/Nm <sup>3</sup> at 6% CO <sub>2</sub> & 0.3760 gm/Nm <sup>3</sup> at 12% CO <sub>2</sub> Previous was for Stack Flue Gas of Boiler No. 2 Report Ref. # L-GB-TC1809CSN-0512; Sampling date: 27/9/2018; Reporting date: 11/10/2018 by Environmental Science (M) Sdn. Bhd.	Complied
5.6.2 Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance	Main source of significant pollutants and greenhouse gas (GHG) identified was methane (CH <sub>4</sub> ) emission through POME treatment. The company have plans to construct methane capture facilities. The biogas recovered will be utilized to generate energy.  The company have finished the contract interview stage and the contract was awarded to Concorde Sdn. Bhd. Project expected to complete the construction before the end of 2019.	Complied

Criterion / Indicator	Assessment Findings	Compliance
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> <p>Monitoring of the GHG quantity was done through RSPO PalmGHG Calculator Version 4.0. is used and the management opted for full version was applied.</p> <p>These GHG calculations were done as per certification unit basics including estates and mill. Data that were used to calculate the GHG emitted for 2017was verified and according to the operation data. Summary emissions:</p> <p>a. Emission/ mt CPO= 0.74 tCO2 e/mt CPO</p> <p>b. Emission/ mt PK= 0.74 tCO2 e/mt PK</p>	Complied
<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>		
6.1.1	<p>A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>- Major compliance -</p> <p>No new/refreshment Social Impact Assessment (SIA) being carried out; facility maintaining the last assessment SIA Report dated May 2012, which is carried out by service provider SRA Consultancy covering TDMPB Sungai Tong’s Complex. The methods of the assessment were through stakeholder and workers interview, document review and site observation. The parties that involved during the assessment were estates and mill stakeholders, local communities, workers, government agencies/authorities, contractors and suppliers. Sighted Attendance list of the stakeholders; which were carried out from 17.03.2012 to 19.04.2012 respectively by estate / mill. The issues identified during the assessment were recorded in the assessment report.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance	
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties. - Major compliance -	The SIA carried out with participation from stakeholder and workers (i.e. affected parties). The attendance record for stakeholder meeting / consultation sighted attached in the assessment report in several session as dated below. 15.04.2012 – Pelung Estate; 16.04.2012 – Fikri Estate; 17.04.2012 - POM	Complied
6.1.3	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 -	Social Action Plan 2018/2019 was developed in Sungai Tong POM on 9/8/2018. The Issued identified through the SIA assessment and regular stakeholder meetings were incorporated into their action plan, reviewed on yearly basis and documented. The presented action plan sighted with timeframe of completion, progress made, proposed action plan and person in charge that responsible for the implementation and following up for the concern identified. Positive impacts were identified for all the negative impacts that have been resolved previously. E.g. The Corrective Action Plan (Review 2019) developed on Jan 2019 to mitigate the negative impacts and promote the positives ones at Pelung Estate. Sampled of issue as below: Key finding: Lack of social activities. Action plan: The management has organized and will continue to organize social activities to workers such as football match, company tour, etc.	Complied

Criterion / Indicator		Assessment Findings	Compliance
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 risk identified from the assessment is documented and reviewed every yearly basis by the assistant manager and approved by respective manager. Review for Fikri Estate - last carried out on 22.08.2019, Pelung Estate on Jan 2019 and documented in "SIA Corrective Action Plan (Review 2019), Sg. Tong POM on 09.02.2019 and documented in "Social Action Plan 2018/2019". Review of issues identified through the SIA such as housing infrastructure, worship area, entertainment facilities, social and gender policy enhancement, etc. found documented and updated on yearly basis on the progress made, yearly improvement and status of the outstanding that is subjected to be followed up based on the timeframe set forth.	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 smallholder involved in the certification unit.	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.			

Criterion / Indicator	Assessment Findings	Compliance
<p>6.2.1 Consultation and communication procedures shall be documented.                      - Major compliance -</p>	<p>TDM Plantation Sdn Bhd has developed a Communication Procedure – Carta Aliran Pengendalian Isu Social (Stakeholder) (Aduan / Rungutan / Permohonan). The information reported shall be rectify according to type of communication. E.g. Prosedur Komunikasi Dengan Pihak Kilang / Ladang, within 28 days &amp; Prosedur Aduan / Rungutan; within 28 working days. If further action request is involved Head Office, then the management will submit the request to Head Office for further approval and shall be rectified within 30 working day. All internal and external stakeholders were briefed on this procedure during stakeholder meeting as wel as muster / rollcall meeting. Interviewed with the stakeholders during stakeholder consultation confirmed that they were briefed by the management and understood the communication procedure. However, majority of the stakeholder preferred to communicated / raise their concern directly through verbal; either through phone call or approaching the relevant personnel. Observed communication between the stakeholder including workers and TDM management are in satisfactory condition as at time of audit.</p> <p>Communication with TDM management and information request received from stakeholders sighted documented; e.g. 5 request made by stakeholder such as borrowing van for volley ball event by school, contribution for PIBG from school, borrowing cutting machine, etc. documented and approved by the estate. Randomly selected 1 contribution verified the Payment Voucher No.: PV44/02 dated 11.02.2019. Interview with school representatives during stakeholder consultation confirmed that all request made are contributed by the Estate and Mill promptly.</p>	<p>Complied</p>



Criterion / Indicator	Assessment Findings	Compliance
6.2.2 A management official responsible for these issues shall be nominated. - Minor compliance -	Managers of the Mill and Estates appointed as representative for the company to handle social issue in estates and mill's level. Appointment letter issued by head quarter HR department dated 02.09.2014; Ref. no.: TDPM/HR/PSN-GEN/RSPO sighted. Letter is generally addressed to :- - 'Fikri Estate Manager' who is currently hold by Mr. Mohd Radzwan Bin Azid, - 'Pelung Estate Manager' who is currently hold by Mr. Shahrol Nizam Bin Abu Bakar "Sungai Tong POM" who is currently hold by Mr. Haji Shahbudin Bin Usop	Complied
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 -	Stakeholder list was developed in respective mill and supply bases. The list has included the stakeholders such as government authorities, local communities, NGO, MPKK (Majlis Perundingan Komuniti Kampung) contractors and suppliers. Stakeholder meeting was conducted for northern region in TDMP on 23.07.2019 combination of all estates and POM. Stakeholders attended the meeting includes government agencies' representatives, contractor, workers' representatives, gender committee representative, local communities, school representative and suppliers were invited and attended the meeting. Seen the attendance list, photographs and meeting minutes sighted. Issue raised during the meeting has incorporated into the social action plan. Besides, policies were briefed to all of the stakeholders during the stakeholder meeting.	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.		

Criterion / Indicator	Assessment Findings	Compliance
<p>6.3.1</p> <p>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.</p> <p>- Major compliance -</p>	<p>TDM Plantation Sdn Bhd has developed a Communication Procedure – Carta Aliran Pendendalian Isu Social (Stakeholder) (Aduan / Rungutan / Permohonan) / Social issues Flowchart (stakeholders) (Complaint/Application). The information / issue reported shall be rectify according to type of communication. E.g. Prosedur Komunikasi Dengan Pihak Kilang / Ladang, within 28 days &amp; Prosedur Aduan / Rungutan; within 28 working days which include discussion with relevant parties, manager and top management. If further action request is involved Head Office, then the management will submit the request to Head Office for further approval and shall be rectified within 30 working day.</p> <p>All internal and external stakeholders were briefed on this procedure. Interviewed with the stakeholders during stakeholder consultation confirmed that they were briefed by the management and understood the communication procedure.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>6.3.2 Documentation of both the process by which a dispute was resolved and the outcome shall be available.                      - Major compliance –</p>	<p>Sg Tong POM, Pelung Estate and Fikri Estate has established complaint form and complaint / suggestion box, outside the office area. Both internal and external stakeholder request, complaint and application is documented separately and follow up / resolve accordingly. Stakeholder consultation and management interview confirmed that there is no complaint received from external stakeholder except internal stakeholder for housing repair. All request for housing repairs are documented and resolved. Pelung Estate – Sighted (1) 'Worker's House Checking' form, (2) 'Complaint Form' and(3) 'Pelung Estate Worker's Complaint Record' Logbook, E.g. issue raised by workers and resolved; such as :-</p> <ul style="list-style-type: none"> <li>- House No. 8 : Light and Ceiling fan repair request raised dated 12.08.2019,</li> <li>- House Simpang 4 Pelung : request for roof &amp; water tank repair,</li> <li>- House No. 7 : door knob, ceiling fan and pipe water repair request dated 12.08.2019.</li> </ul> <p>Sg Tong POM - Communication Records Logbook is sighted, for external information request and complain. E.g. Issue sighted</p> <ul style="list-style-type: none"> <li>- Application by JKPP (Worker's Safety and Health Department) and MPOB to organize training in the mill, dated 11.06.2019 and 01.07.2019.</li> <li>- Contribution request from PIBG (Parents and Teacher Association)– SK Kg Fikri, dated 21.07.2019.</li> <li>- Appreciation Letter from school - Sek. Keb. Sg. Fikri for contribution made for school trip, dated 22.10.2018.</li> </ul>	<p>Complied</p>
<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>		

