

**MALAYSIAN SUSTAINABLE PALM OIL**  
**MSPO OPMC Public Summary Report**

- ☐ Initial Assessment
- ☒ Annual Surveillance Assessment (1\_2)
- ☐ Recertification Assessment (Choose an item.)
- ☐ Extension of Scope

<b>TDM PLANTATION SDN BHD</b>
Client Company (HQ) Address: Head Office: Wisma TDM, 443D Jalan Kamaruddin, 20400 Kuala Terengganu, Terengganu, Malaysia
Certification Unit: Kemaman Palm Oil Mill & Plantations: Tebak Estate, Pelantoh Estate, Jernih Estate, Air Putih Estate, Gajah Mati Estate and MAIDAM Estate
Date of Final Report: 21/11/2024

**Report prepared by:**  
**Nor Halis Abu Zar** (Lead Auditor)

**Report Number: 3984775**

**Assessment Conducted by:**  
BSI Services Malaysia Sdn Bhd,  
(DSM Accreditation Number: MSPO 09112018 ACB 22)  
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## Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
<b>Company Name</b>	TDM Plantation Sdn Bhd		
<b>Mill/Estate</b>	<b>Certification Unit</b>	<b>MPOB License No.</b>	<b>Expiry Date</b>
	Kemaman POM	500041904000	31/03/2025
	Pelantoh Estate	620807002000	31/01/2025
	Air Putih Estate	503558102000	31/07/2025
	Tebak Estate	620743002000	31/12/2024
	Jernih Estate	501868702000	31/10/2025
	Gajah Mati Estate	502036302000	31/08/2025
	MAIDAM Estate	503576002000	31/08/2025
<b>Address</b>	Wisma TDM, 443D Jalan Kamaruddin, 20400 Kuala Terengganu, Terengganu, Malaysia		
<b>Management Representative</b>	Mohd. Izwan Hafez bin Che Azmi		
<b>Website</b>	www.tdmbherhad.com.my	<b>E-mail</b>	izwan.tdmp@tdmbherhad.com.my
<b>Telephone</b>	09-6204 800	<b>Facsimile</b>	-

1.2 Certification Information			
<b>Certificate Number</b>	Mill: MSPO 678572 Estate: MSPO 686877	<b>Certificate Start Date</b>	15/12/2022
<b>Date of First Certification</b>	15/12/2017	<b>Certificate Expiry Date</b>	14/12/2027
<b>Scope of Certification</b>	<input checked="" type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
<b>Visit Objectives</b>	The objective of the assessment was to conduct an annual surveillance assessment 1_2 and look for positive evidence to ensure that elements of the scope of certification and the requirements of the management standard are effectively addressed by the organization's management system and that the system is demonstrating the ability to support the achievement of statutory, regulatory and contractual requirements and the organization's specified objectives, as applicable with regard to the scope of the management standard, and to confirm the on-going achievement and applicability of the forward strategic plan and where applicable to identify potential areas for improvement of the management system.		
<b>Standard</b>	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		
<b>Recertification Assessment Visit Date (RAV) 1</b>		26-29/09/2022	
<b>Continuous Assessment Visit Date (CAV) 1_1</b>		20-23/11/2023	

<b>Continuous Assessment Visit Date (CAV) 1_2</b>	27-30/10/2024
<b>Continuous Assessment Visit Date (CAV) 1_3</b>	-
<b>Continuous Assessment Visit Date (CAV) 1_4</b>	-

### 1.3 Other Certifications

Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 587626	RSPO Principles & Criteria of Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019	BSI Services Malaysia Sdn Bhd	31/10/2028
MSPO 778497	MSPO Supply Chain Certification Standard, dated 1/10/2018	BSI Services Malaysia Sdn Bhd	08/01/2028

### 1.4 Location of Certification Unit

Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Kemaman POM	KM 121, Jerangau-Jabor Highway, 24101 Kemaman, Terengganu, Malaysia	4° 24' 10.80" N	103° 14' 52.80" E
Pelantoh Estate	KM 121, Jerangau-Jabor Highway, 24101 Kemaman, Terengganu, Malaysia	4° 25' 19.23" N	103° 14' 59.64" E
Air Putih Estate	PT 2143-2147, Mukim Tebak & 1209-1213, Mukim Bandi, 24007 Kemaman, Terengganu, Malaysia	4° 15' 18.59" N	103° 12' 38.77" E
Tebak Estate	KM 121, Jerangau-Jabor Highway, 24101 Kemaman, Terengganu, Malaysia	4° 25' 48.61" N	103° 13' 35.40" E
Jernih Estate	KM 121, Jerangau-Jabor Highway, 24101 Kemaman, Terengganu, Malaysia	4° 26' 0.90" N	103° 12' 47.94" E
Gajah Mati Estate	Ladang Gajah Mati, 23200 Bukit Besi, Dungun, Terengganu, Malaysia	4° 41' 45.05" N	103° 12' 23.30" E
MAIDAM Estate	AM9, Bandar AMBS, 23400 Dungun, Terengganu, Malaysia	4° 37' 39.58" N	103° 12' 24.42" E

### 1.5 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Pelantoh Estate	2,604.52	3.02	438.46	3,046.00	85.51
Air Putih Estate	3,839.73	*126.01	*918.53	4,884.27	78.61

Tebak Estate	2,510.03	5.14	399.86	2,915.03	86.11
Jernih Estate	2,282.10	73.61	395.26	2,750.97	82.96
Gajah Mati Estate	2,933.64	62.17	888.24	3,884.05	75.53
MAIDAM Estate	356.76	7.52	542.36	906.64	39.35
<b>Total (ha)</b>	<b>14,526.78</b>	<b>277.47</b>	<b>3,582.71</b>	<b>18,386.96</b>	

Notes: \*The HCV area total was not change however wrong data inserted as previous report for HCV and Infrastructure For Air Putih Estate. Refer HCV Report for Bukit Besi Complex and Kemaman Complex dated Feb 2023 and GIS confirmation email dated 05/02/2023.

### 1.6 Plantings & Cycle

Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Pelantoh Estate	979.00	520.46	0.00	10.32	1,094.74	1,625.52	979.00
Air Putih Estate	0.00	2,470.83	0.00	0.00	1,368.90	3,839.73	0.00
Tebak Estate	190.63	661.71	0.00	193.04	1,464.65	2,319.40	190.63
Jernih Estate	418.74	407.09	1,090.23	366.04	0.00	1,863.36	418.74
Gajah Mati Estate	690.13	1,741.48	0.00	120.65	381.38	2,243.51	690.13
MAIDAM Estate	105.26	63.43	0.00	188.07	0.00	251.50	105.26
<b>Total (ha)</b>	<b>2,383.76</b>	<b>5,865.00</b>	<b>1,090.23</b>	<b>878.12</b>	<b>4,309.67</b>	<b>12,143.02</b>	<b>2,383.76</b>

### 1.7 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimate (Dec 2023 - Oct 2024)	Actual (Nov 2023 - Sept 2024)	Forecast (Dec 2024 - Oct 2025)
Pelantoh Estate	15,500.00	13,260.00	18,400.00
Air Putih Estate	56,000.00	42,933.15	57,100.00
Tebak Estate	27,000.00	19,656.45	25,800.00
Jernih Estate	29,800.00	21,070.50	29,600.00
Gajah Mati Estate	35,750.00	25,771.94	39,900.00
MAIDAM Estate	2,261.00	1,566.75	2,790.00
Pinang Emas	0.00	17,079.57	0.00
Jerangau Estate	0.00	14,661.73	0.00
Tayor Estate	0.00	3,080.40	0.00
Jaya Estate	0.00	8,888.92	0.00
Fikri Estate	0.00	4,505.18	0.00
Pelong Estate	0.00	126.21	0.00
<b>Total (mt)</b>	<b>166,311.00</b>	<b>172,600.80</b>	<b>173,590.00</b>

**1.8 Uncertified Tonnage of FFB**

Estate	Tonnage / year		
	Estimate (Dec 2023 - Oct 2024)	Actual (Nov 2023 - Sept 2024)	Forecast (Dec 2024 - Oct 2025)
Nil	N/A	N/A	N/A
<b>Total (mt)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**1.9 Certified Tonnage**

Mill Capacity: 60 MT/hr  SCC Model: SG	Estimate (Dec 2023 - Oct 2024)	Actual (Nov 2023 - Sept 2024)	Forecast (Dec 2024 - Oct 2025)
	FFB	FFB	FFB
	166,311.00	172,600.80	173,590.00
	CPO (OER:21.67 %)	CPO (OER: 19.90%)	CPO (OER: 20.85%)
	36,033.86	34,349.23	36,191.71
	PK (KER:4.74 %)	PK (KER: 4.26%)	PK (KER: 4.46%)
	7,881.66	7,348.20	7,744.14

**1.10 Actual Sold Volume (CPO)**

CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
34,349.23	0.00	0.00	34,000.20	255.74	34,255.90

**1.11 Actual Sold Volume (PK)**

PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
7,348.20	0.00	0.00	7,090.35	0.00	7,090.35

Note: The remaining CPO and PK was stored in the Silo and carry forward to next month.

## Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

### Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 27-30/10/2024. The audit programme is included as Section 2.4. The approach to the audit was to treat the TDM Plantation Sdn Bhd - Kemaman POM, Tebak Estate, Pelantoh Estate, Jernih Estate, Air Putih Estate, Gajah Mati Estate and MAIDAM Estate as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

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

The Certification Unit were not using MSPO certification marks for any type of on- and off-product communication. The Certification Unit are compliance with the use of the MSPO Logo and related claims.

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

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.6.

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

All the previous nonconformities are remains closed. The assessment findings from the reassessment are detailed in Section 4.2.

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification and recertification decision by BSI. For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

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

Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA1_1)	Year 3 (ASA1_2)	Year 4 (ASA1_3)	Year 5 (ASA1_4)
Kemaman POM	✓	✓	✓	✓	✓
Tebak Estate	-	✓	-	✓	-
Pelantoh Estate	✓	-	✓	-	✓
Jernih Estate	-	✓	-	✓	-
Air Putih	-	✓	-	✓	-
Gajah Mati Estate	✓	-	✓	-	✓
MAIDAM Estate	✓	-	✓	-	✓

**Tentative Date of Next Visit: October 26, 2025 – October 29, 2025**

**Total No. of Mandays: 15 Mandays**

## 2.1 BSI Assessment Team

Team Member Name	Role	Qualifications
Nor Halis Abu Zar (NHA)	Team Leader	<p><b>Education:</b> Bachelor of Science, Plantation Technology and Management, graduated from UiTM in 2012 and Diploma in Plantation and Industry Management from UiTM in 2009.</p> <p><b>Work Experience:</b> 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. He had accumulated more than 6 years of sustainability implementation experience. He is a qualified Lead Auditor for MS2530:2013 and RSPO Auditor for ENV and OSH and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia.</p> <p><b>Training attended:</b> He has completed RSPO P&amp;C Lead Auditor Course in Oct 2020, Refresher RSPO P&amp;C Lead Auditor Course in May 2022, RSPO ISH Standard 2019 in December 2021, RSPO SCC 2020 in September 2022, QMS 9001:2015 Lead Auditor Course in April 2019, OSH 45001:2018 Lead Auditor Course in June 2021, IMS (ISO 9001:2015 &amp; ISO 14001:2015) Lead Auditor Course, HCV &amp; HCS Training in August 2022, MSPO 2530:2013 Lead Auditor Course in February 2019, , MSPO SCCS Auditor in February 2019 and also trained in SMETA Requirement Training on May 2021.</p>



		<p><b>Aspect covered in this audit:</b></p> <p><input type="checkbox"/> Good Agriculture Practice <input type="checkbox"/> Health and Safety</p> <p><input type="checkbox"/> Supply chain requirements <input checked="" type="checkbox"/> Social <input type="checkbox"/> Environmental</p> <p><b>Language proficiency:</b></p> <p>Fluent in both verbal/ written Bahasa Malaysia and English Language.</p>
Zulkifli Kamarol Zaman (ZKZ)	Team member	<p><b>Education:</b></p> <p>He graduated in Bachelor of Science (Agribusiness) from University Putra Malaysia (UPM) in 2008.</p> <p><b>Work Experience:</b></p> <p>He has 10 years' experience in oil palm industry whereas he has been working at plantation company as Estate Assistant Manager prior to joining Certification Body as an Auditor. He is familiar with the estate's daily operation as well as the Best Management Practices for oil palm cultivation. Prior to joining BSI, he was the auditor for several certification bodies. He is involved in auditing MSPO OPMC, MSPO SCCS, RSPO P&amp;C, RSPO SCCS and PEFC CoC standard.</p> <p><b>Training attended:</b></p> <p>He has completed ISO IMS 9001, 14001, 45001 Lead Auditor Course in April 2018, Endorsed MSPO OPMC Lead Auditor Course in April 2019, Endorsed MSPO SCCS Auditor Course in September 2019, Endorsed RSPO P&amp;C Lead Auditor Course in March 2020, Endorsed RSPO SCCS Lead Auditor Course in March 2020, PEFC Chain of Custody Training in December 2020, ISO 9001:2015 Lead Auditor Course in October 2023, ISO 45001:2018 Lead Auditor Course in November 2023 and SA8000 Introduction &amp; Basic Auditor Training Course in November 2023.</p> <p><b>Aspect covered in this audit:</b></p> <p><input type="checkbox"/> Good Agriculture Practice <input type="checkbox"/> Health and Safety</p> <p><input type="checkbox"/> Supply chain requirements <input checked="" type="checkbox"/> Social <input type="checkbox"/> Environmental</p> <p><b>Language proficiency:</b></p> <p>Fluent in both verbal/ written Bahasa Malaysia and English Language.</p>
Amir Bahari (AB)	Team Member	<p><b>Education:</b></p> <p>He obtained qualification in B.Sc. (Hons) Chemistry USM 1985 &amp; Diploma in Palm Oil Milling Tech/Management MPOB 1996.</p> <p><b>Work Experience:</b></p> <p>He has been in the plantations industry for 30 years, among others managing rubber factories, palm oil mills and estates. During the tenure of employment, he has been trained as an auditor in ISO 9001, ISO 14001, OHSAS 18001 &amp; also RSPO. He has accumulated 38 man-days in the auditing profession after ending career in the plantation industry.</p> <p><b>Training attended:</b></p> <p>He has completed ISO 9001, ISO 14001, OHSAS 18001 &amp; also RSPO.</p> <p><b>Aspect covered in this audit:</b></p> <p><input checked="" type="checkbox"/> Good Agriculture Practice <input checked="" type="checkbox"/> Health and Safety</p> <p><input type="checkbox"/> Supply chain requirements <input type="checkbox"/> Social <input type="checkbox"/> Environmental</p> <p><b>Language proficiency:</b></p>

		Fluent in both verbal/ written Bahasa Malaysia and English Language.
Anuar Pungut (AP)	Team Member	<p><b>Education:</b> Diploma in Science UiTM, Shah Alam (1988-1990) Bachelor of Science (Hons) Universiti of Malaya, Kuala Lumpur (1991-1995) Master in Plantation Management (MSc) Universiti Putra Malaysia, Serdang (2006-2008)</p> <p><b>Work Experience :</b> He has been in the Estate Assistant Manager (1995-2000), Officer In charge/ Senior Assistant Manager (2000-2007), Agronomist (2007-2008), Senior Agronomist (2009-2012), Estate Department Manager (2013-2014), Lecturer (2014-2015), Senior Manager/ Senior Agronomist (2015-2016), Senior Agronomist (2017), MSPO Auditor - Freelance (2019 -2021), Senior Agronomist (2021- 2022), MSPO Auditor -Permanent (2023 -2024), MSPO Auditor - Freelance (2024 - Present).</p> <p><b>Training attended:</b> He has completed MSPO LA Training (2019), ISO 9001:2015 &amp; ISO 14001:2015 LA Training (2019), SA 8000 LA Training (2024), ISO 45001:2018 LA Training (2024), ISO 9001: 2015 LA Training (2024), MSPO 2.0 LA Training (2024).</p> <p><b>Aspect covered in this audit:</b> <input checked="" type="checkbox"/> Good Agriculture Practice <input type="checkbox"/> Health and Safety <input type="checkbox"/> Supply chain requirements <input type="checkbox"/> Social <input checked="" type="checkbox"/> Environmental</p> <p><b>Language proficiency:</b> Fluent in both verbal/ written Bahasa Malaysia and English Language.</p>

## 2.2 Impartiality and conflict of interest

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

## 2.3 Accompanying Persons

No.	Name	Role
	Not applicable	

## 2.4 Assessment Plan

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

Date	Time	Subjects	NHA	ZKZ	AB	AP
Saturday, 26/10/2024	-	Travelling from Kuala Lumpur to Kemaman	✓	✓	✓	✓

Date	Time	Subjects	NHA	ZKZ	AB	AP
Sunday, 27/10/2024 <b>Gajah Mati Estate</b>	08:30 - 09:00	Opening Meeting <ul style="list-style-type: none"> <li>Presentation by BSI Lead Auditor - introduction of team member and assessment agenda</li> <li>Confirmation of assessment scope and finalizing audit scope</li> </ul>	√	√	√	√
	09:00 - 12:30	Estate assessment: 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. Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	√	√	√
	12:30 - 13:30	Lunch break	√	√	√	√
	13:30 - 16:30	Document Review (MS 2530:2013 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices, P7: Development of New Planting	√	√	√	√
	16:30 - 17:00	Interim closing meeting	√	√	√	√
Monday, 28/10/2024 <b>MAIDAM Estate</b>	09:00 - 12:30	Estate assessment: 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. Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	√	√	√
	12:30 - 13:30	Lunch break	√	√	√	√
	13:30 - 16:30	Document Review (MS 2530:2013 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices, P7: Development of New Planting	√	√	√	√
	16:30 - 17:00	Interim closing meeting	√	√	√	√

Date	Time	Subjects	NHA	ZKZ	AB	AP
Tuesday, 29/10/2024 <b>Pelantoh Estate</b>	09:00 - 12:30	Estate assessment: 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. Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	√	√	√
	12:30 - 13:30	Lunch break	√	√	√	√
	13:30 - 16:30	Document Review (MS 2530:2013 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6: Best practices, P7: Development of New Planting	√	√	√	√
	16:30 - 17:00	Interim closing meeting	√	√	√	√
Wednesday, 30/10/2024 <b>Kemaman POM</b>	09:00 - 12:30	Mill Assessment: Plant visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc. Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-	√	√
	12:30 - 13:30	Lunch break	√	-	√	√
	13:30 - 16:00	Document review (MS 2530:2013 Part 4): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices.	√	-	√	√
	16:00 - 17:00	Audit Team Discussion and Closing Meeting	√	-	√	√
Thursday, 31/10/2024	-	Audit Team Travel Back to Kuala Lumpur	√	√	√	√

## Section 3: Assessment Findings

### 3.1 Details of audit results

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

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

### 3.2 Details of Nonconformities and Opportunity for improvement

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

During the assessment there were Zero (0) Major & Three (3) Minor nonconformities and No (0) OFI raised. The TDM Plantation Sdn. Bhd.- Kemaman POM 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 below is the summary of the non-conformity raised during this assessment.

Non-Conformity Report			
<b>NCR Ref #:</b>	2567625-202410-N1	<b>Issue Date:</b>	30/10/2024
<b>Due Date:</b>	Next Surveillance	<b>Date of Closure:</b>	Open
<b>Area/Process:</b>	TDM Kemaman POM	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 4: 4.4.2.2 Minor
<b>Requirements:</b>	The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.		
<b>Statement of Nonconformity:</b>	The complaint resolution system has not been fully documented.		
<b>Objective Evidence:</b>	<p>Based on a review of documents and interviews at Kemaman POM, worker complaints were noted. Examples include:</p> <p>Complainant: SXXXX AXXXX, Date: 24/06/2024, House No: 353, Issue: Batten holder repair; resolved on 01/08/2024 with acknowledgment from the owner. (More Than 14 days)</p> <p>Complainant: RXXXX MXXXX, Date: 22/05/2024, House No: 382, Issues: Roof repair, toilet repair, lamp replacement; no date of issue resolved without acknowledgment from the owner.</p> <p>Based on interview with sample stakeholders found no issue on repairs. However, it was found that resolution dates were not consistent with the developed SOP, and some records were incomplete, lacking details such as completion dates and complainant acknowledgment.</p>		
<b>Corrections:</b>	Any record and form related to the complaint issue has been review and fill up. The refreshment briefing to the PIC, contractor and the workers to give understanding the flow and procedure for any related complaint issues.		
<b>Root cause analysis:</b>	Mill management already review and take necessary action related to the any complaint by workers especially housing issues. However, some recording such as		

	completion dates and complainant acknowledgment was overlooked due to lack of monitoring regarding this matter.
<b>Corrective Actions:</b>	Regular checking and monitoring by PIC regarding to complaint issues. To review and revise the SOP for stakeholder communication including grievance, complaints and information request especially to identify expected completion for any complaint.
<b>Assessment Conclusion:</b>	CAP has been reviewed and found sufficient. Implementation of the CAP will be verified during the next surveillance audit.

Non-Conformity Report			
<b>NCR Ref #:</b>	2567625-202410-N2	<b>Issue Date:</b>	30/10/2024
<b>Due Date:</b>	Next Surveillance	<b>Date of Closure:</b>	Open
<b>Area/Process:</b>	TDM Kemaman POM	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 4: 4.5.3.4 Minor
<b>Requirements:</b>	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.		
<b>Statement of Nonconformity:</b>	Domestic waste was not disposed of properly.		
<b>Objective Evidence:</b>	During a site visit at Linesite area, Kemaman POM, House No. 392, illegal dumping of household waste, bottles, damaged asbestos, and broken furniture was observed. This has led to unpleasant odors and a high presence of mosquitoes. While the latest linesite inspection on 22/10/2024 identified some related issues, there is no evidence that corrective actions have been fully implemented.		
<b>Corrections:</b>	The affected house no.392 has been warned and cleaning work covering outside and inside house has done. To perform regular checking and monitoring which after line site inspection verification has been done by management. PIC need to follow up with the actual condition at the residential area.		
<b>Root cause analysis:</b>	Linesite inspections have been conducted by HA regarding to the cleanliness of housing. However, insufficient monitoring by management side after issues raised to identified and implement the corrective actions. The lack of awareness of cleanliness culture practiced by workers contributes to an unsatisfactory level of cleanliness in the residential areas.		
<b>Corrective Actions:</b>	Weekly linesite inspection by HA need to be done and verified by the manager, executive, compliance clerk to ensure the inspection is align with the actual condition and any issues will be take corrective action. To perform refreshment briefing regarding to the awareness of cleanliness of housing to all level workers. Also to install more signage related to awareness at housing area		
<b>Assessment Conclusion:</b>	CAP has been reviewed and found sufficient. Implementation of the CAP will be verified during the next surveillance audit.		

Non-Conformity Report			
<b>NCR Ref #:</b>	2567625-202410-N3	<b>Issue Date:</b>	30/10/2024
<b>Due Date:</b>	Next Surveillance	<b>Date of Closure:</b>	Open

<b>Area/Process:</b>	TDM Kemaman POM	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 4: 4.5.3.2 Minor
<b>Requirements:</b>	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for: a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products		
<b>Statement of Nonconformity:</b>	The Waste Management Plan for scrap metal was not fully implemented.		
<b>Objective Evidence:</b>	During a site visit to Kemaman POM, it was observed that approximately 80 metric tons of scrap metal, according to mill records, had accumulated in the mill's scrap area. The last recorded clearance of scrap metal was in September 2023, which does not align with the Mill Waste Management Action Plan 2024. The plan specifies that scrap metal should be recycled if feasible or collected by a licensed contractor, with completion expected monthly.		
<b>Corrections:</b>	To expedite the process of asset disposal and keep follow up with PIC (Operation department) regarding this matter.		
<b>Root cause analysis:</b>	Mill management already inform to the Operation Department HQ to evaluate potential buyer to release and take out all scrap metal at mill compound. However, mill need to wait for a period of time and follow the procedure of asset disposal which any issue related to the asset disposal under HQ level.		
<b>Corrective Actions:</b>	To review and revise the waste management action plan regarding to the scrap metal and identify the expected completion with as per request.		
<b>Assessment Conclusion:</b>	CAP has been reviewed and found sufficient. Implementation of the CAP will be verified during the next surveillance audit.		

#### Opportunity For Improvement

<b>Ref:</b>	N/A	<b>Clause:</b>	
<b>Area/Process:</b>			
<b>Objective Evidence:</b>			

#### Noteworthy Positive Comments

1	Good arrangement for audit visit and high commitment by Sustainability Department and unit's person in charge.
2	Good positive relationship maintained and highlighted by internal and external stakeholders

### 3.3 Status of Nonconformities Previously Identified and OFI

#### Non-Conformity Report

<b>NCR Ref #:</b>	2426874-202311-M1	<b>Issue Date:</b>	23/11/2023
<b>Due Date:</b>	24/02/2024	<b>Date of Closure:</b>	01/03/2024
<b>Area/Process:</b>	Tebak Estate/ Jernih Estate	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 3: 4.4.4.1 Major



<b>Requirements:</b>	An occupational safety and health policy and plan shall be documented, effectively communicated, and implemented.
<b>Statement of Nonconformity:</b>	The Occupational Safety and Health Plan (OSH Plan) found not effectively communicated and implemented as sighted unsafe act practices and lack of risk controls plan and application.
<b>Objective Evidence:</b>	<ol style="list-style-type: none"> <li>Sampled HIRARC reviewed for year 2023 dated 05/11/2023 (Jernih Estate) and 06/06/2023 (Tebak Estate) found Medium Risk and High Risk assessed that required Recommended Risk Control, not filled -up with any information on "Check by" and "Date" for proposed Risk Control plan.</li> <li>As observed in Block 19A1 (Tebak Estate), 3 Bangladeshi harvesters wearing Black rubber boots instead if Wellington Boots and Goggles issued. According to PPE Matrix Rev. 09/02/2023, Harvester (Cutter) required PPE: Cotton gloves, Goggles, Long sleeve shirts, Long trousers, Safety Helmet, Wellington boots.</li> <li>During audit in the morning and afternoon sighted two incidents where tractor drivers commuting while unauthorized workers standing on a drawbar trailer.</li> </ol>
<b>Corrections:</b>	<u>LJN /LTB</u> <ol style="list-style-type: none"> <li>To review and update Hazard Identification, Risk Assessment and Risk Control (HIRARC) and propose Recommended Risk Control information on "Check by" and "Date" for Medium Risk and High Risk.</li> <li>To review and revise the PPE Matrix on harvesting activity PPE with Sustainability Department to suit and more practically at site.</li> <li>Estate management has carried out issued a warning for all drivers, loaders and workers to prevent this from happening again in the future. The management has also placed a warning sign on each trailer "DILARANG BERDIRI DI ATAS DRAWBAR TRAILER.</li> </ol>
<b>Root cause analysis:</b>	<u>LJN/ LTB</u> <ol style="list-style-type: none"> <li>Estate management already review all the HIRARC but misunderstanding regarding the information on "Check by" and "Date" for proposed Risk Control plan. However, estate management will follow up with Sustainability department regarding this issue.</li> <li>Lack of communication and awareness with estate management and harvesters regarding to replacement of pure PPE (Wellington Boots).</li> <li>Lack awareness and supervision about safety by estate management contributed two incidents where tractor drivers commuting while unauthorized workers standing on a drawbar trailer.</li> </ol>
<b>Corrective Actions:</b>	<u>LJN/ LTB</u> <ol style="list-style-type: none"> <li>To perform regular checking and monitoring by PIC regarding to Hazard Identification, Risk Assessment and Risk Control (HIRARC) and propose Recommended Risk Control information on "Check by" and "Date" for Medium Risk and High Risk annually.</li> <li>To improve awareness and communication with the harvesters and estate management for replacing the pure PPE.</li> <li>To perform the awareness training regarding the transportation for activities in estate among the drivers, loaders and workers.</li> </ol>
<b>Assessment Conclusion:</b>	<ol style="list-style-type: none"> <li>Reviewed for revised HIRARC which already included risk control recommendation for those medium and high risk. Sample has been taken several activities such harvesting, spraying, workshop and store.</li> <li>Revised PPE matrix which include appropriate PPE for each activities which has been assessed from the HIRARC.</li> </ol>



	<p>3. Photo "Signage of DILARANG BERDIRI DI ATAS DRAWBAR TRAILER" has been reviewed and training to all workers has been conducted on 30/11/2023.</p> <p>4. Training to harvesters and loaders has been conducted on 30/11/2023.</p> <p>The evidence submitted were found adequate and effectively implemented. The Major NC was closed on 27/02/2022.</p>
<b>Verification Statement</b>	<p>Reviewed for revised HIRARC which already included risk control recommendation for those medium and high risk. Sample has been taken several activities such harvesting, spraying, workshop and store.</p> <p>Verification</p> <p>The HIRARC for the estates has incorporated the risk control recommendation for those medium and high risk. This has been included effective 01/12/2023 and formalized as sighted in the annual review. This involved all estates listed operations in the HIRARC list such as harvesting, spraying, Workshop and Store;</p> <p>Revised PPE matrix which includes appropriate PPE for each activity which has been assessed from the HIRARC.</p> <p>Verification</p> <p>This has been established in the estate's documentation under the PPE management. PPE has been divided into the type needed for the respective work activities assessed from HIRARC</p> <p>Photo "Signage of DILARANG BERDIRI DI ATAS DRAWBAR TRAILER" has been reviewed and training to all workers has been conducted on 30/11/2023.</p> <p>Verification</p> <p>Verified signages displayed "DILARANG BERDIRI DI ATAS DRAWBAR TRAILER" Further training was emphasized during the Tuesday weekly briefing i.e Gajah Mati Estate, Pelantoh Estate and MAIDAM Estate on 15/09/2024, 21/08/2024 and 21/10/2024 respectively under subject of tractor driving / machine handling.</p> <p>To improve awareness and communication with the harvesters and estate management for replacing the pure PPE. To perform the awareness training regarding the transportation for activities in estate among the drivers, loaders and workers.</p> <p>Verification</p> <p>Training to harvesters and loaders has been conducted on 30/11/2023. Further training was held titled harvesting safety awareness Gajah Mati Estate on 09/01/2024 and Pelantoh Estate dated 14/08/2024 and MAIDAM Estate on 30/04/2024.</p> <p>As such the NCR raised is closed and concluded.</p>

Non-Conformity Report			
<b>NCR Ref #:</b>	2426874-202311-M2	<b>Issue Date:</b>	23/11/2023
<b>Due Date:</b>	24/02/2024	<b>Date of Closure:</b>	01/03/2024
<b>Area/Process:</b>	Kemaman POM	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 4: 4.4.5.3 Major
<b>Requirements:</b>	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be		

	sufficient to meet basic needs and provide some discretionary income based on minimum wage.
<b>Statement of Nonconformity:</b>	Worker's payment is not according to MAPA-NUPW collective agreement.
<b>Objective Evidence:</b>	Stated in the collective agreement in article 33-accommodation clause (a) an employee for whom no approved accommodation is available shall be entitled to a payment of RM115.00 per month. This payment is to defray special expenses in respect of housing entailed on him by the nature of his employment. Interview with sample workers has been done by the management and one of the responds that he already applied for housing in August'23 but still waiting due to unavailability of vacant houses. He has been working since April'23 Further verification done by auditor on pay slips for June'23 and September'23, there is no payment for accommodation has been made. As per interview with the management, confirmed that there is no payment has been made to all workers staying outside the POM quarters.
<b>Corrections:</b>	<ol style="list-style-type: none"> <li>1. To make payment for accommodation for that affected worker until the house are ready to live in</li> <li>2. To speed up the process of repairing the damage of housing and to perform survey to the workers regarding the basic needs especially accommodation of housing.</li> </ol>
<b>Root cause analysis:</b>	The workers will be given with housing that satisfies the minimal standards set by the industry, which will include a house in which they can reside with their families. Nevertheless, in August of 2023, when the application for housing is being submitted, that worker is required to wait since the house needs to be repaired and cleaning work needs to be done. However, during waiting period, the payment to the worker according to MAPA-NUPW collective agreement was overlooked by mill management.
<b>Corrective Actions:</b>	To perform regular checking and monitoring regarding this matter in terms of payment to the worker according to Collective Agreements, the condition of housing and availability of housing for the workers. The checklist and survey form will be issued to the workers.
<b>Assessment Conclusion:</b>	<ol style="list-style-type: none"> <li>1. Payment of housing allowance to the workers. Sample has been taken for February 2024.</li> <li>2. The workers have been provided with house and evidence sighted from tenancy agreement dated 08/02/2024.</li> <li>3. Housing survey and census to identify workers without housing and the numbers of vacant houses dated 20/12/2023.</li> </ol> <p>The evidence submitted were found adequate and effectively implemented. The Major NC was closed on 27/02/2022.</p>
<b>Verification Statement</b>	<p>Regular checking and monitoring for terms of payment to the worker according to Collective Agreements, the condition of housing and availability of housing for the workers has been conducted latest on September 2024.</p> <p>Sample Workers Reviewed: The audit reviewed employment contracts and payslips for the following workers during peak, normal, and low months as below:</p> <p>Employee ID:</p> <ul style="list-style-type: none"> <li>• KM0009X</li> <li>• KM09001XX</li> <li>• KM12001XX</li> <li>• KM1802XX</li> </ul>

	<ul style="list-style-type: none"> <li>• KM20002XX</li> <li>• KM200022X</li> <li>• KM24002XX</li> <li>• KM240029X</li> </ul> <p>All payment were in order included all entitle allowance. Thus Major NC was remained closed.</p>
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Non-Conformity Report			
<b>NCR Ref #:</b>	2426874-202311-M3	<b>Issue Date:</b>	23/11/2023
<b>Due Date:</b>	24/02/2024	<b>Date of Closure:</b>	01/03/2024
<b>Area/Process:</b>	Kemaman POM	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 4: 4.4.4.1 Major
<b>Requirements:</b>	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.		
<b>Statement of Nonconformity:</b>	The Occupational Safety and Health Plan (OSH Plan) found not effectively communicated and implemented as sighted unsafe act practices and lack of risk controls plan and application.		
<b>Objective Evidence:</b>	<p>a. Found HIRARC conducted in 2023 still not having recommendation of new control measure for Medium and High scores: Boiler Station (11) dated reviewed 01/02/2022.</p> <p>Section: Boiler Firing; Back fire from feed fibre &amp; Shell mixture from furnace door &amp; spread fuel evenly, Risk Score: 12 (M), No propose recommended risk control.</p> <p>Section: Boiler Water Treatment; Wrongly mix and cause dangerous reaction. Risk Score: 8 (M) No recommended Risk Control made. (Escalate from previous OFI)</p> <p>b. Sighted Showel operating at loading ramp not having warning light as part of safety feature for heavy machinery operation.</p> <p>c. HIRARC for Showeling of FFB dated 01/02/2023 mentioned Nature of Risk Control: Strict supervision on PPE (earmuff and ear plug) usage among workers, (alternative warning other than buzzer not included).</p>		
<b>Corrections:</b>	<ol style="list-style-type: none"> <li>1. The new control measure has been updated for medium and high score.</li> <li>2. To install the warning light at shovel as a part of safety feature for heavy machinery operation.</li> </ol>		
<b>Root cause analysis:</b>	Mill management already review all the HIRARC, however, some assessment for control measure was overlooked due to lack of monitoring regarding the control measure for medium and high risk.		
<b>Corrective Actions:</b>	<ol style="list-style-type: none"> <li>1. To perform and continuous arranging a proper refreshment training session for the PIC and SHC Committee regarding the HIRARC implementation during SHC Committee meeting by quarterly basis.</li> <li>2. To perform regular checking and monitoring for functionality of safety feature for heavy machinery operation such as shovel, tractor and others through the checklist /form of the inspection.</li> </ol>		
<b>Assessment Conclusion:</b>	<ol style="list-style-type: none"> <li>1. Reviewed for revised HIRARC which already included risk control recommendation for those medium and high risk. Sample has been taken several activities such harvesting, spraying, workshop and store.</li> </ol>		

	<p>2. Training conducted on 03/12/2023 for all the workers/staff and OSH committee on hazard identification and control.</p> <p>3. Photo of shovel that has been installed with warning light.</p> <p>The evidence submitted were found adequate and effectively implemented. The Major NC was closed on 27/02/2022.</p>
<b>Verification Statement</b>	<p>To perform and continuous arranging a proper refreshment training session for the PIC and SHC Committee regarding the HIRARC implementation during SHC Committee meeting by quarterly basis.</p> <p>Verification</p> <p>The recent HIRARC has been revised dated 01/12/2023 to incorporate risk control classification i.e., low, medium and high risk and recommended risk control made. Sighted HIRARC for the boiler, workshop, sterilization and despatch operations verified that the control measures have been revised to include risk classification of low, medium and high score as indicated above. Training has been made through session dated on 03/12/2023 for all the workers/staff and OSH committee on hazard identification and control. Further training was also held on 19/03/2024 on the same subject to enhance a better understanding on HIRARC. HIRARC was also discussed during the quarterly OSH meeting.</p> <p>To install the warning light at shovel as a part of safety feature for heavy machinery operation. To perform regular checking and monitoring for functionality of safety feature for heavy machinery operation such as shovel, tractor and others through the checklist /form of the inspection.</p> <p>Verification</p> <p>Visit to the mill processing area /building confirmed the shovel being equipped with warning lights. The device was functional at time of visit. Interview with the driver evidenced the purpose of such device. Regular checking and monitoring for functionality of safety feature for heavy machinery operation such as shovel, tractor and others are made in the checklist /form of the inspection. This was checked on the inspection checklist of vehicle maintained by the workshop personnel.</p> <p>As such the NCR raised is closed and concluded.</p>

<b>Non-Conformity Report</b>			
<b>NCR Ref #:</b>	2426874-202311-N1	<b>Issue Date:</b>	23/11/2023
<b>Due Date:</b>	Next Surveillance	<b>Date of Closure:</b>	30/10/2024
<b>Area/Process:</b>	Tebak Estate, Jernih Estate, Air Putih Estate	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 3: 4.4.5.11 Minor
<b>Requirements:</b>	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.		
<b>Statement of Nonconformity:</b>	Line site inspection has not been effectively implemented.		
<b>Objective Evidence:</b>	There is evidence that line site inspection has been conducted on weekly basis by the person in charge for each operating units. Further verification has been done by auditor found that finding from the inspection is not align with actual condition		
<b>Corrections:</b>	<u>LAP/LJN/TBK</u> Conducting regular communal clean-up activities and instilling a culture of cleanliness in the residential area by reminding all workers of the importance of maintaining cleanliness during the Muster Call every day.		

	To perform regular checking and monitoring which after line site inspection verification has been done by management. Compliance Clerk or Field Assistant need to follow up with the actual condition at the residential area.
<b>Root cause analysis:</b>	<u>LAP/LJN/TBK</u> The lack of awareness of cleanliness culture practiced by both local and foreign workers contributes to an unsatisfactory level of cleanliness in the residential areas, compounded by aging infrastructure of the house. The workers only tidy up in their own housing areas only when routine inspections are carried out but do not practice a culture of cleanliness continuously.
<b>Corrective Actions:</b>	<u>LAP/LJN/TBK</u> Conducting periodic training for officers and supervisors responsible for maintaining cleanliness in the residential area and performing regular inspections at each housing unit to ensure that all workers successfully follow the given instructions. Weekly Line Site Inspection by HA need to be done in the presence of an employer representative (i.e. Compliance Clerk, Field Assistant, etc.) to ensure the inspection is align with the actual condition.
<b>Assessment Conclusion:</b>	CAP has been reviewed and found sufficient. Implementation of the CAP will be verified during the next surveillance audit.
<b>Verification Statement</b>	Training or line site inspection has been conducted for the year 2024. Verified the training record. Refer "Latihan Merekod Pemeriksaan Perumahan Pekerja Ladang Pelantoh" dated 05/03/2024 by Manager to Hospital Assistant, Supervisor and Executive. Weekly inspection has been conducted on weekly basis and record was maintained. Thus, Minor NC was effectively closed.

Non-Conformity Report			
<b>NCR Ref #:</b>	2426874-202311-N2	<b>Issue Date:</b>	23/11/2023
<b>Due Date:</b>	Next Surveillance	<b>Date of Closure:</b>	30/10/2024
<b>Area/Process:</b>	Kemaman POM	<b>Clause &amp; Category: (Major / Minor)</b>	MSPO 2530 Part 3: 4.4.1.1 Minor
<b>Requirements:</b>	Social impacts should be identified, and plans should be implemented to mitigate the negative impacts and promote the positive ones.		
<b>Statement of Nonconformity:</b>	Social management plan has not been established/implemented.		
<b>Objective Evidence:</b>	Social impact assessment has been done in December 2022 which has been done by Green Sustainability Resources Sdn Bhd. The assessment has been conducted based on interview with stakeholders, site visits and documentation. Positive and negative issues have been highlighted as per outcome from the assessment. There is no management plan has been established for all the issues has been highlighted in the assessment.		
<b>Corrections:</b>	The SIA management plan has been updated as per outcome from the assessment by Green Sustainability Resources SB.		
<b>Root cause analysis:</b>	The social impact assessment has been provided and established for the mill as per requirement. However, the SIA for current practice refers to the previous report prepared by SRA Consultancy dated on November 2011, and some additional issues that was highlighted as per outcome from the SIA by Green Sustainability Resources SB was not added in latest SIA due to lack of checking and monitoring of issues to identified in SIA.		

<b>Corrective Actions:</b>	To perform the refreshment training for the PIC regarding this matter and to implement proper checklist for PIC to monitor the any additional issues to identified in SIA.
<b>Assessment Conclusion:</b>	CAP has been reviewed and found sufficient. Implementation of the CAP will be verified during the next surveillance audit.
<b>Verification Statement</b>	Sighted the Management Plan for social and environment has been established for the year of 2024. PIC has been nominated in order to monitor the implementation. Training to the PIC has been given by Sustainability Department. Thus, Minor NC was effectively closed.

Opportunity For Improvement			
<b>Ref:</b>	2426874-202311-I1	<b>Clause:</b>	MSPO 2530 Part 3: 4.6.3.2
<b>Area/Process:</b>	All estates		
<b>Objective Evidence:</b>	Clearly stated term of payment and transparent documentation to be further monitored for ensuring agreed payments made in timely manner to contractors.		
<b>Verification Statement</b>	Based on verification of sample contractor found all payment term were in order. Invoice were clearly documented with evidence of payment voucher made by the HQ level. Further interview conducted with the sample of contractor found no issue on payment.		

Opportunity For Improvement			
<b>Ref:</b>	2426874-202311-I2	<b>Clause:</b>	MSPO 2530 Part 3: 4.6.1.1
<b>Area/Process:</b>	All estates		
<b>Objective Evidence:</b>	All operating units has established and planted integrated pest management in the estate. It can be further improved to continue enhancing planting of beneficial plant to meet ratio of 10 m: 1 ha as one of the mechanism to control pest.		
<b>Verification Statement</b>	IPM management plan has been established. Beneficial has been planted in the estate as per plan. Based on interview with management team, the beneficial planting program will be continuing to ensure the mechanism to control pest was successful.		

Opportunity For Improvement			
<b>Ref:</b>	2426874-202311-I3	<b>Clause:</b>	MSPO 2530 Part 4: 4.6.1.2
<b>Area/Process:</b>	Kemaman POM		
<b>Objective Evidence:</b>	POM can improve to continue enhancing housekeeping standards in the processing areas / complex.		
<b>Verification Statement</b>	Based on site visit confirmed that line site condition was in order. Grass conditions were updated. Domestic waste was collected and disposed through Municipal Bin.		

### 3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
2252660-202209-M1	Part 3: 4.4.4.2 - Major	29/10/2022	Closed on 27/10/2022
2252660-202209-M2	Part 3: 4.5.4.2 - Major	29/10/2022	Closed on 27/10/2022



2426874-202311-M1	Part 3: 4.4.4.1 - Major	23/11/2023	Closed on 27/02/2024
2426874-202311-M2	Part 4: 4.4.5.3 - Major	23/11/2023	Closed on 27/02/2024
2426874-202311-M3	Part 4: 4.4.4.1 - Major	23/11/2023	Closed on 27/02/2024
2426874-202311-N1	Part 3: 4.4.5.11 - Minor	23/11/2023	Closed on 30/10/2024
2426874-202311-N2	Part 3: 4.4.1.1 Minor	23/11/2023	Closed on 30/10/2024
2567625-202410-N1	Part 4: 4.4.2.2 Minor	30/10/2024	Open
2567625-202410-N2	Part 4: 4.5.3.4 Minor	30/10/2024	Open
2567625-202410-N3	Part 4: 4.5.3.2 Minor	30/10/2024	Open

### 3.5 Issues Raised by Stakeholders

IS #	Description
1	<b>Feedback:</b> Contractor (Mxxxxxxx Hxxxxxxx Sxx Bxx and Ixxxxxx Lxxx Exx Pxx) The contractor has a good relationship with the company where they have been providing the service for many years. The contractor also mentioned that the award of contract was done through fair and unbiased tendering process. Payments were always made on timely manner. The management and staff of the operating units have also been very accommodating should there be any issues of concern. The estate has also always invited the contractor's representative to attend the stakeholder meetings as a channel to discuss any issues. They were also made to understand the mechanism to lodge complaint or grievance should there be any.
	<b>Management Responses:</b> The management will continue to ensure payment make promptly and maintain good relationship with the contractors.
	<b>Audit Team Findings:</b> No further issues related to the contractor.
2	<b>Feedback:</b> Local Communities (Txxxxxx KXXXX Pxxxxxx Kxxx and Ixxx Mxxxxxx Gxxxx Mxxx Exxxxx) Good cooperation given by estate management team. Contribution not only monetary but also manpower and machinery were given if there is any assistance required. Relationship and contribution with the estate management were consistent rather than ad-hoc. Its commendable that the estate management continually engages with the community through consultation processes.
	<b>Management Responses:</b> The management continue to maintain good relationship with local communities and contribute whenever necessary.
	<b>Audit Team Findings:</b> No further issues related to the local community.
3	<b>Feedback:</b> Government (Sxxxxxxx Kxxxxxxxxxx Pxxxxxx Kxxx) The representatives informed that the management from the estates and mill are very attentive and supportive. The management will assist whenever they requested for any assistance from the management. They have good relationship with the management. He also informed that no child labour was sighted in the estates. The management consistently contributes to school activities such as providing transportation and facilities for sports events. The teachers mentions that the estates operations do not disrupt learning or activity in the school.
	<b>Management Responses:</b>

	The management continue to maintain good relationship with government agencies and contribute whenever necessary.
	<b>Audit Team Findings:</b> No further issues related to the school.
<b>4</b>	<p><b>Feedback:</b> Local and Foreign Workers</p> <p>Regular training on company's SOP, policies, safety and health, environmental and social aspects were conducted by estate management. Employment contract and payslip were provided, and the salaries deposited into workers bank account. Wages are paid according to Minimum Wages Order 2022. PPE is provided at no cost and can be replaced by making a request to the estate management. Workers are aware of the complaint and grievance channels available to them.</p> <p><b>Management Response:</b></p> <p>Management will continue to conduct ongoing training to the workers and ensure compliance with the Minimum Wages Order 2022 as well as other relevant laws and regulations enforced by the government.</p> <p><b>Audit Team Finding:</b></p> <p>No issues on matter raised during the consultation.</p>
<b>5</b>	<p><b>Feedback:</b> Gender Committee Representative</p> <p>They informed that no sexual harassment and violence cases reported since the last audit. Female workers understand the function of Gender Committee and aware the complaint mechanism if there are any issues occurred. They were treated equally without any discrimination by the estate management.</p> <p><b>Management Response:</b></p> <p>The management will respect the right of female employees and monitor if there is any cases of sexual harassment, violence and discrimination happen.</p> <p><b>Audit Team Finding:</b></p> <p>No further issues related to female workers.</p>
<b>6</b>	<p><b>Feedback:</b> Worker Representative</p> <p>They informed that there are no outstanding issues with the estate management. Regular meetings between the estate management and worker representative are conducted to address any matter arising from the workers. Worker's welfare including housing, salary payment and benefit are well taken care of by the estate management.</p> <p><b>Management Response:</b></p> <p>The management will continue to engage with the worker representative to ensure that close relationship between employer and employee, as well as to identify any workers problems that may not have been previously identified by the management.</p> <p><b>Audit Team Finding:</b></p> <p>No issues related to worker representative.</p>



### 3.6 List of Stakeholders Contacted

<b>Government Officer:</b> Sxxxxxx Kxxxxxxxxx Pxxxxx Kxxx	<b>Community/neighbouring village:</b> Txxxxx KXXXX Pxxxxx Kxxx Ixxx Mxxxxx Gxxxx Mxxx Exxxxx
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<b>Suppliers/Contractors/Vendors:</b> Mxxxxxxx Hxxxxxxx Sxx Bxx – Contractor Ixxxxxx Lxxx Exx Pxx - Contractor	<b>Worker's Representative/Gender Committee:</b> Gender Committee Representatives Worker Representatives Local Workers Foreign Workers
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#### Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment <i>TDM Kemaman POM</i> Certification Unit complies with the <b>MS 2530-3:2013</b> and <b>MS 2530-4:2013</b> . It is recommended that the certification of <i>TDM Kemaman POM</i> Certification Unit is continued.	
Acknowledgement of Assessment Findings	Report Prepared by
<b>Name:</b> HJ. SHAHBUDIN BIN USOP.	<b>Name:</b> NOR HALIS ABU ZAR
<b>Company name:</b> TDM PLANTATION S/B.	<b>Company name:</b> BSI SERVICES MALAYSIA SDN BHD
<b>Title:</b> PENGURUS KANAN KILANG.	<b>Title:</b> CLIENT MANAGER
<b>Signature:</b> 	<b>Signature:</b> 
<b>Date:</b> 19/11/2024.	<b>Date:</b> 17/11/2024

**Appendix A: Summary of the findings by Principles and Criteria**
**MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Oil Palm Plantations and Organized Smallholders**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	A policy for the implementation of MSPO shall be established. - <b>Major compliance</b> -	An established Sustainability Policy, approved and signed by the Group CEO on 23/02/2023, was observed. According to the internal training report titled Briefing of Company Policies, which includes the MSPO Policy, workers received briefings on these policies. The policy briefings have been conducted as recorded. Gajah Mati Estate: 20/08/2024 Pelantoh Estate: 05/03/2024 MAIDAM Estate: 14/02/2024	Complied
<b>4.1.1.2</b>	The policy shall also emphasize commitment to continual improvement. - <b>Major compliance</b> -	The MSPO policy emphasizes a commitment to continual improvement by maximizing resource utilization across human, process, and technological areas to support sustainable palm product production. Key focus areas include: <ul style="list-style-type: none"> <li>• Commitment and management responsibility</li> <li>• Transparency</li> <li>• Legal and regulatory compliance</li> <li>• Social responsibility, health and safety, and worker conditions</li> <li>• Environmental protection and biodiversity</li> <li>• Implementation of best practices</li> <li>• Replanting initiatives</li> </ul>	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			

Criterion / Indicator		Assessment Findings	Compliance																
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. <b>- Major compliance -</b>	<p>The SOP for MSPO, RSPO, and ISCC Internal Audits, dated 01/01/2022 under Edition TDMOP/01, Revision TDMP-02/2022, outlines guidelines for conducting internal sustainability audits in alignment with standards requirements. As specified in the SOP under the Audit Plan, a sustainability internal audit is to be conducted annually to evaluate strengths, identify weaknesses, and highlight areas for further improvement.</p> <p>The internal audits were conducted at the following estates:  Gajah Mati Estate: 06/06/2024  Pelantoh Estate: 24/06/2024  MAIDAM Estate: 21/08/2024</p>	Complied																
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. <b>- Major compliance -</b>	<p>The SOP for MSPO, RSPO, and ISCC Internal Audits, documented on 01/01/2022 under Edition TDMOP/01, Revision TDMP-02/2022, serves as a guideline for conducting internal sustainability audits based on standards requirements. Any identified results, including raised nonconformities, are thoroughly investigated, with corrective actions implemented in response.</p> <table border="1"> <thead> <tr> <th>Estate</th><th>Major NC</th><th>OFI</th><th>Positive Findings</th></tr> </thead> <tbody> <tr> <td>Gajah Mati</td><td>17</td><td>0</td><td>2</td></tr> <tr> <td>Pelantoh</td><td>18</td><td>0</td><td>2</td></tr> <tr> <td>MAIDAM</td><td>8</td><td>0</td><td>3</td></tr> </tbody> </table> <p>All NCRs were investigated on root causes and proposed Corrective Action made accordingly.</p>	Estate	Major NC	OFI	Positive Findings	Gajah Mati	17	0	2	Pelantoh	18	0	2	MAIDAM	8	0	3	Complied
Estate	Major NC	OFI	Positive Findings																
Gajah Mati	17	0	2																
Pelantoh	18	0	2																
MAIDAM	8	0	3																
4.1.2.3	Report shall be made available to the management for their review. <b>- Major compliance -</b>	The Sustainability Audit Report was prepared and compiled for management's attention and follow-up actions. This report was reviewed and discussed during the management review meeting, covering the criteria outlined in the Minutes of Management Review. The meeting was attended by the Plantation Advisor, Estate Managers, and the Sustainability Unit.	Complied																

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.1.3 – Management Review</b>			
<b>4.1.3.1</b>	<p>The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.</p> <p><b>- Major compliance -</b></p>	<p>TDM Kemaman POM Certification Unit held management reviews at 08/09/2024 on a yearly basis. Among the matters discussed during the management review are as follows: -</p> <ol style="list-style-type: none"> <li>1. Introduction by Chairman</li> <li>2. Results of Internal Audits covering RSPO &amp; MSPO</li> <li>3. Customer feedback</li> <li>4. Status up preventive and corrective actions</li> <li>5. Follow up actions from management review</li> <li>6. Changes that could affect the management system</li> <li>7. Recommendations for improvement</li> <li>8. Improvement of the effectiveness of the management system and process</li> <li>9. Resources need</li> </ol> <p>The minutes of the meeting indicated that Internal audit findings were each thoroughly examined, and the corrective action plan were discussed.</p>	Complied
<b>Criterion 4.1.4 – Continual Improvement</b>			
<b>4.1.4.1</b>	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p><b>- Major compliance -</b></p>	<p>The audit team verified that the management has established action plans for continuous improvement which were made available during the audit. The action plans are as follows:</p> <ol style="list-style-type: none"> <li>1. Reduce water consumption by maximizing rainfall sources.</li> <li>2. Prevent soil erosion in cliff area and terrace areas.</li> <li>3. Use natural enemies (predators) to kill animals that damage palm tree.</li> <li>4. Prevent chemical substance from entering surrounding/drainage.</li> </ol>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>5. Scheduled waste should be minimized and follow 5R rules.</p> <p>6. Prevention of excessive diesel or lubricant spillage during operation.</p> <p>7. Manage fuel consumption of water pump engine by operation monitoring.</p> <p>8. Management of leachate from fertiliser application by agronomist recommendation.</p> <p>The sampled operating units are implementing the action plans accordingly. Progress of the plans were also discussed in the management review meetings.</p>	
<b>4.1.4.2</b>	<p>The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.</p> <p><b>- Major compliance -</b></p>	<p>The company has used Geographic Information System (GIS) mapping to create precise topography map where a visual representation of data that combines geographic information with a data base. This system allows the estate to identify area with terrain above 25<sup>0</sup> and other estate operation management programme. Overall, new information and technique is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings. Dissemination of information by the General Manager are transacted during the monthly Managers meetings and emails.</p>	Complied
<b>4.1.4.3</b>	<p>An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.</p> <p><b>- Major compliance -</b></p>	<p>All level of employees will be trained to handle /implement the new techniques and work changes when any introduction of new machines and new work method occurred. Monitoring is made by the Estate Managers and Assistants throughout the on-the-job training and familiarization.</p>	Complied
<b>4.2 Principle 2: Transparency</b>			
<b>Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements</b>			

Criterion / Indicator	Assessment Findings	Compliance
<p><b>4.2.1.1</b> The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has established communication procedure entitled Standard Operating Procedure (Stakeholder Communication) [Date: 01/10/2022; Edition: TDMP/02; Revision: TDMP-01/2022]. The procedure explained the following:</p> <p>Objectives</p> <p>To provide the company's stakeholders a channel and means of redressing problems or request of information.</p> <p>Application</p> <p>The procedure covers the general guidelines and process of how a complaint and grievance should be addressed and resolved amicably.</p> <p>Procedures</p> <p>If a stakeholder has a complaint, grievance or requesting an information from the company, he/she may within 14 days submit it to the person in charge by completing grievance form.</p> <p>If a complaint, grievance or request information submitted by the stakeholder is not resolved within a period 14 days after is has been brought up, it shall then be brought up for discussion at a formal meeting between the concerned stakeholder, the person in charge and the manager of the operation unit with a view to reaching a settlement.</p> <p>If any complaint and grievance remains unsettled after a formal meeting or any subsequent formal meeting above, it shall upon written notice served by either party or the other be deemed to have been referred to the Chief Executive of the company. Meeting between the Chief Executive and stakeholder concerned shall be take place not later than 30 days after the request has been made by either party.</p> <p>Extension of the limit where a time limit is specified, such time shall only be extended by mutual agreement by both the stakeholder and the company.</p> <p>Responsibility and authority</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>The respective head of operation unit shall be responsible for preparing the report on grievance whether settled or not that he/she had attended for submission to TDMP Operations Department.</p> <p>Plantation Administration Manager (PAM) shall be responsible for monitoring and addressing all grievance and request of information.</p> <p>Flowchart Appendix 1: Social Issue Management Flowchart (Stakeholder) (Complaints/Grievances, Information Requests), which explains the flow and complaints.</p> <p>The above procedure is found applicable to all relevant stakeholders.</p> <p>In addition, each operating unit visited has established a "Record of Communication with Stakeholders," a "Borang Aduan Umum," and a QR code for reporting unsafe conditions or suggestions, as a medium for relevant stakeholders to submit suggestions, requests, or complaints.</p> <p>Example of the request and response were verified are as follow:</p> <p>Gajah Mati Estate</p> <p>Requested information from the Labour Department regarding a compliance notice on 20/03/2024, with a response from estate management evidenced by an email dated 25/03/2023.</p> <p>In addition, requested assistance from SK Ladang Gajah Mati for transportation for the Smart English Competition, Royal Foundation Sultan Mizan 2024, as per the letter dated 11/06/2024 (Ref.: TBA1030/700-07/03(2)), and received a response from estate management on the same day via letter and phone call.</p> <p>Pelantoh Estate</p> <p>Assistance was requested to provide transportation (van) for the Kejohanan Hoki MSSD Kemaman Zon Kijal, as outlined in a letter dated 10/07/2024 [Ref.: TBA2021 600-3/27 (24)], and a response was received from estate management on 14/07/2024 via letter.</p> <p>Verification during interviews with sampled stakeholders during the audit indicates that they are aware of the information request</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>mechanism, which involves submitting an official request to estate management.</p> <p>MAIDAM Estate</p> <p>As to the date of audit, there is no request information by the relevant stakeholder has been made.</p> <p>Verification during interviews with sampled stakeholders during the audit indicates that they are aware of the information request mechanism, which involves submitting an official request to estate management.</p>	
<b>4.2.1.2</b>	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p><b>- Major compliance -</b></p>	<p>All visited estates has established list of documents categorized as publicly. List of documents publicly available at all sampled estates has listed the following:</p> <ul style="list-style-type: none"> <li>• Land Titles</li> <li>• Occupational Safety and Health Plan</li> <li>• Social Impact Assessment (SIA) Report</li> <li>• Environment Impact Assessment (EIA) Report</li> <li>• Pollution Prevention Plan</li> <li>• Continuous Improvement Plan</li> <li>• Environmental Management/Monitoring Plan</li> <li>• Communication Procedure</li> <li>• Negotiation Procedure</li> </ul> <p>In addition, it was found that the company's policies were displayed at office notice board while the relevant operation procedure were displayed at each workstation. Communication and briefing on mechanism to request the estates documents has been communicated during stakeholder meeting on 28/08/2024, combining all operating unit under South Region consists of Gajah Mati Estate, MAIDAM Estate, Pelantoh Estate and Kemaman Palm Oil Mill. Further verification during stakeholder consultation with sampled stakeholder, indicates they are being briefed regarding the publicly available</p>	Complied



Criterion / Indicator		Assessment Findings	Compliance
		document in estate. Furthermore, the company's sustainability report is accessible to all parties on the website: <a href="https://www.tdmberhad.com.my/sustainability-report/">https://www.tdmberhad.com.my/sustainability-report/</a> .	
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders. <b>- Major compliance -</b>	<p>TDM Plantation Sdn Bhd has established a communication procedure to be adopted by all operating units under the company, entitled Standard Operating Procedure (Stakeholder Communication) [Date: 01/10/2022; Edition: TDMP/02; Revision: TDMP-01/2022]. The procedure explained the following:</p> <ul style="list-style-type: none"> <li>Objectives <ul style="list-style-type: none"> <li>To provide the company's stakeholders a channel and means of redressing problems or request of information.</li> </ul> </li> <li>Application <ul style="list-style-type: none"> <li>The procedure covers the general guidelines and process of how a complaint and grievance should be addressed and resolved amicably.</li> </ul> </li> <li>Procedures <ul style="list-style-type: none"> <li>If a stakeholder has a complaint, grievance or requesting an information from the company, he/she may within 14 days submit it to the person in charge by completing grievance form.</li> <li>If a complaint, grievance or request information submitted by the stakeholder is not resolved within a period 14 days after is has been brought up, it shall then be brought up for discussion at a formal meeting between the concerned stakeholder, the person in charge and the manager of the operation unit with a view to reaching a settlement.</li> <li>If any complaint and grievance remain unsettled after a formal meeting or any subsequent formal meeting above, it shall upon written notice served by either party or the other be</li> </ul> </li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>deemed to have been referred to the Chief Executive of the company. Meeting between the Chief Executive and stakeholder concerned shall be take place not later than 30 days after the request has been made by either party.</p> <ul style="list-style-type: none"> <li>- Extension of the limit where a time limit is specified, such time shall only be extended by mutual agreement by both the stakeholder and the company.</li> <li>• Responsibility and authority <ul style="list-style-type: none"> <li>- The respective head of operation unit shall be responsible for preparing the report on grievance whether settled or not that he/she had attended for submission to TDMP Operations Department.</li> <li>- Plantation Administration Manager (PAM) shall be responsible for monitoring and addressing all grievance and request of information.</li> </ul> </li> <li>• Flowchart Appendix 1: Social Issue Management Flowchart (Stakeholder) (Complaints/Grievances, Information Requests), which explains the flow and complaints.</li> </ul> <p>The above procedure is found applicable to all relevant stakeholders. In addition, each operating unit visited has established a "Record of Communication with Stakeholders," a "Borang Aduan Umum," and a QR code for reporting unsafe conditions or suggestions, as a medium for relevant stakeholders to submit suggestions, requests, or complaints.</p>	
4.2.2.2	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p> <p><b>- Minor compliance -</b></p>	<p>At all visited estates, the management has appointed management representatives as personnel responsible for issues related to Indicator 1 which is to handling social issue with the estate stakeholder including internal and external stakeholder. Appointment letters of the appointed person is made available during the audit as evident below:  <u>Gajah Mati Estate</u></p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>The Estate Manager has been appointed as the person in charge of social matters, as evident in the appointment letter dated 04/06/2023 (Ref.: TDMP/HR-GEN(MSPO/RSPO)), signed by the Head of Human Resources.</p> <p><u>Pelantoh Estate</u></p> <p>The Estate Manager has been appointed as the person in charge of social matters, as evident in the appointment letter dated 18/09/2017 (Ref.: TDMP/HR-GEN(MSPO/RSPO)), signed by the Head of Human Resources.</p> <p><u>MAIDAM Estate</u></p> <p>The Estate Manager has been appointed as the person in charge of social matters, as evident in the appointment letter dated 17/10/2021 (Ref.: TDMP/HR-GEN(MSPO/RSPO)), signed by the Head of Human Resources.</p> <p>The responsibility of the appointed person above are clearly stated in the appointment letter.</p>	
<b>4.2.2.3</b>	<p>List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.</p> <p><b>- Major compliance -</b></p>	<p>Stakeholder list record is made available during the audit at all sampled estates as evident in the 'List of Stakeholder 2024' and listed stakeholder list as per categories below:</p> <ul style="list-style-type: none"> <li>• Other interested parties (government agencies, schools, hospital, union, kindergarten, consulate, etc.)</li> <li>• Vendor/suppliers</li> <li>• Local community</li> <li>• Contractors</li> <li>• Neighbouring estate</li> </ul> <p>The stakeholder list is listed information on the name of stakeholders, address and contact number (telephone/fax).</p> <p>Evidence of communication, consultation and action taken in response to input from stakeholders were recorded in 'Record Communication with Stakeholder'. Further verification during the audit also found that</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		action taken from the input or suggestion from stakeholders were made during stakeholder meeting. Stakeholder meeting was conducted on 28/08/2024 combining with all relevant stakeholder of operating unit under South Region consists of Gajah Mati Estate, Pelantoh Estate, MAIDAM Estate, Jernih Estate, Air Putih Estate and Kemaman Palm Oil Mill.	
<b>Criterion 4.2.3 – Traceability</b>			
<b>4.2.3.1</b>	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has established an SOP for traceability and documented in "RSPO Supply Chain SOP – Identity Preserved and Mass Balance Module Edition TDM/TRCBL/04, Rev. SCCS-02/2022, dated 01/01/2022. The SOP covers various key subjects to ensure effective implementation of MSPO supply chain.  The objective of the procedure is to provide guideline for the estates to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB).  This SOP outlines procedures / guidelines to ensure compliance with MSPO supply chain standards, particularly in the areas of identity preserved and mass balance, covering the entire process from FFB delivery to the mill to the dispatch of CPO and PK. The inclusion of responsibilities, control measures, and training elements emphasizes a systematic and well-documented approach to MSPO supply chain management within TDM Plantation Sdn Bhd.	Complied
<b>4.2.3.2</b>	The management shall conduct regular inspections on compliance with the established traceability system. <b>- Major compliance -</b>	Inspection on the compliance of the traceability system is made on daily basis. The respective weighbridge operators key in all the related data into the system and verified by the executive at the end of the day. Sighted the weighbridge records and FFB delivery notes to Kemaman Palm Oil Mill as shown below;  Supplier: Gajah Mati Estate Nett Weight: 13110 kg Delivery date: 19/10/2024	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Vehicle No: WB 8033N  Weighbridge ticket no: 3371  D/O no: 8647  MSPO certificate no: MSPO No. 686877 expiring 14/12/2027  Supplier: Pelantoh Estate  Nett Weight: 3070 kg  Delivery date: 29/09/2024  Weighbridge ticket no: KTP 2024362798 (uses KPOM w/bridge)  D/O no: 03691  MSPO certificate no: MSPO No. 686877 expiring 14/12/2027  Supplier: MAIDAM Estate  Nett Weight: 6500 kg  Delivery date: 06/10/2024  Weighbridge ticket no: KTP24363343 (uses KPOM w/bridge)  D/O no: 1386  MSPO certificate no: MSPO No. 686877 expiring 14/12/2027  Other information includes data such as;</p> <ul style="list-style-type: none"> <li>- Total Bunches / Quality / field no</li> <li>- Despatch chit serial no</li> <li>- MPOB licence no.</li> <li>- Grading report for the FFB consignment.</li> </ul>	
<b>4.2.3.3</b>	<p>The management should identify and assign suitable employees to implement and maintain the traceability system.</p> <p><b>- Minor compliance -</b></p>	<p>The Head of each operating unit would automatically be the appointed person responsible for traceability system via letter dated 15/09/2023 by the Chief Executive Officer.</p> <p>Internally all the 3 estates had appointed the following personnel as the Person In-Charge for Traceability requirements of RSPO, ISCC and</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance												
		<p>MSPO Sustainability Standards, dated respectively and signed by the respective Managers. Among other the duties include;</p> <ul style="list-style-type: none"><li>- Assisting Assistant on Supply Chain Certification System</li><li>- Other related issues on SCCS</li></ul> <table><tr><td>Estate</td><td>Person In Charge</td><td>Date</td></tr><tr><td>Gajah Mati</td><td>Assistant Manager</td><td>01/01/2024</td></tr><tr><td>Pelantoh</td><td>Assistant Manager</td><td>18/08/2024</td></tr><tr><td>MAIDAM</td><td>Field Assistant</td><td>02/01/2024</td></tr></table> <p>All letters were sighted and verified.</p>	Estate	Person In Charge	Date	Gajah Mati	Assistant Manager	01/01/2024	Pelantoh	Assistant Manager	18/08/2024	MAIDAM	Field Assistant	02/01/2024	
Estate	Person In Charge	Date													
Gajah Mati	Assistant Manager	01/01/2024													
Pelantoh	Assistant Manager	18/08/2024													
MAIDAM	Field Assistant	02/01/2024													
4.2.3.4	<p>Records of sales, delivery or transportation of FFB shall be maintained.</p> <p>- Major compliance -</p>	<p>The estates audited delivered the harvested FFB to Kemaman Palm Oil Mill. The estates maintained the records of FFB sale/dispatch to the mill. Reviewed the records of FFB dispatch as provided in 4.2.3.2 above. Documented information is captured from the FFB Delivery Notes.</p>	Complied												
4.3 Principle 3: Compliance to legal requirements															
Criterion 4.3.1 – Regulatory requirements															
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Based on a review of records, site visit observations, and interviews with relevant personnel, it has been confirmed that all operating units within TDM Kemaman POM &amp; Supply Bases comply with applicable legal requirements. No legal violations were reported for any operating unit, nor were any warning notices issued by Malaysian government authorities.</p> <p><u>Gajah Mati Estate</u></p> <ul style="list-style-type: none"><li>• MPOB Licence #502036302000 valid from 01/09/2024 until 31/08/2025</li><li>• Nursery Licence #562823011000 valid from 01/07/2024 until 30/06/2025</li></ul>	Complied												