Criterion / Indicator	Assessment Findings	Compliance
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 -	Documented procedure is in place for Pelung Estate as per "Flowchart and Procedures On Handling Land Disputes", Version 1, year 2013, Issue 1, date: 02.01.2013, Appendix 3 & procedure Doc. No.: TDMP/SOP-ESTATE/01, Rev. SOP ESTATES/REV 00, Eff date: 01.01.2017; that states the process of resolve the land dispute issues. Objectives of the procedure is to ensure the land dispute is resolved in timely manner. Types of disputes are such as disputes over land boundaries, conflicts with land-owners and land ownerships. Verification process of conflict will be carried out and affected stakeholders need to be informed. Compensation and negotiation process will be carried out as per the mutual agreement of both parties.	Complied
6.4.2 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. - Minor compliance -	SOP as per criteria 6.4.1.	Complied
6.4.3 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. - Major compliance -	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. Trenches were available to demarcate the boundary of land between the local communities.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<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>6.5.1</p>	<p>Documentation of pay and conditions shall be available. - Major compliance -</p>	<p>Workers are paid according to minimum wage council 2018 and earned MYR1,100 / month or more depending on the task assigned to them; either on daily basis, piece rated FFB and FFB tonnage. Their salary paid once a month on every 7<sup>th</sup> day of the following month through saving account, and receives advance pay during mid-month. Pay-slip is provided to them details their wages earned including deductions made. Workers interview confirmed that they have received their wage promptly and furnished with payslip detailing their wages, number of day worked, overtime, allowance, deduction, etc. All overtime hours worked found calculated and compensated at premium rate as required by the legal requirement. i.e. 1.5 x of hourly rate of pay for weekday, 2.0 x of hourly rate of pay for rest day and 3.0 x of hourly rate of pay during public holiday</p> <p>SOCISO contribution from both employer and employees found done accordingly, and paid to local authority – PERKESO on timely manner. Borang 8A – Pertubuhan Keselamatan Social for selected months presented and found in order; except for migrant workers at Pelung Estate (Refer to 2.1.1). Records for 3 selected sighted under Employer Account No. for Pelung Estate: F8200003457K; Employer Account No. for Fikri Estate: F820000709Z; Employer Account No. for Sg. Tong POM: F8200000735V</p> <p>EPF / KWSP contribution found done accordingly from both parties; local employer and employee and submitted in timely manner. Form A KWSP 6 verified for 3 months presented and confirmed consistently done according to the requirement and timeline. Contribution found made under Employer Account No. for Pelung Estate: 10529050, Employer Account No. for Fikri Estate: 002110164, Employer Account No.: Sg. Tong POM: 002110202</p>	<p>Complied</p>
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		<p>No illegal deduction sighted imposed on workers monthly wages; except statutory deduction such as EPF (Employee Provident Fund), EIS (Employment Insurance Scheme), SOCSO (Social Insurance) and NUPW membership fees of MYR8/month.</p> <p>However there are electricity and water utility deduction applied to workers occupying the estate houses provided, 'Potongan Permit Kerja' of MYR85/year and "Yuran Perkampungan" MYR2/month which has no approval obtained by the labour office. Sighted as well that, based on the selected sample, the Pelung Estate management does not contribute the MYR3 membership fees according to the NUPW MAPA requirement (Refer to 2.1.1)</p> <p>Benefits such as annual/vacation leaves are provided to workers according to the MAPA agreement, sick leave are paid, medical fees are subsidized by company, shift allowance, paid 13 days public holiday, etc. are equally provided to all level of workers.</p> <p>3 months records were selected based on the crop summary for randomly selected workers were reviewed and listed below.</p> <table border="1" data-bbox="1032 1010 1825 1337"> <tr> <td colspan="3"><u>Fikri Estate</u></td> </tr> <tr> <td>Emp. No.: FK00201</td> <td>Emp. No.: FK1801041</td> <td>Emp. No.: FK1801084</td> </tr> <tr> <td>Emp. No.: FK1801113</td> <td>Emp. No.: FK1801038</td> <td>Emp. No.: FK1701016</td> </tr> <tr> <td>Emp. No.: FK1801112</td> <td>Emp. No.: FK1801039</td> <td>Emp. No.: FK1801110</td> </tr> <tr> <td>Emp. No.: FK1801091</td> <td>Emp. No.: FK1801077</td> <td></td> </tr> <tr> <td colspan="3"><u>Pelung Estate</u></td> </tr> </table>	<u>Fikri Estate</u>			Emp. No.: FK00201	Emp. No.: FK1801041	Emp. No.: FK1801084	Emp. No.: FK1801113	Emp. No.: FK1801038	Emp. No.: FK1701016	Emp. No.: FK1801112	Emp. No.: FK1801039	Emp. No.: FK1801110	Emp. No.: FK1801091	Emp. No.: FK1801077		<u>Pelung Estate</u>			
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<u>Pelung Estate</u>																					

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		Emp. No.: PL1100745	Emp. No.: PL1100916	Emp. No.: PL1000565		
		Emp. No.: PL1100762	Emp. No.: PL1100873	Emp. No.: PL1100888		
		Emp. No.: PL1100689	Emp. No.: PL1100820	Emp. No.: PL1100890		
		Emp. No.: PL1100763				
		<u>Sg Tong POM</u>				
		Emp. No.: SM0900122	Emp. No.: SM00052	Emp. No.: SM0900186		
		Emp. No.: SM0900164	Emp. No.: SM090014	Emp. No.: Ahmad Shahril		
		Emp. No.: SM0900249	Emp. No.: SM0900216	Emp. No.: Azhar Mansor		
		<p>However, sighted 2 out of 9 selected workers from Sg. Tong POM found paid lesser than the actual overtime hours worked. Worker's salary slip and biometric attendance records reviewed sighted as below. Hence major non-compliance has been raised on this issue.</p> <p>1. Emp. No. : SM0900122  Month : June 2019  Overtime hours worked: 96 hours (based on print out attendance records)  Overtime hours paid : 85 hours (based on payslip)</p> <p>2. Emp. No. : SM0900164  Month : Jan 2019  Overtime hours worked: 28 hours (based on print out attendance records)</p>				



Criterion / Indicator	Assessment Findings	Compliance
	Overtime hours paid : 20 hours (based on payslip)	
6.5.2	<p>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>Employment contract are available for all selected local and migrant workers in local language (Bahasa Malaysia) and explained in language that understood by workers by management official. The contract found signed by the workers and a copy of the contract is made available to them when during commencement of their employment. Employment contracts for all the sampled as listed in 6.5.1 sighted. Workers interview confirmed that they have received a copy of employment contract, briefed by the management on the employment terms &amp; condition and aware of the content which is in-line with the pay they receives. Information sighted in the contract includes, name, position, rate of pay, leave entitlement, deduction, etc.</p>
6.5.3	<p>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.</p> <p>- Minor compliance -</p>	<p>All TDMP workers are provided with free medical facilities; should any of them unwell, they are allowed to contact the management to transport them to the nearest panel clinic or internal estate clinic that is in charged by Medical Assistant for POM and Fikri Estate.</p> <p>Housing and crèche facilities provided to workers from estates and mills respectively that is supplied with electric from TNB (Tenaga Nasional Berhad) and water from SATU (Syarikat Air Terengganu). Interviewed with house tenant confirmed that necessity such as cooking facility, fan, lightings, bed, mattress, toilet, etc. is provided at management cost. Any damages are repaired by the management cost. Line-site inspection found carried out on weekly basis by the medical assistant / assistant manager for all the selected estate and POM covering external surrounding such as roof, drainage, rubbish collection / cleanliness, etc. except issues raised 2.1.1; in regards to Pelung Estate and Fikri Estate’s workers accommodation is inspected ineffectively.</p>

Criterion / Indicator		Assessment Findings	Compliance
6.5.4	Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food. - Minor compliance –	The mill and estates were located nearby villages where the workers can access easily to adequate, sufficient and affordable foods. Interviewed with the workers found that they were satisfied with the price of goods and foods which is purchased from nearby shops and markets from nearby village.	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 -	Published statement in local language recognizing freedom of association policy is in place as documented in 'Freedom of Association Policy / Polisi Kebebasan Berpersatuan' dated 01.06.2017. Workers interview confirmed that they are not being restricted to join or form trade union. Policy noted briefed to workers during muster ground, gender committee meeting as well as stakeholder meeting which conducted simultaneously for all the estates and mill dated 23.07.2019. E.g. - Sighted training attendance record during muster ground rollcall for Pelung Estate (Pemberitahuan Mengenai Polisi Syarikat Kepada Pekerja / Notification of company policy to employee) dated 22.05.2019 - Training attendance record for morning briefing for Sg. Tong POM sighted carried out in several session dated 04.09.2019~10.09.2019, covering all level of workers.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
6.6.2	Minutes of meetings with main trade unions or workers representatives shall be documented. - Minor compliance -	Sg Tong POM workers are found registered with NUPW as member recently; however there is no workers representatives available as at time of audit, except representatives identified by the management by department to discuss on issues related to workers welfare and needs. The meeting with the selected representatives found carried out yearly basis. Last meeting minutes sighted dated 29.08.2019, attended by 8 workers representatives and 3 management staff. Issue raised includes external housing condition, clinics availability to workers, child play area, etc. For selected estates; there are no union representative available onsite. All union related matter is handled by the NUPW Terengganu Branch Secretary. Documented communication between NUPW branch and estate Pelung and Fikri sighted. Workers interview confirmed that the branch secretary visited them in several occasion to get feedback from workers.	Complied
<b>Criterion 6.7:</b> Children are not employed or exploited.			
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance -	TDM Plantation Sdn Bhd has developed Social Policy/Polisi Social and Protection of Children Policy/Polisi Perlindungan Kanak Kanak dated 01.06.2017; that states company's commitment for not exploiting, using and recruiting child labor which under 16 years old. Document reviewed, workers interview and stakeholder consultation confirmed that no historical child labor employed in the company. Youngest workers hired by the company is 18 years old.  Based on personal files presented and management interview, all workers are required to present their government identity card for age verification and copy of the ID card will be kept for reference as evidence of age verification.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<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 -	<p>TDM Plantation Sdn Bhd has developed Human Rights Policy / Polisi Hak Hak Asasi Manusia and Social Policy/Polisi Sosial dated 01.06.2017. These policies stated the management commitment to treat everyone equally without any discrimination and provide equal opportunities regardless of race, nationality, gender and etc. Interviewed with workers confirmed that no discrimination practice by the management.</p> <p>Policy noted briefed to workers during muster ground, gender committee meeting as well as stakeholder meeting which conducted simultaneously for all the estates and mill dated 23.07.2019.</p> <p>Sighted training attendance record during muster ground rollcall for Pelung Estate (Pemberitahuan Mengenai Polisi Syarikat Kepada Pekerja / Notification of company policy to employee) dated 22.05.2019</p> <p>Training attendance record for morning briefing for Sg. Tong POM sighted carried out in several session dated 04.09.2019~10.09.2019, covering all level of workers.</p>	Complied
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 -	Stakeholder consultation and workers interviews which consist of different gender confirmed that they are treated equally without any discrimination. The workers were provided with standard benefit and enjoy equal right and entitlement as provided by the company such as free medical treatment, fair overtime and free housing to everyone.	Complied