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Weighbridge calibration @B694200 inspected by De Metrology dated 11/03/2024</li> <li>• Diesel permit #T000129 valid until 02/11/2024</li> <li>• Air Receiver #TG PMT 4867 valid until 10/12/2025</li> <li>• Water Abstraction Licence #PA(P)-A0043 valid until 31/12/2024</li> </ul> <p><u>Pelantoh Estate</u></p> <ul style="list-style-type: none"> <li>• MPOB Licence #620807002000 valid from 01/02/2024 until 31/01/2025</li> <li>• Air compressor #TG PMT 4818 valid until 18/05/2025</li> <li>• Diesel permit #T001857 valid from 23/01/2022 until 22/01/2025</li> <li>• Permit for salary deduction for Electricity and Water Bill, Bank and Insurance #JTK(T)600.2.2.3(48) dated 12/11/2018</li> </ul> <p><u>MAIDAM Estate</u></p> <ul style="list-style-type: none"> <li>• MPOB Licence #503576002000 valid from 01/09/2024 until 31/08/2025</li> <li>• Diesel permit #TR/DGN/15/09 SKD valid from 08/10/2024 until 07/10/2027</li> </ul>	
<b>4.3.1.2</b>	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p><b>- Major compliance -</b></p>	<p>Legal and Other Requirements (LOR) (TDM/Estate/01) Revision 00/2021 dated 01/01/2021. The purpose is to ensure the estate is aware with current legal and other requirements that relevant to their operation. Established and documented Estate Legal Requirements Register 2024 (Edition 2024), last reviewed &amp; updated 15/07/2024. A legal register listed additional applicable laws, including:</p> <ul style="list-style-type: none"> <li>• Minimum Wages Order 2022</li> <li>• Fire Service Act 1988 (Act 341) Amendment 2020</li> <li>• Human Resources Development Act 2001</li> <li>• Anti-Sexual Harassment Act 2021</li> <li>• Employees' Social Security (Amendment) Act 2022</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>Employees' Insurance System (EIS) (Amendment) Act 2022</li> <li>Control of Supplies Act 1961</li> <li>Employment (Amendment) Act 2022</li> <li>OSHA (Construction Work) (Design &amp; Management) Regulation 2024</li> </ul> <p>The mill and estates have appointed the Compliance Executive as person responsible for compliance legal and other requirement as per appointment letter signed by the Manager.</p>	
<b>4.3.1.3</b>	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p><b>- Major compliance -</b></p>	<p>All estates under TDM Kemaman POM certification units continue to implement and maintain a documented system to identify, access, update, and monitor compliance with applicable legal requirements. A tracking system is in place to capture regulatory changes via the head office, sustainability team, and website information, with updates communicated from the Head Office. TDM Plantations Berhad utilizes a centralized system to monitor any legal changes effectively.</p>	Complied
<b>4.3.1.4</b>	<p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p><b>- Minor compliance -</b></p>	<p>The estates have appointed the Asst. Manager as person responsible for compliance legal and other requirement as per appointment letter. Refer appointment letter with ref no. as below:</p> <p>Gajah Mati Estate: LGM/SP/03.24 dated 01/01/2024.</p> <p>Pelantoh Estate: LPT/EIP/08/01 dated 18/08/2024.</p> <p>MAIDAM Estate: Compliance Officer dated 01/01/2024</p>	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p><b>- Major compliance -</b></p>	<p>Estate activities do not impact the land use rights of other users. The following Management Agreements were reviewed:</p> <ul style="list-style-type: none"> <li>Between Kumpulan Ladang-ladang Terengganu Sdn. Bhd. and TDM Plantation Sdn. Bhd., dated 20/7/2016.</li> <li>Between TDM Plantation Sdn. Bhd. and TDM Berhad, dated 20/7/2016.</li> </ul>	Complied



Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>Between Kumpulan Ladang-ladang Terengganu Sdn. Bhd. and TDM Berhad, dated 1/9/2012.</li> </ul> <p>It was noted that these agreements are currently under review for possible extension, subject to mutually negotiated terms and conditions.</p>	
<b>4.3.2.2</b>	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p><b>- Major compliance -</b></p>	<p>Legal ownership and lease agreements were available for verification, and all related documents were found to be in order. A sample of the land title is provided below:</p> <p><u>Gajah Mati Estate</u></p> <ul style="list-style-type: none"> <li>Land title: Lot 39XX</li> <li>Ownership No.: GRN 146XX</li> <li>District: Dungun</li> </ul> <p><u>MAIDAM Estate</u></p> <ul style="list-style-type: none"> <li>Land title: Lot 10XX, Lot 9XX, Lot 93X, Lot 14XX</li> <li>Ownership No.: GRN 107XX, GRN 39XX, HSD 4XX, HSD 7XX</li> <li>District: Dungun</li> </ul> <p><u>Pelantoh Estate</u></p> <ul style="list-style-type: none"> <li>Land title: Lot 82X, Lot 82X, Lot 24XX, Lot 25XX</li> <li>Ownership No.: GRN 126XX, GRN 125XX, GRN 125XX, PN33XX</li> <li>District: Kemaman</li> </ul>	Complied
<b>4.3.2.3</b>	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p><b>- Major compliance -</b></p>	<p>Legal perimeter boundary markers are maintained by the estate management, and there are no reported land disputes. A site visit confirmed that the boundaries are clearly demarcated and visibly maintained. The boundary pegs are painted with red and white stripes and installed at the estate's perimeter. Additionally, the locations of all boundary pegs are outlined in the Layout Plan, complete with detailed GPS coordinates.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
<b>4.3.2.4</b>	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). <b>- Minor compliance -</b>	No land disputes in all operating units since last audit. evidence of ownership documents available as verified in all sampled estates.	Not applicable
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. <b>- Major compliance -</b>	No lands encumbered by customary rights within TDM Kemaman complex. However, company able to demonstrate that any customary rights are understood and not being threatened or reduced.	Not applicable
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. <b>- Minor compliance -</b>	No lands encumbered by customary rights within TDM Kemaman complex. However, company able to demonstrate that any customary rights are understood and not being threatened or reduced.	Not applicable
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. <b>- Major compliance -</b>	No lands encumbered by customary rights within TDM Kemaman complex. However, company able to demonstrate that any customary rights are understood and not being threatened or reduced.	Not applicable
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. <b>- Minor compliance -</b>	Social impacts have been identified and incorporated into the SIA Management Plan 2024. The Social Impact Assessment (SIA) was conducted by Gajah Mati Estate, Pelantoh Estate and MAIDAM Estate, and the report was made available during the audit in the document entitled 'Social Impact Assessment (SIA) Report.' The assessment took place from 12-15/06/2022 and was conducted by the consultant Green Orbis Environmental Sdn Bhd (Reference No.: GO/SIA/2203-01). Data gathering utilized both quantitative and qualitative	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>methods, including questionnaires for in-depth interviews, focus group discussions, and observation protocols as instruments. The report includes the following tabulated information:</p> <ul style="list-style-type: none"> <li>• Social Assessment Process</li> <li>• Study Area</li> <li>• Stakeholder Profile including population and demographic of study area, settlement, methodology, and assessment team.</li> <li>• Social impact assessment and findings which includes result of focus group discussion, social impact assessment findings &amp; mitigation plan.</li> <li>• Appendix: Interview and focus group discussion, facilities and building and list of stakeholders</li> <li>• Annex: Questionnaire for interview local community and stakeholder.</li> </ul> <p>The findings of the assessment have been classified into 2 different category which are positive impact with continuous improvement and negative impact with mitigation plan. Further verification also indicates that the assessment has focuses several key areas as follows (mention in Chapter Four: Social Impact Assessments and Findings):</p> <ul style="list-style-type: none"> <li>• Living quarters</li> <li>• Water and power supplies</li> <li>• Sanitations</li> <li>• Health Facilities</li> <li>• Worship Houses</li> <li>• Creche Ayah</li> <li>• Accessibility and Transportation</li> <li>• Existing Socio Issues</li> <li>• Perception on Environment</li> <li>• Perception on Occupational Safety and Health (OSH)</li> </ul>	

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Perception and Acceptance of the Estates</li> </ul> <p>Following to the key areas assessed, the audit team observed that several issues has been identified, example are as follows:</p> <p>Negative Observation</p> <ul style="list-style-type: none"> <li>- Issue: Company Policies Awareness to the workers can be further improved.</li> </ul> <p>Mitigation plan: Company should enhance on company policies awareness of the workers by conducting related briefing during muster call</p> <ul style="list-style-type: none"> <li>- Issue: Un-segregation of rubbish and improper handling at the dump site.</li> </ul> <p>Mitigation plan: to enhance the awareness on 3R program</p> <p>Positive Observation</p> <ul style="list-style-type: none"> <li>- Positive Impact: The road of the estate is well maintained by the management.</li> </ul> <p>Continuous Improvement: To continue the good practice</p> <ul style="list-style-type: none"> <li>- Positive Impact: Observed that most of workers wage are meeting the minimum wages according to the Minimum Wages Order 2022</li> </ul> <p>Continuous Improvement: To continue good practice</p> <p>Results or findings from stakeholders meeting and interviewed during the assessment is included in the report, covering various stakeholder groups, including local workers, foreign workers, contractors, relevant government agencies, and local communities residing near the Certification Unit.</p> <p>The social impact management plans were developed and updated from time to time by each visited operating units. The updating of the management plan was based feedback and issues collected during Social Impact Assessment and various meeting including union meeting and gender meeting. SIA Management Plan 2024 has been</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>developed by each operating unit which consists of areas of concerns, issues, description, action by, time frame and status.</p> <p>Verification during the audit found that there is evidence that all issues that has been highlighted in the social impact assessment and management plan that has been established has been implemented based on document review. It has been further confirmed through interview with sampled stakeholders that there are no repeating same issues for issues that has been highlighted in the assessment.</p>	
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has established documented system for dealing with complaints and grievances. This was found in Standard Operating Procedure (Stakeholder Communication) [Date: 01/10/2022; Edition: TDMP/02; Revision: TDMP-01/2022] and this procedure will be adopted by all operating units under the company. The procedure explained the following:</p> <ul style="list-style-type: none"> <li>Objectives <ul style="list-style-type: none"> <li>To provide the company's stakeholders a channel and means of redressing problems or request of information.</li> </ul> </li> <li>Application <ul style="list-style-type: none"> <li>The procedure covers the general guidelines and process of how a complaint and grievance should be addressed and resolved amicably.</li> </ul> </li> <li>Procedures <ul style="list-style-type: none"> <li>If a stakeholder has a complaint, grievance or requesting an information from the company, he/she may within 14 days submit it to the person in charge by completing grievance form.</li> <li>If a complaint, grievance or request information submitted by the stakeholder is not resolved within a period 14 days after is has been brought up, it shall then be brought up for discussion</li> </ul> </li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>at a formal meeting between the concerned stakeholder, the person in charge and the manager of the operation unit with a view to reaching a settlement.</p> <ul style="list-style-type: none"> <li>- If any complaint and grievance remain unsettled after a formal meeting or any subsequent formal meeting above, it shall upon written notice served by either party or the other be deemed to have been referred to the Chief Executive of the company. Meeting between the Chief Executive and stakeholder concerned shall be take place not later than 30 days after the request has been made by either party.</li> <li>- Extension of the limit where a time limit is specified, such time shall only be extended by mutual agreement by both the stakeholder and the company.</li> <li>• Responsibility and authority               <ul style="list-style-type: none"> <li>- The respective head of operation unit shall be responsible for preparing the report on grievance whether settled or not that he/she had attended for submission to TDMP Operations Department.</li> <li>- Plantation Administration Manager (PAM) shall be responsible for monitoring and addressing all grievance and request of information.</li> </ul> </li> <li>• Flowchart Appendix 1: Carta Aliran Pengendalian Isu Sosial (Stakeholder) (Aduan/Rungutan.Permohonan Maklumat) which explained the aliran dan aduan.</li> </ul> <p>Supported record to the above mechanism such as 'Record Communication with Stakeholder', 'Borang Aduan Umum' and QR Code namely Employee Complaint Form for the relevant stakeholder were made available during the audit.</p> <p>In addition, it was observed that for the complaints against the top management of the estate/mill or complaint from internal and external parties, such process shall be covered within the Whistleblowing Policy,</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>dated 07/12/2020. Also observed that the procedure outlines the means for handling the complaints and the means to protect the complainant upon complaining against the certain entity of the management. Disclosure/report can be made to any of the following dedicated reporting channel, in strict confidential manner:</p> <p>a) Secured email address at <a href="mailto:whistleblowing@tdmberhad.com.my">whistleblowing@tdmberhad.com.my</a>; or</p> <p>b) By writing; or</p> <p>Meet in person with the Head of Compliance, Integrity and Sustainability</p>	
<b>4.4.2.2</b>	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p> <p><b>- Major compliance -</b></p>	<p>The system for dealing with complaints and grievances established by TDM Plantation Sdn Bhd is able to resolve disputes in an effective, timely and appropriate manner. This have been verified in Standard Operating Procedure (Stakeholder Communication) [Date: 01/10/2022; Edition: TDMP/02; Revision: TDMP-01/2022]</p> <p>SOP on mechanism for complaints and grievances specified that number of working days for grievances to be resolves is within 14 days. As to date of audit, there is no unresolved issue or complaints from relevant stakeholder as indicated in the 'Record Communication with Stakeholder', 'Borang Aduan Umum' and QR Code reporting.</p>	Complied
<b>4.4.2.3</b>	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p><b>- Minor compliance -</b></p>	<p>'Record Communication with Stakeholder', 'Borang Aduan Umum' and QR Code namely Employee Complaint Form was used to record any complaint from internal and external stakeholders. The record is made available during the audit.</p> <p>Each operating unit visited provides a complaints and suggestion box in front of the office. This was also confirmed through interviews with sampled workers during the audit.</p>	Complied
<b>4.4.2.4</b>	<p>Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.</p> <p><b>- Minor compliance -</b></p>	<p>Employees and the surrounding communities are aware that complaints and suggestions can be made any time as verified during sampled interview with sampled workers and stakeholders during the audit.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		In addition, briefing of complaint and grievances procedure to workers are regularly conducted during muster call, while for external stakeholder, briefing was conducted during stakeholder meeting on 28/08/2024 in order to ensure surrounding communities aware that complaints and suggestions can be made any time.	
<b>4.4.2.5</b>	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. <b>- Major compliance -</b>	Interview with the estate personnel for all visited estate has confirmed that they are aware on requirement in this indicator. As to the date of audit, there is no unresolved issues from complaints made by the internal and external stakeholder. Records of complaints for the past 24 months were presented during the audit for verification.	Complied
<b>Criterion 4.4.3:</b> Commitment to contribute to local sustainable development			
<b>4.4.3.1</b>	Growers should contribute to local development in consultation with the local communities. <b>- Minor compliance -</b>	<p>The estate has made contributions to the community and has maintained records of these efforts. A sample of the Corporate Social Responsibility (CSR) activities is provided below:</p> <p><u>Gajah Mati Estate</u></p> <ul style="list-style-type: none"> <li>• SK LXXXXX GXXXX MXXX (Donation for PIBG) dated 12/05/2025</li> <li>• SK LXXXXX GXXXX MXXX (Transport for School) dated 11/06/2024</li> </ul> <p><u>Pelantoh Estate</u></p> <ul style="list-style-type: none"> <li>• Donation for PIB SK PXXXXX KXXX dated 21/05/2024</li> <li>• Van Transport for school dated 04/06/2024</li> </ul> <p><u>MAIDAM Estate</u></p> <ul style="list-style-type: none"> <li>• Donation to workers dated 18/12/2023</li> </ul>	Complied
<b>Criterion 4.4.4:</b> Employees safety and health			
<b>4.4.4.1</b>	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. <b>- Major compliance -</b>	The Group Safety Health and Occupational OSH Policy had been established and implemented. The policy was signed by the Chief Executive Officer dated on 23/2/2023 and displayed prominently on notice boards in English and local language Bahasa Malaysia.	Complied



Criterion / Indicator		Assessment Findings	Compliance
		<p>The Policy is implemented through the OSH activities by the Site Safety Officers and monitored by OSH Manager from Region and Head Office. Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees &amp; contractors &amp; visitors. Commitment to be responsibilities of both employer &amp; employees.</p> <p>The OSH plan has also been established among others emphasizing on the following annual reviews;</p> <ul style="list-style-type: none"> <li>- OSH Plan / SDS / Chemical Register</li> <li>- HIRARC / Legal Register / Annual Medial Surveillance</li> <li>- Audiometric Test / OSH Committee Meeting.</li> </ul>	
<b>4.4.4.2</b>	<p>The occupational safety and health plan shall cover the following:</p> <p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <ul style="list-style-type: none"> <li>i. all employees involved shall be adequately trained on safe working practices</li> <li>ii. all precautions attached to products shall be properly observed and applied</li> </ul> <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling</p>	<p>The Occupational Safety and Health (OSH) plan for the estates includes several key components.</p> <p>a) Firstly, a policy was established and communicated to employees through training, circulars, and ad hoc briefings at the estate levels. These sessions covered topics such as safety policies, road safety, zero harm initiatives, accident history, and precautionary measures, with presentations on the importance of prioritizing safety, adhering to safety rules and regulations, and targeting zero accidents.</p> <p>b) Additionally, the estates conducted hazard identification, risk assessment, and risk control (HIRARC) evaluations, with records and reports, such as the Chemical Health Risk Assessment (CHRA), verified during audits. The objectives of the HIRARC process include identifying workplace hazards, assessing risks, implementing control measures, and creating a safe work environment. HIRARC is reviewed annually, with updates in response to changes in work processes, legislative requirements,</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<p>or after accidents. The most recent reviews for the estates were as follows:</p> <p>Gajah Mati Estate: Annual review on 23/07/2024; accident incidence on 17/01/2023 (harvesting fronds) and 23/11/2023 (Badang machine maintenance); bee hive and hornet hazard added on 12/08/2024.</p> <p>Pelantoh Estate: Annual review on 20/05/2024; accident incidence on 09/04/2024 (harvesting FFB).</p> <p>MAIDAM Estate: Annual review on 01/05/2024; fertilizer transportation update on 01/07/2024; bee hive and hornet hazard added on 01/07/2024.</p> <p>Risk control measures were implemented for various activities, such as palm census, harvesting, spraying, fertilizer application, and chemical storage. Machine guarding was installed on rotating machinery, safety signage was displayed, and heat stress was identified as a hazard in replanting and open areas. The Noise Risk Assessment (NRA) for the estates was conducted from</p>	

		<p>August to October 2020, identifying noise levels and employees at risk. The assessment found the following:</p> <p>Gajah Mati Estate: Maximum noise level of 115 dB(A) on 24/08/2020; 1 employee below 82 dB(A), 2 above 82 dB(A)</p> <p>Pelantoh Estate: Maximum noise level of 115 dB(A) on 23/08/2020; 4 employees above 82 dB(A).</p> <p>MAIDAM Estate: Maximum noise level of 140 dBC on 10/10/2020; 4 employees below 82 dB(A), 1 above 82 dB(A).</p> <p>Audiometric tests were conducted for employees in the estates, with the following results:</p> <p>Gajah Mati Estate: Audiometric testing on 19/10/2023 for 20 employees, with 7 normal results and 13 abnormal. A retest on 21/11/2023 revealed 3 impairments among tractor drivers.</p> <p>Pelantoh Estate: Audiometric testing on 09/06/2024 for 22 employees, with 13 normal results. A follow-up test on 12/06/2024 identified 3 abnormal results, all requiring hearing improvement and new PPE.</p> <p>MAIDAM Estate: Audiometric testing on 04/08/2024 for 4 employees, with 3 normal results and 1 employee with hearing impairment.</p> <p>c) In relation to pesticide handling, the estates conducted training on safe chemical handling, with sessions held at Gajah Mati, Pelantoh, and MAIDAM Estates as follows:</p> <p>Gajah Mati Estate: Chemical handling training on 10/06/2024, Spraying – Nursery on 10/06/2024.</p> <p>Pelantoh Estate: Chemical handling training on 16/04/2024.</p> <p>MAIDAM Estate: Chemical handling training on 20/03/2024.</p> <p>d) Employees were educated on safety practices, chemical usage, and precautions to prevent exposure. Personal protective equipment (PPE) was issued for various tasks such as harvesting, spraying, and chemical handling. PPE records for 2023 and 2024 were reviewed during the audit, showing proper issuance. SDS</p>	
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		<p>was placed for each place chemical located. Based on sample checking at chemical store, SDS was available in both language (Bahasa and English).</p> <p>e) The estates also established Standard Operating Procedures (SOP) for chemical handling, including compliance with chemical safety regulations such as the Occupational Safety Health (Classification Packaging and Labelling) Regulation 1997. Refer SOP Chemical Management; Rev. # TDMP-02/2022; Date: 01/09/2022. CHRA reports were conducted by a consultancy service and reviewed periodically to ensure ongoing compliance. The estates also conducted health surveillance for employees involved in chemical handling, with results showing that employees were fit to handle chemicals. The following CHRA reports were noted:</p> <p>Gajah Mati Estate: CHRA on 13/09/2022, with a reassessment on 26/08/2024 for new chemical use (Racumin wax block – coumatetralyl 0.0375%).</p> <p>Pelantoh Estate: CHRA on 11/10/2021.</p> <p>MAIDAM Estate: CHRA on 16/03/2021.</p> <p>Health surveillance results for employees were as follows:</p> <p>Gajah Mati Estate: 1 storekeeper, 10 sprayers, and 6 nursery workers tested on 11/10/2023, with all employees declared FIT.</p> <p>Pelantoh Estate: 21 sprayers tested on 16/10/2024, all declared FIT.</p> <p>MAIDAM Estate: 1 storekeeper and 4 sprayers tested on 04/08/2024, all declared FIT.</p> <p>f) The Estate Managers were appointed as the Chairpersons of the OSH committees, and their assistants were designated as OSH coordinators to oversee the implementation of OSH practices.</p> <p>g) Regular communication with employees occurred through quarterly OSH meetings, where safety, environmental, and health issues were discussed. The following meeting dates were recorded:</p>	
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		<p>Gajah Mati Estate: 04/09/2024, 10/06/2024, 04/12/2023, 18/09/2023.</p> <p>Pelantoh Estate: 04/09/2024, 11/06/2024, 05/03/2024, 18/12/2023.</p> <p>MAIDAM Estate: 25/09/2024, 25/06/2024, 27/03/2024, 27/12/2023.</p> <p>Minutes from these meetings addressed key issues such as PPE usage, safety performance, health statistics, and compliance with safety regulations.</p> <p>h) Accident and emergency procedures were documented and included in the Crisis Management &amp; Emergency Response (ERP) plan. Emergency response team members received training in handling various incidents, including fire hazards, injuries, and chemical spills.</p> <p>i) Fire drills, first aid training, and HIRARC sessions were held regularly across the estates. The following emergency procedure training was conducted:</p> <p>Gajah Mati Estate: Fire Drill on 12/08/2024, First Aid Kit/ERP on 12/09/2024, HIRARC/SDS on 23/09/2024.</p> <p>Pelantoh Estate: Fire Drill on 10/10/2024, First Aid Kit/ERP on 14/05/2024, HIRARC/SDS on 06/06/2024.</p> <p>MAIDAM Estate: Fire Drill on 12/08/2024, First Aid Kit/ERP on 12/09/2024, HIRARC/SDS on 10/03/2024.</p> <p>j) The estates-maintained accident statistics, which were reviewed during OSH committee meetings. The recorded accident cases for the estates were:</p> <p>Gajah Mati Estate: 3 accidents (2 Lost Time Incidents (LTI) and 1 Non-LTI), with 92 days lost. The incidents involved a harvester's cut (50 days) and a tractor driver's finger injury (40 days).</p> <p>Pelantoh Estate: 1 accident (1 LTI) with 7 days lost. The incident involved a harvester injured by a falling FFB bunch.</p>	
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Criterion / Indicator		Assessment Findings	Compliance
		<p>MAIDAM Estate: 2 accidents (2 LTIs) with a total of 5 days lost. The incidents involved harvesting operations and a knife sharpening injury.</p> <p>Accident reports were submitted to the Department of Occupational Safety and Health (DOSH) in accordance with statutory requirements. The estates submitted the JKPP 8 forms for accident reporting in January 2024: Gajah Mati Estate on 28/01/2024, Pelantoh Estate on 31/01/2024, and MAIDAM Estate on 22/01/2024.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has established a policy on good social practices regarding human rights in relation to industrial harmony. The Human Rights Policy, dated 23/02/2023 and signed by the Chief Executive Officer (CEO) of the company, was made available during the audit. The policy outlines the company's commitment to developing an organizational culture that supports human rights at the international level. The company upholds the principles of the Universal Declaration of Human Rights and the ILO Core Conventions on Labor Standards.</p> <p>The Human Rights Policy includes the following statements:</p> <ul style="list-style-type: none"> <li>Workers <ul style="list-style-type: none"> <li>The company respects the fundamental rights of workers as outlined in the ILO Declaration on Fundamental Principles and Rights at Work, including non-discrimination, prohibition of child labor, protection of Human Rights Defenders (HRDs), and the freedom to engage in collective bargaining.</li> </ul> </li> <li>Local Communities <ul style="list-style-type: none"> <li>The company respects the culture and values of the local populations in which it operates. It promotes human rights through economic improvement, food security, safety,</li> </ul> </li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>health, environmental protection, and social conditions, acting as a catalyst for community development.</p> <ul style="list-style-type: none"> <li>Suppliers and Contractors <ul style="list-style-type: none"> <li>The company has established procedures for evaluating and selecting key suppliers and contractors, monitoring their performance as appropriate. It implements the ILO Declaration on Fundamental Principles and Rights at Work through cooperation where necessary.</li> </ul> </li> </ul> <p>This policy has been communicated during muster calls, as verified during interviews with sampled workers. Feedback received from stakeholders' consultation conducted during the audit with sampled workers and several external stakeholders found, there is no issue raised related to the human right at each visited operating unit. During the interview with some of the workers (both local and migrant), they mentioned that they were aware of such policy and commitments by company even though they are not able to remember it word by word but is reflected in their working environment and the management always remind about it during morning muster and other training or meeting.</p>	
<b>4.4.5.2</b>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has established a policy entitled "Social Policy," dated 23/02/2024, signed by the Chief Executive Officer (CEO) of the company, to be adopted by all operating units under the company. The policy outlines the company's commitment to:</p> <ul style="list-style-type: none"> <li>Fair and equitable treatment of all employees, job applicants, and contractors in recruitment, career development, promotions, and terms and conditions of employment, regardless of race/ethnicity, skin color, physical condition, religion, gender, age, marital status, employment status, family background, union affiliation, or political inclination.</li> <li>The freedom to establish and participate in unions or associations, and to join political activities or express political views.</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>A strong opposition to forced/bonded labor, child labor, slavery, human trafficking, and sexual exploitation.</li> </ul> <p>It was found that the above policies are communicated to all level of workforce via series of training or briefing at sampled visited operating unit. The interviewees, including managerial level, workers, contractors and their workers, local community have given feedback they understood that the gist of the policies. Based on records of employment and interviews conducted on-site with sampled internal and external stakeholders, it has been confirmed that workers and groups, including local communities, women, and migrant workers, have not been subjected to discrimination. For example, there are mandores who previously work as harvester or general workers, has being promoted based on their talent, working experience and performance. The promotion is applying for all level of workforce.</p> <p>Workers are given space and opportunity to speak up their opinion and willing for any task given, to see whether they are suitable for the allocated task or can shifted to other task. For example, Bangladeshi workers have transitioned from general workers to harvesters, even though this role is typically dominated by Indonesian workers. In addition, there are local workers who employed as harvester, as well as women who spray using CDA machines in tall palm area, doing so at their own request. This demonstrates that workers have the right to change to roles that suit them, and that equality of rights is upheld.</p> <p>Furthermore, based on interview with the sampled workers from different gender and nationalities at each visited operating unit, it was confirmed that the management has treated all employees equally for example in term of providing accommodation, medical treatment, job opportunity, wages rate, etc. For example, all workers are paid through the same bank and at the same time.</p>	
<b>4.4.5.3</b>	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic	All estates visited has ensure that workers pay, and conditions are meet legal and industry minimum standard. Currently, TDM Plantation Sdn Bhd between National Union of Plantation Workers (NUPW) has	Complied



Criterion / Indicator		Assessment Findings	Compliance										
	needs and provide some discretionary income based on minimum wage.  - Major compliance -	<p>established 'MAPA/NUPW Agreement' that describes the term and condition of workers employment. Sighted the agreement is available in English and valid for three (3) years or until superseded by new Collective Agreement or an Award of the Industrial Court. The wage structure at all sampled estates follows the Malayan Agricultural Procedures Association (MAPA) rates which also follow the Minimum Wages Order 2022. Each of the job has their own work scope which also included in the contract agreement of the workers. The salary structure is comprised of the total daily rates (based on performance), overtime, and other benefits.</p> <p>For the harvester, the wage structure is based on the MAPA/NUPW rates of pay for harvesting and other criteria which include the height of the oil palm trees. The workers were paid accordingly.</p> <p>Verification has been made through interview with sampled workers during the audit and confirmed that the salary received are above Minimum Wage Order 2022. Further verification to the sampled payslips for workers, which consists of different gender and nationalities, it was noted that workers were paid according to the Minimum Wage Order 2022 and MAPA/NUPW collective agreements. Deduction was fairly made as per the agreement and approval from the Labour Department. For example, permit of deduction for water, electricity, fees of association obtained from Jabatan Tenaga Kerja Terengganu [Reference: JTK/(T) 600.2.2.2 JLD.2 (8)], dated 15/12/2019.</p> <p>Sample of workers for each visited operating units listed as per below worker's ID:</p> <p><u>Gajah Mati Estate</u></p> <table><tr><td>GM0001X</td><td>GM0003X</td></tr><tr><td>GM09021XX</td><td>GM09022XX</td></tr><tr><td>GM09022XX</td><td>GM09022XX</td></tr><tr><td>GM09022XX</td><td>GM09014XX</td></tr><tr><td>GM09019XX</td><td>GM09022XX</td></tr></table>	GM0001X	GM0003X	GM09021XX	GM09022XX	GM09022XX	GM09022XX	GM09022XX	GM09014XX	GM09019XX	GM09022XX	
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GM09021XX	GM09022XX												
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GM09022XX	GM09014XX												
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Criterion / Indicator		Assessment Findings		Compliance
		GM09015XX		
		GM09015XX		
		Pelantoh Estate		
		PT21034XX		
		PT17011XX		
		PT0016X		
		PT0017X		
		PT17011XX		
		PT15010XX		
		PT23036XX		
		PT23036XX		
		MAIDAM Estate		
		MA17004XX		
		MA18004XX		
		MA22005XX		
		Reflecting to the above, it was found that the pay slips have documented the following (among others):		
		• Name		
		• IC no. and passport number		
		• Public Holiday pay		
		• Vacation leave pay		
		• Wages		
• Price Bonus				
• Deduction – water, electricity, advance, EPF and SOCSO				
• Normal days work				
• Work on rest day				
• Productivity incentive				
• Overtime payment,				

Criterion / Indicator		Assessment Findings	Compliance
		Type of work and division	
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>The estate has ensured that contractor employees are paid in accordance with legal and industry minimum standards. Records of the contract agreements between the estate and the management are maintained, and monitoring of contractor employees' payment records is conducted regularly. Verified the contact agreement and payslip for the month of August 2024 and September 2024 as sample below:</p> <p><u>Gajah Mati Estate</u></p> <p>Sample 1</p> <p>Contractor: JX WXXXXXX MXXXX Sdn Bhd</p> <p>Type Of work: FFB Transporter</p> <p>Validity: 26/08/2024 – 31/10/2024</p> <p>Workers data:</p> <ul style="list-style-type: none"> <li>• NRIC: 891014-XX-XXXX</li> </ul> <p>Sample 2</p> <p>Contractor: NXXXXX AXXXXXX</p> <p>Type Of work: FFB Transporter</p> <p>Validity: 26/08/2024 – 31/10/2024</p> <p>Workers data:</p> <ul style="list-style-type: none"> <li>• NRIC: 651020-XX-XXXX</li> </ul> <p><u>Pelantoh Estate</u></p> <p>Sample 1</p> <p>Contractor: KXX FXXX CXXXXXXXXX</p> <p>Type Of work: Replanting</p> <p>Validity: 25/09/2024 to 24/01/2025</p> <p>Workers data:</p> <ul style="list-style-type: none"> <li>• NRIC: 871107-XX-XXXX</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance										
		Sample 2 Contractor: MXXXXX HXXXXXXXX Sdn Bhd Type Of work: Bus Rent for school pupils Validity: 01/01/2024 to 31/12/2024 Workers data: <ul style="list-style-type: none"><li>NRIC: 640725-XX-XXXX</li></ul> For MAIDAM Estate, there is no contactors hired for the estates.											
4.4.5.5	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. <b>- Major compliance -</b>	All sampled estates maintain records that provide an accurate account of all employees (including subcontracted workers) which contains all information (full names, gender, date of birth, date of entry, a job description, wage and the period of employment) as verified in List of Workers 2024 and employment contract of each workers sampled.	Complied										
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. <b>- Major compliance -</b>	All sampled estates have provided employment contract to all workers (including local and foreign workers) and found to be signed by both management and the workers. Any new workers (foreign and local workers) will be inducted for the terms and conditions of employment contract and briefed on the company's policies, upon arrival to the operating units. The implementation of this practice was evident through interview with the sampled workers. Interviews with the workers also confirmed that management has provided them with copies of their employment contracts for safekeeping. Example of employment contracts verified for sampled workers ID as below: <u>Gajah Mati Estate</u> <table><tr><td>GM0001X</td><td>GM0003X</td></tr><tr><td>GM09021XX</td><td>GM09022XX</td></tr><tr><td>GM09022XX</td><td>GM09022XX</td></tr><tr><td>GM09022XX</td><td>GM09014XX</td></tr><tr><td>GM09019XX</td><td>GM09022XX</td></tr></table>	GM0001X	GM0003X	GM09021XX	GM09022XX	GM09022XX	GM09022XX	GM09022XX	GM09014XX	GM09019XX	GM09022XX	Complied
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Criterion / Indicator		Assessment Findings		Compliance																										
		<table><tr><td>GM09015XX</td><td>GM09015XX</td></tr><tr><td>GM09015XX</td><td>GM09015XX</td></tr></table> <p><u>Pelantoh Estate</u></p> <table><tr><td>PT21034XX</td><td>PT20034XX</td></tr><tr><td>PT17011XX</td><td>PT0017X</td></tr><tr><td>PT0016X</td><td>PT001XX</td></tr><tr><td>PT0017X</td><td>PT23035XX</td></tr><tr><td>PT17011XX</td><td>PT17011XX</td></tr><tr><td>PT15010XX</td><td>PT15010XX</td></tr><tr><td>PT23036XX</td><td>PT23036XX</td></tr><tr><td>PT23036XX</td><td>PT0018X</td></tr></table> <p><u>MAIDAM Estate</u></p> <table><tr><td>MA17004XX</td><td>MA23005XX</td></tr><tr><td>MA18004XX</td><td>MA23005XX</td></tr><tr><td>MA22005XX</td><td>MA23005XX</td></tr></table> <p>Reflecting to the above, it was found that employment contract does contain information such as position, period of contract, responsibility, salary, period of wages, working hours, overtime, facilities and accommodation, rest day, annual leave, public holiday, sick leave, termination clause, insurance, etc.</p>		GM09015XX	GM09015XX	GM09015XX	GM09015XX	PT21034XX	PT20034XX	PT17011XX	PT0017X	PT0016X	PT001XX	PT0017X	PT23035XX	PT17011XX	PT17011XX	PT15010XX	PT15010XX	PT23036XX	PT23036XX	PT23036XX	PT0018X	MA17004XX	MA23005XX	MA18004XX	MA23005XX	MA22005XX	MA23005XX	
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MA18004XX	MA23005XX																													
MA22005XX	MA23005XX																													
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. <b>- Major compliance -</b>	The estate has established a time recording system by using Checkroll System i.e. Checkroll Book and key in into the computerized system namely Plantware P3 that makes working hours for both employees and employer. Evidence of the usage of the checkroll book and attendance of for month of February, May and August 2024 is made available during the audit for verification.  Working time has been explained during the first entry of every worker and listed in employment contract. The working time is 6.30 am to 2.00 pm, with rest time of 11.00 – 11.30 am. Overtime is recorded in the checkroll book and on a dedicated overtime form and is then entered into the computerized system accordingly. Overtime hours are		Complied																										