<b>Criterion / Indicator</b>	<b>Assessment Findings</b>	<b>Compliance</b>
<p>6.8.3</p> <p>It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.</p> <p>- Minor compliance -</p>	<p>Based on personal files review and application forms presented as at time of audit, it is sighted that selection of workers during recruitment process is based on skill, experience, education, medical fitness, etc. No signs of discrimination in hiring process sighted. Workers interview confirmed that they are hired based on experience.</p> <p>Foreign Worker Policy (Polisi Pekerja Asing), signed by the Chief Executive Officer dated 01.06.2019 is in place. The policy states the commitment of the company tp ensure recruit of migrant workers shall adhered to the Employment Act 1955, Immigration Act 1959/63 and Compensation Workmen Act 1952 and paid with reasonable wage according to the legal requirement. Based on the selected records, all migrant workers are found hired according to the legal requirement and provided with mandated benefits and minimum wage.</p> <p>"SOP Tenaga Kerja Asing Di Ladang / SOP Migrant Worker In Fikri Estate" flowchart established that states the process from arrival of migrant workers up to job assignment. Interviewed with chief clerk confirmed aware of the process.</p>	<p>Complied</p>
<p><b>Criterion 6.9:</b>            There is no harassment or abuse in the work place, and reproductive rights are protected.</p>		

Criterion / Indicator	Assessment Findings	Compliance
<p>6.9.1</p> <p>Policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.</p> <p>- Major compliance -</p>	<p>Gender Policy was developed and implemented in TDM Plantation Sdn Bhd where the company has the responsibility to take care the rights of workers. They will protect the rights of female workers and action will be taken immediately if there is any sexual harassment case reported.</p> <p>Policy noted briefed to workers during muster ground, gender committee meeting as well as stakeholder meeting which conducted simultaneously for all the estates and mill dated 23.07.2019.</p> <p>Sighted training attendance record during muster ground rollcall for Pelung Estate (Pemberitahuan Mengenai Polisi Syarikat Kepada Pekerja / Notification of company policy to employee) dated 22.05.2019</p> <p>Training attendance record for morning briefing for Sg. Tong POM sighted carried out in several session dated 04.09.2019~10.09.2019, covering all level of workers.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance	
6.9.2	<p>A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce.</p> <p>- Major compliance -</p>	<p>Polisi Reproduktif / Reproductive Rights Policy and Social Policy is in place, signed by the CEO dated 01.06.2017. Policy states company commitment not interfering in reproductive planning of the workers and ensuring rights of workers to decide and avoidance in discriminating and harsh treatment to the subjected workers.</p> <ul style="list-style-type: none"> <li>- Policy noted briefed to workers during muster ground, gender committee meeting as well as stakeholder meeting which conducted simultaneously for all the estates and mill dated 23.07.2019.</li> <li>- Sighted training attendance record during muster ground rollcall for Pelung Estate (Pemberitahuan Mengenai Polisi Syarikat Kepada Pekerja / Notification of company policy to employee) dated 22.05.2019</li> <li>- Training attendance record for morning briefing for Sg. Tong POM sighted carried out in several session dated 04.09.2019~10.09.2019, covering all level of workers.</li> </ul>	Complied

<p>6.9.3</p>	<p>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 -</p>	<p>“Tatacara Aduan Gangguan Seksual” / Complain Process for Sexual Harassment is in place; whereby any cases or suspicious cases is encouraged to be reported within 24 hours, investigated within 2 days and to be reported for action within 5 days. Gender and workers committee interview carried out during the stakeholder consultation as well as individual gender committee chairperson interview confirmed that there is no sexual harassment issues ever reported.</p> <p>Gender Committee for Fikri Estate established, lead by the Chairlady – Puan Zuliani Bt Abd Wahab (Chief Clerk), participated by representatives from other 2 divisions and joined by 42 members which consist of female workers and male worker’s spouse. Gender Committee Organization Chart year 2019 and meeting minutes sighted 16.04.2019 &amp; 29.08.2019. No issue in regards to sexual harassment and violence issue reported. Activities organized such as ‘family tour’ and sport activities (volley ball). Appointment Letter of the Chairperson sighted dated 01.04.2019.</p> <p>Gender committee for Pelung Estate is established and chaired by Chief Clerk – Puan Kalsom Bt Hj Mohd. Committee Organization Chart and Appointment letter of the chairperson dated 01.03.2019 sighted. Interviewed with chairperson confirmed that there is no sexual harassment and violence issue reported; however should the be any potential issue raise, it shall be compliance with the ‘Prosedur Siasatan Gangguan Seksual”. The gender committee meeting was held twice this year on 22.07.2019 &amp; 17.03.2019 and participated by 15 members. Meeting minutes sighted; that covers topic such as briefing on safety, request for road repair, request for subsidy for water and electric supply, etc.</p> <p>Gender Committee for POM established, chaired by Chief Clerk – Puan Siti Mirza Raidiani Bt Abd Ghaffar. 3 meeting conducted year</p>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		to date; last meeting dated 05.09.2019 sighted that discuss about issues such as activities dress code, uniform, cleanliness, etc. Organization chart found posted in the meeting room and appoint letter is available. Interview with chairperson and member confirmed that there is no sexual harassment case ever received so far.	
<b>Criterion 6.10:</b> Growers and mills deal fairly and transparently with smallholders and other local businesses.			
6.10.1	Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available. - Minor compliance -	Sungai Tong POM has received FFB crop from weighing centre and independent smallholder. The pricing of FFB was displayed at the weighbridge area and updated on daily basis. Price posted (outside the weight bridge station) as at time of audit dated 24.09.2019 priced at MYR336 / MT.	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 -	Pricing mechanism was clearly stated in agreement and communicated to growers / independent smallholders through stakeholder meeting and whenever they collect payment. Sighted the weight bridge ticket which consist of FFB pricing and weight of delivered FFB and calculation table which is issued to them whenever payment is made. Sighted documents signed and agreed. The price of FFB paid to outsiders is in accordance with the price determined by MPOB.	Complied

Criterion / Indicator	Assessment Findings	Compliance
6.10.3	<p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>- Minor compliance -</p> <p>There are contractors used by selected estates; i.e. Pelung and Fikri Estates for Transporting FFB and replanting services. All work assigned to contractors are documented in Perjanjian Pesanan Kerja (Work Order Agreement) that is signed and agreed by both the estate and contractor. Selected work order sighted and found remain valid during the audit:-</p> <p><u>Fikri Estate</u>  Contractor Transportaion FFB – Zamsuri Bin Hamzah; Contract / Perjanjian Pesanan Kerja, Bil: FK27/19, valid from 01.08.2019 to 31.10.2019.</p> <p><u>Pelung Estate</u>  Uses 2 contractors transporting FFB; i.e. Hartini Bt Jaafar &amp; Muttakim Bin Darussalam. Contract sighted – Perjanjian Pesanan Kerja, Bil: LP:20/19 &amp; LP21/19, valid from 01.07.2019 to 31.12.2019.</p>	Complied

<p>6.10.4</p>	<p>Agreed payments shall be made in a timely manner. - Minor compliance -</p>	<p>Payment terms for contractors used by the mill and estate is not documented in the contract (Perjanjian Pesanan Kerja), however it is facility practise to ensure all invoices received from the contractor are made within the month. Last 3 invoices for contractors reviewed and confirmed payment made on the following month. Sampled last 3 months as listed below.</p> <p><u>Fikri Estate</u> Payment Voucher No – PV257/09 dated 10.09.2019, Supplier Inv. No.: 20962 dated 02.09.2019 Payment Voucher No – PV226/08 dated 14.08.2019, Supplier Inv. No.: 20961 dated 31.07.2019 Payment Voucher No – PV195/07 dated 14.07.2019, Supplier Inv. No.: 20959 dated 30.06.2019</p> <p><u>Pelung Estate</u> Payment Voucher No – PV152/08 dated 01.08.2019, Supplier Inv. No.: 3618 (for work done on July 2019) Payment Voucher No – PV130/07 dated 08.07.2019, Supplier Inv. No.: 3614 (for work done on Jun3 2019) Payment Voucher No – PV173/09 dated 10.09.2019, Supplier Inv. No.: 3620 (for work done on Aug 2019) Payment Voucher No – PV131/07 dated 09.07.2019, Supplier Inv. No.: 8554 (for work done on June 2019) Payment Voucher No – PV153/08 dated 07.08.2019, Supplier Inv. No.: 8556 (for work done on July 2019)</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	Payment Voucher No – PV174/09 dated 10.09.2019, Supplier Inv. No.: 8563 (for work done on Aug 2019)	
<b>Criterion 6.11:</b> Growers and millers contribute to local sustainable development where appropriate.		

<p>6.11.1</p>	<p>Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –</p>	<p>Mill and estates’ management has made contribution to the local communities and workers. The management has provided recreational facilities such as football field, community hall and mosque to the local communities. Besides, the management has made donation to schools for the events upon request by the stakeholders. Interviewed with the representative from school confirmed that the management has provided van transport to send the children to events outside of school &amp; donation to the PIBG. Other event and services rendered for the communities e.g.</p> <p><u>Fikri Estate</u></p> <ul style="list-style-type: none"> <li>- Female Volley Ball competition 10~25 April 2019</li> <li>- Football competition 10~25 April 2019</li> <li>- Hari Raya Celebration / Aidilfitri Celebration on 02.06.2019 &amp; 04.06.2019</li> <li>- Majlis Maulidur Rasul Celebration on 14.06.2019</li> <li>- Donation of Milk Powder to Creche on 05.02.2019.</li> <li>- Malaysia Day Sport on 16.09.2019</li> </ul> <p><u>Pelung Estate</u></p> <ul style="list-style-type: none"> <li>- Request for driver and van from estate to transport students (SMK Pelong) dated 05 &amp; 06.07.2019, 15.04.2019, 27.01.2019</li> <li>- Participation of Hari Raya celebration by SRK Pelong dated 13.06.2019</li> <li>- Break fasting on 26.05.2019</li> <li>- Badminton Competition</li> </ul> <p><u>Sg Tong POM</u></p> <ul style="list-style-type: none"> <li>- Hari Raya Celebration dated 01.07.2019; Payment voucher PV143/19 dated 27.06.2019.</li> </ul>	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>- Break fasting event dated 16.05.2019, Payment Voucher: 116/19 dated 15.05.2019</li> </ul> <p>Financial Support for Gender Committee to organize events; MYR1000 contributed dated 21.08.2019, Payment Voucher No.: PV 178/19</p>	
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 –	Not applicable as there was no scheme smallholder involved in the certification unit.	Not applicable
<b>Criterion 6.12:</b> No forms of forced or trafficked labour are used.			