Criterion / Indicator		Assessment Findings	Compliance
		reflected in the payslip of each worker who has performed overtime work.	
<b>4.4.5.8</b>	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p><b>- Major compliance -</b></p>	<p>The working hours and breaks of each individual employee as indicate in the time records which is recording in the checkroll book are in compliance with the Employment Act and follows the Employment Contract which is duly signed and agreed by the workers.</p> <p>Working time has been explained during the first entry of every worker and listed in employment contract. The working time is 6.30 am to 2.00 pm, with rest time of 11.00 – 11.30 am.</p> <p>In the employment contract also do mention regarding the rate paid of the overtime which details of each are as below:</p> <ul style="list-style-type: none"> <li>Workers works at 7.5 hours/day and work at 6 day per week. Friday is the rest day.</li> <li>Overtime Rate (Saturday to Thursday): Basic Salary/7.5 hours x 1.5 = Rate overtime/hrs.</li> <li>Overtime Rate on rest day (Friday): Basic Salary/7.5 hours x 2.0 = Rate overtime/hrs.</li> <li>Overtime Rate on public holiday: Basic Salary/7.5 hours x 3.0 = Rate overtime/hrs.</li> </ul> <p>Based on interviews with the sampled workers, it was indicated that they can freely decline overtime offers. Overtime work is recorded on a dedicated overtime form, which must be signed by the workers if they agree to take on the offered overtime. Review of the sampled payslips for the sampled workers (as per indicator 4.4.5.3) found that overtime pay is compensated at the rate specified in their employment contracts and is in compliance with the Employment Act.</p>	Complied
<b>4.4.5.9</b>	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p><b>- Major compliance -</b></p>	<p>Wages and overtime payment documented on the pay slips are in accordance with legal regulations. Based on the Checkroll Book and payslip, all workers time record including working on the rest day or public holiday were recorded. Time of salary payment is in accordance</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		with the Employment Act as stated in the Employment Contract which mentioned that payment of salary shall paid on seventh day or earlier than seventh day of each month. Interview with the sampled workers has confirmed that they are understand the information in the payslips and the payment of salary is made before seventh day of each month. It was found that the pay slips have documented the details such as name, IC no. and passport number, public holiday pay, vacation leave pay, wages, price bonus, deduction (water, electricity, advance, EPF and SOCSO), normal days work, work on rest day, productivity incentive, overtime payment, type of work and division. Samples payslips were verified as mentioned in the indicator 4.4.5.3.	
<b>4.4.5.10</b>	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. <b>- Minor compliance -</b>	All operating unit visited has provide various types of social benefits to the workers and families such as: <ul style="list-style-type: none"> <li>• Labour quarters with basic amenities.</li> <li>• Provide free medical treatment.</li> <li>• Transportation for emergency cases</li> <li>• Cash money amounting RM100/worker for Hari Raya celebration.</li> </ul>	Complied
<b>4.4.5.11</b>	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. <b>- Major compliance -</b>	All workers are provided with housing facilities that furnish with sanitation facilities, water and electricity supplies. Water and electricity usage is subsidized by the company and these conditions are stated in the collective agreement. Interview with workers confirms that there is no issue related to the payment of water and electricity. Linesite inspection was carried out on daily basis and weekly basis as per latest sample as following: <u>Gajah Mati Estate</u> Latest line site inspection conducted on 23/10/2024, 16/10/2024 and 09/10/2024 <u>Pelantoh Estate</u> Latest line site inspection conducted on 21/10/2024, 15/10/2024 and 08/10/2024	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p><u>MAIDAM Estate</u></p> <p>Latest line site inspection conducted on 23/10/2024, 16/10/2024 and 07/10/2024</p>	
<b>4.4.5.12</b>	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has established a Gender Policy, dated 23/02/2023, signed by the Chief Executive Officer (CEO) of the company. This policy is to be adopted by all operating units under the company. It emphasizes the company's commitment to safeguarding workers' rights through adherence to existing laws and regulations. Among other commitments outlined in the policy are:</p> <ul style="list-style-type: none"> <li>• Maintaining a workplace environment free from any form of harassment or violence based on ethnicity, gender, religion, nationality, or any other factor.</li> <li>• Ensuring that employees work in an environment free from any form of harassment or violence, whether discriminatory or otherwise.</li> <li>• Taking immediate action to address harassment or violence against employees.</li> <li>• Protecting women's rights in their employment and providing opportunities for women's leadership development at all levels.</li> <li>• Encouraging the active participation of women in decision-making processes within workplace committees.</li> </ul> <p>To achieve the objectives of the above policy, the company has established guidelines to prevent all forms of sexual harassment and violence in the workplace, as outlined in the document entitled "Pelan Tindakan Aduan Gangguan Seksual di Tempat Kerja." Any employee found engaging in acts of sexual harassment, discrimination, or violence will be subject to disciplinary action, including termination of employment, to prevent such behavior. The guidelines also provide a mechanism for lodging complaints should such incidents occur.</p> <p>Based on the interview with the sampled workers (male and female) at each operating unit visited, no issues on sexual harassment have</p>	Complied



Criterion / Indicator		Assessment Findings	Compliance
		<p>been lodged or happened. They were also aware of the channels that they can use to lodge their concern. This has also been reminded during morning muster once in a while. Furthermore, the female workers are aware of the procedure if such incident occurs whereby, they can reports using the grievance channel such as 'Borang Aduan' whistleblowing, QR code namely "Digital Complaint System for Sexual Harassment" or direct report to the management.</p> <p>Furthermore, each operating unit has established gender committee with objective to improve awareness, identify opportunity and improvement and issue of the workers specifically on women. The committee will act as the mechanism to monitor and investigate if there is any sexual harassment, domestic violence, and abusive children in the operating unit. The Gender Committee Chart for the year 2024 was made available during the audit. The Gender Committee conducts meetings once every three months. The minutes of these meetings were verified during the audit. Latest Gender Committee meeting was conducted as follows:</p> <ul style="list-style-type: none"> <li>• Gajah Mati Estate; Latest meeting was conducted on 10/09/2024.</li> <li>• Pelantoh Estate; Latest meeting was conducted on 11/09/2024</li> </ul> <p>MAIDAM; Latest meeting as conducted on 18/09/2024</p>	
<b>4.4.5.13</b>	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd has established a policy entitled Freedom of Association Policy dated 23/02/2023, signed by the Chief Executive Officer (CEO) of the company, to ensure that the rights of all employees to form or join a trade union are respected and free from interference.</p> <p>The policy demonstrates the company's commitment to ensure that all operating units take into account the rights of employees to form, join, and participate in union activities, in accordance with current labor laws.</p> <p>Employees were given freedom to associate and bargain collectively with company and to organize among themselves through association</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>meetings as per sample latest minutes of meeting between Management and Union representatives. The policy has been communicated to the workers through musters call as verified during the interview session with sampled workers during the audit. Sampled workers interview also informed that union representatives are freely elected where there is no interference from management, and they are also involved in voting to appoint representatives and agreed with the elected candidate.</p> <p>Latest meeting management and union representative at each operating unit visited are as follows:</p> <ul style="list-style-type: none"> <li>Gajah Mati Estate: Latest meeting was conducted on 19/03/2024. Election of worker representatives was conducted on 14/02/2024 during muster call.</li> <li>Pelantoh Estate: Latest meeting was conducted on 07/10/2024.</li> </ul> <p>MAIDAM Estate: Latest meeting was conducted on 29/05/2024. Election of worker representatives was conducted on 27/02/2024 during muster call at linesite.</p>	
<b>4.4.5.14</b>	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children and young persons is acceptable on family farms, under adult supervision, and when not interfering with their education. They shall not be exposed to hazardous working conditions.</p> <p><b>- Major compliance -</b></p>	<p>Commitment to not employing or exploiting children and young persons is demonstrated through a policy entitled Children Protection Policy, dated 23/02/2023, signed by the Chief Executive Officer (CEO) of TDM Plantation Sdn Bhd. This policy emphasizes that all operating units under the company must ensure the safety and well-being of children within the organizational and operational environment.</p> <p>Among other statements in the policy are the following:</p> <ul style="list-style-type: none"> <li>No exploitation, involvement, or employment of individuals under the age of 18 in operations.</li> <li>Zero tolerance for any exploitation or abuse of children, including aspects of sexual tourism, trafficking, labor, and pornography.</li> <li>Compliance with all legal requirements, standards, guidelines, and policies related to child management.</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance																																																												
		<ul style="list-style-type: none"> <li>Ensuring that children are protected and supported without regard to age, gender, ethnicity, religion, nationality, descent, or family background.</li> </ul> <p>From the list of employees which has the date of birth and date of join the estate, it can be confirmed that there are no children nor young workers working in each operating unit, including the contractors' workers. Further confirmation was made through site visit at the workplace area and interviews with the sampled workers onsite. Identity documentation such as passports and identity cards were verified.</p>																																																													
<b>Criterion 4.4.6: Training and competency</b>																																																															
<b>4.4.6.1</b>	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p><b>- Major compliance -</b></p>	<p>Trainings were provided during musters and also in session held in the estate community hall. The following training made for the employees were recorded as follows. Subjects extracted were mainly related to OSH, SOP, and Chemical handling.</p> <table border="1"> <thead> <tr> <th>Subject</th><th>Gajah Mati</th><th>Pelantoh</th><th>MAIDAM</th></tr> </thead> <tbody> <tr> <td>Company Policies Briefing</td><td>21/05/2024</td><td>05/03/2024</td><td>14/02/2024</td></tr> <tr> <td>MSPO Briefing to employees</td><td>20/08/2024</td><td>22/10/2024</td><td>08/10/2024</td></tr> <tr> <td>Harvesting safety awareness</td><td>09/01/2024</td><td>14/08/2024</td><td>30/04/2024</td></tr> <tr> <td>Tractors driving SOP</td><td>15/09/2024</td><td>21/08/2024</td><td>21/10/2024</td></tr> <tr> <td>FFB quality / Traceability</td><td>23/07/2024</td><td>18/07/2024</td><td>09/09/2024</td></tr> <tr> <td>Chemical Handling – Mixing</td><td>10/06/2024</td><td>16/04/2024</td><td>20/03/2024</td></tr> <tr> <td>Spraying – Nursery</td><td>10/06/2024</td><td>-</td><td>-</td></tr> <tr> <td>Harvesting SOP</td><td>08/01/2024</td><td>23/05/2024</td><td>30/04/2024</td></tr> <tr> <td>Harvesting / LF collection</td><td>04/01/2024</td><td>30.01/2024</td><td>20/06/2024</td></tr> <tr> <td>Fire Drill</td><td>12/08/2024</td><td>10/10/2024</td><td>12/08/2024</td></tr> <tr> <td>Fertilizer application</td><td>16/04/2024</td><td>08/10/2024</td><td>11/05/2024</td></tr> <tr> <td>ILO Briefing</td><td>20/08/2024</td><td>05/03/2024</td><td>09/09/2024</td></tr> <tr> <td>Chemical spraying – PPE</td><td>22/08/2023</td><td>16/04/2024</td><td>10/03/2024</td></tr> <tr> <td>First Aid Kit &amp; ERP handling</td><td>12/09/2024</td><td>14/05/2024</td><td>12/09/2024</td></tr> </tbody> </table>	Subject	Gajah Mati	Pelantoh	MAIDAM	Company Policies Briefing	21/05/2024	05/03/2024	14/02/2024	MSPO Briefing to employees	20/08/2024	22/10/2024	08/10/2024	Harvesting safety awareness	09/01/2024	14/08/2024	30/04/2024	Tractors driving SOP	15/09/2024	21/08/2024	21/10/2024	FFB quality / Traceability	23/07/2024	18/07/2024	09/09/2024	Chemical Handling – Mixing	10/06/2024	16/04/2024	20/03/2024	Spraying – Nursery	10/06/2024	-	-	Harvesting SOP	08/01/2024	23/05/2024	30/04/2024	Harvesting / LF collection	04/01/2024	30.01/2024	20/06/2024	Fire Drill	12/08/2024	10/10/2024	12/08/2024	Fertilizer application	16/04/2024	08/10/2024	11/05/2024	ILO Briefing	20/08/2024	05/03/2024	09/09/2024	Chemical spraying – PPE	22/08/2023	16/04/2024	10/03/2024	First Aid Kit & ERP handling	12/09/2024	14/05/2024	12/09/2024	Complied
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Criterion / Indicator		Assessment Findings				Compliance
		Working hours /Pay slip	23/09/2024	15/10/2024	09/09/2024	
		Protection HCV riparian zone	21/05/2024	22/04/2024	24/07/2024	
		Line site hygiene – FW	22/04/2024	12/09/2024	11/01/2024	
		PPE adherence – Workshop	12/02/2024	21/02/2024	10/03/2024	
		Pruning – Safety / Guide	10/01/2024	23/05/2024	20/03/2024	
		SW management / Waste	22/04/2024	16/04/2024	13/10/2024	
		Sexual harassment / COBC	20/08/2024	02/04/2024	28/10/2024	
		CHRA / NRA Understanding	16/10/2024	01/10/2024	04/08/2024	
		IPM Management	09/07/2024	19/02/2024	14/03/2024	
		Employment Act – Revision	23/09/2024	15/10/2024	09/09/2024	
		Noise /Safety awareness	15/09/2024	06/06/2024	16/10/2024	
		HIRARC / SDS	23/09/2024	06/06/2024	10/03/2024	
		Employment Contract	23/09/2024	15/10/2024	09/09/2024	
		Fertilizer SOP	23/09/2024	08/03/2024	13/05/2024	
		Working At Height	23/01/2024	-	16/07/2024	
<b>4.4.6.2</b>	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. <b>- Major compliance -</b>	<p>Similar methods for identifying the training needs are used in all the estates. The details of the training needs include categories of;</p> <ul style="list-style-type: none"> <li>- Job descriptions</li> <li>- Sections</li> <li>- Employees' group.</li> </ul> <p>Included in this program are subjects related to:</p> <ul style="list-style-type: none"> <li>- Environment e.g. environmental, safety &amp; health policy</li> <li>- Scheduled waste management</li> <li>- Environmental responsibility, HCV &amp; Biodiversity training</li> <li>- Field activities/operations</li> <li>- Equipment handling, vehicles maintenance etc.</li> </ul>				Complied
<b>4.4.6.3</b>	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their	Formal training program for 2024 that covered aspects of the MSPO indicators as well as other salient requirement of the estates'				Complied

Criterion / Indicator		Assessment Findings	Compliance
	<p>job function and responsibility, in accordance to the documented training procedure.</p> <p><b>- Minor compliance -</b></p>	<p>operations. Regular assessments of training needs were available for all the audited sites. The training program among others includes the following subjects which also indicates the planned month.</p> <ul style="list-style-type: none"> <li>• PPE adherence, documentation, FFB grading/ ramp, spill containment, chemical handling</li> <li>• Scheduled waste, water treatment/ sampling, Estate activities Process Station SOP, emergency respond plan, fire drill</li> <li>• training, first aid/ CPR, tractor/ lorry driving, pollution cleaning device PCD</li> <li>• Confined space guidelines, PPE adherence/ Safety, MSPO/ RSPO/ SCCS</li> <li>• HCV/RTE management, maintenance of spraying equipment triple rinsing, notification of accident incidence</li> <li>• MSDS/ CSDS, Safe driving techniques, safe driving techniques Maintenance of spraying equipment, triple rinsing, notification of accident incidence</li> <li>• Working at height/ LOTO, audiometry test guideline, induction program new workers</li> </ul> <p>The actual period of training is subject to change depending on the urgency of the operation needs.</p>	
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>Verification during the audit indicates that the company has established a Group Policy titled "Environmental &amp; Biodiversity Policy" dated 23/02/2023 signed by the Group CEO mainly in relation to environmental protection. The policy has stated the management commitment as follows:</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Comply with all legal requirements, standards and guidelines, policies and Good Agricultural/Manufacturing Practices in matters related to the environment and biodiversity.</li> <li>• Establish, maintain and continuously improve sustainable farm management systems, internal and external operations.</li> <li>• Eliminate or reduce all potential adverse effects impact on the environment and biodiversity that may arise from our farming activities.</li> <li>• Educate and raise awareness in maintaining and improving the quality of the environment among related parties.</li> <li>• Ensuring Zero Burning is always a priority.</li> <li>• Avoiding deforestation of primary and virgin forests, areas with conservation value and high carbon stocks.</li> <li>• Prohibition of replanting in peatland areas, without consideration of the condition of the soil.</li> <li>• Support peatland conservation and restoration efforts through fire recovery and extinguishing activities.</li> </ul> <p>There was no open burning practiced in the estates during the field visits and interviews with the workers indicated their understanding of the zero burning policy.</p>	
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations.</p> <p><b>- Major compliance -</b></p>	<p>The Environmental Policy and Objectives had been established as elaborated in 4.5.1.1 above. The aspect and impact analysis for all the estate operations are documented on 2019 and revised annually latest being on 16/04/2024 for Gajah Mati Estate, Pelantoh Estate on 04/06/2024 and 08/05/2024 for MAIDAM Estate.</p> <p>Records were compiled in EAI/2024 form with description made to activities, aspect and impact to the Environment. In the comprehensive report, the study of aspect and impact are aimed to;</p> <p>a) Plan to avoid negative impact and to promote positive impacts.</p> <p>b) Reduction disposal of waste taking into consideration of social</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance																																				
		<p>responsibilities.</p> <p>c) Plan to reduce pollution and release of GHG.</p> <p>d) Development and implementations.</p> <p>e) Legal aspect related to the operations.</p> <p>Aspect and impact covered the following activities/operations among others;</p> <table border="1"> <thead> <tr> <th></th><th>Activities</th><th></th><th>Activities</th></tr> </thead> <tbody> <tr> <td>1</td><td>Poisoning of VOP/ woodies</td><td>9</td><td>Grass slashing / cutting</td></tr> <tr> <td>2</td><td>Circle spraying</td><td>10</td><td>Fertilizer application</td></tr> <tr> <td>3</td><td>Management empty containers</td><td>11</td><td>FFB Transportation</td></tr> <tr> <td>4</td><td>Rat baiting</td><td>12</td><td>Vehicle maintenance</td></tr> <tr> <td>5</td><td>Triple rinsing</td><td>13</td><td>Chemical storage</td></tr> <tr> <td>6</td><td>Drainage construction</td><td>14</td><td>P &amp; D census</td></tr> <tr> <td>7</td><td>Rat Baiting</td><td>15</td><td>Landfill Management</td></tr> <tr> <td>8</td><td>Road maintenance</td><td>16</td><td>SW management</td></tr> </tbody> </table> <p>The environmental impact among others includes the following:</p> <p>a) Ozone layer depletion/ Global warming</p> <p>b) Air/ Water/ Land Pollution and contamination</p> <p>c) Depletion of Natural Resources</p> <p>d) Community/ Business Impact</p> <p>e) Employee/ Unpleasant working environment</p>		Activities		Activities	1	Poisoning of VOP/ woodies	9	Grass slashing / cutting	2	Circle spraying	10	Fertilizer application	3	Management empty containers	11	FFB Transportation	4	Rat baiting	12	Vehicle maintenance	5	Triple rinsing	13	Chemical storage	6	Drainage construction	14	P & D census	7	Rat Baiting	15	Landfill Management	8	Road maintenance	16	SW management	
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<b>4.5.1.3</b>	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>Verification during the audit indicates that the estates had established an environmental improvement plan with details to reduce and control the pollution (negative impacts) and action plan to sustain the environmental impact (positive) has been developed with details as follows among others. The environmental improvement plans are</p>	Complied																																				

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		<p>identified the Environmental Impact Assessment 2024 having details of mitigation of the negative impacts.</p> <p>The details are as follows:</p> <table> <tr> <th></th><th>Activities</th><th>Impacts</th><th>Mitigation plan</th></tr> <tr> <td>1</td><td>Harvesting</td><td>Promote positive impact to soil structure through biomass frond &amp; EFB mulching.</td><td>Practice proper frond stacking. EFB applied to improve nutrient &amp; biomass.</td></tr> <tr> <td>2</td><td>Weeding</td><td>Negative impact as polluting the soil with usage of chemicals.</td><td>Dosage of chemicals is monitored &amp; calibrated. Cattle integration introduced to reduce reliance of chemical.</td></tr> <tr> <td>3</td><td>Manuring</td><td>Over usage of chemical &amp; fertilizer affecting oil causing leaching/ wash off. toxicity</td><td>Identify buffer zones and to prevent leaching of fertilizer and chemicals. Application along frond stacking rows.</td></tr> <tr> <td>4</td><td>Road upkeep</td><td>Damages through grading and chambering</td><td>Water collected at drain pits is collected to maximize moisture of nearest palm.</td></tr> <tr> <td>5</td><td>Loading Bay</td><td>FFB transportation of lorries in minimizing leakages of fuel</td><td>Education to drivers and monitoring of vehicles movement.</td></tr> <tr> <td>6</td><td>Workshop</td><td>Spillage to prevent pollution</td><td>Availability of spill kit and health surveillance for welding personnel.</td></tr> </table>		Activities	Impacts	Mitigation plan	1	Harvesting	Promote positive impact to soil structure through biomass frond & EFB mulching.	Practice proper frond stacking. EFB applied to improve nutrient & biomass.	2	Weeding	Negative impact as polluting the soil with usage of chemicals.	Dosage of chemicals is monitored & calibrated. Cattle integration introduced to reduce reliance of chemical.	3	Manuring	Over usage of chemical & fertilizer affecting oil causing leaching/ wash off. toxicity	Identify buffer zones and to prevent leaching of fertilizer and chemicals. Application along frond stacking rows.	4	Road upkeep	Damages through grading and chambering	Water collected at drain pits is collected to maximize moisture of nearest palm.	5	Loading Bay	FFB transportation of lorries in minimizing leakages of fuel	Education to drivers and monitoring of vehicles movement.	6	Workshop	Spillage to prevent pollution	Availability of spill kit and health surveillance for welding personnel.	
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		7	Water	Reduce water consumption by maximizing rainfall sources	Rainfall stored using "Pasung Hujan" installed around the office, store and workshop is reused.	
		8	Chemical substance	Prevent Chemical substance from entering surrounding/ drainage	Prepare chemical mixing in designated areas before spraying resumes.	
		9	Integrated Pest Management	Use natural enemies (predators) to kill animals that damage palm tree, use cover crop and beneficial plant to control insect	Barn Owl Boxes installed at ratio of 1:15 ha across the field to maximize coverage of predators	
		10	Waste generation	Scattered and mass waste generation	Daily generated domestic waste kept at dedicated/ confined area to avoid disturbance and odor disposal disposed at Town Municipal/ Internal landfill	
		All the above documents were reviewed on 2024 on respective month for the 3 estates. Thereafter the Environmental Impact Evaluation (EIE) and Environmental Aspect Identification (EAI) and management plan are subject to annual review or in event of new changes in activities/operations.				
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan.	The management has created and implemented programs to promote the positive impacts as illustrated in 4.5.1.2 and 4.5.1.3 above. In				Complied

Criterion / Indicator		Assessment Findings	Compliance																											
	- Minor compliance -	<p>addition, there are other initiative planned for improvement in promoting environmental and social issues as listed below.</p> <p>Programs to promote the positive impacts are included in the continual improvement plans among others include the following.</p> <ul style="list-style-type: none"><li>• IPM Program to continuously reduce the use of chemicals with introduction of biological control such as barn owl for rat control and planting of beneficial plant for leaf eater pest control.</li><li>• Use of compost fertilizer to reduce usage of inorganic fertilizers and to improve soil fertility.</li><li>• Thinning of wild palm trees for a better growth of palm trees and eliminate competition of water, nutrient and space.</li><li>• Uses of mechanical palm cutter to assist and speed up harvesting operation.</li><li>• Use of mechanical buffalo MB to increase productivity of crop evacuation.</li><li>• Maximizing rainfall resources for moisture conservation.</li><li>• Grass cutting to reduce reliance on chemical.</li></ul> <p>Inclusive are projects for improvement promoting environmental and social issues as described below among others;</p> <table><tr><th>No</th><th>Section</th><th>Description - Gajah Mati Estate (2024)</th></tr><tr><td>1</td><td>Facilities</td><td>Workers Terrace (House)- 20 units- RM2.04 millions</td></tr><tr><td>2</td><td>Operations</td><td>Concrete Piling Bridge - RM35K</td></tr><tr><td>3</td><td>Operations</td><td>Mini Tractor Kubota - 2 units - RM130K</td></tr><tr><td>4</td><td>Operations</td><td>Land Surf FFB - 2 units - RM29.3K</td></tr><tr><td>5</td><td>Operations</td><td>1.5 MT Scissor Lift Trailer - 2 units - RM44K</td></tr><tr><td>6</td><td>Operations</td><td>Fertiliser Trailer - 1 unit - RM23K</td></tr><tr><td colspan="3"></td></tr><tr><th>No</th><th>Section</th><th>Description - Pelantoh Estate (2024)</th></tr></table>	No	Section	Description - Gajah Mati Estate (2024)	1	Facilities	Workers Terrace (House)- 20 units- RM2.04 millions	2	Operations	Concrete Piling Bridge - RM35K	3	Operations	Mini Tractor Kubota - 2 units - RM130K	4	Operations	Land Surf FFB - 2 units - RM29.3K	5	Operations	1.5 MT Scissor Lift Trailer - 2 units - RM44K	6	Operations	Fertiliser Trailer - 1 unit - RM23K				No	Section	Description - Pelantoh Estate (2024)	
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Criterion / Indicator		Assessment Findings				Compliance
		1	Facilities	Workers Terrace (House)- 12 units- RM1.22 Million		
		2	Facilities	Upgrade Workers Quarters - 16 units - RM88K		
		3	Facilities	Overhead Water Tank - Workers Quarters - 1 unit - RM55K		
		4	Operations	Concrete Piling Bridges - 4 units - RM140K		
		5	Operations	Electric Fencing - 13 chain - RM49.9K		
		6	Operations	Tractor New Holland - 3 units - RM390K		
		7	Operations	Land Surf FFB Orec - 4 units - RM58K		
		8	Operations	Fertilizer Trailer - 2 units - RM47.6K		
		No	Section	Description - MAIDAM Estate (2024)		
		1	Operations	Electric Fencing - 13 chain - RM49.9K		
		2	Operations	Elephant Trenches - 386 chains - RM142.82K		
		3	Operations	Mist blower Stihl - 1 unit - RM3K		
		4	Operations	Toyota Hilux - 1 unit - RM150K		
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.  - Major compliance -	A training program is available in the Annual Training Program updated on a yearly basis or revised as per the management requirement. Included in this programme are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity Training organized in relation to environmental issues and activities among others listed as follows:				Complied
		No	Subject	Gajah Mati	Pelentoh	MAIDAM
		1	TDM Policy Awareness	20/08/24	05/03/24	14/02/24
		2	Herbicide Mixing and Spraying Technique	10/06/24	16/04/24	20/03/24
		3	SOP Fertiliser Application	23/09/24	18/04/24	13/05/24
		4	Generator Set & Water Pump Operation	15/09/24	13/04/24	16/07/24

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		5	Fire Drill with Fire Department	12/08/24	10/10/24	12/08/24																								
		7	Schedule Waste Management	22/04/24	16/04/24	14/10/24																								
		8	Buffer Zone and HCV	18/07/24	22/04/24	17/10/24																								
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. <b>- Major compliance -</b>	<p>The management has conducted EPMC (Environmental Performance Monitoring Committee) meeting where subjects concerning environmental are included and discussed. The dates of meeting held by the estates are as follows:</p> <table><tr><td></td><td>Estate</td><td>1<sup>st</sup></td><td>2<sup>nd</sup></td><td>3<sup>rd</sup></td><td>4<sup>th</sup></td></tr><tr><td>1</td><td>Gajah Mati</td><td>12/03/24</td><td>09/06/24</td><td>01/09/24</td><td rowspan="3">To be held in Dec 2024</td></tr><tr><td>2</td><td>Pelantoh</td><td>05/03/24</td><td>11/06/24</td><td>22/09/24</td></tr><tr><td>3</td><td>Maidam</td><td>27/03/24</td><td>25/06/24</td><td>25/09/24</td></tr></table> <p>Agenda in relation to environmental among others include.</p> <ul style="list-style-type: none"><li>• Speech of the Chairman of the Meeting</li><li>• Confirmation of Meeting Minutes</li><li>• Section Presentation</li><li>• Other Matters</li><li>• Closing</li></ul> <p>Regular communications of environmental policies, objectives and issues were also made during daily muster briefings and ESH meetings where relevant.</p>							Estate	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	1	Gajah Mati	12/03/24	09/06/24	01/09/24	To be held in Dec 2024	2	Pelantoh	05/03/24	11/06/24	22/09/24	3	Maidam	27/03/24	25/06/24	25/09/24	Complied
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Criterion 4.5.2: Efficiency of energy use and use of renewable energy																														
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.	The management has maintained and documented monthly record on energy consumption for both renewable and nonrenewable energy sources. It is monitored to optimize use of renewable energy. Data is being compiled for comparison and control for future improvement. Monitoring is made using diesel/mt FFB, commentary on variance on						Complied																						

Criterion / Indicator		Assessment Findings				Compliance	
	- Major compliance -	irregularity variances. The record of diesel usage /mt FFB are as follows:					
			2023	Gajah Mati	Pelantoh		Maidam
		1	Jan	3.14	4.25		27.34
		2	Feb	4.12	4.03		13.81
		3	Mar	3.41	3.17		19.08
		4	Apr	3.20	3.11		15.39
		5	May	2.71	3.53		12.40
		6	Jun	2.37	3.15		16.25
		7	Jul	1.59	3.61		13.71
		8	Aug	1.69	2.66		13.56
		9	Sep	1.65	3.38		13.61
		10	Oct	2.1	3.74		17.43
		11	Nov	2.62	5.93		13.41
		12	Dec	2.35	7.56		26.20
			Baseline	2.36	3.98		15.29
			Total	68,705	57,971		27329
		The management has established Environment Management Plan 2024 for efficiency of fossil fuel usage and the plans are as follows:					
			Target	Objective	Action Plan		
		1	Tractor/ Lorries	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	<ul style="list-style-type: none"><li>- To analyse the trend of diesel purchase and usage</li><li>- To ensure correct tyre air pressure</li><li>- To ensure the vehicle engine is turn off during idle time</li><li>- To record vehicle activity which consume fuel</li></ul>		

Criterion / Indicator		Assessment Findings				Compliance
					<ul style="list-style-type: none"><li>- Optimum speed 30km-60km/hr</li><li>- Optimum load max 8 mt</li></ul>	
		2	Van/Supervisory vehicle	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	<ul style="list-style-type: none"><li>- To use correct tire and rim size base on vehicle model.</li><li>- Service vehicle once in three month, monitor the mileage and check the vehicle on daily basis before start work</li><li>- To record vehicle activity to eliminate waste activity which consume fuel.</li><li>- To turn off vehicle engine during idle time.</li></ul>	
		3	Electrical supply	To reduce reliance on gen-sets for power	Utilization of TNB electricity supply	
		It was observed that the performance variation among the estates are in view of several factors such as follows: a) Estate size and estate terrain b) Infrastructure of estates c) Community size/ no of gen-sets d) No. of vehicles/ age of machine e) Weather interference/ crop production volume				
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This	The management of all estates has prepared annual diesel consumption estimate and stated them in the annual budget. The				Complied

Criterion / Indicator		Assessment Findings				Compliance																								
	shall include fuel use by contractors, including all transport and machinery operations. <b>- Major compliance -</b>	diesel usage is mainly for the estate machinery for FFB collection and transportation to the mill. Data in litre otherwise stated as follows; <table><tr><td></td><td>Estate</td><td>2024</td><td>2025</td><td>2026</td></tr><tr><td>1</td><td>Gajah Mati</td><td>63,593</td><td>65,342</td><td>56,790</td></tr><tr><td>2</td><td>Pelantoh</td><td>91,060</td><td>76190</td><td>88220</td></tr><tr><td>3</td><td>MAIDAM</td><td>21,700</td><td>22,000</td><td>24,300</td></tr></table>					Estate	2024	2025	2026	1	Gajah Mati	63,593	65,342	56,790	2	Pelantoh	91,060	76190	88220	3	MAIDAM	21,700	22,000	24,300					
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4.5.2.3	The use of renewable energy should be applied where possible. <b>- Minor compliance -</b>	It was observed during the audit and interview with the management, that there was no opportunity to use renewable energy in the estates at current technology. The use of renewables energy are practiced in the mills whereby fibre and shell are used as fuel in the boiler for steam production thereafter for power generation.				Complied																								
Criterion 4.5.3: Waste management and disposal																														
4.5.3.1	All waste products and sources of pollution shall be identified and documented. <b>- Major compliance -</b>	The audit team has verified that the management has identified and listed all wastes and sources of pollution. The Waste Management Action Plan 2024 were established to mitigate and control the identified wastes and source of pollution and the plan are as follows: <table><tr><td colspan="3">Environmental receptors from the estate operations</td></tr><tr><td>1</td><td>Air</td><td>Vehicle - Tractor, lorry. JCB, Generator (smoke and gases), anaerobic processes (EFB dumping) - GHG.</td></tr><tr><td>2</td><td>Water</td><td>Herbicide and pesticide spraying, Fertiliser application, vehicle hydraulic and engine oil leakage</td></tr><tr><td>3</td><td>Land</td><td>Scheduled waste and domestic waste</td></tr><tr><td colspan="3"> </td></tr><tr><td colspan="3">Waste generated from the estate's operations</td></tr><tr><td>1</td><td>Scheduled waste</td><td>Filter, lubricants, hydraulic oil, grease, used batteries.</td></tr><tr><td>2</td><td>Domestic waste</td><td>Rubbish from estate complex and employees' quarters.</td></tr></table>				Environmental receptors from the estate operations			1	Air	Vehicle - Tractor, lorry. JCB, Generator (smoke and gases), anaerobic processes (EFB dumping) - GHG.	2	Water	Herbicide and pesticide spraying, Fertiliser application, vehicle hydraulic and engine oil leakage	3	Land	Scheduled waste and domestic waste				Waste generated from the estate's operations			1	Scheduled waste	Filter, lubricants, hydraulic oil, grease, used batteries.	2	Domestic waste	Rubbish from estate complex and employees' quarters.	Complied
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Criterion / Indicator		Assessment Findings			Compliance																
		3	Industrial waste	Scrap iron, construction materials.																	
		4	Sewage	Sewage from housing/office complex.																	
		The pollution identified from the estate’s activities:																			
		1	Black smoke	Emission from vehicles engines & generators																	
		2	Odor & gases	Activities from the landfill & EFB application																	
		3	Leakage of lubricant	Storage & vehicle maintenance																	
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p> <p><b>- Major compliance -</b></p>	<p>The audit team verified that the company has established waste management plan to avoid or reduce pollution. The sources of waste and pollution are identified and monitored as stated in 4.5.3.1. The initiative in the improvement of efficiency of resource utilization and recycling of potential wastes as nutrients/value-added by-products among others as listed below;</p> <table><tr><td></td><td>Activities</td><td>Impacts</td><td>Mitigation plan</td></tr><tr><td>1</td><td>Diesel usage</td><td>Prevention of excessive diesel and lubricant spillage during operation</td><td>Reduce environmental issues and wastage.</td></tr><tr><td>2</td><td>Open Burning</td><td>Prohibition of open burning in estate area</td><td>Full compliance at all times through supervision and continuous education to employees</td></tr><tr><td>3</td><td>Bio degradable</td><td>Expand the uses of biodegradable materials in estate activity</td><td>Biodegradable materials of estate operation i.e bio compost fertilizer bag is introduced to reduce environmental</td></tr></table>				Activities	Impacts	Mitigation plan	1	Diesel usage	Prevention of excessive diesel and lubricant spillage during operation	Reduce environmental issues and wastage.	2	Open Burning	Prohibition of open burning in estate area	Full compliance at all times through supervision and continuous education to employees	3	Bio degradable	Expand the uses of biodegradable materials in estate activity	Biodegradable materials of estate operation i.e bio compost fertilizer bag is introduced to reduce environmental	Complied
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Criterion / Indicator		Assessment Findings				Compliance
					impact from synthetic materials uses	
		4	Harvesting	Promote positive impact to soil structure through biomass frond & EFB mulching.	Practice proper frond stacking. EFB applied to improve nutrient & biomass	
		5	Road upkeep	Damages through grading and chambering	Water collected at drain pits is collected to maximize moisture of nearest palm	
		6	EIA	To review aspect identification & impact evaluation to identify significant critical points for control.	Review through EA/EIE	
<b>4.5.3.3</b>	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p><b>- Major compliance -</b></p>	<p>The audit team has verified that TDM Estates had established SOP for used chemical handling. The SOP of handling of used chemicals is available in the following document:</p> <ul style="list-style-type: none"> <li>i. Manual Ladang - Agriculture Policy dated Sept 2019 revised Mac 2020 <ul style="list-style-type: none"> <li>- Prosedure Kerja Selamat</li> </ul> </li> <li>ii. SOP: B9 Schedule Waste dated Revision: July 2024. TDMP - Procedure for Handling of Scheduled Wast</li> <li>iii. Manual Sustainability revised Mac 2020 <ul style="list-style-type: none"> <li>- Prosedur Kerja Selamat</li> <li>- Prosedur membancuh Racun di PREMIX</li> <li>- Pengendalian Bahan Kimia</li> <li>- Pengurusan Bahan Buangan</li> </ul> </li> </ul> <p>The procedures for handling used chemicals classified under Environment Quality Regulations (Scheduled Waste) 2005,</p>				Complied

Criterion / Indicator		Assessment Findings	Compliance																																																																						
		<p>Environmental Quality Act, 1974 are available prepared on Group level by Sustainability Department and implemented in all estates for all the applicable practices.</p> <p>The operational control procedures for the scheduled wastes management provides guidelines as follows;</p> <p>i. Management of class 2 (and higher) chemical containers.</p> <p>ii. Management of fertilizer bags</p> <p>These documents were established on 01/9/2019 issued throughout the Group Estates and remain effective for practice in all operating units with annual revision where applicable latest being Mac 2020. Among the identified wastes include empty chemical containers including pesticides containers. Empty pesticides containers were washed at washing station prior to disposal.</p> <p>Disposals were carried out in compliance with relevant regulation of scheduled waste. Inventory and consignment documents verified for confirmation of proper management and disposal.</p> <p>The Estates scheduled waste are disposed to licensed contractor PXXXXXX FXXXXX (KXXXXXXX) Sdn Bhd registration no 004878 valid till 31/04/2024. Clinical wastes are dispatched to SXXXXXXX MXXX OXX Sdn Bhd.</p> <table><tr><th>No</th><th>Estate</th><th>Date</th><th>SW410 (MT)</th><th>SW305 (MT)</th><th>SW306 (MT)</th><th>SW409 (MT)</th></tr><tr><td>1</td><td>Gajah Mati</td><td>30/06/24</td><td>0.0145</td><td>-</td><td>-</td><td>-</td></tr><tr><td>2</td><td>Gajah Mati</td><td>30/06/24</td><td>-</td><td>0.0650</td><td>-</td><td>-</td></tr><tr><td>3</td><td>Gajah Mati</td><td>30/06/24</td><td>-</td><td>-</td><td>0.0800</td><td>-</td></tr><tr><td>4</td><td>Gajah Mati</td><td>30/06/24</td><td>-</td><td>-</td><td>-</td><td>0.238</td></tr><tr><td colspan="7"></td></tr><tr><td>1</td><td>Pelantoh</td><td>23/09/24</td><td>0.0210</td><td>-</td><td>-</td><td>-</td></tr><tr><td>2</td><td>Pelantoh</td><td>23/09/24</td><td>-</td><td>0.0250</td><td>-</td><td>-</td></tr><tr><td>3</td><td>Pelantoh</td><td>23/09/24</td><td>-</td><td>-</td><td>-</td><td>0.0757</td></tr><tr><td colspan="7"></td></tr></table>	No	Estate	Date	SW410 (MT)	SW305 (MT)	SW306 (MT)	SW409 (MT)	1	Gajah Mati	30/06/24	0.0145	-	-	-	2	Gajah Mati	30/06/24	-	0.0650	-	-	3	Gajah Mati	30/06/24	-	-	0.0800	-	4	Gajah Mati	30/06/24	-	-	-	0.238								1	Pelantoh	23/09/24	0.0210	-	-	-	2	Pelantoh	23/09/24	-	0.0250	-	-	3	Pelantoh	23/09/24	-	-	-	0.0757								
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Criterion / Indicator		Assessment Findings							Compliance
		1	MAIDAM	19/02/24	-	0.1400	-	-	
		2	MAIDAM	21/02/24	0.0180	-	-	-	
		3	MAIDAM	21/02/24	-	-	-	0.0400	
		4	MAIDAM	14/08/24	0.0020	-	-	-	
		5	MAIDAM	14/08/24	-	0.1060	-	-	
		6	MAIDAM	14/08/24	-	-	-	0.0390	
<b>4.5.3.4</b>	Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers. <b>- Major compliance -</b>	<p>The management has established document titled "KITAR SEMULA BEKAS RACUN PEROSAK". The objective of the guidelines is to;</p> <ul style="list-style-type: none"> <li>i. To protect the environment</li> <li>ii. To comply with the GAP</li> <li>iii. Avoid misuse of empty pesticide containers.</li> </ul> <p>The guidelines also reasoned out the need of triple rinsing. The current practice of disposal of empty containers for the estates is delivery as SW409 to licensed buyer i.e .PXXXXXX FXXXXX (KXXXXXXX) Sdn Bhd. Pictorial guidelines on the methods of triple rinsing are also shown in the document. Under the operational control procedure established as given in 4.5.3.3 above, the guideline and practice for handling empty pesticides are as follows;</p> <ul style="list-style-type: none"> <li>i. All class 3 and above containers are tripled rinsed, and hole punctured at the bottom only if the waste generator is to dispose as non-scheduled waste.</li> <li>ii. Containers to be disposed as scheduled waste need not go the triple rinsing and hole punctured process.</li> </ul> <p>These guidelines are based on Department of Agriculture ref 91/120/038/014 dated 7/11/2002.</p>							Complied
<b>4.5.3.5</b>	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. <b>- Minor compliance -</b>	<p>Verification during the audit indicates that disposal of domestic wastes is made to the respective estates internal landfill with guidance of TDM SOP June 2017; section B8: Recyclable wastes such as plastic bottles, aluminium cans and paper are disposed through 3rd party contractor.</p>							Complied

Criterion / Indicator		Assessment Findings				Compliance																											
		Domestic waste for the operating units in the Zone is disposed as follows: <table><tr><td>No</td><td>Estate</td><td>Landfill block</td><td>Collection Frequency</td></tr><tr><td>1</td><td>Gajah Mati</td><td>18A2</td><td>2 times/week</td></tr><tr><td>2</td><td>Pelantoh</td><td>93D</td><td>3 times/week</td></tr><tr><td>3</td><td>MAIDAM</td><td>KXXXXXXX Waste Collection Centre (BIN)</td><td>1 time/week</td></tr></table>				No	Estate	Landfill block	Collection Frequency	1	Gajah Mati	18A2	2 times/week	2	Pelantoh	93D	3 times/week	3	MAIDAM	KXXXXXXX Waste Collection Centre (BIN)	1 time/week												
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Criterion 4.5.4: Reduction of pollution and emission																																	
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.  - Major compliance -	Observed that all the estates assessed their polluting activities incorporated in the Environmental Improvement Plan/ Pollution Prevention Plan 2024.  Details as provided in 4.5.1.3 and 4.5.1.4. Therein is given potential sources of pollutants, objective & targets and action to be taken. <table><tr><td colspan="3">Environmental receptors from the estate operations</td></tr><tr><td>1</td><td>Air</td><td>Vehicle - Tractor, lorry. JCB, Generator (smoke and gases), anaerobic processes (EFB dumping) - GHG.</td></tr><tr><td>2</td><td>Water</td><td>Herbicide and pesticide spraying, Fertiliser application, vehicle hydraulic and engine oil leakage</td></tr><tr><td>3</td><td>Land</td><td>Scheduled waste and domestic waste</td></tr><tr><td colspan="3">Waste generated from the estate’s operations</td></tr><tr><td>1</td><td>Scheduled waste</td><td>Filter, lubricants, hydraulic oil, grease, used batteries.</td></tr><tr><td>2</td><td>Domestic waste</td><td>Rubbish from estate complex and employees’ quarters.</td></tr><tr><td>3</td><td>Industrial waste</td><td>Scrap iron, construction materials.</td></tr><tr><td>4</td><td>Sewage</td><td>Sewage from housing/office complex.</td></tr></table>				Environmental receptors from the estate operations			1	Air	Vehicle - Tractor, lorry. JCB, Generator (smoke and gases), anaerobic processes (EFB dumping) - GHG.	2	Water	Herbicide and pesticide spraying, Fertiliser application, vehicle hydraulic and engine oil leakage	3	Land	Scheduled waste and domestic waste	Waste generated from the estate’s operations			1	Scheduled waste	Filter, lubricants, hydraulic oil, grease, used batteries.	2	Domestic waste	Rubbish from estate complex and employees’ quarters.	3	Industrial waste	Scrap iron, construction materials.	4	Sewage	Sewage from housing/office complex.	Complied
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4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. <b>- Major compliance -</b>	<table><tr><td colspan="5">The management of the estates continuously assessed their polluting activities and is tabulated under the environmental management program. Therein is given potential sources of pollutants, objective &amp; targets and action to be taken. Sighted targeted area assessed among other as follows:</td></tr><tr><td></td><td colspan="2">Sources/objective &amp; target</td><td colspan="2">Management Plan</td></tr><tr><td>1</td><td colspan="2">Diesel usage</td><td colspan="2">Prevention of excessive diesel and lubricant spillage during operation</td></tr><tr><td>2</td><td colspan="2">To monitor waste management plan for its suitability</td><td colspan="2">SW disposal monitoring. Delivery to PXXXXXX FXXXXX (KXXXXXXX) Sdn Bhd</td></tr><tr><td>3</td><td colspan="2">To improve employees awareness on pollution prevention at housing complex including zero burning policy.</td><td colspan="2">Continuous reminders</td></tr><tr><td>4</td><td colspan="2">Domestic waste – odor and environmental pollution</td><td colspan="2">Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill.</td></tr><tr><td>5</td><td colspan="2">To minimize spillage of oil/chemical onto the ground</td><td colspan="2">Continuous training and use of spill trays</td></tr><tr><td>6</td><td colspan="2">To reduce fossil fuel (diesel) consumption from company owned vehicles and fuel using mobile equipment</td><td colspan="2">To record vehicle activity in order to eliminate waste activity which consume fuel.</td></tr></table>			The management of the estates continuously assessed their polluting activities and is tabulated under the environmental management program. Therein is given potential sources of pollutants, objective & targets and action to be taken. Sighted targeted area assessed among other as follows:						Sources/objective & target		Management Plan		1	Diesel usage		Prevention of excessive diesel and lubricant spillage during operation		2	To monitor waste management plan for its suitability		SW disposal monitoring. Delivery to PXXXXXX FXXXXX (KXXXXXXX) Sdn Bhd		3	To improve employees awareness on pollution prevention at housing complex including zero burning policy.		Continuous reminders		4	Domestic waste – odor and environmental pollution		Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill.		5	To minimize spillage of oil/chemical onto the ground		Continuous training and use of spill trays		6	To reduce fossil fuel (diesel) consumption from company owned vehicles and fuel using mobile equipment		To record vehicle activity in order to eliminate waste activity which consume fuel.		Complied
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	Sources/objective & target		Management Plan																																										
1	Diesel usage		Prevention of excessive diesel and lubricant spillage during operation																																										
2	To monitor waste management plan for its suitability		SW disposal monitoring. Delivery to PXXXXXX FXXXXX (KXXXXXXX) Sdn Bhd																																										
3	To improve employees awareness on pollution prevention at housing complex including zero burning policy.		Continuous reminders																																										
4	Domestic waste – odor and environmental pollution		Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill.																																										
5	To minimize spillage of oil/chemical onto the ground		Continuous training and use of spill trays																																										
6	To reduce fossil fuel (diesel) consumption from company owned vehicles and fuel using mobile equipment		To record vehicle activity in order to eliminate waste activity which consume fuel.																																										

Criterion / Indicator		Assessment Findings			Compliance																																																												
				To turn off vehicle engine during idle time.																																																													
		6	To reduce reliance on gen-sets for power supply	Utilization of TNB sources																																																													
<b>Criterion 4.5.5: Natural water resources</b>																																																																	
<b>4.5.5.1</b>	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> <li>a. Assessment of water usage and sources of supply.</li> <li>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</li> <li>c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</li> <li>d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</li> <li>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</li> <li>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</li> </ul> <p><b>- Major compliance -</b></p>	<p>Verification during the audit indicates the management has established plans to protect the natural water resources such as follows;</p> <ul style="list-style-type: none"> <li>a) The Water Management Plan 2023 had been established for all the estates and reviewed respectively. All water supply for the estates complex is from Syarikat Air Terengganu (SATU). The estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. The estates adopted the existing TDM policy to maintain the buffer by restricting agrochemical application and left undeveloped during replanting.</li> <li>b) Water sampling was taken annually to test against the Class IIA/IIB NWQSM. Among other parameters as shown below:</li> </ul> <table border="1"> <thead> <tr> <th></th><th>Estate</th><th></th><th>Gajah Mati</th><th>Pelantoh (Sg Tebak)</th><th>MAIDAM (Sg Angka)</th></tr> <tr> <th></th><th>Specification</th><th>Standard</th><th>14/07/24</th><th>08/07/24</th><th>17/07/24</th></tr> </thead> <tbody> <tr> <td>1</td><td>pH</td><td>6-9</td><td>6.3</td><td>7.4</td><td>6.4</td></tr> <tr> <td>2</td><td>BOD</td><td>3</td><td>&lt;1</td><td>&lt;1</td><td>&lt;1</td></tr> <tr> <td>3</td><td>COD</td><td>25</td><td>&lt;4</td><td>&lt;4</td><td>4</td></tr> <tr> <td>4</td><td>Total S Solid</td><td>50</td><td>7</td><td>16</td><td>3</td></tr> <tr> <td>5</td><td>A Nitrogen</td><td>0.3</td><td>ND(&lt;0.2)</td><td>ND(&lt;0.2)</td><td>ND(&lt;0.2)</td></tr> <tr> <td>6</td><td>Phosphorus</td><td>0.2</td><td>0.04</td><td>&lt;0.03</td><td>0.03</td></tr> <tr> <td colspan="6">Organochlorine Pesticides</td></tr> <tr> <td>1</td><td>Apdrin</td><td>0.02</td><td>ND(&lt;1.0)</td><td>ND(&lt;1.0)</td><td>ND(&lt;1.0)</td></tr> </tbody> </table>				Estate		Gajah Mati	Pelantoh (Sg Tebak)	MAIDAM (Sg Angka)		Specification	Standard	14/07/24	08/07/24	17/07/24	1	pH	6-9	6.3	7.4	6.4	2	BOD	3	<1	<1	<1	3	COD	25	<4	<4	4	4	Total S Solid	50	7	16	3	5	A Nitrogen	0.3	ND(<0.2)	ND(<0.2)	ND(<0.2)	6	Phosphorus	0.2	0.04	<0.03	0.03	Organochlorine Pesticides						1	Apdrin	0.02	ND(<1.0)	ND(<1.0)	ND(<1.0)	Complied
	Estate		Gajah Mati	Pelantoh (Sg Tebak)	MAIDAM (Sg Angka)																																																												
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Criterion / Indicator		Assessment Findings						Compliance	
		2	Deidrin	0.02	ND(<1.0)	ND(<1.0)	ND(<1.0)		
		3	BHC - alfa	2	ND(<1.0)	ND(<1.0)	ND(<1.0)		
		4	BHC - beta	2	ND(<0.5)	ND(<0.5)	ND(<0.5)		
		5	BHC - delta	2	ND(<1.0)	ND(<1.0)	ND(<1.0)		
		6	4'4 - DDT	0.1	ND(<1.5)	ND(<1.5)	ND(<1.5)		
		7	4'4 - DDD	0.1	ND(<1.5)	ND(<1.5)	ND(<1.5)		
		8	4'4 -DDE	0.1	ND(<1.0)	ND(<1.0)	ND(<1.0)		
		9	Endosulfan alfa	10	ND(<0.5)	ND(<0.5)	ND(<0.5)		
		10	Endosulfan beta	10	ND(<1.0)	ND(<1.0)	ND(<1.0)		
		11	Endosulfan sulfate	10	ND(<1.0)	ND(<1.0)	ND(<1.0)		
		Organochlorine Pesticides							
		1	Heptachlor	0.05	ND(<1.5)	ND(<1.5)	ND(<1.5)		
		2	Heptachlor Epoxide	0.05	ND(<1.0)	ND(<1.0)	ND(<1.0)		
		3	Lindane BHC-gamma)	2	ND(<0.5)	ND(<0.5)	ND(<0.5)		
		Analysis were made by EXXXXXX (KX) Sdn Bhd Kuala Terengganu.							
		c) Samples are taken for detection of any pollution arising from the estates activities by Exx Lxx (KT) Sdn Bhd annually. Among others management plan taken:							
		<ul style="list-style-type: none"><li>Regular inspection at buffer/HCV areas</li><li>Monitor water from surrounding areas</li><li>Track, measure and report all activities around the river</li><li>Train and educate workers.</li></ul>							
		d) Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines							

Criterion / Indicator		Assessment Findings	Compliance
		<p>are detailed in the River Reserve Management (Management of River Reserve in TDM Plantation Sdn Bhd revised on 01/02/2020. The signboards were displayed accordingly at the site where applicable. The guideline was issued by the Sustainability Dept. During the field visit there was no spraying activities or signs left in such an area. The buffer zones identified at the estates are as follows:</p> <ul style="list-style-type: none"> <li>• Gajah Mati Estate - Sungai Besul and Sungai Kersik</li> <li>• Pelantoh Estate - Sungai Tebak and Sungai Kersik</li> <li>• MAIDAM Estate - Sungai Angka</li> </ul> <p>e) There were no issues on the water quality for the sampling points from verification of the water analysis results.</p> <p>f) There was no bore well is being use for water supply in all the estates visited in the Complex.</p>	
<b>4.5.5.2</b>	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. <b>- Minor compliance -</b>	The audit team verified the management has complied with the requirement and is audited internally by the Sustainability and Risk Department (SRD) personnel. During the field visit no construction of such was observed. This was further supported through facts obtained from interviews with the employees.	Complied
<b>4.5.5.3</b>	Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles). <b>- Minor compliance -</b>	During the site visit practices of water harvesting are noted mainly in the estates for washing and machine cleaning. Road silt pits where applicable are constructed at every 3 palm rows, to divert in event of water overflowing and also to benefit the nearest palm at the pit end to obtain additional moisture.	Complied
<b>Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value</b>			
<b>4.5.6.1</b>	Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:	The audit team has verified that all information was collated in High Conservation Value (HCV) Assessment by Green Orbis Environmental Sdn Bhd for all estates in the region from June to Sept 2022. The assessment has taken into consideration of all biological, ecological,	Complied



Criterion / Indicator		Assessment Findings						Compliance
	a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.	social or cultural value of outstanding significance or critical importance. The HCV Toolkit for Malaysia was used as guidance to the flora and for fauna composition, the WWF – Malaysia method was used. There were appropriate consultation processes as per the HCV Toolkit for Malaysia which covers the three main components of identification, management and monitoring. Assessment among others covers the following areas; a) Overview of HCV assessment. b) Description of assessment areas. c) Finding and discussion - Landscape context - HCV criteria and application to agriculture d) HCV monitoring and management The HCV identified in the assessment as listed below;						
	b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.							
	- Major compliance -							

Criterion / Indicator		Assessment Findings						Compliance																									
		7	Forest Border	2	-	-	3.99 ha																										
4.5.6.2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a. Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b. Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p><b>- Major compliance -</b></p>	<p>The audit team has verified that the high biodiversity is included in the HCV Re-assessment report dated June to Sept 2022 respectively for the estates. Refer Section 4.3 Endangered, Rare and Threaten Species (ERT) and Birds, mammals, reptiles, insect (least concern and vulnerable) and totally protected and protected wildlife were identified based on the latest HCV report. For example, vulnerable animal; bearded pig (mammals) under category totally protected. There is no RTE recorded. Evidence during site verification, discourage illegal or hunting, fishing or collecting activities signboard were maintained and implemented.</p> <p>The management has conducted training in relation to HCV management and conservation where the details is as follows:</p> <table><tr><td>No</td><td>Subject</td><td>Gajah Mati</td><td>Pelentoh</td><td>MAIDAM</td></tr><tr><td>1</td><td>TDM Policy Awareness</td><td>20/08/24</td><td>05/03/24</td><td>14/02/24</td></tr><tr><td>2</td><td>Buffer Zone and HCV</td><td>18/07/24</td><td>22/04/24</td><td>17/10/24</td></tr><tr><td>3</td><td>MSPO 2022 Standards Seminar</td><td>23/09/24</td><td>22/10/24</td><td>18/10/24</td></tr><tr><td>4</td><td>Slope Protection Policy Briefing &amp; River Buffer Zone</td><td>21/05/24</td><td>24/10/24</td><td>24/07/24</td></tr></table>						No	Subject	Gajah Mati	Pelentoh	MAIDAM	1	TDM Policy Awareness	20/08/24	05/03/24	14/02/24	2	Buffer Zone and HCV	18/07/24	22/04/24	17/10/24	3	MSPO 2022 Standards Seminar	23/09/24	22/10/24	18/10/24	4	Slope Protection Policy Briefing & River Buffer Zone	21/05/24	24/10/24	24/07/24	Complied
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4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p><b>- Major compliance -</b></p>	<p>The management of all estates have developed HCV Management Plan 2024 for the HCV and conservation area to protect from any encroachment. The plan are as follows;</p> <p>a) Protection of slope from soil erosion such as to allow soft grasses and soft weeds to grow and not allow blankets spraying and bare ground condition.</p>						Complied																									

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>b) Conduct training on HCV twice a year to create awareness among staff and workers.</li> <li>c) Habitat protection includes prevention of disturbance by workers through awareness campaigns and regular patrols of the area.</li> <li>d) The estates have installed signboards at prominent areas to prohibit hunting, disturbance of protected areas and the lighting of fires.</li> <li>e) Inspection of housing areas and interview of residents confirmed workers were aware of the company policy that prohibits hunting and collecting activities.</li> <li>f) Monitoring is carried out by the security and staff in charge on the respective area.</li> <li>g) TDM Plantation in addition established their own disciplinary measures if found any staff or workers found to capture, harm, collect or kill the RTE species in the estate.</li> <li>h) On-going monitoring for HCV areas for the estates has been verified. The monitoring was conducted on monthly basis.</li> <li>i) Protection of slope from soil erosion such as to allow soft grasses and soft weeds to grow and not allow blankets spraying and bare ground condition.</li> <li>j) Continuous training on HCV to create awareness among staff and workers.</li> </ul>	
<b>Criterion 4.5.7: Zero burning practices</b>			
<b>4.5.7.1</b>	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice. <b>- Major compliance -</b>	The audit has verified that TDM Plantation Sdn Bhd has established Zero Burning Policy and documented in Environmental & Biodiversity Policy signed by the CEO dated 23/02/2023. No evidence of open burning sighted during site visit made at sample estates. There was no land preparation by burning ever since TDM practiced zero burning as per the policy in:	Complied

Criterion / Indicator		Assessment Findings	Compliance
		a) TDM P01-SOP-Section 01/20-1 - Under felling/clearing & land Preparation b) Environmental & Biodiversity Policy TDM has a policy of no open burning. As advocated, the estates practiced zero burning. In the replants visited during the audit, it was evident that all palms were felled, shredded, windrowed and left to decompose. There was no evidence that fire had been used to prepare land for replanting in the estates. No fire was used for waste disposal.	
<b>4.5.7.2</b>	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. <b>- Major compliance -</b>	There is no land preparation by means of burning at both the estates. This is confirmed through observation during the field visits and interview with the workers.	Not Applicable
<b>4.5.7.3</b>	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. <b>- Major compliance -</b>	There is no land preparation by means of burning at both the estates. This is confirmed through observation during the field visits and interview with the workers.	Not Applicable
<b>4.5.7.4</b>	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. <b>- Minor compliance -</b>	<u>Gajah Mati Estate and Pelantoh Estate</u> This is included in the specification of work orders in event of land preparation during a replanting. It is a standard practice in TDM Plantation. However, there are variations of practices between inland and coastal estates. Trunks are felled and chipped without having to shred and windrowed in certain conditions. Adjustment of work requirement are finalized from the directive of the replanting unit and the Zone Office. The document of Replanting work were available during audit.	Complied
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Site Management</b>			

Criterion / Indicator	Assessment Findings	Compliance
<b>4.6.1.1</b> Standard operating procedures shall be appropriately documented and consistently implemented and monitored. <b>- Major compliance -</b>	<p>TDM Plantation Sdn Bhd continued to use the documents established Standard operating procedures and documented in the ARM among others as follows;</p> <ul style="list-style-type: none"> <li>- Agriculture Policy Guidelines – Sept 2019</li> <li>- Standard Operating Manual &amp; Procedures (SOP) 05/3/2024</li> <li>- Occupational Safety and Health Manual – 23/2/2023</li> <li>- Pictorial Safety Standards – July 2024</li> <li>- Security Guidelines – August 2017.</li> </ul> <p>In addition, technical guidelines as listed in the Agricultural Policy Manual September 2019 were also used. In general, the documents included operation activities in the estates and the mills from;</p> <ul style="list-style-type: none"> <li>- Seedlings in nursery to planting of young palms.</li> <li>- Plantation upkeep to mill FFB receipt, grading, processing.</li> <li>- Quality analysis and dispatch of CPO &amp; CPK.</li> <li>- Security in the region.</li> </ul> <p>Contents of the Manual were disseminated to the workers through;</p> <ul style="list-style-type: none"> <li>- Morning muster</li> <li>- Estates weekly briefings</li> <li>- Training as ad hoc and programmed basis.</li> </ul> <p>The Manuals are also kept in the administration office to facilitate reference by any interested parties. Site inspection and interview with workers confirmed that the SOPs had been implemented and the employees understood the requirements of the SOPs.</p> <p>In addition, there are also manuals available within the industry and MPOB that are used as guidelines. The procedures were communicated to workers through training and infield supervision. Interview with workers showed that the information in the procedures had been effectively communicated. Workers confirmed that the SOPs had been implemented and they understood the requirements of the SOPs.</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings			Compliance																									
		<p>The implementation of SOPs is monitored on a daily basis by the field staffs and Assistant Managers with overall overview by the Managers. The monitoring is made via supervision and records maintenance. The estates among others maintained the following records.</p> <ul style="list-style-type: none"><li>- Work program / Field cost books</li><li>- Bin cards, Harvesting Intervals,</li><li>- Monthly Estate Report and Account,</li><li>- Monthly Operations, monthly rainfall,</li><li>- Pest and diseases monthly return,</li><li>- Agrochemical monthly consumption</li><li>- Harvesting daily inspection report yield improvement program,</li><li>- Pest &amp; Disease monthly submission.</li><li>- Summary of machinery running hours</li><li>- Harvesting records detailing the number of bunches harvested</li><li>- Monthly FFB production, etc.</li></ul> <p>The Agronomy performed visits to the estates i.e Gajah Mati Estate – Agronomy Visit 08/07/2024 and PA visit 17/12/2023. Pelantoh Estate Agronomy Visit 20/10/2024. Maidam Estate had Agronomy visit on 08/07/2024 and PA visit on 07/2/2024. Similarly, the Sustainability and Risk (S&amp;R) Unit also made internal audits on Gajah Mati Estate 06/06/2024, Pelantoh Estate 24/06/2024 and Maidam Estate 25/07/2024 respectively. The estate performance for the crop production ending 30/09/2024 year to date as tabled below:</p> <table><tr><td></td><td colspan="2">FFB production/mt</td><td colspan="2">Yield Per Hectare</td></tr><tr><td>Estate</td><td>Actual</td><td>Budget</td><td>Actual</td><td>Budget</td></tr><tr><td>Gajah Mati</td><td>21266</td><td>23250</td><td>8.75</td><td>9.56</td></tr><tr><td>Pelantoh</td><td>11777</td><td>16800</td><td>7.25</td><td>6.96</td></tr><tr><td>MAIDAM</td><td>1500</td><td>1656</td><td>4.98</td><td>7.64</td></tr></table>				FFB production/mt		Yield Per Hectare		Estate	Actual	Budget	Actual	Budget	Gajah Mati	21266	23250	8.75	9.56	Pelantoh	11777	16800	7.25	6.96	MAIDAM	1500	1656	4.98	7.64	
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4.6.1.2	Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to	Like all TDM Plantation Sdn Bhd Estates, the estates visited in Southern Region continued to have a management strategy for			Complied																									

Criterion / Indicator		Assessment Findings	Compliance																																
	<p>prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p> <p><b>- Major compliance -</b></p>	<p>planting on slopes in order to minimize and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by:</p> <ul style="list-style-type: none"> <li>- Slope Protection and River Buffer Zone Policy dated 23/2/2023</li> <li>- Platforming and Terracing ref no 03.05 in Agriculture Policy Manual guidelines – Sept 2019</li> </ul> <p>Interviews concluded that practices to minimize and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines. Cover crops were planted in the replants. The slope maps for the titled ha were provided by the JUPEM Terengganu with details as follows:</p> <table border="1"> <thead> <tr> <th>Terrain %</th><th>Gajah Mati</th><th>Pelantoh</th><th>MAIDAM</th></tr> </thead> <tbody> <tr> <td>0-2</td><td>20.23</td><td>27.43</td><td>11.79</td></tr> <tr> <td>2-6</td><td>29.24</td><td>4.55</td><td>0.00</td></tr> <tr> <td>6-12</td><td>29.66</td><td>45.76</td><td>18.70</td></tr> <tr> <td>12-20</td><td>17.16</td><td>20.08</td><td>45.83</td></tr> <tr> <td>20-25</td><td>3.71</td><td>0.67</td><td>17.58</td></tr> <tr> <td>&gt;25</td><td>0.00</td><td>1.52</td><td>6.10</td></tr> <tr> <td>Total</td><td>100%</td><td>100%</td><td>100%</td></tr> </tbody> </table>	Terrain %	Gajah Mati	Pelantoh	MAIDAM	0-2	20.23	27.43	11.79	2-6	29.24	4.55	0.00	6-12	29.66	45.76	18.70	12-20	17.16	20.08	45.83	20-25	3.71	0.67	17.58	>25	0.00	1.52	6.10	Total	100%	100%	100%	
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<b>4.6.1.3</b>	<p>A visual identification or reference system shall be established for each field.</p> <p><b>- Major compliance -</b></p>	<p>Field maps had been documented and markings of field identification being shown therein. There was sufficient no of markers being displayed on the fields for field identification as observed during the field visits. Field identifications were mainly shown using estate map.</p> <ul style="list-style-type: none"> <li>- Gajah Mati Estate PM13A / PM14A / PM15C / PM16C / PM18A</li> <li>- Pelantoh Estate PM93C / PM20B / PR21A / PM18 / P19</li> <li>- MAIDAM Estate PM 98A / PM18B</li> </ul>	Complied																																
<b>Criterion 4.6.2: Economic and financial viability plan</b>																																			

Criterion / Indicator		Assessment Findings	Compliance																														
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. <b>- Major compliance -</b>	A 5 years Business Plan 2023 updated 26/06/2022 for Jernih Estate and Tebak Estate (2022-2027) to demonstrate attention to economic and financial viability through long term management planning.	Complied																														
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. <b>- Major compliance -</b>	<p>The audit team verified that TDM Plantation Bhd has established long range replanting program for year 2023 - 2034. The replanting program up to 2027 for the samples estate are as follows;</p> <p><u>Gajah Mati Estate</u></p> <table><tr><th>Year</th><th>Field</th><th>Size (Ha)</th></tr><tr><td>2024</td><td>1996</td><td>110.11</td></tr><tr><td>2025</td><td>1996 1997 Abandoned Area</td><td>93.72 75.22 150.44</td></tr><tr><td>2026</td><td>1997 1999 1999</td><td>102.33 105.8 14.85</td></tr><tr><td>2027</td><td>Nil</td><td>Nil</td></tr></table> <p><u>Pelantoh Estate</u></p> <table><tr><th>Year</th><th>Field</th><th>Size (Ha)</th></tr><tr><td>2024</td><td>1993 (B3) 1993 (C1)</td><td>108.72 157.62</td></tr><tr><td>2025</td><td>1993 (D1) 1993 (D2)</td><td>105.15 148.20</td></tr><tr><td>2026</td><td>1993 (E1) 1993 (E2) 1993 (E3) 2000 (A1) 2000 (A2)</td><td>108.86 91.78 75.68 5.73 4.59</td></tr><tr><td>2027</td><td>Nil</td><td>Nil</td></tr></table> <p><u>MAIDAM Estate</u></p>	Year	Field	Size (Ha)	2024	1996	110.11	2025	1996 1997 Abandoned Area	93.72 75.22 150.44	2026	1997 1999 1999	102.33 105.8 14.85	2027	Nil	Nil	Year	Field	Size (Ha)	2024	1993 (B3) 1993 (C1)	108.72 157.62	2025	1993 (D1) 1993 (D2)	105.15 148.20	2026	1993 (E1) 1993 (E2) 1993 (E3) 2000 (A1) 2000 (A2)	108.86 91.78 75.68 5.73 4.59	2027	Nil	Nil	Complied
Year	Field	Size (Ha)																															
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2027	Nil	Nil																															