<p>6.12.1</p>	<p>There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -</p>	<p>There is no form of forced or trafficked labour used in mill and estates. Workers are allowed to choose to work overtime or to refuse after normal work hour without being forced or being influence by the management. No signs of trafficked labour found; all randomly selected migrant workers are with valid work permit, issued under TDM Plantation, while local workers are with NRIC / Identity card. Migrant workers are only hired at estates while POM workers are all local workers / Malaysian citizen. Passport of migrant workers found kept by the estate’s management with letter of consent signed by the migrant workers authorizing the management to safe-kept their passport. Workers interview confirmed that: -</p> <ul style="list-style-type: none"> <li>- all overtime hours including working on rest and holiday are on voluntary basis.</li> <li>- their passports are voluntary surrendered to the management for security safe-keeping purposes and accessible whenever required.</li> <li>- There are no curfew practice applied; they have freedom to move around after work hours and choose to travel to any location at their own wish.</li> </ul> <p><u>Fikri Estate</u>            Work Permit: PE8074404 valid thru 15.03.2020 (BANGLADESH)            Work Permit: PE7572850 valid thru 25.03.2020 (BANGLADESH)            Work Permit: PE7630233 valid thru 01.04.2020 (BANGLADESH)            Work Permit: PE7279735 valid thru 15.03.2020 (BANGLADESH)            Work Permit: PE7279732 valid thru 15.03.2020 (BANGLADESH)            Work Permit: PE8040150 valid thru 28.12.2019 (INDONESIA)            Work Permit: PE6641450 valid thru 20.12.2019 (INDONESIA)            Work Permit: PE6641384 valid thru 28.12.2019 (INDONESIA)            Work Permit: PE6423172 valid thru 21.11.2019 (INDONESIA)            ID: 850322115577 – Temporary Identity Card valid thru 09.02.2020</p>	<p>Complied</p>
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Criterion / Indicator	Assessment Findings	Compliance
	<p><u>Pelung Estate</u>            Work Permit: PE7158703 valid thru 15.03.2020 (BANGLADESH)            Work Permit: PE7704191 valid thru 07.05.2020 (BANGLADESH)            Work Permit: PE7158696 valid thru 15.03.2020 (BANGLADESH)            Work Permit: PE7704188 valid thru 07.05.2020 (BANGLADESH)            Work Permit: PE7351888 valid thru 09.03.2020 (INDONESIA)            Work Permit: PE7630807 valid thru 03.04.2020 (INDONESIA)            Work permit: PE8381575 valid thru 05.08.2020 (INDONESIA)</p>	
6.12.2	<p>Where applicable, it shall be demonstrated that no contract substitution has occurred.            - Minor compliance –</p>	<p>Interviewed with the foreign workers confirmed that the job offered in their home countries was similar after they arrived in Malaysia. No contract substitution was reported.</p> <p>Complied</p>
6.12.3	<p>Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented.            - Major compliance -</p>	<p>Foreign Worker Policy (Polisi Pekerja Asing), signed by the Chief Executive Officer dated 01.06.2019 is in place. The policy states the commitment of the company to ensure recruit of migrant workers shall adhered to the Employment Act 1955, Immigration Act 1959/63 and Compensation Workmen Act 1952 and paid with reasonable wage according to the legal requirement. Based on the selected records, all migrant workers are found hired according to the legal requirement and provided with mandated benefits and minimum wage.</p> <p>"SOP Tenaga Kerja Asing Di Ladang / SOP Migrant Worker In Fikri Estate" flowchart established that states the process from arrival of migrant workers up to job assignment. Interviewed with chief clerk confirmed aware of the process.</p> <p>Complied</p>
<p><b>Criterion 6.13:</b>            Growers and millers respect human rights.</p>		



Criterion / Indicator	Assessment Findings	Compliance	
6.13.1	<p>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).</p> <p>- Major compliance -</p>	<p>Human Rights Policy (Polisi Hak – Hak Asasi Manusia) and Social Policy (Polisi Social) in place, signed by Chief Executive Officer (Jalaini Bin Che Kar) dated 01.06.2017. Policy states company commitment to ensure equal rights are provided to workers, freedom of movement and participating in collectively bargaining, freedom to politic viewing, supporting the ILO convention and UNGP on Business and Human Rights. Policy noted briefed to workers during muster ground, gender committee meeting as well as stakeholder meeting which conducted simultaneously for all the estates and mill dated 23.07.2019.</p> <p>Sighted training attendance record during muster ground rollcall for Pelung Estate (Pemberitahuan Mengenai Polisi Syarikat Kepada Pekerja / Notification of company policy to employee) dated 22.05.2019</p> <p>Training attendance record for morning briefing for Sg. Tong POM sighted carried out in several session dated 04.09.2019~10.09.2019, covering all level of workers.</p>	Complied
6.13.2	<p>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.</p>	Not applicable.	Complied
<p><b>Principle 7: Responsible development of new plantings (if applicable)</b></p>			
<p><b>Sungai Tong 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>			

Criterion / Indicator	Assessment Findings	Compliance
<p>8.1.1</p>	<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>Letter of "Permohonan Kelulusan Pindaan Kebenaran Bertulis Bagi Naik Taraf Sistem Rawatan Effluen Melalui Penambahan 1 Unit Loji Reaktor Biogas (Anaerobic Covered Lagoon) Berkapasiti 50,000 m<sup>3</sup> Bagi Tujuan Eksport Kapasiti Loji Bekalan Kuasa 2.0MW Di Kilang Sawit Sg. Tong (TDM Plantation) Setiu, Terengganu Darul Iman; Ref. # (01) PINDAAN KB/JAS/SGTONG/CGESB; Date: 15/9/2019 by Concord Green Energy Sdn. Bhd. On behalf of TDM Sg. Tong POM (BOOT Agreement)</p> <p>Complied</p>

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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 Sungai Tong 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 Sungai Tong Palm Oil Mill and supply base are as following:

Emission per product	tCO <sub>2</sub> e/tProduct
CPO	1.17
PK	1.17

Extraction	%
OER	19.30
KER	4.54

Production	t/yr
FFB Process	154,661.91
CPO Produced	29,853.65
PK Produced	7,028.84

Land Use	Ha
OP Planted Area	30,806.71
OP Planted on peat	0
Conservation (forested)	263.85
Conservation (non-forested)	30.00
<b>Total</b>	<b>31,100.56</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	211,009.93	1.12	-	-	-	-	211,009.93	1.12
CO <sub>2</sub> Emission from fertilizer	3,043.04	0.02	-	-	-	-	3,043.04	0.02
NO <sub>2</sub> Emmision	7,816.76	0.04	-	-	-	-	7,816.76	0.04
Fuel Consumption	2,405.57	0.01	-	-	-	-	2,405.57	0.01
Peat Oxidation	-	-	-	-	-	-	-	-
<b>Sink</b>								
Crop Sequestration	-182,011.13	- 0.96	-	-	-	-	-182,011.13	- 0.96
Conservation Sequestration	-	-	-	-	-	-	-	-
<b>Total</b>	<b>42,264.17</b>	<b>0.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,264.17</b>	<b>0.23</b>

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**Summary of Mill Emission and Credit**

	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB
<b>Emission</b>		
POME	396.05	0
Fuel Consumption	388.91	0
Grid Electricity Utilisation	107.89	0
<b>Credit</b>		
Export of Grid Electricity	0	0
Sales of PKS	0	0
Sales of EFB	0	0
<b>Total</b>	<b>892.85</b>	<b>0.01</b>

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

Emissions	tCO <sub>2</sub> e
PK from own mill	0
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 (%)	50
Divert to anaerobic diversion (%)	50

<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.	Sg Tong 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.	Sg Tong 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.	TDM Plantation Sdn Bhd held RSPO membership number: 1-0095-11-000-00 since 28 February 2011.  Company info available through RSPO IT Platform as following: <table border="1" data-bbox="1142 1101 1859 1252"> <tr> <td>Member Name</td> <td>Sg Tong Palm Oil Mill</td> </tr> <tr> <td>Member ID</td> <td>RSPO_PO1000001113</td> </tr> <tr> <td>RSPO Membership Number</td> <td>1-0095-11-000-00 (TDM Plantation Sdn Bhd)</td> </tr> </table>	Member Name	Sg Tong Palm Oil Mill	Member ID	RSPO_PO1000001113	RSPO Membership Number	1-0095-11-000-00 (TDM Plantation Sdn Bhd)	Yes
Member Name	Sg Tong Palm Oil Mill								
Member ID	RSPO_PO1000001113								
RSPO Membership Number	1-0095-11-000-00 (TDM Plantation Sdn Bhd)								
5.1.4	Processing aids do not need to be included within an organization’s scope of certification.	Processing aids was not in used at Sg Tong Palm oil Mill.	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.	Sg Tong Palm Oil Mill receives and process both certified and noncertified FFB. Therefore, it uses the Mass Balance supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified and non-certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.	Yes
5.2.2	The site can use one (1) or a combination of supply chain models as audited and certified by the CB.	Sg Tong Palm Oil Mill was certified with Mass Balance Module.	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>	TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018. The SOP established cover on: <ol style="list-style-type: none"> <li>Introduction</li> <li>Objectives</li> <li>Responsibilities</li> <li>Control of documents and records</li> <li>Delivery of FFB from the estate</li> <li>Receiving FFB at the mill</li> <li>Process monitoring</li> <li>CPO and PK and despatch</li> <li>Non-conforming products and/or documents</li> <li>Products claim</li> <li>Outsourced contractors</li> <li>Training</li> <li>Reclassification of mill’s supply chain model</li> <li>Production line</li> <li>Conversion factors</li> <li>Internal Audit</li> </ol>	Yes

		<p>xvii. Complaints xviii. Management review</p>	
	<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>	<p>STPOM has established and maintained up-to-date documents, records, and reports related to RSPO Supply Chain.</p> <p>The mill has established training plan FY 2019/20 documented in OSH Plan, Training Matrix and training Schedule. The plan include RSPO P&amp;C and RSPO Supply chain training. Latest training was conducted on 11/9/2019. The participant include all personnel involve with RSPO Supply Chain such as Security, CPO and PK dispatch, Weighbridge operator and office staff. The training covers on the supply chain principle, objectives, SOP and responsibility.</p>	<p>Yes</p>
	<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>	<p>TDM Plantation Sdn. Bhd. has identified responsible person for supply chain as per Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section 3: Responsibilities.</p> <p>The Mill Manager has been appointed as person responsible for RSPO Supply Chain as per appointment letter no. TDMP/OD/SUST/SCCS dated 7/7/2019 signed by the Plantation Manager.</p> <p>The Mill Manager has appointed the Compliance Executives as person responsible for traceability as per appointment letter no. KL.KKS/3/10.07 dated 1/1/2017 signed by the Mill Manager.</p>	<p>Yes</p>



5.3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organization;</p> <p>i) conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p>	<p>TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section 16: Internal Audit.</p>	Yes
	<p>ii) effectively implements and maintains the standard requirements within its organization</p>	<p>Internal audit was conducted by TDM Sustainability Department personnel. The internal auditor was qualified as per requirement stated in the SOP established.</p> <p>Latest internal audit was conducted on 8/8/2019. 3 non-conformity was raised during the audit. The mill has submitted the CAP to the internal audit team and accepted on 18/9/2019. CAP for non-conformity raised were available for review.</p>	Yes
<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> </ul>	<p>The daily records for FFB received were prepared at the weighbridge station. Daily summary and monthly summary documented for all the certified FFB.</p> <p>Information for RSPO certified FFB were recorded in delivery notes and weighbridge tickets. Records verified during the audit as follow:</p> <p>i. Fikri Estate (Sentosa Div.) 95B2S  Date: 17/8/2019  D/N no.: 116614  W. Ticket no.: P0278851  Net Weight: 6160 kg</p> <p>ii. Tayor Estate 99B2T  Date: 17/8/2019  D/N no.: 64025  W. Ticket no.: P0278833</p>	Yes

	<ul style="list-style-type: none"> <li>• A unique identification number</li> </ul>	<p>Net Weight: 10420 kg</p> <p>iii. Jerangau Estate 12A1JR  Date: 16/8/2019  D/N no.: 2165  W. Ticket no.: P0278789  Net Weight: 31790 kg</p> <p>iv. Fikri Estate (Fikri Div) 04A1F  Date: 16/8/2019  D/N no.: 117857  W. Ticket no.: P0278781  Net Weight: 9480 kg</p> <p>v. Fikri Estate (Sentosa Div.) 95B1S  Date: 15/8/2019  D/N no.: 116796  W. Ticket no.: P0278741  Net Weight: 5620 kg</p> <p>vi. Bari Estate 98B  Date: 15/8/2019  D/N no.: 39022  W. Ticket no.: P0278753  Net Weight: 12280 kg</p>	
	<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>	<p>All the information stated in the records were found complete. Records verified during the audit as follow:</p> <p>i. Fikri Estate (Sentosa Div.) 99B3S  Date: 17/8/2019  D/N no.: 116813</p>	<p>Yes</p>

		<p>W. Ticket no.: P0278826 Net Weight: 4920 kg</p> <p>ii. Tayor Estate 98A1T Date: 17/8/2019 D/N no.: 64022 W. Ticket no.: P0278806 Net Weight: 7530 kg</p> <p>iii. Fikri Estate (Fikri Div) 04A1F Date: 16/8/2019 D/N no.: 117859 W. Ticket no.: P0278783 Net Weight: 8620 kg</p> <p>iv. . Bari Estate 05B2B Date: 16/8/2019 D/N no.: 39026 W. Ticket no.: P0278767 Net Weight: 10740 kg</p> <p>v. Fikri Estate (Sentosa Div.) 98B1S Date: 15/8/2019 D/N no.: 116808 W. Ticket no.: P0278749 Net Weight: 4880 kg</p> <p>vi. Tayor Estate 99A2T Date: 15/8/2019 D/N no.: 64014 W. Ticket no.: P0278701 Net Weight: 9360 kg</p>	
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	<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>	<p>All the information stated in the records were found complete. The records by the mill received the FFB from certified estate was verified. Records verified during the audit as follow:</p> <p>i. Fikri Estate (Sentosa Div.) 95B2S Date: 17/8/2019 D/N no.: 116798 W. Ticket no.: P0278824 Net Weight: 5120 kg</p> <p>ii. Tayor Estate 06AT Date: 17/8/2019 D/N no.: 64504 W. Ticket no.: P0278792 Net Weight: 5280 kg</p> <p>iii. . Fikri Estate (Pakoh Jaya Div.) 98A1PJ Date: 16/8/2019 D/N no.: 117856 W. Ticket no.: P0278779 Net Weight: 5370 kg</p> <p>iv. Jaya Estate 05A1J Date: 16/8/2019 D/N no.: 38471 W. Ticket no.: P0278772 Net Weight: 8840 kg</p> <p>v. Fikri Estate (Sentosa Div.) 98B1S Date: 15/8/2019 D/N no.: 116794</p>	<p>Yes</p>
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		W. Ticket no.: P0278695 Net Weight: 5500 kg	
		vi. Tayor Estate 96CT Date: 15/8/2019 D/N no.: 64252 W. Ticket no.: P0278705 Net Weight: 9140 kg	
	<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.rspo.org">www.rspo.org</a>) at least annually or through the RSPO IT Platform by confirmation of (shipping) announcements.</li> </ul>	Not applicable	Not applicable
	<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>	Oct 2018 – Aug 2019 Total FFB received (Own Estate): 100,073.57 Total FFB received (Outside): 18,439.53  Total FFB processed (Own Estate): 99,923.57 Total FFB processed (Outside): 18,439.53	Yes
5.4.2	The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.	TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section 9:Non-conforming products and/or documents	Yes
<b>5.5. Outsourcing activities</b>			
5.5.1	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	TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under	Yes

	<p>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>section 11: Outsourced contractors. Stated in the SOP, CPO mill cannot outsource processing activities like refining or crushing.</p> <p>Outsourcing activities for STPOM was for CPO and PK transportation. Sighted the contract agreement between TDM Plantation Sdn. Bhd. with Koperasi Ladang Sg. Tong Terengganu Berhad valid for 1 year from 1/1/2019 – 31/12/2019.</p>	
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>TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section 11: Outsourced contractors.</p> <ul style="list-style-type: none"> <li>- Daily production report</li> <li>- Daily report to marketing department</li> <li>- List of daily stock intake (CPO storage tank &amp; PK storage buker)</li> </ul>	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 certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</p>	<p>Outsourcing activities for STPOM was for CPO and PK transportation. Sighted the contract agreement between TDM Plantation Sdn. Bhd. with Koperasi Ladang Sg. Tong Terengganu Berhad valid for 1 year from 1/1/2019 – 31/12/2019.</p>	Yes
	<p>c. The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p>	<p>TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section 11: Outsourced contractors.</p>	Yes
	<p>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</p>	<p>No evidence of clause stated “that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary” in the contract agreement</p>	Major nonconformance

	respective operations, systems, and any and all information, when this is announced in advance.	between TDM Plantation Sdn. Bhd. with Koperasi Ladang Sg. Tong Terengganu Berhad.	
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.	The names and contact details for the CPO and PK transporter were available in the Stakeholder list.	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.	The names and contact details for the CPO and PK transporter were available in the Stakeholder list.	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> <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>Sample agreement: Certified CPO</p> <ul style="list-style-type: none"> <li>Sales Contract PO 190807; Contract date: 5/8/2019; Seller: TDM Plantation Sdn. Bhd.; Buyer: Southern Acids Industries Sdn. Bhd.; Commodity: Crude Palm Oil – MB (RSPO certified); Quantity: 120.00 mt</li> </ul> <p>Conventional CPO</p> <ul style="list-style-type: none"> <li>Sales Contract PO 190813; Contract date: 9/8/2019; Seller: TDM Plantation Sdn. Bhd.; Buyer: Bunge Loders Croklaan Oils Sdn. Bhd.; Commodity: Crude Palm Oil (CPO-conventional/non-certified); Quantity: 200.00 mt</li> </ul> <p>Certified PK</p> <ul style="list-style-type: none"> <li>Sales Contract PK 190901; Contract date: 29/8/2019; Seller: TDM Plantation Sdn. Bhd.; Buyer: Hup Lee Oil Mill Sdn. Bhd.; Commodity: CSPK (RSPO certified); Quantity: 540.00 mt</li> </ul>	Yes
	<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>	A complete and detail information were presented in the transaction documents as per following: Certified CPO sample dispatch:	Yes

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		<ul style="list-style-type: none"> <li>- Delivery note # PO 553/2019 (08); Contract # PO190807; Weighbridge Docket # S0043962; Lorry # QTS 8200; Net weight: 41.98 mt; Date: 16/8/2019</li> <li>- Delivery note # PO 550/2019 (08); Contract # PO190807; Weighbridge Docket # S0043959; Lorry # CCT 8396; Net weight: 41.08 mt; Date: 16/8/2019</li> </ul> <p>Conventional CPO sample dispatch:</p> <ul style="list-style-type: none"> <li>- Delivery note # PO 593/2019 (08); Contract # PO190813; Weighbridge Docket # S0044196; Lorry # CDA 1229; Net weight: 40.86 mt; Date: 28/8/2019</li> <li>- Delivery note # PO 590/2019 (08); Contract # PO190813; Weighbridge Docket # S0044180; Lorry # BKP 2077; Net weight: 36.14 mt; Date: 27/8/2019</li> </ul> <p>Certified PK sample dispatch:</p> <ul style="list-style-type: none"> <li>- Delivery note # PK 134/2019 (09); Contract # PO190901; Weighbridge Docket # S0044324; Lorry # MCN 7094; Net weight: 38.04 mt; Date: 10/9/2019</li> <li>- Delivery note # PK 133/2019 (09); Contract # PO190901; Weighbridge Docket # S0044283; Lorry # DCV 7366; Net weight: 39.04 mt; Date: 5/9/2019</li> </ul>	
	<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>	<p>Announcement registered in PalmTrace system by the HQ Sales Department personnel. Based on PalmTrace transaction report, there were multiple (as per appendix) shipping announcements of both CSPO and CSPK made since the last assessment.</p>	<p>Yes</p>
<p><b>5.7. Registration of transactions</b></p>			



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>	<p>As per Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module); Doc # TDM/MILLS/02; Rev. # MILL-01/2018 dated 1/7/2018 the registration of PalmTrace was carried out by the HQ Sales Department based in Kuala Terengganu. All transactions were registered accordingly in the PalmTrace.</p>	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. The declaration time to do Shipping announcement / Announcement is based on members' own standard operating procedures.</li> <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> <li>Remove: RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</li> <li>Confirm: Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</li> </ul>	<p>Based on procedure (STPOM RSPO Supply Chain SOP – IP &amp; MB; Date: 1/7/2018; Edition: TDM/MILLS/02; Rev.: Mill-01/2018), the declaration time to do Shipping Announcement is at least within 3-month period after the shipment or within the duration agreed by the mill's respective</p> <p>Not applicable. Products are not sold beyond refinery.</p> <p>Based on the accounting (Mass Balance Allocation Sheet), the removal of volumes was done correctly when the products were sold as conventional.</p> <p>Based on the announcement summary, all the confirmations were found to be in order.</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>
<p><b>5.8. Training</b></p>			

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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.	The mill has established training plan FY 2019/20 documented in OSH Plan, Training Matrix and training Schedule. The plan include RSPO P&C and RSPO Supply chain training. Latest training was conducted on 11/9/2019. The participant include all personnel involve with RSPO Supply Chain such as Security, CPO and PK dispatch, Weighbridge operator and office staff. The training covers on the supply chain principle, objectives, SOP and responsibility.	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.	Latest training was conducted on 11/9/2019. The participant include all personnel involve with RSPO Supply Chain such as Security, CPO and PK dispatch, Weighbridge operator and office staff. The training covers on the supply chain principle, objectives, SOP and responsibility.	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.	Sg Tong POM has keep the records such as SOP, training, dispatch note as per RSPO SCC Standard 2017 requirement. Sampled seen as per 5.4.1, 5.6.1.	Yes
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 minimum 2 years as per own established SOP. 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 January 2020 – December 2021 as per RSPO Public Summary Report.	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	Latest Management Review Meeting was conducted on 22/9/2019 chaired by the CEO. All outputs related to RSPO	Yes

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	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.	Supply Chain Certification Standard has been discussed accordingly. Out discussed in the meeting as follows: <ul style="list-style-type: none"> <li>i. Effectiveness of improvement in management system/process</li> <li>ii. Resource needs</li> <li>iii. Other matters</li> </ul>	
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.	RSPO trademark was not use. Nonetheless, the facility is aware with the requirements of the RSPO Rules on Market Communications and Claims.	Yes
<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.	No "off-product" claim made made by TDM STPOM in the industry public domain.	Not applicable
4.2	In corporate communications a member is allowed to: <ul style="list-style-type: none"> <li>a. Display its RSPO membership status</li> <li>b. Display the RSPO web address (<a href="http://www.rspo.org">www.rspo.org</a>)</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> Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at <a href="http://www.rspo.org">www.rspo.org</a> ' where the link must lead to the member's profile page.	Not applicable.	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.	Not applicable.	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.	Not applicable.	Not applicable
4.5	Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat.	Not applicable.	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.	Business to Business communication were made through the CSPO and CSPK trading contractual and transactions documentations between the mill and buyers. No further communications made by Genting for its raw products beyond its refinery and oleochemical plants buyers.	Not applicable
5.2	When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Not applicable.	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	Not applicable.	Not applicable

	<p>the distributor or wholesaler, with specific evidence either through on-pack claims or documentation.</p> <p>b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2.</p>		
5.4	<p>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 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>	Not applicable.	Not applicable
<b>Business to consumer communication</b>			
6.1	<p>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.</p>	Not applicable.	Not applicable
6.2	<p>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.</p>	Not applicable.	Not applicable
6.3	<p>When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.</p>	Not applicable.	Not applicable
6.4	<p>Business to consumer communication shall not include information about the claimant's RSPO membership status.</p>	Not applicable.	Not applicable

6.5	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	Not applicable.	Not applicable
6.6	Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.	Not applicable.	Not applicable
6.7	Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim.	Not applicable.	Not applicable
6.8	RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on <a href="http://www.rsपो.org">www.rsपो.org</a> .	Not applicable.	Not applicable
<b>MODULE A – IDENTITY PRESERVED &amp; SEGREGATED SPECIFIC RULES</b>			
<b>Certified oil palm content (IP)</b>			
	For IP, 95% or above of the oil palm content must be RSPO IP-certified.	Not applicable.	Not applicable

	For SG, 95% or above of the oil palm content must be SG, or a combination of SG and IP.		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 volume of non-certified oil palm products must be covered by the purchase of RSPO Credits of equivalent volume.	Not applicable	Not applicable
<b>Labelling and trademark (IP)</b>			
	Members are allowed to use the RSPO label in one of the following ways: a. RSPO trademark which includes the tag 'CERTIFIED' or b. 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.	Not applicable	Not applicable
<b>Messaging (IP)</b>			
	Messaging ALLOWED in storytelling in product-related communications may include some or all of the following elements: <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> </ul>	Not applicable	Not applicable

	<ul style="list-style-type: none"> <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>		
<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.	STPOM only delivered 100% oil palm content of RSPO MB-certified products to its buyers.	Yes
	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.	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> </ul>	Not applicable	Not applicable



	<ul style="list-style-type: none"> <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>		
<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>	Not applicable	Not applicable
	<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>	Not applicable	Not applicable
<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> <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>	Not applicable	Not applicable
<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>	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>	Not applicable	Not applicable

	95% IP + 5% MB => 95% IP IP claim can be made 95% SG + 5% MB => 95% SG SG claim can be made 95% MB + 5% C => 95% MB MB claim can be made		
<b>5.12. Complaints</b>			
5.12.1	The organization shall have in place and maintain documented procedures for collecting and resolving stakeholder complaints.	The procedure for complaints ( Communication Procedure – Carta Aliran Pendendalian Isu Social (Stakeholder) (Aduan / Rungutan / Permohonan) / Social issues Flowchart (stakeholders) (Complaint/Application) was established.	Yes
<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.	TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section 18: Management Review.  The mill has established 2019 RSPO Sustainability Plan. The plan include annual Management Review Meeting as stated in the SOP established.	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>	Latest Management Review Meeting was conducted on 22/9/2019 chaired by the CEO. All inputs related to RSPO Supply Chain Certification Standard has been discussed accordingly. Input discussed in the meeting as follows: <ul style="list-style-type: none"> <li>i. RSPO SCCS Internal audit report and Corrective Action Plan</li> <li>ii. Customer feedback</li> <li>iii. Follow up action from previous MRM</li> <li>iv. Changes could affect the management system</li> <li>v. Recommendation for improvement</li> <li>vi. Effectiveness of improvement in management system/process</li> </ul>	Yes

		vii. Resource needs viii. Other matters	
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>	The output from management review including decisions and actions were clearly recorded in the minute of meeting dated 22/9/2019 pertaining to the improvement and resource needs.	Yes

**Appendix E: CPO Mill Supply Chain Assessment Report (Module E - CPO Mills: Mass Balance)**

<b>E.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)
E.1.1	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3 <sup>rd</sup> party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	The Palm Oil Mill receives and process both certified and non-certified FFB. Therefore, it uses the Mass Balance supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified and non-certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified Products.	Yes
<b>E.2 Explanation</b>			
E.2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the CB in the public summary of the P&C certification report. For an independent mill, the estimated tonnage of CPO and PK products shall be recorded in the RSPO IT platform, supply chain certificate and public summary audit	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.	Yes

	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.								
E.2.2	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).	<p>Company info available through RSPO IT Platform as following:</p> <table border="1"> <tr> <td>Member Name</td> <td>Sg Tong Palm Oil Mill</td> </tr> <tr> <td>Member ID</td> <td>RSPO_PO1000001113</td> </tr> <tr> <td>RSPO Membership Number</td> <td>1-0095-11-000-00 (TDM Plantation Sdn Bhd)</td> </tr> </table>	Member Name	Sg Tong Palm Oil Mill	Member ID	RSPO_PO1000001113	RSPO Membership Number	1-0095-11-000-00 (TDM Plantation Sdn Bhd)	Yes
Member Name	Sg Tong Palm Oil Mill								
Member ID	RSPO_PO1000001113								
RSPO Membership Number	1-0095-11-000-00 (TDM Plantation Sdn Bhd)								
<b>E.3 Documented procedures</b>									
E.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>TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018.</p> <p>The SOP established cover on:</p> <ul style="list-style-type: none"> <li>i. Introduction</li> <li>ii. Objectives</li> <li>iii. Responsibilities</li> <li>iv. Control of documents and records</li> <li>v. Delivery of FFB from the estate</li> <li>vi. Receiving FFB at the mill</li> <li>vii. Process monitoring</li> <li>viii. CPO and PK and despatch</li> <li>ix. Non-conforming products and/or documents</li> <li>x. Products claim</li> <li>xi. Outsourced contractors</li> <li>xii. Training</li> <li>xiii. Reclassification of mill's supply chain model</li> </ul>	Yes						

		<ul style="list-style-type: none"> <li>xiv. Production line</li> <li>xv. Conversion factors</li> <li>xvi. Internal Audit</li> <li>xvii. Complaints</li> <li>xviii. Management review</li> </ul>	
	<p>b. The name 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 procedures for the implementation of this standard.</p>	<p>TDM Plantation Sdn. Bhd. has identified responsible person for supply chain as per Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section 3: Responsibilities.</p> <p>The Mill Manager has been appointed as person responsible for RSPO Supply Chain as per appointment letter no. TDMP/OD/SUST/SCCS dated 7/7/2019 signed by the Plantation Manager.</p> <p>The Mill Manager has appointed the Compliance Executives as person responsible for traceability as per appointment letter no. KL.KKS/3/10.07 dated 1/1/2017 signed by the Mill Manager.</p>	Yes
E.3.2	<p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	<p>TDM Plantation Sdn. Bhd. has established Standard Operating Procedure for RSPO Supply Chain (Identity Preserved and Mass Balance Module). Refer document no. TDM/MILLS/02, rev MILL-01/2018 dated 1/7/2018 under section</p>	Yes
<b>E.4 Purchasing and goods in</b>			
E.4.1	<p>The site shall verify and document the volumes of certified and non-certified FFBs received.</p>	<p>STPOM maintain the daily records of all certified and uncertified FFB received and documented in daily processing records. The records include the FFB suppliers, weight, and vehicle transportation details.</p> <p>The mill maintain records of FFB received such as Delivery Notes and Weighbridge operator. Sighted the sample of records as follows:</p>	Yes

		<p>Certified FFB</p> <p>i. Fikri Estate (Sentosa Div.) 95B2S RSPO Cert no.: 595564 Date: 17/8/2019 D/N no.: 116614 W. Ticket no.: P0278851 Net Weight: 6160 kg</p> <p>ii. Tayor Estate 99B2T RSPO Cert no.: 595564 Date: 17/8/2019 D/N no.: 64025 W. Ticket no.: P0278833 Net Weight: 10420 kg</p> <p>iii. Jerangau Estate 12A1JR RSPO Cert no.: 595564 Date: 16/8/2019 D/N no.: 2165 W. Ticket no.: P0278789 Net Weight: 31790 kg</p> <p>Uncertified FFB</p> <p>Supplier: Pusat Timbang Komuniti Date: 15/8/2019 D/N no. 3015 Docket no: P0278754 Lorry no: TBT 8348</p>	
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		<p>Time in/out: 16.22/16.30  Net weight: 840 kg</p> <p>Supplier: Cahaya Ikhtiar Sdn. Bhd.  Date: 15/8/2019  D/N no. 0285  Docket no: P0278712  Lorry no: TAQ 5669  Time in/out: 12.12/12.57  Net weight: 840 kg</p>	
E.4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.	STPOM aware on the overproduction as per stated in the procedure. Verified no overproduction of certified tonnage as actual daily production records.	Yes
<b>E.5 Record keeping</b>			
E.5.1	a) 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 and/ or three-monthly basis.	STPOM is using the real time basis to record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK.	Yes
	b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.	Computerized system in place with the delivery deducted accordingly.	Yes
	c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)	Based on verification of MB accounting which the mill opt for real time basis recording, it was found that the certified CPO was always delivered from positive stock. There was no short sale made.	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 group supply bases (mt)</b>	<b>Total FFB/Month (mt)</b>
1	October 2018	16,172.73	63.03	16,235.76
2	November 2018	16,674.22	162.57	16,836.79
3	December 2018	18,012.46	197.97	18,210.43
4	January 2019	16,887.01	288.51	17,175.52
5	February 2019	12,904.86	450.82	13,355.68
6	Marc 2019	13,981.32	2,170.31	16,151.63
7	April 2019	11,656.86	3,380.26	15,037.12
8	May 2019	10,419.67	3,184.90	13,604.57
9	June 2019	10,627.27	4,483.80	15,111.07
10	July 2019	11,548.97	2,800.23	14,349.20
11	August 2019	12,047.61	1,680.70	13,728.31
<b>Total</b>		<b>150,932.98</b>	<b>18,863.10</b>	<b>169,796.08</b>

<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	October 2018	1,727.36	693.07
2	November 2018	2,163.69	565.55
3	December 2018	1,676.08	531.79
4	January 2019	3,313.00	561.21
5	February 2019	1,870.94	538.42
6	Marc 2019	3,027.60	683.60
7	April 2019	4,001.25	373.66
8	May 2019	2,649.79	448.84
9	June 2019	1,065.88	357.52
10	July 2019	1,370.90	527.98
11	August 2019	2,187.68	560.74
<b>Total</b>		<b>32,176.36</b>	<b>7,148.41</b>

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<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	Buyer A	TR-f704ada1-b6c4	500	
2	Buyer B	TR-e2c69537-7071	496.86	
3	Buyer C	TR-8b4c1847-5699	39.81	
4	Buyer A	TR-d62207a1-c49e	196.70	
5	Buyer B	TR-02597cc7-a271	501.78	
6	Buyer C	TR-ab28ed82-a6f2	40.00	
7	Buyer C	TR-120092e0-8ab2	79.25	
8	Buyer C	TR-ff1272b2-3e11	41.13	
9	Buyer C	TR-97389eea-3610	40.84	
10	Buyer A	TR-d8e38103-8a74	210.00	
11	Buyer A	TR-4fcfbb22-0402	194.40	
12	Buyer C	TR-6f7a9f0e-1ee3	42.00	
13	Buyer C	TR-166e4390-5bb5	40.00	
14	Buyer A	TR-3c55d61f-b654	5.60	
15	Buyer B	TR-2437a0e6-9b6a	11.27	
16	Buyer A	TR-bc917dd2-af16	35.22	
17	Buyer C	TR-2fc983bc-c42c	40.00	
18	Buyer C	TR-69e85ea4-b3fe	41.33	
19	Buyer C	TR-69910cd2-d00a	41.78	
20	Buyer C	TR-bd7da60a-11ec	80.30	
21	Buyer C	TR-8bc589f8-42b0	41.23	
22	Buyer C	TR-dfdffb76-1f46	80.00	
23	Buyer A	TR-2a705cf4-a64b	301.53	
24	Buyer C	TR-dd08527c-ca17	5.05	
25	Buyer C	TR-e0adbe99-75de	74.95	
26	Buyer C	TR-949c2a9a-1fe0	41.35	
27	Buyer B	TR-2b10e356-ab53	106.02	
28	Buyer B	TR-66ba4f2c-e0fa	392.62	
29	Buyer C	TR-24396c18-5710	38.65	
30	Buyer C	TR-328d7731-0c1b	40.00	
31	Buyer B	TR-dc4121be-93e7	500.00	
32	Buyer B	TR-5dee316b-dbd6	499.16	

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33	Buyer B	TR-ad31194c-b0e9	323.60	
34	Buyer B	TR-46c5f81a-d360	176.40	
35	Buyer B	TR-cef561bf-1123	14.88	
36	Buyer D	TR-4b132222-27e8		423.84
37	Buyer D	TR-4d05fb34-25f0		54.00
38	Buyer D	TR-a6086ef0-85b4		164.95
39	Buyer D	TR-0d79a59b-de5f		375.05
40	Buyer D	TR-f24bcc69-81e1		0.03
41	Buyer D	TR-5e3b75c9-3f14		215.00
42	Buyer D	TR-ed7d060-f60a		22.31
43	Buyer D	TR-3dca2c0c-81ce		517.69
44	Buyer D	TR-79892761-3639		13.30
45	Buyer D	TR-75d9c4ac-06e9		526.70
46	Buyer D	TR-18cc5a93-a8cb		490.53
47	Buyer D	TR-0243a756-da37		49.47
48	Buyer D	TR-86a87537-ef94		255.78
49	Buyer D	TR-5172dfe6-4a06		284.22
50	Buyer D	TR-292d21da-ce48		95.99
51	Buyer D	TR-b294c7f2-c4d8		446.79
52	Buyer D	TR-15289d31-3290		207.22
53	Buyer D	TR-3808b2b8-24b2		240.16
54	Buyer D	TR-d97b7a9c-9a78		48.00
55	Buyer D	TR-07f3175b-7c79		272.09
56	Buyer D	TR-facc2ce8-a5d7		540.00
57	Buyer D	TR-ecb57a4a-e2fd		22.15
Total			5,313.71	5,265.27

<b>D. Records of CPO &amp; PK Sold under other schemes to Buyers since the last audit (if any)</b>				
No.	Buyers Name	Scheme Name	CPO Sold (mt)	PK Sold (mt)
Nil	N/A	N/A	N/A	N/A
Total			N/A	N/A

<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)

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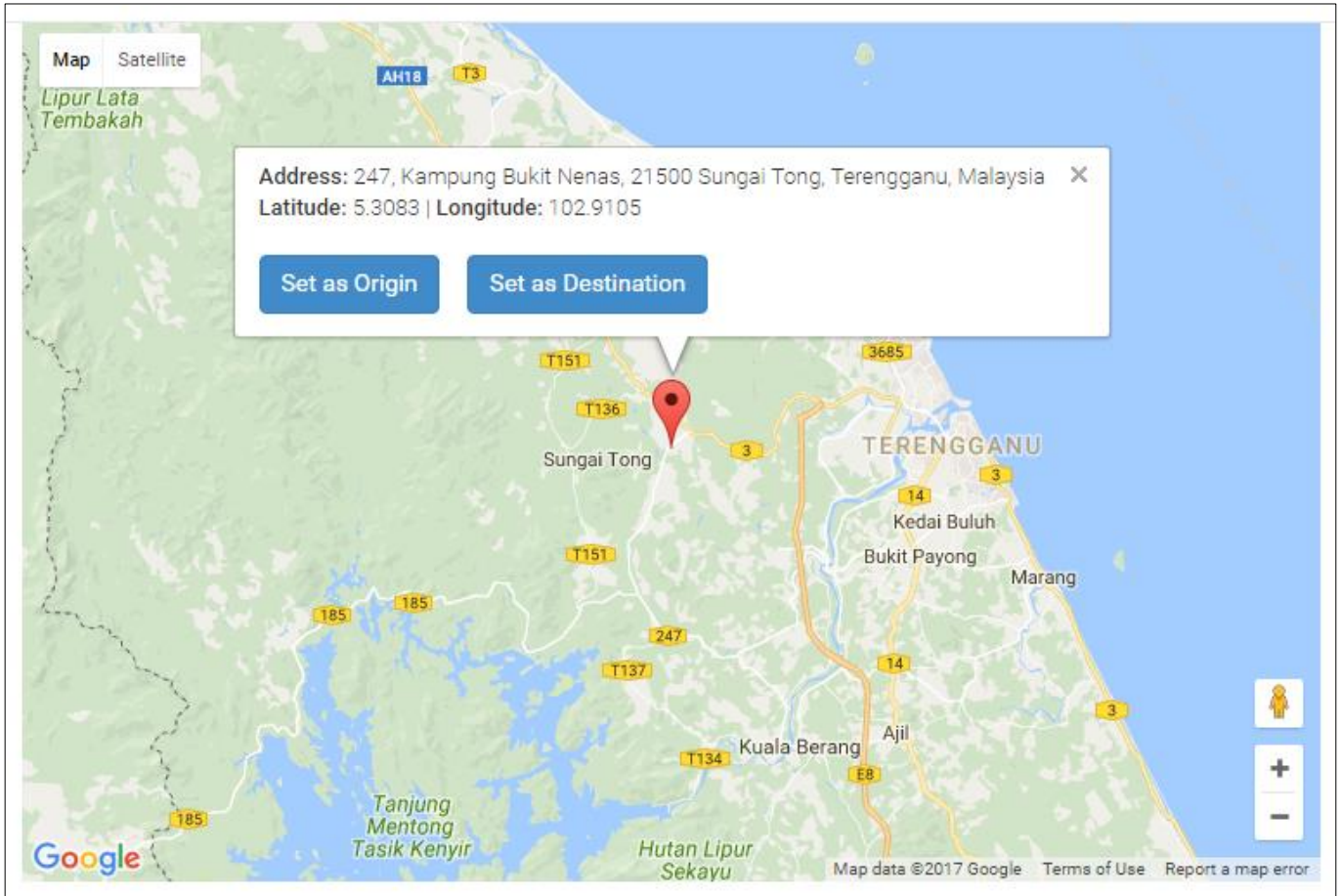
1	Hup Lee Oil Mill Sdn. Bhd.		261.63
2	Hup Lee Oil Mill Sdn. Bhd.		149.44
3	Hup Lee Oil Mill Sdn. Bhd.		301.52
4	Hup Lee Oil Mill Sdn. Bhd.		62.78
5	FGV		177.58
6	FGV		75.32
7	FGV		74.34
8	FGV		117.18
9	FGV		35.08
10	Wilmar	1,083.30	
11	Classic Counters	561.74	
12	Southern Acids	82.32	
13	Wilmar	1,146.77	
14	Classic Counters	1,016.92	
15	Wilmar	1,009.66	
16	Classic Counters	783.20	
17	Wilmar	1,667.08	
18	Classic Counters	1,236.44	
19	IOI Pan Century	201.04	
20	Bunge Loders	209.41	
21	Wilmar	615.09	
22	Southern Acids	401.69	
23	Classic Counters	476.48	
24	Mewaholeo	102.48	
25	Bunge Loders	275.20	
26	Wilmar	1,435.56	
27	Classic Counters	243.72	
28	Mewaholeo	106.92	
29	Bungeloders	720.61	
30	PGEO	520.79	
31	Wimar	1,929.29	
32	Southern Acids	208.24	
33	Classic Counters	1,263.34	
34	Mewaholeo	196.96	
35	Bunge Loders	403.42	
36	Wilmar	1,227.12	

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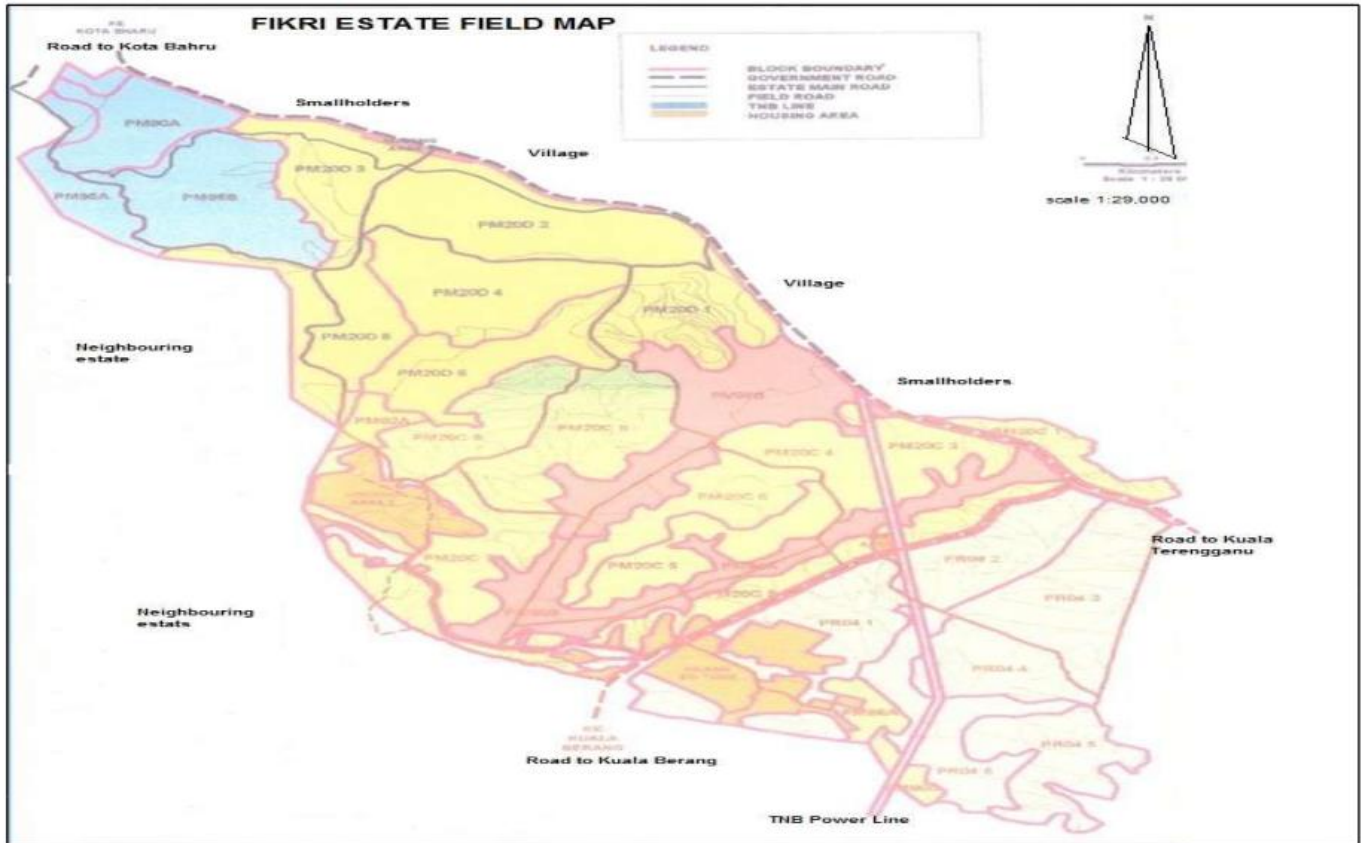
37	Southern Acids	443.17	
38	Classic Counters	533.60	
39	Bunge Loders	445.84	
40	Wilmar	824.52	
41	Southern Acids	168.58	
42	Bunge Loders	72.78	
43	Wilmar	1,011.32	
44	Bunge Loders	359.58	
45	Wilmar	961.96	
46	Bunge Loders	524.58	
47	Mewaholeo	201.08	
48	Classic Counters	500.06	
Total		25,171.92	1,254.87

<b>F. Records of Certified CPO Sold under RSP0 Credits to Buyers since the last audit (if any)</b>			
<b>No.</b>	<b>Buyers Name</b>	<b>PalmTrace Trading License Number</b>	<b>RSP0 Credits of Certified CPO Sold (mt)</b>
Nil	N/A	N/A	N/A

**Appendix F: Location Map of Sungai Tong Palm Oil Mill Certification Unit**

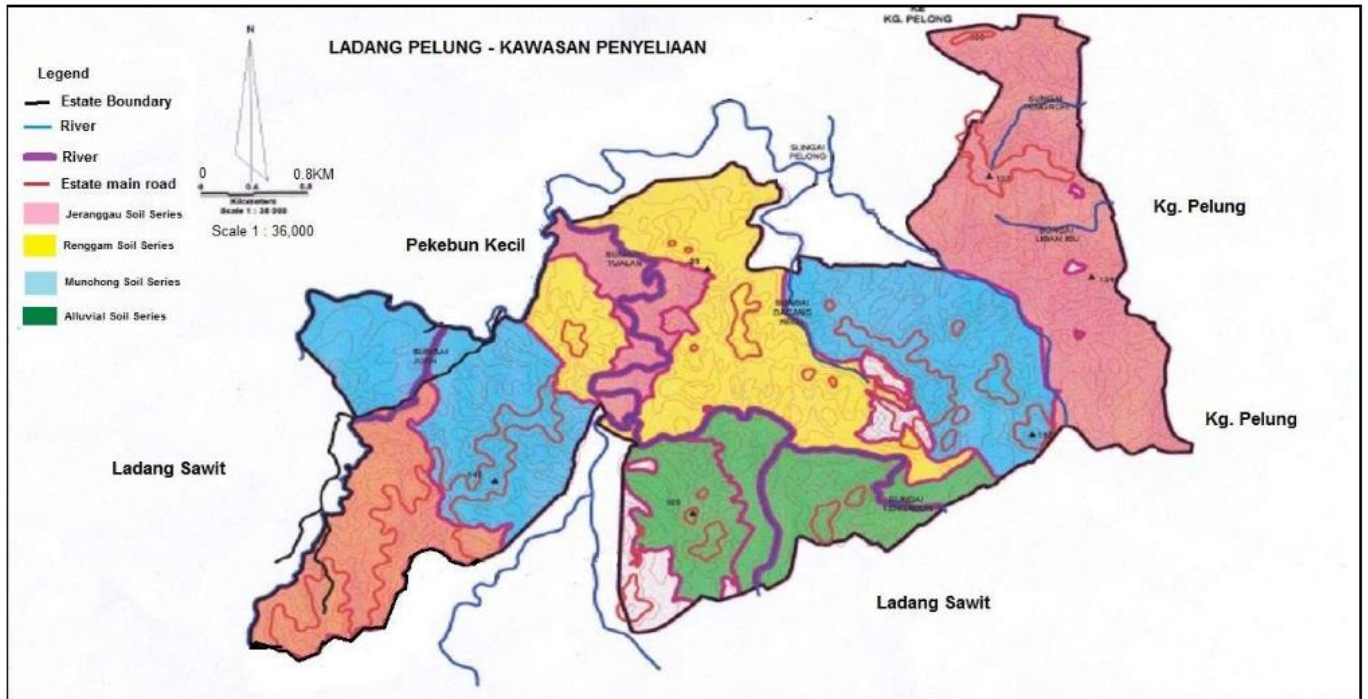


Appendix G: Fikri Estate Field Map





**Appendix H: Pelung 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
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
STOM	Sungai Tong Palm Oil Mill
VMO	Visiting Medical Officer