Criterion / Indicator		Assessment Findings			Compliance
		Year	Field	Size (Ha)	
		2024	Nil	Nil	
		2025	P1	126.44	
		2026	P2	256.13	
<b>4.6.2.3</b>	<p>The business or management plan may contain:</p> <p>a) Attention to quality of planting materials and FFB</p> <p>b) Crop projection: site yield potential, age profile, FFB yield trends</p> <p>c) Cost of production: cost per tonne of FFB</p> <p>d) Price forecast</p> <p>e) Financial indicators: cost benefit, discounted cash flow, return on investment</p> <p><b>- Major compliance -</b></p>	<p>The estate management has established Business Plan for year 2024 -2027 which outlines the management goals, strategies and plans for the next three years. The business plan are consist of:</p> <ul style="list-style-type: none"> <li>• Estate Maps</li> <li>• Summary of Budget Expenditure</li> <li>• Hectarage statement: immature and Mature Fields</li> <li>• Yield projection &amp; Seasonal Crop Estimate (FFB, CPO &amp; Palm Kernal Estimate)</li> <li>• General Charges (overhead), Labour Overheads and Other Overheads</li> <li>• Summary of Mature Expenditure (Upkeep &amp; Cultivation and Harvesting &amp; Collection)</li> <li>• Summary of Replanting / Immature Expenditure</li> <li>• Capital Expenditure</li> <li>• Workshop &amp; Vehicle</li> <li>• Cost of Goods Sales : Estate Production Cost (Upkeep &amp; Cultivation and Harvesting &amp; Collection, General Charges)</li> <li>• Other Production Cost (Windfall Tax, Hire Rental)</li> <li>• Administrative Expenses</li> <li>• Total cost, Cost / MT FFB</li> <li>• Cost per MT FFB. Cost/Ha, Cost to Maturity</li> </ul>			Complied
<b>4.6.2.4</b>	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.	The Audit team has verified that the management has established monthly progress report to monitor the progress and achievement, compliance towards the SOP, Budget, and Productivity of the business plan. The report will be reviewed during the meeting with The			Complied

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	<p>Plantation Controller (PC) is accountable to monitor the estates performance and Group CEO.</p> <p>In addition, further sighted a Monthly Report that was compiled as progress and achievement summary that contains information such as:</p> <ul style="list-style-type: none"> <li>• Plantation Controller comments</li> <li>• Executive summary for September 2024 Monthly Report</li> <li>• Estate Hectarage</li> <li>• Management Staff</li> <li>• Manpower Establishment</li> <li>• Labour Content Analysis</li> <li>• TKT Movement</li> <li>• Foreign Workers Status Actual September 2024</li> <li>• Stock Balance</li> <li>• Rainfall Records</li> <li>• Contract works</li> <li>• Production Cost</li> <li>• Summary of expenditures-General charges</li> <li>• Summary of expenditure-Upkeep &amp; Cultivation (Mature Area/Immature)</li> <li>• Capital expenditure</li> <li>• Work Progress and other.</li> </ul>	
<b>Criterion 4.6.3:</b> Transparent and fair price dealing			
<b>4.6.3.1</b>	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- <b>Major compliance</b> -</p>	<p>The pricing mechanism is clearly outlined in the agreements, and payments are processed and made by the estates. Payment vouchers indicate that payments are made promptly. Referencing the "Surat Pesanan Kerja," the payment terms are specified. Interviews with</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		sampled stakeholders revealed that they possess a good understanding of their agreements and the pricing mechanism.	
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. <b>- Major compliance -</b>	<p>The contract agreements include details about pricing, terms, and conditions. Payments were made promptly, as verified through the payment vouchers and interviews with the contractors. Stakeholders interviewed demonstrated a good understanding of their agreements and the pricing mechanism, confirming that payments were made in accordance with the terms specified in the agreements. A sample of the contract agreement for contractors is provided below.</p> <p><u>Gajah Mati Estate</u></p> <p>Sample 1</p> <ul style="list-style-type: none"> <li>Contractor: JX WXXXXXX MXXXX Sdn Bhd</li> <li>Type Of work: FFB Transporter</li> <li>Validity: 26/08/2024 – 31/10/2024</li> <li>Invoice No: TDMLGM/09XX-XX</li> <li>Invoice date: 30/09/2024</li> <li>Payment No: PV 236/XX</li> <li>Date of payment: 12/10/2024</li> </ul> <p>Sample 2</p> <p>Contractor: NXXXXX AXXXXXX</p> <ul style="list-style-type: none"> <li>Type Of work: FFB Transporter</li> <li>Validity: 26/08/2024 – 31/10/2024</li> <li>Invoice No: NA-XXX/XXXX</li> <li>Invoice date: 30/09/2024</li> <li>Payment No: PV 237/XX</li> <li>Date of payment: 12/10/2024</li> </ul> <p><u>Pelantoh Estate</u></p> <p>Sample 1</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>Contractor: KXX FXXX CXXXXXXXXX</li> <li>Type Of work: Replanting</li> <li>Validity: 25/09/2024 to 24/01/2025</li> <li>Invoice No: N/A since the job start on Sept 2024</li> <li>Invoice date: N/A since the job start on Sept 2024</li> <li>Payment No: N/A since the job start on Sept 2024</li> <li>Date of payment: N/A since the job start on Sept 2024</li> </ul> <p>Sample 2</p> <ul style="list-style-type: none"> <li>Contractor: MXXXXX HXXXXXXXX Sdn Bhd</li> <li>Type Of work: Bus Rent for school pupils</li> <li>Validity: 01/07/2024 to 31/12/2024</li> <li>Invoice No: MHSB/INV/2024/13XX</li> <li>Invoice date: 30/06/2024</li> <li>Payment No: VR2401XXXX</li> <li>Date of payment: 22/07/2024</li> </ul> <p>For MAIDAM Estate, there is no contractors hired for the estates.</p>	
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	<p>Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.</p> <p><b>- Major compliance -</b></p>	<p>All estates provided MSPO information and documentation to engaged contractors through work agreements signed prior to the delivery of work items and/or services. Briefings for contractors were conducted by mill management during the signing of the Perjanjian Pesanan Kerja (Work Order Agreement). These briefings included provisions requiring contractors to comply with legal and MSPO requirements, as well as authorization for the mill to audit the contractors periodically to ensure compliance with all relevant requirements. Latest communication conducted at Stakeholder Meeting dated 28/08/2024.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - <b>Major compliance</b> -	Evidence of agreed contracts with contractors was provided by the estates, along with the Code of Ethics & Business Conduct (CoBE TDM; Rev. 01; Approved date: 25/3/2018). A sample of contractor as per 4.6.3.2.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - <b>Minor compliance</b> -	TDM Plantation Sdn Bhd has agreed to allow BSI auditors to verify the assessment through a physical inspection if necessary.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - <b>Major compliance</b> -	The contractor will issue a working chit for every task completed on a daily basis, as specified in the contract agreement. At the end of the month, the contractor will provide a tax invoice to the company for all completed work, which will then be processed for payment. Payments are handled at the headquarters level, and all sample records were found to be in order.	Complied
<b>4.7 Principle 7: Development of new planting</b>			
<b>Criterion 4.7.1: High biodiversity value</b>			
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - <b>Major compliance</b> -	Not applicable since there is no new planting.	Not applicable
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - <b>Major compliance</b> -	Not applicable since there is no new planting.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.7.2:</b> Peat Land			
<b>4.7.2.1</b>	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - <b>Major compliance</b> -	Not applicable since there is no new planting.	Not applicable
<b>Criterion 4.7.3:</b> Social and Environmental Impact Assessment (SEIA)			
<b>4.7.3.1</b>	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - <b>Major compliance</b> -	Not applicable since there is no new planting.	Not applicable
<b>4.7.3.2</b>	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - <b>Major compliance</b> -	Not applicable since there is no new planting.	Not applicable
<b>4.7.3.3</b>	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - <b>Major compliance</b> -	Not applicable since there is no new planting.	Not applicable
<b>4.7.3.4</b>	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - <b>Minor compliance</b> -	Not applicable since there is no new planting.	Not applicable
<b>Criterion 4.7.4:</b> Soil and topographic information			

Criterion / Indicator		Assessment Findings	Compliance
<b>4.7.4.1</b>	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.4.2</b>	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>Criterion 4.7.5:</b> Planting on steep terrain, marginal and fragile soils			
<b>4.7.5.1</b>	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.5.2</b>	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.5.3</b>	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>Criterion 4.7.6:</b> Customary land			
<b>4.7.6.1</b>	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
<b>4.7.6.2</b>	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. <b>- Minor compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.6.3</b>	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.6.4</b>	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.6.5</b>	Identification and assessment of legal and recognised customary rights shall be documented. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.6.6</b>	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.6.7</b>	The process and outcome of any compensation claims shall be documented and made publicly available. <b>- Major compliance -</b>	Not applicable since there is no new planting.	Not applicable
<b>4.7.6.8</b>	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. <b>- Minor compliance -</b>	Not applicable since there is no new planting.	Not applicable



**MS 2530-4: 2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General Principles for Palm Oil Mills**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	Policy for the implementation of MSPO shall be established. - <b>Major compliance</b> -	An established Sustainability Policy, approved and signed by the Group CEO on 23/02/2023, was observed. According to the internal training report titled Briefing of Company Policies, which includes the MSPO Policy, workers received briefings on these policies. The policy briefings have been conducted as recorded. Kemaman POM: 09/07/2024	Complied
<b>4.1.1.2</b>	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - <b>Major compliance</b> -	The MSPO policy emphasizes a commitment to continual improvement by maximizing resource utilization across human, process, and technological areas to support sustainable palm product production. Key focus areas include: <ul style="list-style-type: none"> <li>• Commitment and management responsibility</li> <li>• Transparency</li> <li>• Legal and regulatory compliance</li> <li>• Social responsibility, health and safety, and worker conditions</li> <li>• Environmental protection and biodiversity</li> <li>• Implementation of best practices</li> <li>• Replanting initiatives</li> </ul>	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - <b>Major compliance</b> -	The SOP for MSPO, RSPO, and ISCC Internal Audits, dated 01/01/2022 under Edition TDMOP/01, Revision TDMP-02/2022, outlines guidelines for conducting internal sustainability audits in alignment with standards requirements. As specified in the SOP under the Audit Plan, a	Complied

Criterion / Indicator		Assessment Findings	Compliance						
		sustainability internal audit is to be conducted annually to evaluate strengths, identify weaknesses, and highlight areas for further improvement.  The internal audits were conducted for Kemaman POM dated 04/08/2024.							
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.  - Major compliance -	The SOP for MSPO, RSPO, and ISCC Internal Audits, documented on 01/01/2022 under Edition TDMOP/01, Revision TDMP-02/2022, serves as a guideline for conducting internal sustainability audits based on standards requirements. Any identified results, including raised nonconformities, are thoroughly investigated, with corrective actions implemented in response. <table border="1"><tr><td>Mill</td><td>Major NC</td><td>Positive Findings</td></tr><tr><td>Kemaman POM</td><td>17</td><td>1</td></tr></table> All NCRs were investigated on root causes and proposed Corrective Action made accordingly.	Mill	Major NC	Positive Findings	Kemaman POM	17	1	Complied
Mill	Major NC	Positive Findings							
Kemaman POM	17	1							
4.1.2.3	Reports shall be made available to the management for their review.  - Major compliance -	The Sustainability Audit Report was prepared and compiled for management's attention and follow-up actions. This report was reviewed and discussed during the management review meeting, covering the criteria outlined in the Minutes of Management Review. The meeting was attended by the Plantation Advisor, Estate Managers, and the Sustainability Unit.	Complied						
Criterion 4.1.3 – Management Review									
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.  - Major compliance -	TDM Kemaman POM Certification Unit held management reviews at 08/09/2024 on a yearly basis. Among the matters discussed during the management review are as follows: -  1. Introduction by Chairman 2. Results of Internal Audits covering RSPO & MSPO 3. Customer feedback	Complied						

Criterion / Indicator		Assessment Findings	Compliance																				
		4. Status up preventive and corrective actions 5. Follow up actions from management review 6. Changes that could affect the management system 7. Recommendations for improvement 8. Improvement of the effectiveness of the management system and process 9. Resources need. The minutes of the meeting indicated that Internal audit findings were each thoroughly examined, and the corrective action plan were discussed.																					
<b>Criterion 4.1.4 – Continual Improvement</b>																							
<b>4.1.4.1</b>	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. <b>- Major compliance -</b>	The audit team verified that Kemaman POM has established Continual Improvement Plan FY 2024 such as follows: <table border="1"> <thead> <tr> <th colspan="4">Social continual improvement plan</th></tr> <tr> <th></th><th>Issue</th><th>Mitigation measure</th><th>Status</th></tr> </thead> <tbody> <tr> <td>1</td><td>Location of worker's housing too close with the effluent ponds</td><td>Relocate the housing to a safer and better location. To make sure the fluent fumes and not affecting the safety and health of the workers</td><td>Completed</td></tr> <tr> <td>2</td><td>Insufficient worker's housing problem</td><td>Additional housing blocks. To provide proper and comfortable house to the workers</td><td>Completed</td></tr> <tr> <td>3</td><td>Dirty drinking water in the mill.</td><td>Install new water filtration system in the worker's rest room. (COWAY). To provide clean drinking water for the workers.</td><td>Completed</td></tr> </tbody> </table>	Social continual improvement plan					Issue	Mitigation measure	Status	1	Location of worker's housing too close with the effluent ponds	Relocate the housing to a safer and better location. To make sure the fluent fumes and not affecting the safety and health of the workers	Completed	2	Insufficient worker's housing problem	Additional housing blocks. To provide proper and comfortable house to the workers	Completed	3	Dirty drinking water in the mill.	Install new water filtration system in the worker's rest room. (COWAY). To provide clean drinking water for the workers.	Completed	Complied
Social continual improvement plan																							
	Issue	Mitigation measure	Status																				
1	Location of worker's housing too close with the effluent ponds	Relocate the housing to a safer and better location. To make sure the fluent fumes and not affecting the safety and health of the workers	Completed																				
2	Insufficient worker's housing problem	Additional housing blocks. To provide proper and comfortable house to the workers	Completed																				
3	Dirty drinking water in the mill.	Install new water filtration system in the worker's rest room. (COWAY). To provide clean drinking water for the workers.	Completed																				

Criterion / Indicator		Assessment Findings				Compliance
		4	Leaking and dangerous motorcycle parking behind the office building.	Replace the whole roofing. To provide safe motorcycle parking space for the staff and workers	Completed	
		5	Positive improvement- provide proper and comfortable toilet for workers.	To provide proper and comfortable toilet for workers.	Completed	
		Environmental continual improvement plan				
			Issue	Mitigation measure	Status	
		1	Leakage of used engine oil and lubricants from workshop area.	To construct oil containment sump at workshop area to contain any leakages. To place all lubricants containers on metal trays	Completed	
		2	Leakage of chemicals at store area	To upgrade existing store to install oil containment sump and bunds in order to contain any leakages. To place all chemical containers on metal trays.	Completed	
		3	High noise level from the exhaust blow pipe of boiler.	To install silencer/muffler at the specified piping to reduce noise	Completed	
		4	Dangerous gases and fumes in the laboratory	To install LEV systems and exhaust fans in the laboratory rooms.	Completed	

Criterion / Indicator		Assessment Findings				Compliance
		5	Improper and costly domestic waste management at the workers and staff housing.	To place 3 units of domestic waste bins at the housing areas to reduce time and cost for managing the waste.	Completed	
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. <b>- Major compliance -</b>	The audit team verified that a third-party company has setup ESP Plant and Biogas Plant adjacent to the mill. By having the biogas plant, the mill has prevented and reduced negative environmental effect such as under ground water contamination, methane emission that causing global warming and reduce bad odor. The biogas plant also contributes to environmental benefits such as methane is captured at higher efficiency and used to generate electricity that connected to TNB Grid and the technology takes care of any future change of government regulations and environment laws. There are also profit from the electricity sales and profit from Carbon Credit.				Complied
4.2 Principle 2: Transparency						
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements						
4.2.1.1	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. <b>- Major compliance -</b>	A Communication Flowchart with Mill Management has been established to clearly illustrate the information and report request process. The timeline for response and resolution is set at 28 working days. To streamline this process, the company has implemented a Request and Response Form designed for stakeholders. Additionally, information is available in both Bahasa Malaysia and English, ensuring accessibility and understanding for a diverse audience.  Relevant stakeholders receive comprehensive information during external stakeholder meetings, which serve as platforms for engagement and effective communication. Briefings during these meetings are conducted in Bahasa Malaysia to ensure that all stakeholders can understand and participate in the discussions. The				Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>most recent external stakeholder meeting was held on 28/08/2024, where stakeholders had the opportunity to provide feedback, discuss the progress of previous feedback, and receive valuable information on various company policies, including the grievance mechanism, SOPs related to stakeholder requests, the Anti-Bribery and Corruption Policy, the "No Gift" Policy, the Work Ethical Policy, RSPO Principles &amp; Criteria certification, and other relevant topics.</p> <p>For internal stakeholders, briefings are primarily conducted during morning muster calls at each operating unit, led by a management representative. These briefings aim to disseminate crucial information to internal stakeholders, covering topics such as TDM policies, employment contracts, grievance procedures, human rights, the roles of gender committees, the functions of trade unions or workers' representatives, and various policies and guidelines, including the Sustainable Palm Oil Policy, guidelines for addressing workplace harassment, minimum wages, and information regarding RSPO and MSPO certifications.</p>	
<b>4.2.1.2</b>	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p><b>- Major compliance -</b></p>	<p>All required documents are accessible at both the operating sites and the head office, with no reported restrictions from stakeholders regarding the acquisition of information or documents. The company ensures that relevant documentation is readily available upon request. Additionally, a communication procedure for information requests is outlined on notice boards at the estates and mill.</p> <p>Company policies, including a statement emphasizing the availability of documents to the public, are prominently displayed on notice boards in the estates and mill. The accessible documents include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Land ownership title</li> <li>• OSH Plan (Occupational Safety and Health)</li> <li>• SIA Report (Social Impact Assessment)</li> <li>• EIA Report (Environmental Impact Assessment)</li> <li>• HCV report and related documentation (High Conservation Value)</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Continuous Improvement Plan</li> <li>• Pollution Prevention Plan</li> <li>• Environmental Management/Monitoring Plan</li> <li>• Communication and Complaint/Grievance Procedure</li> <li>• Consultation Procedure</li> <li>• Human Rights Policy</li> <li>• Contributions to community development</li> </ul>	
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p><b>- Major compliance -</b></p>	<p>A standardized procedure titled "Communication with Mill/Estate" has been established at all audited estates and Kemaman POM. This procedure is meticulously documented and presented in a flowchart format, outlining the systematic flow of the consultation and communication process. Information reported is categorized based on the type of communication, ensuring a tailored and efficient approach. According to the procedure, any required action must be completed within 28 days.</p> <p>In cases where further action requires approval from the Head Office, the TDM Kemaman POM management is responsible for submitting the request. The Head Office is committed to resolving such requests within 30 working days.</p> <p>To promote awareness and understanding, comprehensive briefings on this communication procedure have been conducted for all internal and external stakeholders. These briefings took place during stakeholder meetings and were also integrated into muster/roll call meetings, ensuring widespread knowledge and adherence to the established communication guidelines.</p>	Complied
<b>4.2.2.2</b>	<p>The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i>.</p> <p><b>- Minor compliance -</b></p>	<p>TDM Plantation Sdn Bhd has appointed the Kemaman POM Mill Manager as the Person in Charge (PIC) for communication and consultation. This appointment is formalized through the official letter titled "Perlantikan</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Sebagai Wakil Syarikat Bagi Mengendalikan Isu Sosial Dengan Pihak Luar Di Peringkat Ladang/Kilang," issued by the Group Human Resource Manager (ref. # TDMP/HR-GEN(MSPO/RSPO); dated 17/10/2021).	
<b>4.2.2.3</b>	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. <b>- Major compliance -</b>	The stakeholder list for the year 2024 at each operating unit has been recently updated, with the latest revision completed in September 2024. This updated list includes contact information and details for various stakeholders and their nominated representatives. Importantly, the stakeholder list has been verified to encompass a diverse range, including vendors/suppliers, relevant authorities such as DOSH/DOE, local schools, community leaders, and other interested parties.	Complied
<b>Criterion 4.2.3 – Traceability</b>			
<b>4.2.3.1</b>	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has established an SOP for traceability and documented in "RSPO Supply Chain SOP – Identity Preserved and Mass Balance Module Edition TDM/TRCBL/04, Rev. SCCS-02/2022 dated 01/01/2022. The SOP covers various key subjects to ensure effective implementation of RSPO/MSPO supply chain.  The objective of the procedure is to provide guideline for the mill to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB).  This SOP outlines procedures / guidelines to ensure compliance with RSPO/MSPO supply chain standards, particularly in the areas of identity preserved and mass balance, covering the entire process from FFB delivery to the mill to the dispatch of CPO and PK. The inclusion of responsibilities, control measures, and training elements emphasizes a systematic and well-documented approach to RSPO/MSPO supply chain management within TDM Plantation Sdn Bhd.	Complied
<b>4.2.3.2</b>	The management shall conduct regular inspections on compliance with the established traceability system. <b>- Major compliance -</b>	The mill maintained daily production records as described in 4.2.3.1 above in compliance to the procedure established. The FFB flow chart commences from the estate harvesting designated fields to mill weighbridge. The mill processing records the total FFB processed for the	Complied



Criterion / Indicator		Assessment Findings	Compliance
		<p>day and the storage tank no being stored. The records include opening FFB balances in ramp plus the FFB intake from the estates for the day less the closing FFB balances will provide the total processed.</p> <p>The despatch oil from the storage tank follows a similar formula opening stock plus production less the despatch volume will give a closing stock for the day record. All records of CPO tank sounding are recorded during the 2 shifts operations. All records are maintained in the daily production report authorized by the Mill Manager.</p>	
<b>4.2.3.3</b>	<p>The management shall identify and assign suitable employees to implement and maintain the traceability system.</p> <p><b>- Minor compliance -</b></p>	<p>The Mill Manager had appointed En Wan Ahmad Amilin Wan Ngah, Compliance Executive as Person in Charge (PIC) for SCCS and other matters related to the traceability management system. The appointment letter dated 23/01/2021 outlines the responsible of the PIC among others:</p> <ul style="list-style-type: none"> <li>- Assisting Assistant on Supply Chain Certification System</li> <li>- Other related issues on SCCS</li> <li>- Requirement of Management System.</li> <li>- The letter was sighted and verified.</li> </ul>	Complied
<b>4.2.3.4</b>	<p>Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.</p> <p><b>- Major compliance -</b></p>	<p>The mill has established procedure stated in the "RSPO Supply Chain SOP – Identity Preserved and Mass Balance Module Edition TDM/TRCBL/04, Rev. SCCS-02/2022" dated 01/01/2022. Therein documenting the procedure for traceability i.e requiring validation of certificate of supplying estates identifying critical control points to prevent contamination of non-certified FFB.</p> <p>The mill maintains the records of CPO/PK storage and recorded in the Daily Production Summary Report. For CPO and PK dispatch, the mill maintains records in Dispatch Summary form. The CPO/CPK weighbridge ticket/despatch note is produced for all transaction from the Mill to the buyers. Despatch of CPO/CPK sampled as given below;</p> <p>Produce: Certified Sustainable Palm Kernel (CPK)</p> <p>Nett Weight: 40,290 kg</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		Delivery date: 28/10/2024 Weighbridge ticket no: KTS24146429 D/O no: KTS24146429 / Vehicle No: QCK 766 Buyer: HXX LXX OXX MXXXX Sdn Bhd Produce: Certified Sustainable Palm Oil (CPO) Nett Weight: 43410 kg Delivery date: 22/10/2024 Weighbridge ticket no: KTS 24146319 D/O no: KTS24146319 / Vehicle No: VKSS 8855 Buyer: NXX CXXX HXXX Other information in the ticket among others comprises of the following; <ul style="list-style-type: none"> <li>- MPOB license no</li> <li>- Buyers Name / Transporter Name</li> <li>- Gross and tare weight/ vehicle no/ time in and out</li> <li>- quantity mt/buyer weight/ drivers' details</li> <li>- Produce quality/seal no</li> <li>- Weighbridge operator on duty.</li> </ul>	
<b>4.3 Principle 3: Compliance to legal requirements</b>			
<b>Criterion 4.3.1 – Regulatory requirements</b>			
<b>4.3.1.1</b>	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations. <b>- Major compliance -</b>	Kemaman Palm Oil Mill continued to comply with legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and TDM sustainability team. The Mill had obtained and renewed license and permits as required by the law. The licenses/permit viewed among others were: Kemaman POM	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ol style="list-style-type: none"> <li>1. MPOB Licence #500041904000 valid from 01/04/2024 until 31/03/2025</li> <li>2. DOE Licence #005944 valid from 01/07/2024 until 30/06/2025</li> <li>3. Weighbridge calibration #B1956041 inspected by De Metrology dated 19/06/2024</li> <li>4. Diesel permit #T001757 valid from 11/05/2024 until 10/05/2027</li> <li>5. Competence person #AGT297499-23 to Assistant Manager NRIC 880614-XX-XXXX</li> <li>6. Back Pressure Vessel #TG PMT 107391 valid until 15/08/2025</li> <li>7. Air Receiver #TG PMT 81764 valid until 15/08/2025</li> <li>8. Pressure Filter #TG PMT 70470 valid until 15/08/2025</li> <li>9. Competence person of CePSWaM was Compliance Exec NRIC 850123-XX-XXXX dated 15/01/2024. FTR has been submitted and waiting for approval as per email by DOE dated 14/03/2024.</li> <li>10. Competence person of CePome was Assistant Manager however the Assistant Manager has been resigned on 10/2023. New person in charge has been assigned as per email dated 14/05/2024 for Training which is Assistant manager NRIC 720910-XX-XXXX</li> </ol>	
<b>4.3.1.2</b>	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p><b>- Major compliance -</b></p>	<p>Legal and Other Requirements (LOR) (TDM/Estate/01) Revision 00/2021 dated 01/01/2021. The purpose is to ensure the estate is aware with current legal and other requirements that relevant to their operation. Established and documented Estate Legal Requirements Register 2024 (Edition 2024), last reviewed &amp; updated 15/07/2024. A legal register listed additional applicable laws, including:</p> <ul style="list-style-type: none"> <li>• Minimum Wages Order 2022</li> <li>• Fire Service Act 1988 (Act 341) Amendment 2020</li> <li>• Human Resources Development Act 2001</li> <li>• Anti-Sexual Harassment Act 2021</li> <li>• Employees' Social Security (Amendment) Act 2022</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>Employees' Insurance System (EIS) (Amendment) Act 2022</li> <li>Control of Supplies Act 1961</li> <li>Employment (Amendment) Act 2022</li> <li>OSHA (Construction Work) (Design &amp; Management) Regulation 2024</li> </ul> <p>The mill and estates have appointed the Compliance Executive as person responsible for compliance legal and other requirement as per appointment letter signed by the Manager.</p>	
<b>4.3.1.3</b>	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- <b>Major compliance</b> -</p>	TDM Kemaman POM continue to implement and maintain a documented system to identify, access, update, and monitor compliance with applicable legal requirements. A tracking system is in place to capture regulatory changes via the head office, sustainability team, and website information, with updates communicated from the Head Office. TDM Plantations Berhad utilizes a centralized system to monitor any legal changes effectively.	Complied
<b>4.3.1.4</b>	<p>The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.</p> <p>- <b>Minor compliance</b> -</p>	The mill has appointed the Asst. Manager as person responsible for compliance legal and other requirement as per appointment letter dated 01/08/2022. Refer appointment letter with ref no. LJN.RSPO/MSPO/2022.	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	<p>The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.</p> <p>- <b>Major compliance</b> -</p>	<p>TDM Kemaman POM activities do not impact the land use rights of other users. The following Management Agreements were reviewed:</p> <ul style="list-style-type: none"> <li>Between Kumpulan Ladang-ladang Terengganu Sdn. Bhd. and TDM Plantation Sdn. Bhd., dated 20/7/2016.</li> <li>Between TDM Plantation Sdn. Bhd. and TDM Berhad, dated 20/7/2016.</li> <li>Between Kumpulan Ladang-ladang Terengganu Sdn. Bhd. and TDM Berhad, dated 1/9/2012.</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		It was noted that these agreements are currently under review for possible extension, subject to mutually negotiated terms and conditions.	
<b>4.3.2.2</b>	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. <b>- Major compliance -</b>	TDM Kemaman POM is situated on government lease land and holds copies of the land titles. The original land title document is maintained at the head office, while a copy is available at the estate office. Four estates within the Kemaman POM complex—Tebak, Jernih, Air Putih, and Pelantoh—share their land titles, which include demarcations and individual estate field maps. This arrangement primarily applies to estates located within Mukim Tebak and Bandi Estates, which also encompasses the mill location. Kemaman POM does not possess a copy of the land title itself, as it is located within Pelantoh Estate, which has legal ownership of the land and operates as a unit of TDM Plantation Sdn Bhd.	Complied
<b>4.3.2.3</b>	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. <b>- Major compliance -</b>	The boundary of Kemaman POM within Pelantoh Estate is well maintained and clearly marked by perimeter fencing.	Complied
<b>4.3.2.4</b>	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). <b>- Minor compliance -</b>	There is no land dispute in TDM Kemaman POM complex at the time of audit. The land belongs to TDM Plantation Sdn Bhd and land ownership documents verified.	Not applicable
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. <b>- Major compliance -</b>	No lands encumbered by customary rights within TDM Kemaman POM complex. However, company able to demonstrate that any customary rights are understood and not being threatened or reduced.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. <b>- Minor compliance -</b>	No lands encumbered by customary rights within TDM Kemaman POM complex. However, company able to demonstrate that any customary rights are understood and not being threatened or reduced.	Not applicable
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. <b>- Major compliance -</b>	No lands encumbered by customary rights within TDM Kemaman POM complex. However, company able to demonstrate that any customary rights are understood and not being threatened or reduced.	Not applicable
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. <b>- Minor compliance -</b>	No additional methods have been implemented or introduced in the operations of the mill and estates that could potentially alter the impacts on social and environmental aspects. The social and environmental impacts resulting from the operations of the mill and estates have remained consistent. Furthermore, no new planting activities have been conducted at any of the estates within the Unit of Certification.  However, the management unit conducted a reassessment of the Social Impact Assessment for TDMP Sdn Bhd for the Bukit Besi Complex in June 2022. This assessment was carried out by an external consultant from Green Orbis Environment Sdn Bhd from 12/06/2022 to 15/06/2022. The assessment methodology included field interviews with stakeholders, site observations, and documentation reviews. It involved affected stakeholders such as contractors, government authority representatives, and internal workers. Issues raised by the stakeholders were integrated into a management plan, and the report addressed both positive and negative impacts along with recommendations.	Complied
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	A system for dealing with complaints and grievances shall be established and documented.	TDMP has developed a Communication Procedure titled "Carta Aliran Penanganan Isu Sosial (Stakeholder) (Aduan/Rungutan/Permohonan)"	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	(Social Issues Flowchart for Stakeholders - Complaint/Application), revision 2/2017. According to this procedure, any reported information or issues will be addressed based on the type of communication. For instance, under the Prosedur Komunikasi Dengan Pihak Kilang/Ladang, issues should be rectified within 28 days, while for the Prosedur Aduan/Rungutan, resolution should occur within 28 working days. This process includes discussions with relevant parties, management, and top management. If further action requires the involvement of the Head Office, management will submit a request for approval, with rectifications to be made within 30 working days.	
4.4.2.2	The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties. - <b>Major compliance</b> -	<p>To ensure that all affected and/or illiterate parties understand the information, it is provided in the local language or a language they comprehend. Briefings are conducted for workers during muster calls and stakeholder meetings. This approach was confirmed through interviews with both internal and external stakeholders. Sample of complaint on housing as below:</p> <ul style="list-style-type: none"> <li>Complainant: SXXXX AXXXX, Date: 16/07/2024, House No: A155, Issue: Ceiling to repair, Issue solved on 08/08/2024 with Owner acknowledgement.</li> <li>Complainant: SXXXX AXXXX, Date: 24/06/2024, House No: 353, Issue: Batten Holder to repair, Issue solved on 01/08/2024 with Owner acknowledgement.</li> <li>Complainant: RXXXX MXXXX, Date: 22/05/2024, House No: 382, Issue: Roof to repair, Toilet to repair, Lamp to replace, Issue solved on XX/XX/2024 with Owner acknowledgement.</li> </ul> <p>The complaint resolution system has not been fully documented.</p> <p>Based on a review of documents and interviews at Kemaman POM, worker complaints were noted. Examples include:</p> <p>Complainant: SXXXX AXXXX, Date: 24/06/2024, House No: 353, Issue: Batten holder repair; resolved on 01/08/2024 with acknowledgment from the owner.(More Than 14 days)</p>	Minor Non Conformities

Criterion / Indicator		Assessment Findings	Compliance
		Complainant: RXXXX MXXXX, Date: 22/05/2024, House No: 382, Issues: Roof repair, toilet repair, lamp replacement; no date of issue resolved without acknowledgment from the owner. However, it was found that resolution dates were not consistent with the developed SOP, and some records were incomplete, lacking details such as completion dates and complainant acknowledgment. Thus, Minor NC was raised.	
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. <b>- Minor compliance -</b>	A Complaint Logbook for Line Site Repairs and a Complaint/Request Form have been established and implemented. There have been no recorded complaints or grievances from external stakeholders.	Complied
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. <b>- Minor compliance -</b>	Interviews with internal and external stakeholders conducted during the stakeholder consultation revealed that they are aware of the complaint procedure. They confirmed that management briefed them on this procedure during stakeholder meetings.	Complied
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. <b>- Major compliance -</b>	The complaint logbook and complaint files, which document complaints and their resolutions since at least January 2014, are maintained and available to affected stakeholders upon request.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
4.4.3.1	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. <b>- Minor compliance -</b>	The TDM Kemaman POM has actively contributed to the well-being of local communities and workers. Notably, they have facilitated the establishment of recreational facilities, including a football field, community hall, and mosque, for the benefit of local residents. Interviews with school representatives have confirmed that management has provided support, both through donations and workforce assistance, for various repair and maintenance initiatives. These contributions and engagement activities reflect the management's commitment to fostering positive relationships and enhancing the quality of life for both local communities and workers. Sample of CSR activities as below:	Complied



Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Donation for SMK SXXX BXXXXX dated 28/08/2024</li> <li>• Van for school pupils SK PXXXXX KXXX dated 20/06/2024</li> </ul>	
<b>Criterion 4.4.4: Employees safety and health</b>			
<b>4.4.4.1</b>	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>The Group Safety Health and Occupational OSH Policy had been established and implemented. The policy was signed by the Chief Executive Officer dated on 23/2/2023 and displayed prominently on notice boards in English and local language Bahasa Malaysia.</p> <p>The Policy is implemented through the OSH activities by the Site Safety Officers and monitored by OSH Manager from Region and Head Office. Included in the policy is the commitment of the Company to provide and maintain a safe and healthy working environment of its employees &amp; contractors &amp; visitors. Commitment to be responsibilities of both employer &amp; employees.</p> <p>The OSH plan has also been established among others emphasizing on the following annual reviews;</p> <ul style="list-style-type: none"> <li>- OSH Plan / SDS / Chemical Register</li> <li>- HIRARC / Legal Register / Annual Medial Surveillance</li> <li>- Audiometric Test / OSH Committee Meeting.</li> </ul>	Complied
<b>4.4.4.2</b>	<p>The occupational safety and health plan should cover the following:</p> <ol style="list-style-type: none"> <li>A safety and health policy, which is communicated and implemented.</li> <li>The risk of all operations shall be assessed and documented.</li> <li>An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ol style="list-style-type: none"> <li>All employees involved are adequately trained on safe working practices;</li> </ol> </li> </ol>	<p>The Safety, Health, and Occupational Safety (OSH) Plan for the mill includes several detailed components to ensure employee safety and regulatory compliance:</p> <ol style="list-style-type: none"> <li>HSE Policy Communication. The Health, Safety, and Environment (HSE) policy is communicated to all employees through various training sessions and muster meetings. Additionally, ad-hoc training is carried out for smaller groups of employees as necessary, as referenced in 4.4.6.1 of the training records.</li> <li>Hazard Identification, Risk Assessment, and Control (HIRARC). The mill identifies, reviews, and controls significant hazards across different operations through a structured HIRARC process. The</li> </ol>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>ii. All precautions attached to products should be properly observed and applied;</p> <p>d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept and the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<p>HIRARC covers various activities, including: Chemical mixing, CPO/CPK storage, Machine/maintenance, Boiler station, Waste handling, etc. The HIRARC records were reviewed and updated based on incidents and new work processes:</p> <p>03/10/2023: Revised checklist safety chain block after an incident.</p> <p>31/10/2023: Updated maintenance checklist for oil pipes and gasket replacements.</p> <p>01/02/2024: Annual review.</p> <p>28/07/2024: PPE revision at the nut cracking station due to an incident.</p> <p>The reviews occur annually or after incidents/new machinery is introduced, as guided by the SOP HIRARC dated 01/12/2022 (Edition TDMP/02, Revision TDMP01/2022).</p> <p>c) An awareness and training program is established to ensure employees exposed to chemicals understand chemical handling, SDS requirements, and safety measures. Training emphasizes the need to observe product precautions and is outlined in 4.4.6.1 of the training records.</p> <p>d) Personal Protective Equipment (PPE). The mill provides PPE relevant to each worker's tasks. Types of PPE provided include:</p> <ul style="list-style-type: none"> <li>General workers: Safety helmets, cotton/leather gloves, and safety shoes.</li> <li>Workshop workers: Safety helmets, gloves, safety shoes, and safety harnesses.</li> <li>PPE records for 2023 and 2024 were reviewed, and employees were observed wearing the appropriate PPE during site visits, including tanker drivers.</li> </ul> <p>e) Chemical Handling SOP. SOP Chemical Management; Rev. # TDMP-02/2022; Date: 01/09/2022. The mill has a comprehensive Chemical</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Safety Management SOP available in the Agriculture Policy Manual, ensuring compliance with:</p> <ul style="list-style-type: none"> <li>• Regular CHRA assessments.</li> <li>• Reviews of chemical registers.</li> <li>• Conducting health surveillance for employees handling chemicals.</li> </ul> <p>The CHRA report from 12/07/2020 was conducted by OXX VXXXXXX Sdn Bhd, and medical surveillance was carried out for 20 employees in various mill departments. Results showed that all employees were fit to handle chemicals.</p> <p>SDS was placed for each place chemical located. Based on sample checking at chemical store, SDS was available in both language (Bahasa and English).</p> <p>f) OSH Committee and Coordination. The Mill Manager is appointed as the OSH committee chairman, with duties delegated to the Assistant Engineers as OSH coordinators. The appointments were formalized through letters from the CEO on 01/07/2022.</p> <p>g) OSH Communication and Meetings. The mill holds quarterly OSH meetings to ensure regular two-way communication between management and employees. The meetings in 2023 and 2024 included discussions on:</p> <ul style="list-style-type: none"> <li>• PPE usage reports.</li> <li>• OSH/Health programs and training.</li> <li>• Compliance with safety laws.</li> <li>• Accident statistics.</li> </ul> <p>h) Emergency Response Procedures (ERP). The mill has established emergency procedures for fire hazards, injuries, and chemical spills, as outlined in TDMP-01/2018. ERP teams have been formed, and important contact numbers are displayed for employees. Training</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>includes spill containment, emergency response planning, and fire drills.</p> <p>i) First Aid Training. The mill provides first aid training to nominated employees, particularly those involved in daily operations. Training includes basic first aid and CPR, organized by the Sustainability and Risk Unit. First Aid Kits are replenished weekly and distributed across key areas such as the office, chemical store, and workshop. Training sessions are regularly held to ensure employees are proficient in managing first aid kit contents.</p> <p>j) Accident Records and Review. All accident records are maintained for a minimum of 7 years, as required by law. In 2023, two incidents occurred, both resulting in Lost Time Injuries (LTI):</p> <ul style="list-style-type: none"> <li>01/10/2023: Electrical charginan injury (6 days lost).</li> <li>23/10/2023: Shift supervisor injury (12 days lost).</li> </ul> <p>These incidents were investigated and reported to the Department of Occupational Safety and Health (DOSH) through JKKP 6 forms, submitted on 09/10/2023 and 26/10/2023, respectively. Annual JKKP 8 submissions were also made, with the latest submission on 16/01/2024, meeting legislative requirements.</p> <p>This comprehensive OSH plan ensures a safe working environment, addresses potential hazards, and aligns with regulatory standards for occupational health and safety.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>TDM Plantation Sdn Bhd established its Sustainability Policy, which was approved by the Board of Directors and signed by the Group CEO on 23/02/2023. A briefing on the company policies, including the Sustainability Policy, was conducted for workers. The policies are also prominently displayed on the notice board outside the office.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has revised its Human Rights Policy (Polisi Hak-Hak Asasi Manusia) and Social Policy (Polisi Sosial) as of 23/02/2023, in line with the company's decision to adopt a new logo. However, the content and the signatories remain unchanged. These policies affirm the management's commitment to treating everyone equally, without discrimination, and providing equal opportunities regardless of race, nationality, gender, and other factors. Interviews with workers confirmed that no discrimination has been practiced by management.	Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. <b>- Major compliance -</b>	The details regarding applicable labour laws, specifically the Employment Act 1955 and the MAPA/NUPW agreement, are clearly outlined in the employment contracts between the company and each worker. These contracts cover essential aspects such as wages, rest days, workdays, working hours, overtime, annual leave, and medical leave. Documentation of Remuneration: <ul style="list-style-type: none"> <li>Workers receive monthly payslips that detail their earnings. Each payslip includes: <ul style="list-style-type: none"> <li>Worker's name</li> <li>Month of payment</li> <li>Total monthly wages</li> <li>Overtime pay</li> <li>Compensation for public holidays</li> <li>Remuneration for medical leave (if applicable)</li> <li>Performance bonuses</li> <li>SGP (if applicable)</li> <li>Statutory deductions (SOCSSO, EIS, EPF)</li> <li>Other necessary deductions</li> </ul> </li> </ul> Both employment contracts and payslips are provided in languages familiar to the workers, primarily Bahasa Malaysia. The estate	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>management explains the contents to workers, with assistance from a translator or NUPW representative if needed.</p> <p>Sample Workers Reviewed: The audit reviewed employment contracts and payslips for the following workers during peak, normal, and low months as below:</p> <p>Employee ID:</p> <ul style="list-style-type: none"> <li>• KM0009X</li> <li>• KM09001XX</li> <li>• KM12001XX</li> <li>• KM1802XX</li> <li>• KM20002XX</li> <li>• KM200022X</li> <li>• KM24002XX</li> <li>• KM240029X</li> </ul>	
<b>4.4.5.4</b>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>TDM Kemaman POM are able to demonstrate that all contracts contain specific clauses on meeting legal requirements.</p> <p>Refer Contract Agreement between TDM Kemaman POM and CPO Transportation MXXXX AXXXXXX Validity 20/05/2024 until 31/12/2024. The agreement was detailed up on the matter that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>The legal due diligence of all contracted third parties at Kemaman POM are evident and adequately demonstrated.</p>	Complied
<b>4.4.5.5</b>	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p><b>- Major compliance -</b></p>	<p>The established employee list at TDM Kemaman POM provides a detailed overview of the workforce, ensuring proper management and compliance with labor regulations. This thorough documentation supports transparency and accountability in employee relations.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<b>4.4.5.6</b> All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. <b>- Major compliance -</b>	<p>The details you provided illustrate a robust system in place for managing labor relations at TDM Kemaman POM. Here's a concise summary of the key points:</p> <p>Labor Law Compliance: Employment contracts align with the Employment Act 1955 and the MAPA/NUPW agreement, covering essential aspects like wages, rest days, work hours, overtime, annual leave, and medical leave.</p> <p>Payslips: Monthly payslips include:</p> <ul style="list-style-type: none"> <li>• Worker's name</li> <li>• Month of payment</li> <li>• Total wages, including overtime, bonuses, and other compensations.</li> <li>• Statutory deductions (SOCSSO, EPF, EIS)</li> </ul> <p>Language Accessibility: Contracts and payslips are primarily in Bahasa Malaysia, ensuring comprehension by all workers. Management provides explanations and assistance through translators when needed.</p> <p>Wage Compliance: The average daily wage exceeds the Minimum Wages Order 2022 of RM57.69. Deductions are correctly applied as per legal requirements.</p> <p>Overtime Regulations: Total overtime hours for sampled workers do not exceed the permissible limit of 104 hours, indicating adherence to labor regulations.</p>	Complied
<b>4.4.5.7</b> The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers. <b>- Major compliance -</b>	<p>The implementation of a punch card system at TDM Kemaman POM for recording employee working hours demonstrates a commitment to transparency and accountability in timekeeping. Here's a summary of the key features of this system:</p> <p>Computation Recording System:</p> <p>A punch card system is used to record employee attendance, ensuring that all working hours are accurately documented.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Time and Attendance Reports:  The system generates Time and Attendance Reports, providing detailed records of each employee's working hours and any overtime worked. This report serves as a reliable reference for payroll processing and compliance with labor regulations.</p> <p>Transparency:  The use of a punch card system ensures that the recording of hours worked is clear and open to review, fostering trust between management and employees.</p> <p>Sample workers as below:  Employee ID:</p> <ul style="list-style-type: none"> <li>• KM0009X</li> <li>• KM09001XX</li> <li>• KM12001XX</li> <li>• KM1802XX</li> <li>• KM20002XX</li> <li>• KM200022X</li> <li>• KM24002XX</li> <li>• KM240029X</li> </ul>	
<b>4.4.5.8</b>	<p>The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable.</p> <p><b>- Major compliance -</b></p>	<p>TDM Kemaman POM's employment contracts are structured to ensure compliance with the Employment Act 1955, providing clarity and fairness for both employees and the employer. Here are the key aspects of the employment contracts:</p> <p>Working Hours:  The standard working hours are set at 7.5 hours per day.</p> <p>Shift Schedule:  Shifts are organized as follows:  Morning Shift: 8:00 AM to 3:00 PM</p>	Complied



Criterion / Indicator		Assessment Findings	Compliance
		<p>Evening Shift: 3:00 PM to 10:00 PM</p> <p>Each shift includes a 30-minute break.</p> <p>Overtime Policy:</p> <p>Overtime is permitted, with a maximum limit of 104 hours per month, in accordance with the Employment Act 1955.</p> <p>The overtime payment rates are structured as follows:</p> <ul style="list-style-type: none"> <li>• 1.5 times the normal hourly rate for regular overtime hours.</li> <li>• 2.0 times the normal hourly rate for work on rest days.</li> <li>• 3.0 times the normal hourly rate for work on public holidays.</li> </ul> <p>Contractual Fairness:</p> <p>All contracts are signed by both employees and the employer, ensuring mutual agreement on the terms and conditions of employment.</p>	
<b>4.4.5.9</b>	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p><b>- Major compliance -</b></p>	<p>TDM Kemaman POM ensures that all employment contracts are fair and comply with the Employment Act 1955. Employment contracts are signed by both the employee and employer, promoting transparency and mutual understanding of the terms of employment. The contracts are structured to adhere to the requirements outlined in the Employment Act 1955, including regulations regarding wages, working hours, and overtime.</p> <p>Sampled employee payslips were verified during the audit, demonstrating that wages and overtime payments are made according to legal regulations. This consistency with collective agreements reinforces the commitment to fair labor practices. The documentation related to wages and overtime payments was found to be in line with the requirements of the Employment Act 1955 and any applicable collective agreements.</p> <p>These practices not only comply with legal standards but also foster a positive and equitable work environment for employees at TDM Kemaman POM.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<b>4.4.5.10</b> Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. <b>- Minor compliance -</b>	<p>TDM Plantation Sdn Bhd provides various social benefits to all employees, including the mandatory contributions for local workers and staff under the Social Security Organization (SOCSO). This includes a Monthly Contribution system that encompasses two forms of documentation: the Acknowledgment Contribution Received (ACR) and the Employee Contribution Received (ECR) Form.</p> <p>Additionally, TDM Plantation Sdn Bhd incorporates essential details regarding remuneration, working hours, rates of pay, leave entitlements, and other employment benefits in each employee's contract. This comprehensive approach ensures that employees are well-informed about their rights and benefits, contributing to a fair and supportive work environment.</p>	Complied
<b>4.4.5.11</b> In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. <b>- Major compliance -</b>	<p>Kemaman POM provides living quarters for all employees. During an onsite visit to the housing area and line site, it was observed that the quarters are decently habitable and equipped with basic amenities, including free electricity and water supply. Additionally, the facilities available include a mosque, community hall, sundry store, canteen, children's crèche, and a football field.</p> <p>The children's crèche, football field, and mosque are shared between Kemaman POM and Pelantoh Estate, as they are located adjacent to each other within the same complex. Furthermore, Kemaman POM, Pelantoh Estate, and Tebak Estate share a clinic, which is situated at Tebak Estate. This collaborative approach to facilities enhances the quality of life for the employees and fosters a sense of community among the estates.</p> <p>Latest inspection has been conducted on 22/10/2024, 15/10/2024, and 08/10/2024.</p>	Complied
<b>4.4.5.12</b> The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. <b>- Major compliance -</b>	<p>TDM Plantation Sdn Bhd has developed and implemented a Gender Policy to emphasize its commitment to protecting the rights of workers, especially female employees. The latest version of this policy, dated 23/02/2023, has been formally endorsed by the company's new CEO. It</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>explicitly states the company's dedication to upholding the rights of female workers and affirms that immediate action will be taken in response to any reported cases of sexual harassment.</p> <p>Moreover, the commitment to gender-related initiatives is reinforced through proactive training efforts. Attendance records from muster ground roll calls indicate that training was conducted at Kemaman POM on 14/10/2024. This focus on training is part of a broader commitment to fostering a workplace culture that actively promotes gender equality and ensures the well-being of all employees. Gender committee meeting has been conducted on 14/02/2024.</p>	
<b>4.4.5.13</b>	<p>The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p><b>- Major compliance -</b></p>	<p>The policy on freedom of association has been incorporated into the Workers Ethics Policy under Section 5.0, titled "Workers Union," and Freedom of Association Policy dated 23/02/2023, and signed by the Group CEO. Union meetings have been conducted for the year 2024. Sample interviews revealed that workers possess a strong awareness of the union policy. Latest Union Meeting conducted on 19/06/2024.</p>	Complied
<b>4.4.5.14</b>	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.</p> <p><b>- Major compliance -</b></p>	<p>The policy on the Protection of Child Labour was established on 23/02/2023 and signed by the Group CEO. A comprehensive review of documents, interviews with workers, and consultations with stakeholders have confirmed that there is no historical evidence of child labor being employed within the company. The diligent implementation of this policy has effectively safeguarded against any instances of child labor. Furthermore, it has been verified that the youngest workers engaged by the company are at least 18 years old.</p>	Complied
<b>Criterion 4.4.6: Training and competency</b>			

Criterion / Indicator		Assessment Findings	Compliance																																																		
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.	A formal training program for 2024 that covered aspects of the MSPO indicators as well as other salient requirement of the mill operations has been established. Inclusive a training need identification matrix has been formalized with targeted period for the training identified. Training is provided during musters and also in session held in the workstations / training rooms /mill compound. Details among others as provided below;	Complied																																																		
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Criterion / Indicator		Assessment Findings			Compliance
		Gender / Sexual Harassment	14/10/2024		
		Workshop operations	16/07/2024		
		Contractor Briefing – Safety	13/06/2024		
		Buffer Zone /RTE Awareness	07/01/2024		
<b>4.4.6.2</b>	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p><b>- Major compliance -</b></p>	<p>Similar methods introduced by the Sustainability and Risk Unit at Head Office for identifying the training needs are used in the mill. The details of the training needs include categories of;</p> <ul style="list-style-type: none"> <li>- job descriptions,</li> <li>- sections,</li> <li>- Employees' group.</li> </ul> <p>Included in this program are subjects related to;</p> <ul style="list-style-type: none"> <li>- environment e.g. environmental, safety &amp; health policy,</li> <li>- scheduled waste management,</li> <li>- environmental responsibility, HCV &amp; Biodiversity training,</li> <li>- field activities/operations,</li> <li>- equipment handling, vehicles maintenance etc</li> </ul>			Complied
<b>4.4.6.3</b>	<p>A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p> <p><b>- Minor compliance -</b></p>	<p>Formal training program for 2024 that covered aspects of the MSPO indicators as well as other salient requirement of the mill operations. Regular assessments of training needs were available for all the audited sites. The training program among others includes the following subjects which also indicates the planned month.</p> <ul style="list-style-type: none"> <li>• PPE adherence, documentation, FFB Grading /Ramp, Spill containment, Chemical Handling. /Lab,</li> <li>• Scheduled waste, Water treatment / sampling, Process Station SOP, Emergency Respond Plan, Fire drill</li> <li>• training, First aid /CPR, Tractor /lorry /safe driving, Pollution Cleaning Device (PCD),</li> <li>• Confined Space Guidelines, PPE adherence/ Safety, MSPO/RSPO/SCCS, GHG calculations,</li> </ul>			Complied

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>MSDS/CSDS Safe driving techniques, safe driving techniques Maintenance of spraying equipment, triple rinsing, notification of accident incidence</li> <li>Working At Height /LOTO, Audiometry Test Guideline, Induction program new workers</li> </ul> <p>The actual period of training is subject to change depending on the urgency of the operation needs.</p>	
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	<p>An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>The audit team verified that TDMP management has established Group Policy titled "Environmental &amp; Biodiversity Policy" dated 23/02/2023 signed by the Group CEO mainly in relation to environmental protection. Therein the policy among others contained commitment towards environment such as follows;</p> <ul style="list-style-type: none"> <li>Create and practice Good Agricultural Practices in all our estates (Good Agricultural Practices), and</li> <li>Establish and practice Good Manufacturing Practices in all our Palm Oil Mills (Good Manufacturing Practices).</li> <li>Promote, create and practice a culture of quality excellence and compliance with laws, standards, and sustainable quality practices.</li> <li>Maintain customer satisfaction with quality products and services.</li> <li>Continuously produce quality through innovation and operational excellence.</li> <li>Inspiring community development and job skills.</li> </ul> <p>During the site visits and interviews with the workers on 29/10/2024 there is no open burning being practiced in the mill and at the housing complex.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) An environmental policy and objectives;</li> <li>b) The aspects and impacts analysis of all operations</li> </ul> <p><b>- Major compliance -</b></p>	<p>The audit team verified that an Environmental Policy was established and objectives stated therein 4.5.1.1 Initiative in plan as tabled below; In addition the mill has initiated the following projects for enhancement to the environmental and social issues as shown in 4.5.1.4.</p> <p>The environmental aspects and impact evaluation has been established for the mill operations covering activities in relation to;</p> <ul style="list-style-type: none"> <li>a) Reception Station</li> <li>b) Sterilization Station</li> <li>c) Clarification</li> <li>d) Nut &amp; Kernel Station</li> <li>e) Raw &amp; Treated Effluent Plant</li> <li>f) Boiler House Operation</li> <li>g) Power House</li> <li>h) Raw Water Treatment Plant</li> <li>i) Product Storage</li> <li>j) Store System</li> <li>k) Construction Site</li> <li>l) Laboratory System</li> <li>m) Bio-Compost Plant</li> <li>n) Cafeteria</li> <li>o) Workshop</li> <li>p) Product Dispatch</li> </ul> <p>The analysis was reviewed in 2/5/2024. The environmental impacts upon aspects identification among others identified as follows;</p> <ul style="list-style-type: none"> <li>a) Ozone layer depleting / Global warming</li> </ul>	Complied

Criterion / Indicator		Assessment Findings	Compliance																
		b) Air /Water/Land Pollution c) Unpleasant working environment d) Depletion of natural resources e) Community / Business Impacts																	
<b>4.5.1.3</b>	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. <b>- Major compliance -</b>	<p>The audit team verified that the mill monitored aspects and impacts among others the following activities. This plan was established and similar to the reduction of pollution and emission. The areas relating to significant impact to the environment and the effort implemented are to reduce the impact are summarized as follows;</p> <table border="1"> <thead> <tr> <th></th><th>Environmental</th><th>Solution Procedure/ Action Plan</th><th>Location</th></tr> </thead> <tbody> <tr> <td>1</td><td>Water Quality</td><td>Continuous monitoring water quality at identified points of river for detection of quality &amp; pollution. Analysis made at certified laboratory Advisory &amp; guidance from MOH.</td><td>River, Water Treatment Plant</td></tr> <tr> <td>2</td><td>Air Quality</td><td>Adherence to the legislative requirement on boiler emission. Prohibition of open burning. Fibre and shell are used as fuel in the boiler furnace. Monitoring of CEMS system.</td><td>Boiler operation of mill complex</td></tr> <tr> <td>3</td><td>Scheduled waste</td><td>Scheduled wastes are managed in accordance with the regulatory requirements.</td><td>Source of Generation/ store</td></tr> </tbody> </table> <p>Verified that records of periodical reporting of the listed issues were available and the plans were monitored. The plans were reviewed</p>		Environmental	Solution Procedure/ Action Plan	Location	1	Water Quality	Continuous monitoring water quality at identified points of river for detection of quality & pollution. Analysis made at certified laboratory Advisory & guidance from MOH.	River, Water Treatment Plant	2	Air Quality	Adherence to the legislative requirement on boiler emission. Prohibition of open burning. Fibre and shell are used as fuel in the boiler furnace. Monitoring of CEMS system.	Boiler operation of mill complex	3	Scheduled waste	Scheduled wastes are managed in accordance with the regulatory requirements.	Source of Generation/ store	Complied
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		annually during the EPMC meetings where environmental issues were discussed.																																					
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. <b>- Minor compliance -</b>	<p>The audit verified that the management has established program to promote the positive impacts which is illustrated in 4.5.1.2 and 4.5.1.3 above. In addition, there are other initiative planned for improvement in promoting environmental and social issues as listed below. The project for improvement is described as follows;</p> <table><tr><td></td><td>Sections</td><td>Description</td></tr><tr><td>1</td><td>Operation</td><td>Mill roofing replacement 2024 - 200K</td></tr><tr><td>2</td><td>Operation</td><td>Refurbish ramp 2024 - 150K</td></tr><tr><td>3</td><td>Operation</td><td>Bulk storage Tank 2024 -2 million</td></tr><tr><td>4</td><td>Operation</td><td>Biomass boiler 2024 - 10 million</td></tr><tr><td>5</td><td>Operation</td><td>Sliding gate CS feeding chute 2024 - 100K</td></tr><tr><td>6</td><td>Operation</td><td>EFB press system 2024 - 400K</td></tr><tr><td>7</td><td>Operation</td><td>Upgrade depericarper system 2024 -300K</td></tr></table> <p>Programs to promote the positive impacts are included in the continual improvement plans among others include the following;</p> <table><tr><td></td><td>Issue</td><td>Mitigation measure</td></tr><tr><td>1</td><td>Location of worker's housing too close with the effluent ponds.</td><td>Relocate the housing to a safer and better location. To make sure the fluent fumes and not affecting the safety and health of the workers.</td></tr><tr><td>2</td><td>Insufficient worker's housing problem.</td><td>Additional housing blocks. To provide proper and comfortable house to the workers.</td></tr><tr><td>3</td><td>Dirty drinking water in the mill.</td><td>Install new water filtration system in the worker's rest room. (COWAY). To provide clean drinking water for the workers.</td></tr></table>		Sections	Description	1	Operation	Mill roofing replacement 2024 - 200K	2	Operation	Refurbish ramp 2024 - 150K	3	Operation	Bulk storage Tank 2024 -2 million	4	Operation	Biomass boiler 2024 - 10 million	5	Operation	Sliding gate CS feeding chute 2024 - 100K	6	Operation	EFB press system 2024 - 400K	7	Operation	Upgrade depericarper system 2024 -300K		Issue	Mitigation measure	1	Location of worker's housing too close with the effluent ponds.	Relocate the housing to a safer and better location. To make sure the fluent fumes and not affecting the safety and health of the workers.	2	Insufficient worker's housing problem.	Additional housing blocks. To provide proper and comfortable house to the workers.	3	Dirty drinking water in the mill.	Install new water filtration system in the worker's rest room. (COWAY). To provide clean drinking water for the workers.	Complied
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Criterion / Indicator		Assessment Findings		Compliance																						
		4	Leaking and dangerous motorcycle parking behind the office building.	Replace the whole roofing. To provide save motorcycle parking space for the staff and workers.																						
		5	Positive improvement-provide proper and comfortable toilet for workers.	To provide proper and comfortable toilet for workers.																						
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives.  - Major compliance -	The audit team verified that a training program is established and updated on yearly basis or revised as per the training matrix and management requirement. Included in this programme are subjects related to environment among others listed below; a) Environmental Quality Act & Regulations 1974 b) Environmental, safety & health policy c) ERP Oil/ chemical spill d) Scheduled waste management e) Environmental responsibility, HCV & Biodiversity.  Kemaman POM has conducted various training such as; <table><tr><td></td><td>Subject</td><td>Date</td></tr><tr><td>1</td><td>SOP &amp; PPE</td><td>23/07/2024</td></tr><tr><td>2</td><td>Schedule Waste Management</td><td>25/06/2024</td></tr><tr><td>3</td><td>MSPO</td><td>13/06/2024</td></tr><tr><td>4</td><td>Fire Drill &amp; Emergency Procedure</td><td>13/08/2024</td></tr><tr><td>5</td><td>Confine Space Safe Work Training</td><td>15/05/2024</td></tr><tr><td>6</td><td>Emergency handling and use of First Aid Kit</td><td>14/05/2024</td></tr></table>				Subject	Date	1	SOP & PPE	23/07/2024	2	Schedule Waste Management	25/06/2024	3	MSPO	13/06/2024	4	Fire Drill & Emergency Procedure	13/08/2024	5	Confine Space Safe Work Training	15/05/2024	6	Emergency handling and use of First Aid Kit	14/05/2024	Complied
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4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.  - Major compliance -	The audit team verified that EPMC (Environmental Performance Monitoring Committee) quarterly meetings are held four times a year or every three months. All environmental issues are discussed in the meeting. The agenda discussed among others as follows;			Complied																					

Criterion / Indicator		Assessment Findings				Compliance																														
		<p>a) Matters arising b) Performance of environment compliance c) Report on environmental pollution d) Self-compliance checklist performance e) Effluent treatment/ clean air/ scheduled waste f) Audit report on RSPO/ MSPO g) Domestic waste issues</p> <p>The date of the meeting conducted are as follows;</p> <table><tr><td></td><td>KPOM- EPMC</td><td></td><td colspan="2">KPOM- EPMC</td></tr><tr><td>1</td><td>07/03/2024</td><td>3</td><td colspan="2">18/09/2024</td></tr><tr><td>2</td><td>12/06/2024</td><td>4</td><td colspan="2">Planned on December 2024</td></tr></table> <p>In addition, environmental issues were also discussed during the quarterly ESH meetings and also briefed during the weekly muster.</p>					KPOM- EPMC		KPOM- EPMC		1	07/03/2024	3	18/09/2024		2	12/06/2024	4	Planned on December 2024																	
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Criterion 4.5.2: Efficiency of energy use and use of renewable energy																																				
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period</p> <p>- Major compliance -</p>	<p>The consumption of non-renewable and renewable energy are monitored and recorded in environment performance indicator and tabulated the ratio against the FFB processed to determine the efficiency of the operations. Renewable energy is calculated as electricity generated from turbine that produces power for the entire mill operation and the unit is in kwh/mt FFB. It is monitored to optimize use of renewable energy. The record on renewable energy consumption for 2003 are as follows;</p> <table><tr><td></td><td>Month</td><td>Kwh/mt</td><td></td><td>Month</td><td>Kwh/mt</td></tr><tr><td>1</td><td>Jan</td><td>24.11</td><td>7</td><td>Jul</td><td>19.41</td></tr><tr><td>2</td><td>Feb</td><td>49.13</td><td>8</td><td>Aug</td><td>24.07</td></tr><tr><td>3</td><td>Mar</td><td>21.67</td><td>9</td><td>Sep</td><td>24.35</td></tr><tr><td>4</td><td>Apr</td><td>24.11</td><td>10</td><td>Oct</td><td>23.90</td></tr></table>					Month	Kwh/mt		Month	Kwh/mt	1	Jan	24.11	7	Jul	19.41	2	Feb	49.13	8	Aug	24.07	3	Mar	21.67	9	Sep	24.35	4	Apr	24.11	10	Oct	23.90	Complied
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5	May	25.27	11	Nov	29.47																																																			
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4.5.2.2	<p>Palm oil millers shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations.</p> <p>- Major compliance -</p>	<p>Verification of the mill records the following data and tabulated the ratio against the FFB processed to determine the efficiency of their mill operations.</p> <p>a) All the diesel used (non-renewable) for the mill operations</p> <p>b) Fibre/shell used (renewable)</p> <p>The mill diesel utilization in 2023 is 303,789 liters. The utilization of fossil fuel in 2023 is being monitored and the details are as follows;</p> <table><tr><td></td><td>Month</td><td>Diesel/FFB</td><td></td><td>Month</td><td>Diesel/FFB</td></tr><tr><td>1</td><td>Jan</td><td>1.64</td><td>7</td><td>Jul</td><td>1.42</td></tr><tr><td>2</td><td>Feb</td><td>3.23</td><td>8</td><td>Aug</td><td>1.35</td></tr><tr><td>3</td><td>Mar</td><td>2.14</td><td>9</td><td>Sep</td><td>1.56</td></tr><tr><td>4</td><td>Apr</td><td>1.76</td><td>10</td><td>Oct</td><td>1.71</td></tr><tr><td>5</td><td>May</td><td>1.83</td><td>11</td><td>Nov</td><td>2.06</td></tr><tr><td>6</td><td>Jun</td><td>1.45</td><td>12</td><td>Dec</td><td>2.00</td></tr><tr><td></td><td></td><td></td><td></td><td>Total (L)</td><td>303,789</td></tr></table> <p>The monthly diesel usage and variation of the diesel/FFB ratio performance depend on factors relating to weather condition, FFB ramp balances, vehicles breakdown, gen-set breakdown. The quantity for baseline in year 2020, 2021 &amp; 2022 are 429,899.54 Litre.</p>							Month	Diesel/FFB		Month	Diesel/FFB	1	Jan	1.64	7	Jul	1.42	2	Feb	3.23	8	Aug	1.35	3	Mar	2.14	9	Sep	1.56	4	Apr	1.76	10	Oct	1.71	5	May	1.83	11	Nov	2.06	6	Jun	1.45	12	Dec	2.00					Total (L)	303,789	Complied
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4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>The management of Kemaman POM has used the fibre and shell in the boiler for fuel recycled in the process system. Surplus quantity of</p>						Complied																																																

Criterion / Indicator		Assessment Findings	Compliance														
		shell/fibre are delivered to estates for multi purposes or sold to outside buyers. EFB is used in the estates for mulching and moisture conservation both in immature and mature fields															
Criterion 4.5.3: Waste management and disposal																	
4.5.3.1	All waste products and sources of pollution shall be identified and documented.  - Major compliance -	Verified that Kemaman POM had identified all wastes and sources of pollution. The Waste Management Action Plan 2024 were established to mitigate and control the identified wastes and source of pollution and were reviewed annually. The management plan are as follows: <table><tr><td>Receptors</td><td>Sources</td></tr><tr><td>Air</td><td>From boiler stack (smoke and particulate), vehicle &amp; generator (smoke and gases), anaerobic processes (ETP, EFB dumping)- GHG</td></tr><tr><td>Water</td><td>Cleaning water/run-off/process station waters, sterilizer condensate/clarification waste) &amp; boiler quenching water and blow down.</td></tr><tr><td>Land</td><td>Scheduled waste, domestic waste and industrial/process waste.</td></tr><tr><td>Black smoke</td><td>Emission from Boilers/vehicles/engines</td></tr><tr><td>Odor &amp; gases</td><td>Activities from the effluent treatment</td></tr><tr><td>Leakage of lubricant</td><td>Storage &amp; vehicle maintenance</td></tr></table>	Receptors	Sources	Air	From boiler stack (smoke and particulate), vehicle & generator (smoke and gases), anaerobic processes (ETP, EFB dumping)- GHG	Water	Cleaning water/run-off/process station waters, sterilizer condensate/clarification waste) & boiler quenching water and blow down.	Land	Scheduled waste, domestic waste and industrial/process waste.	Black smoke	Emission from Boilers/vehicles/engines	Odor & gases	Activities from the effluent treatment	Leakage of lubricant	Storage & vehicle maintenance	Complied
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Odor & gases	Activities from the effluent treatment																
Leakage of lubricant	Storage & vehicle maintenance																
4.5.3.2	A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:  a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.  - Major compliance -	The management of Kemaman POM has identified all wastes and sources of pollution. The common significant environmental receptors for the mill operations among others as summarized in 4.5.3.1. The Waste Management Action Plan 2024 were established to mitigate and control the identified wastes and source of pollution.  The waste management plan are as follows; <table><tr><td></td><td>Type</td><td>Description</td><td>Action taken</td></tr><tr><td>1</td><td>Schedule waste</td><td>Lead acid batteries, Fluorescent tube, spent</td><td>- Collect and record amount of waste</td></tr></table>		Type	Description	Action taken	1	Schedule waste	Lead acid batteries, Fluorescent tube, spent	- Collect and record amount of waste	Minor non-conformities						
	Type	Description	Action taken														
1	Schedule waste	Lead acid batteries, Fluorescent tube, spent	- Collect and record amount of waste														

Criterion / Indicator		Assessment Findings				Compliance	
				lubricating oil, disposed bags, equipment, plastic & rags contaminated with schedule waste	<ul style="list-style-type: none"><li>- Label and store waste properly</li><li>- Disposed through licensed contractor</li></ul>		
		2	Domestic waste	Rubbish	<ul style="list-style-type: none"><li>- Collect recyclable materials in recycle bin</li><li>- Collect other domestic waste in black bin and send to land fill (Pelantoh Estate)</li><li>- Create awareness through training</li><li>- Monitoring of labour quarters</li></ul>		
		3	Industrial waste	POME	Monitoring of parameter (BOD, COD, pH,) of effluent discharge		
				EFB	Applied to fields as mulching		
				Fibre and shell	Fibre as boiler fuel		
				Ash boiler	Applied to bio-compost fertiliser		
				Scrap metal	Recycle or collected by licensed contractor		
		The audit team has interviewed staffs and workers and verified that they had understood the hazards involved and how waste to be disposed as stipulated in the SOP and waste management plan.					
		The Waste Management Plan for scrap metal was not fully implemented.					
		During a site visit to Kemaman POM, it was observed that approximately 80 metric tons of scrap metal, according to mill records, had accumulated in the mill's scrap area. The last recorded clearance of					

Criterion / Indicator		Assessment Findings	Compliance
		scrap metal was in September 2023, which does not align with the Mill Waste Management Action Plan 2024. The plan specifies that scrap metal should be recycled if feasible or collected by a licensed contractor, with completion expected monthly. Thus, Minor NC was raised.	
<b>4.5.3.3</b>	The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005 <b>- Major compliance -</b>	Kemaman Palm Oil Mill has established SOP for used chemical handling dated Nov 2022. The SOP of handling of used chemicals is available in the following document among others; a) Pictorial Work Instruction (PWI) b) Standard Operation Procedure - Procedure Of Handling Schedule Waste - Revision Nov 2021 The scheduled waste is disposed to XXXXX XXXXX (XXXXXXX) Sdn Bhd registered with DOE ref no 00473 validity dated 30/01/2024 Details of scheduled waste dispatched as recorded below. The duration of storage is in line with the date of generation. Clinical waste is shared with services of Pelantoh Estate clinic facilities.	Complied
<b>4.5.3.4</b>	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. <b>- Minor compliance -</b>	Domestic waste from the mill and housing complex are collected twice weekly and disposed in landfill located at field P92B1, Pelantoh Estate. Domestic waste was not disposed of properly. During a site visit at Linesite area, Kemaman POM, House No. 392, illegal dumping of household waste, bottles, damaged asbestos, and broken furniture was observed. This has led to unpleasant odors and a high presence of mosquitoes. While the latest linesite inspection on 22/10/2024 identified some related issues, there is no evidence that corrective actions have been fully implemented. Thus Minor NC was raised.	Minor non-conformities
<b>Criterion 4.5.4:</b> Reduction of pollution and emission including greenhouse gas			
<b>4.5.4.1</b>	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.	The polluting activities within the operations are systematically identified and documented in the Environmental Aspect & Impact Identification (EAI). Each identified activity undergoes an impact evaluation, and any	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>significant impacts are incorporated into the management plan. The results of these evaluations are formally recorded in the Environmental Impact Evaluation.</p> <p>All waste and pollution sources are identified and managed through the Waste Management Plan and Pollution Prevention Plan 2024, both of which are reviewed annually as stipulated in section 4.5.3.2.</p> <p>The significant environmental receptors for estates and mill operations include air, water, and land. Air pollution sources include emissions from boiler stacks, vehicles, generators, and anaerobic processes such as effluent treatment and empty fruit bunch (EFB) dumping, contributing to greenhouse gas (GHG) emissions. Water pollution arises from cleaning water, runoff, process station waters, sterilizer condensate, clarification waste, and boiler quenching water and blowdown. Land pollution involves scheduled waste, domestic waste, and industrial or process waste.</p> <p>Waste generated from mill operations includes scheduled waste such as spent IPA, hexane, filters, lubricants, hydraulic oil, grease, and used batteries. Domestic waste originates from the mill, estate complex, and employees' quarters, while industrial waste comprises fiber, palm kernel shells, boiler ash, and scrap iron. Sewage is produced from housing and office complexes.</p> <p>Pollution identified from mill activities includes black smoke emissions from boilers, vehicles, and engines, odors and gases from effluent treatment activities, and lubricant leakage during storage and vehicle maintenance.</p> <p>The mill also monitors and maintains records on Palm GHG emissions. The report includes plantation and field emission data from field sources and sinks, as well as mill emissions and credits, all measured in tonnes of CO2 equivalent per tonne of fresh fruit bunch (tCO2e/t FFB).</p>	
<b>4.5.4.2</b>	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.	The management has established an action plan to reduce the pollution and the plan are as follows;	Complied



Criterion / Indicator		Assessment Findings		Compliance
	<b>- Major compliance -</b>		Environmental Issues	Management/Action Plan
		1	Boiler- Black smoke	To monitor the condition of dust cyclone in every 3 months. To carry out boiler furnace cleaning every week.
		2	Effluent- Odor & gases	To maintain proper feeding into digestion process of effluent to prevent severe and unpleasant odour.
		3	Vehicles/ Lorries Leakage of lubricant/ diesel	Ensure maintenance schedule to be strictly followed. To place all lubricant oil drum on metal trays. Vehicles awaiting entry into the mill to be switched off.
		4	Domestic waste – odor and environmental pollution	Only organic waste to be disposed. NO burning and NIL disposal of empty chemicals containers into landfill.
<b>4.5.4.3</b>	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p><b>- Major compliance -</b></p>	<p>The audit team verified that the palm oil mill effluent (POME) is treated to ensure compliance with the DOE standards. The staff in charge of the POME has been interviewed and disclosed that the operation was in accordance with standard operation procedure and legal requirements.</p> <p>a) No overflow was observed, and flow meter reading was recorded daily. Submission to DOE are made through Borang Penyata Suku Tahunan</p> <p>b) No land application from the mill to estate.</p> <p>c) The results from final discharge were compliance within the DOE parameter limit and as follows;</p>		Complied

Criterion / Indicator		Assessment Findings						Compliance															
			Parameter	Standard	29/08/2024	26/09/2024	13/10/2024																
		1	pH	5.0-9.0	8.3	7.8	7.8																
		2	BOD	100	38	1	20																
		3	COD	-	293	4	174																
		4	Total Solid	-	2940	724	1430																
		5	Suspended Solid	400	170	60	130																
		6	A Nitrogen	150	82.81	0.34	54.66																
		7	Total Nitrogen	200	112.16	0.61	56.31																
Criterion 4.5.5: Natural water resources																							
4.5.5.1	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p> <p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</p> <p>c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<p>The water management plan has been established and reviewed in 10/02/2024. Among others the plan therein emphasized as follows;</p> <table><tr><td></td><td>Issue</td><td>Action Plan</td></tr><tr><td>1</td><td>Rainwater harvesting</td><td>- Large containers to be placed at strategic locations to collect rainwater - Used the rainwater to wash heavy machinery and watering plants</td></tr><tr><td>2</td><td>No flow meter for water usage to Tebak Estate and Jernih Estate</td><td>Install bulk meter</td></tr><tr><td>3</td><td>Separators using too much water</td><td>Install additional decanter to avoid usage of separators which is a water guzzler</td></tr><tr><td>4</td><td>Water shortage during dry spell</td><td>- To purchase water from xxxxxxxx xxx xxxxxxxx (SATU) - To obtain water supply from nearby estate - Train staff/ workers to take necessary step to conserve water</td></tr></table>							Issue	Action Plan	1	Rainwater harvesting	- Large containers to be placed at strategic locations to collect rainwater - Used the rainwater to wash heavy machinery and watering plants	2	No flow meter for water usage to Tebak Estate and Jernih Estate	Install bulk meter	3	Separators using too much water	Install additional decanter to avoid usage of separators which is a water guzzler	4	Water shortage during dry spell	- To purchase water from xxxxxxxx xxx xxxxxxxx (SATU) - To obtain water supply from nearby estate - Train staff/ workers to take necessary step to conserve water	Complied
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Criterion / Indicator		Assessment Findings						Compliance																																																			
		5 Severe water pollution/contamination		<div>- To perform water sampling with hiring TDM Vendor</div> <div>- To perform treatment of polluted water</div>																																																							
		<p>The mill processing water are obtained from catchment source from the nearby Sg Tebak adjacent to the mill complex. The water usage monitoring is made on a monthly basis with the latest recording (water usage per mt in 2023 of fresh fruit bunches (FFB) below; Base line is 35633 L.</p> <p>The mill water utilization in 2023 is 357,650 liters. The utilization of water in 2023 is being monitored with records as follows;</p> <table><tr><td></td><td>Month</td><td>Water/FFB</td><td></td><td>Month</td><td>Water/FFB</td></tr><tr><td>1</td><td>Jan</td><td>1.99</td><td>7</td><td>Jul</td><td>2.04</td></tr><tr><td>2</td><td>Feb</td><td>1.97</td><td>8</td><td>Aug</td><td>2.15</td></tr><tr><td>3</td><td>Mar</td><td>1.99</td><td>9</td><td>Sep</td><td>2.20</td></tr><tr><td>4</td><td>Apr</td><td>1.98</td><td>10</td><td>Oct</td><td>2.01</td></tr><tr><td>5</td><td>May</td><td>1.98</td><td>11</td><td>Nov</td><td>2.10</td></tr><tr><td>6</td><td>Jun</td><td>1.98</td><td>12</td><td>Dec</td><td>2.14</td></tr><tr><td></td><td>Total (L)</td><td>303,789</td><td></td><td>Todate</td><td>2.03</td></tr></table>									Month	Water/FFB		Month	Water/FFB	1	Jan	1.99	7	Jul	2.04	2	Feb	1.97	8	Aug	2.15	3	Mar	1.99	9	Sep	2.20	4	Apr	1.98	10	Oct	2.01	5	May	1.98	11	Nov	2.10	6	Jun	1.98	12	Dec	2.14		Total (L)	303,789		Todate	2.03		
	Month	Water/FFB		Month	Water/FFB																																																						
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6	Jun	1.98	12	Dec	2.14																																																						
	Total (L)	303,789		Todate	2.03																																																						
		<p>There were variations of performance. Probable factors are linked to rainy days, significant boiler water rinsing/discharging for maintenance etc.</p> <p>The mill made an monthly water samples at 2 points in the river nearby i.e Point 1 and Point 2 of Sg Tebak. Analysis made by Makmal Analisa XXX XX (XX) Sdn Bhd. Unit in mg/l except pH. The water result are as follows;</p> <table><tr><td></td><td>Parameter</td><td>Standard</td><td colspan="2">24/10/2024</td><td colspan="2">26/09/2024</td></tr><tr><td></td><td></td><td></td><td>Pt 1</td><td>Pt 2</td><td>Pt 1</td><td>Pt 2</td></tr><tr><td>1</td><td>pH</td><td>5.0-9.0</td><td>7.7</td><td>7.8</td><td>7.8</td><td>8.5</td></tr></table>									Parameter	Standard	24/10/2024		26/09/2024					Pt 1	Pt 2	Pt 1	Pt 2	1	pH	5.0-9.0	7.7	7.8	7.8	8.5																													
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Criterion / Indicator		Assessment Findings							Compliance
		2	BOD	100	1	1	1	2	
		3	COD	-	5	4	4	6	
		4	Total Solid	-	66	20	724	28	
		5	Suspended Solid	400	22	2	60	5	
		6	A Nitrogen	150	12.88	0.45	0.34	ND(<0.2)	
		7	Total Nitrogen	200	15.98	0.64	0.61	ND(<0.08)	
4.5.5.2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. <b>- Major compliance -</b>	The audit team verified that Kemaman Palm Oil Mill has obtained DOE approval with license no 005944 for water discharge where the requirement is BOD shall less than 100 mg/l. The following initiative by the mill is currently being practiced ensuring the quality of the effluent complies with DOE requirement and for enhancement to the environmental issues.  a) Annual Desludging - 3 ponds /year (2 facultative & 1 Aeration No 1B). Application letter to seek approval was sent to DOE Kemaman Branch on 28/05/2024.  b) Biogas Plant was commissioned in April 2022 to capture methane gas and produce electricity.  c) Monthly send water sample to external laboratory to monitor effluent discharge parameters							Complied
4.6 Principle 6: Best Practices									
Criterion 4.6.1: Mill Management									
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. <b>- Major compliance -</b>	The mill processing system is documented in the Standard Operating Procedure – Mill Operations Manual latest revised in Jan 2023 which includes standard operating procedure. quality management, pictorial safety standards, laboratory process control and security guidelines. These documents provide guidelines and standards in the mill operations describing details from;  - Reception, sterilization, threshing, pressing							Complied

Criterion / Indicator		Assessment Findings	Compliance						
		<ul style="list-style-type: none"><li>- Clarification, depericarping (nut polishing) station</li><li>- Effluent, laboratory, workshop, dispatches etc.</li></ul> <p>There are levels of the documentation identified as follows;</p> <ul style="list-style-type: none"><li>- Level 1 standard operating procedure</li><li>- Level 2 work instruction</li><li>- Level 3 records.</li></ul> <p>Amendments are made should there be requirement to suit the local issues/situation. In addition, there are also manuals available within the industry and MPOB that are used as guidelines.</p> <p>Contents of the Manual were disseminated to the workers through morning muster, mill weekly briefings, training on ad hoc and programmed basis. The Manuals are also kept in the administration office to facilitate reference by any interested parties. Site inspection and interview with workers confirmed that the SOPs had been implemented and the employees understood the requirements of the SOPs.</p>							
4.6.1.2	All palm oil mills shall implement best practices. <b>- Major compliance -</b>	<p>The monitoring of the mill process is made through the shift supervision headed by An Engineer. All process parameters are documented and summarized in a daily report. The external monitoring is made through visits by the following among others;</p> <ul style="list-style-type: none"><li>- CEO / Head of Mill Operations</li><li>- Internal audit by Sustainability and Risk Unit 2x /year</li><li>- Monthly and weekly ad hoc meeting</li><li>- Daily /monthly production &amp; financial report</li><li>- Daily and monthly lab analysis report.</li><li>- Daily supervision by the mill Supervisors/Executives</li></ul> <p>Production report dated 30/09/2024 was sighted and verified.</p> <table><tr><th>Parameter</th><th>Month</th><th>Year Todate</th></tr><tr><td>FFB Received /mt</td><td>17415.95</td><td>130341.76</td></tr></table>	Parameter	Month	Year Todate	FFB Received /mt	17415.95	130341.76	Complied
Parameter	Month	Year Todate							
FFB Received /mt	17415.95	130341.76							

Criterion / Indicator		Assessment Findings			Compliance														
		<table><tr><td>FFB Processed /mt</td><td>18471.28</td><td>130551.76</td></tr><tr><td>OER %</td><td>20.65</td><td>19/99</td></tr><tr><td>KER %</td><td>4.11</td><td>4.15</td></tr><tr><td>FFA %</td><td>3.40</td><td>-</td></tr><tr><td>Throughput mt/hr</td><td>50.26</td><td>50.13</td></tr></table> <p>This is to ensure compliance to Policies, procedures in relation mill operations, financial, OSH, welfare among others. Report relating to the monitoring i.e daily production report, monthly report, meetings minutes and Sustainability and Risk Unit internal audit report were sighted and system adopted is effective and functional.</p>	FFB Processed /mt	18471.28	130551.76	OER %	20.65	19/99	KER %	4.11	4.15	FFA %	3.40	-	Throughput mt/hr	50.26	50.13		
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Criterion 4.6.2: Economic and financial viability plan																			
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p>- Major compliance -</p>	<p>The audit team verified that Kemaman POM has established and implemented its commitment to a long term sustainability and financial viability through an operating expenditure /capital expenditure planning. The mill has a budget for financial year Jan - Dec comprises of the following details;</p> <ul style="list-style-type: none"><li>• Comparison Budget</li><li>• Budget Summary-2024</li><li>• FFB Production Budget</li><li>• Summary Of General Charges, PSL, Mill Upkeep &amp; Maintenance, General Services</li><li>• 2024 CAPEX</li><li>• Detail Of General Charges - Overhead, Labour Overhead &amp; Other Overhead</li><li>• Calculation Of Staff Salary</li><li>• Detail Of Process Salary Labour (PSL) and Mill Upkeep &amp; Maintenance</li></ul>			Complied														

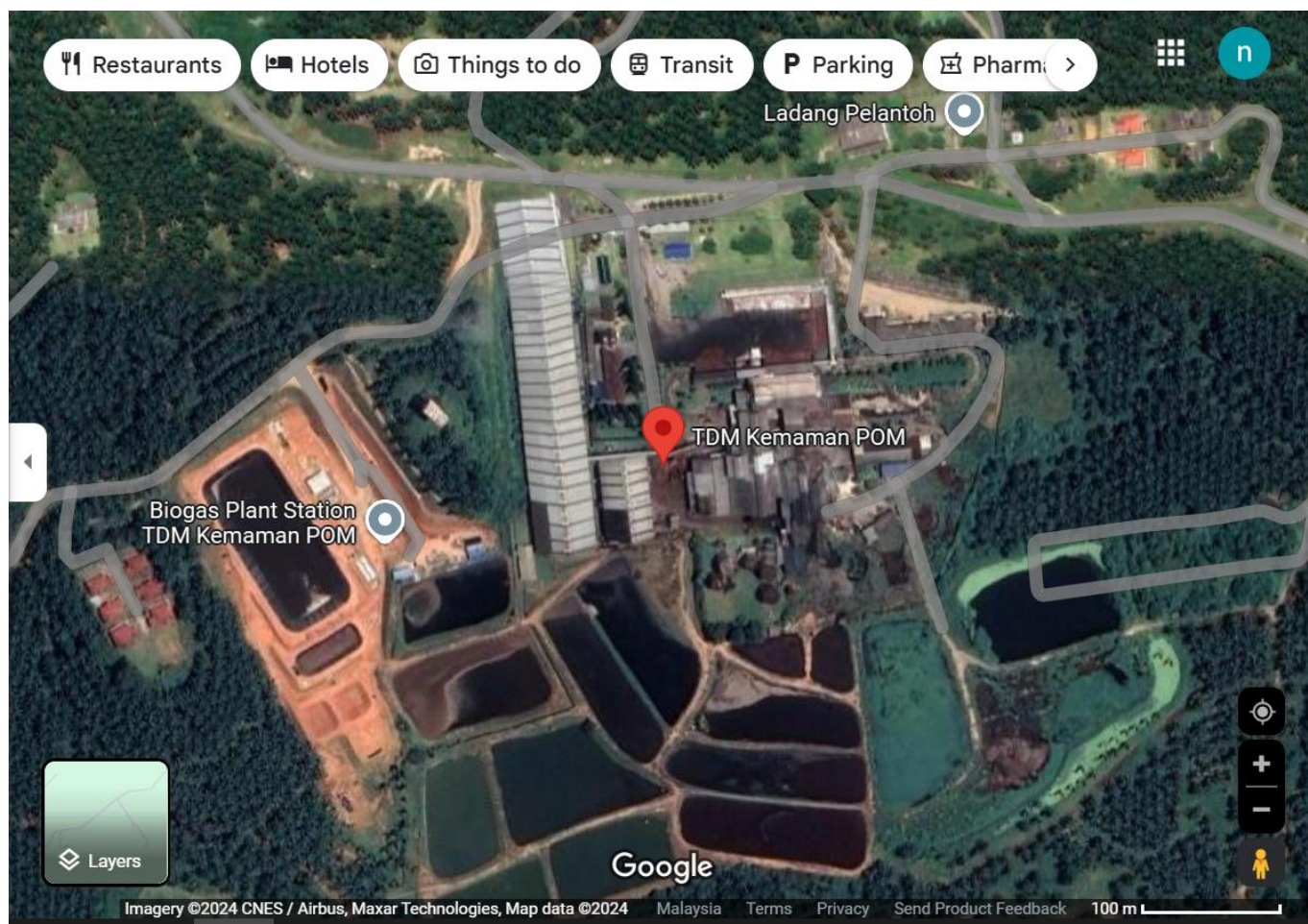
Criterion / Indicator		Assessment Findings	Compliance																																																		
		<ul style="list-style-type: none"><li>Upkeep &amp; Maintenance Of Factory Building, Premises, Plant &amp; Machineries, Motor Vehicle</li><li>Detail Of Operation Supplies (OS) - Chemical, Fuel &amp; Lubricant, Tools, Utensils &amp; Consumables</li><li>Detail Of Waste, Effluent &amp; Disposal, Laboratory &amp; Testing Expenses and General Services</li></ul> <p>The four years planning horizon 2024-2027 is available. The main key areas of the projections are as follows. Unit in mt otherwise stated.</p> <table><tr><td>Components</td><td>2024</td><td>2025</td><td>2026</td><td>2027</td></tr><tr><td>FFB processed (mt)</td><td>208.8K</td><td>235.15K</td><td>251.25K</td><td>277.1K</td></tr><tr><td>CPO Prod (mt)</td><td>43409</td><td>48206</td><td>52762</td><td>59577</td></tr><tr><td>Kernel Prod (mt)</td><td>10440</td><td>12345</td><td>13819</td><td>15241</td></tr><tr><td>OER %</td><td>20.79</td><td>20.50</td><td>21.00</td><td>21.50</td></tr><tr><td>KER %</td><td>5.00</td><td>5.00</td><td>5.00</td><td>5.00</td></tr><tr><td>Unit Cost (RM/CPO)</td><td>x</td><td>x</td><td>x</td><td>x</td></tr><tr><td>Operating Cost</td><td>x</td><td>x</td><td>x</td><td>x</td></tr><tr><td>Gen Charges</td><td>x</td><td>x</td><td>x</td><td>x</td></tr><tr><td>Grand total</td><td>x</td><td>x</td><td>x</td><td>x</td></tr></table>	Components	2024	2025	2026	2027	FFB processed (mt)	208.8K	235.15K	251.25K	277.1K	CPO Prod (mt)	43409	48206	52762	59577	Kernel Prod (mt)	10440	12345	13819	15241	OER %	20.79	20.50	21.00	21.50	KER %	5.00	5.00	5.00	5.00	Unit Cost (RM/CPO)	x	x	x	x	Operating Cost	x	x	x	x	Gen Charges	x	x	x	x	Grand total	x	x	x	x	
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Grand total	x	x	x	x																																																	
Criterion 4.6.3: Transparent and fair price dealing																																																					
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has established a clear pricing method outlined in the contracts, with contractors being informed about the contract terms prior to signing. Kemaman POM only engages suppliers certified within TDM Plantation Sdn Bhd’s estates. Additionally, the pricing of Fresh Fruit Bunches (FFB) is available and displayed in the weighbridge area.	Complied																																																		
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has established a pricing method clearly stated in the contracts, with contractors being informed about the terms prior to signing. The contracts are fair, legal, and transparent, as evidenced by the sampled contract agreement between TDM Kemaman POM and CPO Transportation MXXXX AXXXXXX. valid from 20/05/2024 to	Complied																																																		

Criterion / Indicator		Assessment Findings	Compliance
		31/12/2024. This agreement specifies that the certification body (CB) has access to the outsourcing contractor or operations if an audit is deemed necessary. On payment term was handle by HQ. Invoice will be sent by contractor and payment was made by HQ in timely manner.	
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. <b>- Major compliance -</b>	TDM Kemaman POM has provided MSPO information and documentation to engaged contractors through work agreements signed prior to the delivery of work items and/or services. The mill management conducts briefings for contractors during the signing of the Perjanjian Pesanan Kerja (Work Order Agreement), which includes provisions for contractors to comply with legal and MSPO requirements. This agreement also authorizes the estate to audit contractors periodically to ensure compliance with all relevant requirements.  On 28/08/2024, Kemaman POM conducted a briefing for contractors and transport drivers related to MSPO requirements. The agenda of the briefing included: <ul style="list-style-type: none"> <li>• Awareness of RSPO &amp; MSPO Policy</li> <li>• Awareness of labor and minimum wage requirements</li> <li>• Awareness of safety and health requirements while entering the mill facility</li> </ul> Another training record sighted was on 13/06/2024 that focused on the agreement term and MSPO requirement to the contractor.	Complied
<b>4.6.4.2</b>	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	TDM Plantation Sdn Bhd has established a pricing method clearly outlined in contracts, ensuring that contractors are informed about the terms before signing. The contracts are fair, legal, and transparent, as evidenced by the sampled Contract Agreement between TDM Kemaman POM and CPO Transportation MXXXX AXXXXX, which is valid from 20/05/2024 to 31/12/2024. This agreement specifies that the certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary.	Complied

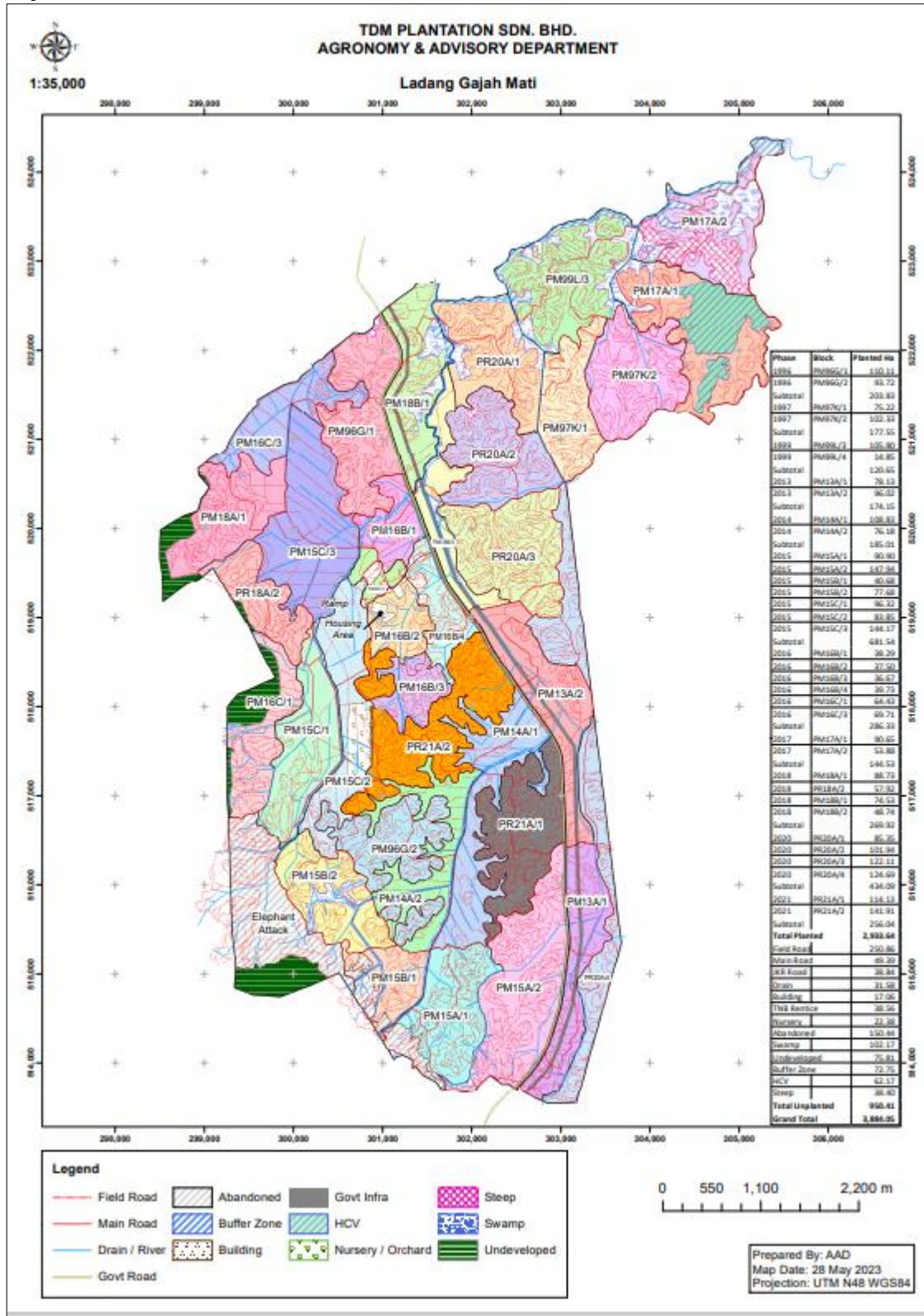


Criterion / Indicator		Assessment Findings	Compliance
<b>4.6.4.3</b>	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. <b>- Minor compliance -</b>	TDM Plantation Sdn Bhd has established contract agreements with contractors that include a clause reserving the right for BSI auditors to audit the outsourced contractors and verify the assessment through a physical inspection if required.	Complied

[illegible]

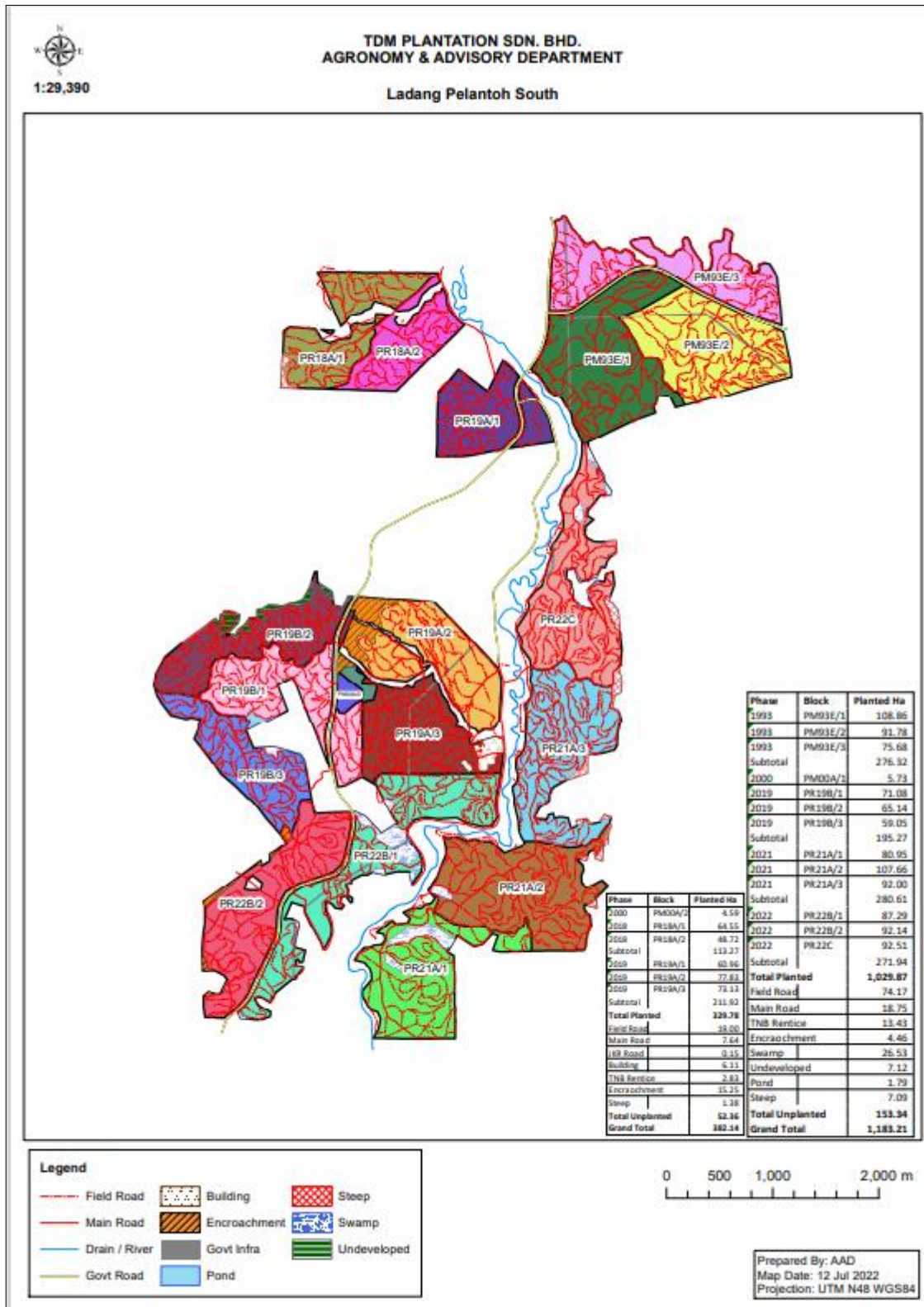
**Appendix C: Location and Field Map**

Gajah Mati Estate

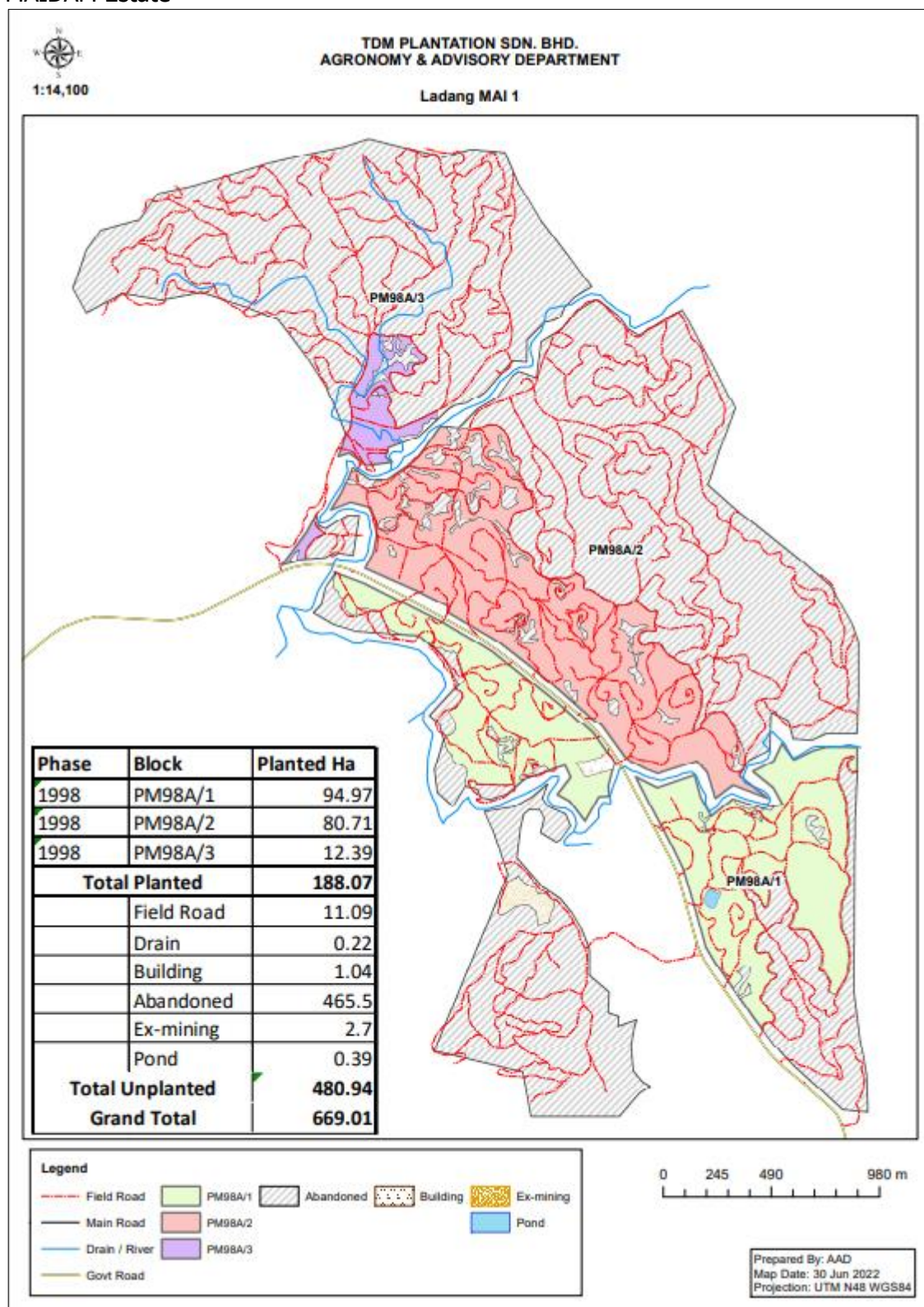




Pelantoh Estate



## MAIDAM Estate



## Appendix D: List of Abbreviations

BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
ISCC	International Sustainable Carbon Certification
LD50	Lethal Dose for 50 sample
MSPO	Malaysian Sustainable Palm Oil
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RTE	Rare, Threatened or Endangered species
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure