RSPO PRINCIPLE AND CRITERIA PUBLIC SUMMARY REPORT

☐ **Initial Assessment**

☒ **Annual Surveillance Assessment (2_4)**

☐ **Recertification Assessment (**Choose an item.**)**

☐ **Extension of Scope**

Client Company Name / Parent Company: IOI Corporation Berhad
Client Company / Parent Company Address: IOI City Tower 2, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Malaysia
Certification Unit: **Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill** Location of Certification Unit: Mile 22, Sandakan/ Telupid Road, W.D.T 164, Sandakan, 90009 Sabah, Malaysia
Date of Final Report: 19/03/2024

TABLE of CONTENTS **Page No**

Section 1: Scope of the Assessment 3
1. Company Details 3
2. Certification Information 3
3. Other Certifications 4
4. Location(s) of Mill & Supply Bases 4
5. Description of Supply Base 4
6. Plantings & Cycle 5
7. Summary of Certified Tonnage of FFB (Own Certified Scope) 5
8. Summary of Certified Tonnage of FFB (from other certified unit(s)) 5
9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) 5
10. Summary of Certified Tonnage (not applicable for ISS) 6
11. Summary of Actual Volume sold 7
12. Independent Smallholders Certified Tonnage / Volume 8
13. Independent Smallholders Actual Sold Tonnage / Volume 9
Section 2: Assessment Process 10
2.1 Assessment Methodology, Programme, Site Visits 10
2.2 BSI Assessment Team 11
2.3 Assessment Plan 13
Section 3: Assessment Findings 17
3.1 Multiple Management Units and Time Bound Plan 17
3.2 Progress of scheme smallholders and/or outgrowers 20
3.3 Details of Nonconformities 36
3.3.1 Status of Nonconformities Previously Identified and Observations 40
3.3.2 Summary of the Nonconformities and Status 47
3.4 Stakeholders and previous land owner / user consultation 48
3.5 Impartiality and conflict of interest 50
Formal Signing-off of Assessment Conclusion and Recommendation 51
Appendix A: Summary of Findings 52
Appendix B: GHG Reporting Executive Summary 182
Appendix C: Location Map of Certification Unit and Supply bases 184
Appendix D: Estate Field Map 185
Appendix E: List of Smallholder Registered and/or sampled 188
Appendix F: List of Abbreviations 189

Section 1: Scope of the Assessment

1. Company Details			
Parent Company	IOI Corporation Berhad		
RSPO Membership Number	2-0002-04-000-00	**Membership Approval Date**	17/05/2004
Address	IOI City Tower 2, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Malaysia.		
Palm Oil Mill / Group Manager / Estate (Certification Unit)	Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill		
Location / Address	Mile 22, Sandakan/ Telupid Road, W.D.T 164, Sandakan, 90009 Sabah, Malaysia		
Website	www.ioigroup.com		
Management Representative	Mr. Agos Atan (Senior Manager – Sustainability Department, Gomali Estate) Mrs Asmawati Arsjad (Acting Manager – Sustainablity, Sandakan Region)	**E-mail**	agos@ioigroup.com asmawati@ioigroup.com
Telephone	+603-89478888 (Head Office) +016-265185 (Mr Agos) +016-8816946 (Mrs Asmawati)	**Facsimile**	+603-89432266 (Head Office)

2. Certification Information			
Certificate Number	RSPO 543161	**Certificate Start Date**	08/03/2020
Date of First Certification	08/03/2010	**Certificate Expiry Date**	07/03/2025
Scope of Certification	Production of Sustainable Crude Palm Oil (CPO) and Palm Kernel (PK)		
Visit Objectives	• Determination of the conformity of the client's management system, or parts of it with audit criteria. • Evaluation of the ability of the management system to ensure the client organization meets applicable statutory, regulatory and contractual requirements.		
Assessment Cycle	☐ Pre Assessment (Choose an item.) ☐ Initial Assessment ☒ Annual Surveillance Assessment (ASA 2_4) ☐ Recertification Assessment (Choose an item.) ☐ Scope Extension		
Applicable Standards / Normative Reference	RSPO Certification System for P&C and RSPO ISH 2020 ☒ Malaysia National Interpretation 2019 of the RSPO P&C 2018		
Supply Chain Module	☒ Identity Preserved; ☐ Mass Balance	**Mill Capacity**	40 MT/Hour
ISH certification Phase	☐ Eligibility ☐ Milestone A ☐ Milestone B ☒ Not Applicable		

Is this a remote audit or on-site audit	☒ On-site audit (Option AI)	☐ On-site audit (Option AII)	☐ Remote audit (Option B)

3. Other Certifications

Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
MSPO 720886	MSPO Part 3 (MS 2530-3:2013) General Principles for Oil Palm Plantations and Organized Smallholders	BSI Services Malaysia Sdn Bhd	25/01/2028
MSPO 720885	MSPO Part 4 (MS 2530-4:2013) General Principles for Palm Oil Mills		25/01/2028
MSPO 720888	MSPO Supply Chain Certification Standard 2018		02/02/2025
GMP1025888 (Applicable for Sakilan Palm Oil Mill only)	Food GMP MS 1514:2022 Good Manufacturing Practice (GMP) for Food International Code of Practice, CAC/RCP-1, Rev. 4 (2003), Codex Alimentarius Commission, General Principles of Food Hygiene.	Intertek Certification International Sdn. Bhd.	02/10/2026

4. Location(s) of Mill & Supply Bases

Name (Mill / Supply Base / Group Manager / Smallholders)	Location	GPS Coordinates	
		Latitude	Longitude
Sakilan Palm Oil Mil	Mile 22, Sandakan/ Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5°50'21.40" N	117°50'37.32" E
Sakilan Estate .	Mile 22, Sandakan/ Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5°50'49.10" N	117°53'15.61" E
Linbar 1 Estate	Mile 45, Sandakan/ Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5°32'58.62" N	117°40'53.41" E
Linbar 2 Estate	Mile 45, Sandakan/ Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5°30'8.30" N	117°38'42.86" E

5. Description of Supply Base

New Planting Development	☒ No		☐ Yes		
Estate / Smallholders	**Total Planted (Mature + Immature) (ha)**	**HCV (ha)**	**Infrastructure & Other (ha)**	**Total Area (ha)**	**% of Planted**
Sakilan Estate	2,092.00	0	204.37	2,296.37	91.10

Linbar 1 Estate	2,315.00	7.25	305.92	2,628.17	88.08
Linbar 2 Estate	1,888.00	0	323.83	2,211.83	85.36
Total	**6,295.00**	**7.25**	**834.13**	**7,136.37**	**88.21**

6. Plantings & Cycle

Estate / Smallholders	Age (Years) - ha				Mature	Immature
	0 - 3	4 - 14	15 - 25	>25		
Sakilan Estate	578.00	206.00	0.00	1,308.00	1,514.00	578.00
Linbar 1 Estate	0.00	2,315.00	0.00	0.00	2,315.00	0.00
Linbar 2 Estate	491.00	1,397.00	0.00	0.00	1,397.00	491.00
Total (ha)	**1,069.00**	**3,918.00**	**0**	**1,308.00**	**5,226.00**	**1,069.00**

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

Estate / Smallholders	Tonnage (MT) / year			
	Estimated last year (Mar 2023 – Feb 2024)	Actual (Nov 2022 – Oct 2023)		Forecast (Mar 2024 – Feb 2025)
		Previous license period (Nov 2022 -Feb 2023)	Current license period (Mar 2023 – Oct 2023)	
Sakilan Estate	34,446.00	9,225.72	20,611.85	22,661.00
Linbar 1 Estate	66,544.00	18,764.95	28,653.20	40,160.00
Linbar 2 Estate	31,009.00	7,232.78	15,380.43	68,522.00
Total	**131,999.00**	**99,868.93**		**131,343.00**

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

Estate / Smallholders	Tonnage (MT) / year			
	Estimated last year (Mar 2023 – Feb 2024)	Actual (Nov 2022 – Oct 2023)		Forecast (Mar 2024 – Feb 2025)
		Previous license period (Nov 2022 -Feb 2023)	Current license period (Mar 2023 – Oct 2023)	
N/A		N/A	N/A	
Total		**N/A**		

9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)

	Tonnage (MT) / year

Out growers / smallholders	Estimated last year (Mar 2023 – Feb 2024)	Actual (Nov 2022 – Oct 2023)		Forecast (Mar 2024 – Feb 2025)
		Previous license period (Nov 2022 -Feb 2023)	Current license period (Mar 2023 – Oct 2023)	
N/A	N/A	N/A	N/A	N/A
Total	**N/A**	**N/A**		**N/A**

9A. Monthly Records of Certified and Uncertified FFB Received since the last audit				
No.	**Month - Year**	**Volume of FFB from certified supply base (mt)**	**Volume of FFB from uncertified supply base (mt)**	**Total FFB/Month (mt)**
1	Nov 2022	10,440.46	0	10,440.46
2	Dec 2022	9,371.64	0	9,371.64
3	Jan 2023	8,012.67	0	8,012.67
4	Feb 2023	7,398.68	0	7,398.68
5	Mar 2023	4,534.63	0	4,534.63
6	Apr 2023	6,838.85	0	6,838.85
7	May 2023	9,143.05	0	9,143.05
8	Jun 2023	7,585.86	0	7,585.86
9	Jul 2023	7,545.81	0	7,545.81
10	Aug 2023	7,978.86	0	7,978.86
11	Sep 2023	9,996.32	0	9,996.32
12	Oct 2023	11,022.10	0	11,022.10
	TOTAL	**99,868.93**	**0**	**99,868.93**

10. Summary of Certified Tonnage (MT) (not applicable for ISS)				
Estimated last year (Mar 2023 – Feb 2024)	**Actual (Nov 2022 – Oct 2023)**			**Forecast (Mar 2024 – Feb 2025)**
	Previous license period (Nov 2022 -Feb 2023)		Current license period (Mar 2023 – Oct 2023)	
FFB	**FFB**			**FFB**
131,999.00 mt	35,223.45 mt		64,645.48 mt	131,343.00 mt
	TOTAL	99,868.93 mt		
CPO (OER: 22.07%)	**CPO (OER: 21.62%)**			**CPO (OER: 22.21%)**
29,136.00 mt	7,509.18 mt		14,081.27 mt	29,168.00 mt
	TOTAL	21,590.45 mt		

PK (KER: 4.75%)	PK (KER: 3.65%)		PK (KER: 4.24%)
6,280.00 mt	1,350.50 mt	2,314.45 mt	5,571.00 mt
	TOTAL	3,664.95 mt	

10A. Monthly Records of Certified CPO & PK since the last audit (Nov 2022 – Oct 2023)			
No.	**Month - Year**	**Certified CPO (MT)**	**Certified PK (MT)**
1	Nov 2022	2,326.98	414.43
2	Dec 2022	1,996.31	376.64
3	Jan 2023	1,699.48	293.80
4	Feb 2023	1,486.41	265.63
5	Mar 2023	921.45	168.78
6	Apr 2023	1,456.20	257.01
7	May 2023	2,024.21	321.20
8	Jun 2023	1,645.11	260.05
9	Jul 2023	1,587.56	239.55
10	Aug 2023	1,743.29	276.08
11	Sep 2023	2,177.27	352.43
12	Oct 2023	2,526.18	439.35
	TOTAL	**21,590.45**	**3,664.95**

11. Summary of Actual Volume sold					
Current License period (Mar 2023 – Oct 2023)					
	RSPO Certified	**Other Schemes Certified**		**Conventional**	**Total**
		ISCC	**Others**		
CPO (MT)	9,191.47	-	-	1,100.79	10,292.26
PK (MT)	2,122.25	-	-	-	2,122.25
Credits	-	-	-	-	-
Previous License period (Nov 2022 – Feb 2023)					
CPO (MT)	7,190.17	-	-	-	7,190.17
PK (MT)	1,169.95	-	-	-	1,169.95
Credits	-	-	-	-	-

11A. Records of Certified CPO & PK Sold under PalmTrace since the last audit (Nov 2022 – Oct 2023)				
No.	**Buyers Name**	**PalmTrace Trading License Number**	**Certified CPO Sold (MT)**	**Certified PK Sold (MT)**
1	Buyer XXX	CB139XXX	16,381.64	3,292.20
		TOTAL	**16,381.64**	**3,292.20**

11B. Records of certified CPO & PK Sold under other schemes since the last audit (Nov 2022 – Oct 2023)				
No.	**Buyers Name**	**Scheme Name**	**Certified CPO Sold (MT)**	**Certified PK Sold (MT)**
1	N/A	N/A	N/A	N/A
		TOTAL	**N/A**	**N/A**

11C. Records of CPO & PK Sold as conventional since the last audit (Nov 2022 – Oct 2023)			
No.	**Buyers Name**	**CPO Sold (MT)**	**PK Sold (MT)**
1	NA	1,100.79	-
	TOTAL	**1,100.79**	**-**

11D. Records of Certified CPO Sold under RSPO Credits since the last audit (Nov 2022 – Oct 2023)			
No.	**Buyers Name**	**PalmTrace Trading License Number**	**RSPO Credits of Certified CPO Sold**
1	N/A	N/A	N/A
		TOTAL	**N/A**

12. Independent Smallholders Certified Tonnage (MT) / Volume (Nov 2022 – Oct 2023)									
	Estimated last year (Mar 23 – Feb 24)			**Actual (Nov 22 - Oct 23)**			**Forecast (Mar 24 – Feb 25)**		
Phase	**Eligibility**	**MS A**	**MS B**	**Eligibility**	**MS A**	**MS B**	**Eligibility**	**MS A**	**MS B**
	40%	**70%**	**100%**	**40%**	**70%**	**100%**	**40%**	**70%**	**100%**
FFB			N/A			N/A			N/A
IS-CSPO	N/A	N/A		N/A	N/A		N/A	N/A	
IS-CSPKO	N/A	N/A		N/A	N/A		N/A	N/A	
IS-CSPKE	N/A	N/A		N/A	N/A		N/A	N/A	
CSPK	N/A	N/A		N/A	N/A		N/A	N/A	

12A. Monthly Records of Certified CPO, PK & PKE (equivalent) produced since the audit (Nov 2022 – Oct 2023)						
No.	**Month - Year**	**FFB (MT)**	**Certified CPO (MT)**	**Certified PK (MT)**	**Certified PKO (MT)**	**Certified PKE (MT)**
1	N/A	N/A	N/A	N/A	N/A	N/A
	TOTAL		N/A	N/A	N/A	N/A

13. Independent Smallholders Actual Sold Tonnage / Volume (Nov 2022 – Oct 2023)							
	FFB	**FFB Conventional**	**FFB Other schemes**	**IS-CSPO**	**CSPK**	**IS-CSPKO**	**IS-CSPKE**
Current License period (key in period)							
Credits				N/A	N/A	N/A	N/A
Physical	N/A	N/A	N/A				
Previous License period (key in period)							
Credits				N/A	N/A	N/A	N/A
Physical	N/A	N/A	N/A				

13A. Records of Certified FFB, CPO, PK & PKE (including credits) sold since the last audit (Nov 2022 – Oct 2023)							
No.	**Buyers Name**	**PalmTrace Trading License Number**	**FFB Sold (MT)**	**Certified CPO Sold (MT/credit)**	**Certified PK Sold (MT/credit)**	**Certified PKO Sold (MT/credit)**	**Certified PKE Sold (MT/credit)**
1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		TOTAL	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

Section 2: Assessment Process

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

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 is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia.

2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted on **20/11/2023 – 23/11/2023**. The audit programme is included as Section 2.3.

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

The Critical NC close out on-site assessment was conducted on **02/02/2024** The audit programs are included in Section 2.3.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families and external stakeholders, review of documentation and monitoring data. Malaysia National Interpretation 2019 of the RSPO P&C 2018 was used as the normative reference to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula N = (√y) x (z) where y is the number of estates and where z is the multiplier defined by risk assessment. While, the sampling of smallholders were based on the formula (√y) x (z); where y is total number of group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix E.

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

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Section 3.4.

The non-conformities for this audit are detailed in Section 3.3 and unless it is stated in this section, all previous nonconformities including minor nonconformities are remains closed.

This report is structured to provide a summary of assessment finding as provided in Appendix A. The assessment was conducted based on risk based approach sampling and therefore nonconformities may exist.

For Initial, Re-certification and Extension of Scope assessment, the report was externally reviewed by approved external peer reviewer prior to certification decision by BSI.

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

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

Assessment Program					
Name (Mill / Supply Base)	**Year 1** (Re-Certification)	**Year 2** (ASA2-1)	**Year 3** (ASA2-2)	**Year 4** (ASA2-3)	**Year 5** (ASA2-4)
Sakilan POM	√	√	√	√	√
Sakilan Estate	√	√	√	√	√
Linbar I Estate	√	√	√	√	√
Linbar 2 Estate	√	√	√	√	√

Tentative Date of Next Visit: November 11, 2024 - November 14, 2024

Total Number of Mandays: 12 mandays

2.2 BSI Assessment Team

Name	Role	Competency
Ahmad Rufi Bin Abu Talib Khan (ARK)	Team Leader	**Education:** Bachelor Degree In Mechanical Engineering from Universiti Teknologi MARA Shah Alam, graduated in 2015 **Work Experience:** He started his career as Assistant Mill Manager, managing the day-to-day mill operations. In his five years' experience, he has experience handling the certification of ISO 9001, OHSAS 18001, ISO 14001 as well as Malaysia Sustainable Palm Oil (MSPO). He is a qualified Lead Auditor for MS 2530:2013 and has accumulated more than 300 audit days throughout his current career as the auditor for multiple disciplines covering all over Malaysia **Training attended:** He has completed CQI – IRCA approved ISO 9001, ISO 14001 and ISO 45001 Lead Auditor Course, MSPO 2530:2013 Lead Auditor Course, Endorsed RSPO Lead Auditor and RSPO SCC Auditor course. **Language proficiency:** Fluent in in both verbal/written Bahasa Malaysia and English **Aspect covered in this audit:** ☐ Good Agriculture Practice ☐ Health and Safety ☒ Supply chain requirements ☐ Social ☒ Environmental ☒ Market Communication and claim requirements

		☐ ISH context (ICS, internal audit, policy, business planning and trading system)
Nor Halis Abu Zar (NHA)	Team Member	**Education:** Bachelor of Science, Plantation Technology and Management, graduated from UiTM in 2012 and Diploma In Plantation and Industry Management from UiTM in 2009. **Work Experience:** 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 RSPO P&C 2018 MYNI 2019 and MS2530:2013. He mainly covered for ENV and OSH and has accumulated more than 500 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia and International Level. **Training attended:** He has completed RSPO P&C Lead Auditor Course in Oct 2020, Refresher RSPO P&C Lead Auditor Course in May 2022, RSPO ISH Standard 2019 in December 2021 and August 2023, 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 & ISO 14001:2015) Lead Auditor Course, HCV & 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 **Aspect covered in this audit:** ☒ Good Agriculture Practice ☒ Health and Safety ☒ Supply chain requirements ☐ Social ☐ Environmental ☒ Market Communication and claim requirements ☐ ISH context (ICS, internal audit, policy, business planning and trading system)
Rahayu Zulkifli (RZ)	Team Member	**Education:** Law Degree from John Moores University, Liverpool, United Kingdom **Work Experience:** She was a practicing lawyer before she joined several public listed companies as Head of Legal Department. In 2003 she joined an environmental NGO as a turtle conservationist, and in 2014 joined RSPO as Dispute Settlement Facility Manager. Rahayu is now a freelance auditor specializing in social aspects of the RSPO and MSPO standards, with audit experiences in Malaysia, Indonesia and Ghana. **Training attended:** Rahayu successfully attended the RSPO-endorsed Lead Auditor course in 2014, ISO 14001 Lead Auditor course in 2016, the MSPO Awareness Training in 2016, and RSPO-endorsed Lead Auditor Refresher course in 2018. Additionally, Rahayu also assists in HCV assessments (in particular HCV 5 & 6), as well as carry out Social Impact Assessments. Rahayu is also a trained and certified Mediator. **Language proficiency:** Fluent in in both verbal/written Bahasa Malaysia and English. **Aspect covered in this audit:** ☐ Good Agriculture Practice ☐ Health and Safety ☐ Supply chain requirements ☒ Social ☐ Environmental ☐ Market Communication and claim requirements

		☐ ISH context (ICS, internal audit, policy, business planning and trading system)

Accompanying Persons:

Name	Role
N/A	N/A

2.3 Assessment Plan

The Assessment plan was sent to the client prior to the assessment

Date	Time	Subjects	ARK	NHA	RZ
Sunday, 19/11/2023		Travelling from Kuala Lumpur to Sandakan	√	√	√
Monday, 20/11/2023	0900 - 0930	Opening Meeting: • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan	√	√	√
Linbar 1 Estate	0930 - 1230	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, Scheduled waste management, worker housing, clinic, Landfill, , etc Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.	√	√	√
	1230 - 1330	Lunch	√	√	√
	1330 - 1630	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.)	√	√	√

Date	Time	Subjects	ARK	NHA	RZ
	1630 - 1700	Interim Closing Meeting	√	√	√
Tuesday, 21/11/2023 Sakilan Palm Oil Mill	0900 - 1230	Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders, etc.	√	√	√
		Stakeholder consultations: Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.		√	
	1230 - 1330	Lunch	√	√	√
	1330 - 1630	Visit to laboratory, weighbridge and palm product storage area. Document Review P1 – P7: SOPs, Supply chain for CPO mill, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation etc.	√	√	√
	1630 – 1700	Interim Closing Meeting	√	√	√
Wednesday 22/11/2023 Linbar 2 Estate	0900 - 1230	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, Scheduled waste management, worker housing, clinic, Landfill, , etc Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.	√	√	√

Date	Time	Subjects	ARK	NHA	RZ
	1230 - 1330	Lunch	√	√	√
	1330 - 1630	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.)	√	√	√
	1630 - 1700	Interim Closing Meeting	√	√	√
Thursday 23/11/2023 Sakilan Estate	0900 - 1230	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, Scheduled waste management, worker housing, clinic, Landfill, , etc Consultation with relevant stakeholders which consists of various categories such as government agencies/enforcers, NGO, contractors, suppliers, surrounding communities (e.g. neighboring estates, smallholders, villages, workers representative, etc.), etc.	√	√	√
	1230 - 1330	Lunch	√	√	√
	1330 - 1630	Document review P1 – P7: (General Documentation e.g. Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP and implementation etc.)	√	√	√
	1600 - 1630	Auditor discussion and closing meeting preparation	√	√	√
	1630 – 1700	Closing Meeting	√	√	√
Friday 24/11/2023		Auditor travel back to Kuala Lumpur	√	√	√

Major NC Verification Audit Plan

Date	Time	Subjects	ARK
Thursday, 01/02/2024		Travelling from Kuala Lumpur to Sandakan	√
Friday, 02/02/2024	0900 - 0915	Opening Meeting: • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan	√
	0915 – 1145	Verification on Major NC closure evidence. Document review, site observation, workers/stakeholder interview (individual and group session) for: 1. 2424954-202311-M1	√
	1145 -1230	Closing Meeting	√
	1230	Auditor travel to Kuala Lumpur	√

Section 3: Assessment Findings

3.1 Multiple Management Units and Time Bound Plan

Requirement	Assessment	Compliance
Does the time bound plan include all current subsidiaries, estates and mills that is under the control and/or minor shareholding of the holding company?	Yes. time bound plan included all current subsidiaries, estates and mills that is under the control and/or minor shareholding of the holding company. IOI Time Bound Plan has been approved by RSPO on 19/05/2023.	Complied
Have all the estates and mills certified within five (5) years after obtaining RSPO membership? If no, has RSPO Secretariat approval obtained? Was the submission according to the template as announced by the RSPO Secretariat on 21/12/2021	No. Refer to IOI Corporation Berhad Time Bound Plan updated as of 19/05/2023 and IOI ACOP 2022 under Time Bound Plan section (Section 4.2.1) which was submitted to RSPO. The ACOP Report states that IOI Corporation Berhad plans to achieve 100% RSPO Certification for all estates and mill by 2023. However,RSPO secretariat approved the revise TBP based on email communication dated 19/05/2023 that stated all estates and mills to be certified in 2024 except IOI Pelita put under to be confirmed.	Complied
Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three (3) years from the date of acquisition. Certification plan for the new acquisition shall be available. If no, has RSPO Secretariat approval obtained? Was the submission according to the template as announced by the RSPO Secretariat on 21/12/2021.	No new acquisition. For PT Sawit Nabati Agro all group except PT Kalimantan Prima Agro Mandiri has under gone certification audit while PT KPAM plan to becertified in 2024. Due to Pandemic and in the process of obtaining the complete HGU and TBP has been approved by RSPO on 04/11/2022. For PT Sawit Nabati Agro all group except PT Kalimantan Prima Agro Mandiri has been audited on 28/11/2022 to 03/12/2022.	Complied
Any deviations from the maximum periods requires approval by the RSPO Secretariat.	IOI RSPO Time Bound Plan is approved by RSPO with valid justification from IOI	Complied
Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting?	Yes. PT Sawit Nabati Agro is Estates under IOI Group which consist of 4 estates which is PT Berkat Nabati Sawit, PT Sukses Karya Sawit, PT Bumi Sawit Sejahteraand PT Kalimantan Prima Agro Mandiri. For PT Sawit Nabati Agro all group except PT Kalimantan Prima Agro Mandiri has under gone certification while PT KPAM plan to be certified in 2024. Due to Pandemic and in the process of obtaining the complete HGU and TBP has been approved by RSPO on 04/11/2022. For PT Sawit Nabati Agro all group except PT Kalimantan Prima Agro Mandiri has been audited on 28/11/2022 to 03/12/2022.	Complied

Have there been any isolated lapses in implementation of the plan? If yes a **Minor** non-compliance shall be raised	No. Refer to IOI Corporation Berhad Time Bound Plan updated as of 04/11/2022 and IOI ACOP 2021 under Time Bound Plan section (Section 4.2.1) which was submitted to RSPO. There has not been any isolated lapses in implementation of the plan. Plan for Certification has been conducted as per approved plan which year of 2022. Sites audited on 28/11/2022- 03/12/2022 and certification obtain July 2023.	Complied
Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a **Major** non-compliance shall be raised	No. Please refer to IOI Time Bound Plan with RSPO approval on 11.08.2023. No. Refer to IOI Corporation Berhad Time Bound Plan updated as of 04/11/2022 and IOI ACOP 2021 under Time Bound Plan section (Section 4.2.1) which was submitted to RSPO. There has not been any isolated lapses in implementation of the plan.	Complied
Un-Certified Units or Holdings		
No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12.	Updates on the RSPO CP Complaints case tracking was referred to on issues related to this on IOI's uncertified units prior to and during the audit. Verified that incidences of HCV clearance that were reported at the IOI's uncertified unit at Kalimantan, Indonesia namely PT Bumi Sawit Sejahtera since year 2010 is being resolved as per the RSPO NPP and RSPO CP Complaints processes. Another 1 unit namely PT Kalimantan Prima Agro Mandiri at Kalimantan, had undergone the NPP Public Consultation and approved in April 2018 and HCSA Peer Review Assessment completed in May 2018. Currently, the plantation is under development and pending issuance of Local Government HGU. Reports on the NPP progress made to resolve the issues at the said units were checked and monitored till latest update made available on: https://askrspo.force.com/Complaint/s/case/50090000028Erz8AAC . As off this audit, there has been no other incidences of any replacement of primary forest at any other area under the IOI group	Complied
Any new plantings since January 1st 2010 shall comply with the RSPO New Plantings Procedure.	The concession in Indonesia PT Kalimantan Prima Agro Mandiri had undergone the NPP process prior to any new planting. RSPO has approved PT Kalimantan Prima Agro Mandiri NPP Summary Report and was published in RSPO website for public notification on 13 April 2018. The NPP public notification could be assessed through the link below: https://rspo.org/certification/new-plantingprocedure/public-consultations/page/2? HCSA Peer Review Assessment completed on 14 May 2018. The HCSA Peer Review Report and Summary Report could be assessed through the link below: http://highcarbonstock.org/wp-content/uploads/2018/05/PRR-PT.-KPAM.pdf	Complied
Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and	Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility as per the link below: https://askrspo.force.com/Complaint/s/case/50090000028ErzqAAC/detail This is further check in the website:	Complied

4.8.	https://www.rspo.org/certification/remediation-and-compensation/racp-tracker . Only 1 (one) management unit identified with potential liability and require concept note and remediation plan as reported in case tracker. Further information on the current progress is currently available in IOI Corporation Berhad's.	
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2	There were no labour dispute reported. IOI continued to monitor on the labour issue. JCC Meeting that involved by top management was conducted to ensure there is no labour issue in IOI business. Website checked confirmed that there is no issue on Labour Disputes	Complied
Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1	There was no legal non-compliance reported. IOI continued to comply with all applicable legal requirements. Compliance to each applicable law and regulation are monitored by the operating units. The certification units obtained and renewed licenses and permits as required by the law. Website checked confirmed that there is no issue on Legal non-compliance.	Complied
Did the company conduct internal audit for those uncertified estates against the uncertified management units requirement and covering the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12? If yes, a positive assurance statement shall be available and justified.	Yes. Internal audit was carried out for IOI Pelita Plantation Sdn Bhd (Sejap and Tegai Estate) and PT Sawit Nabati Agro Group in November 2022. Positive assurance statement was available and justified. Where related to land rights, IOI is actively resolving it.Frequency on internal audit was conducted on yearly basis.	Complied
Are there any Critical (Major) non-compliance raised against any of the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates? If yes is the NC(s) actively addressed with RSPO?	No non-compliance raised against any of the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates	Complied
Have there been any stakeholder (including NGO) consultation conducted?	Stakeholders are being engaged during stakeholders consultation which are being carried out during social impact assessment (SIA). Issues raised during the session are being recorded and actions/resolutions being handled by respective units.	Complied

3.2 Progress of scheme smallholders and/or outgrowers

Progress of scheme smallholders or outgrowers towards compliance with relevant standards		
Requirement	**Remarks**	**Compliance**
Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification? OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.	There are no Scheme Smallholders or Scheme Outgrowers within the Mill's Certification Unit. Therefore, it is not applicable.	Not Applicable

Approved Time Bound Plan

Name of the Unit of Certification (UoC)	Country	Name of the Mills and Supply Bases	Location Address	GPS Coordinates (in decimal degree)		Total Managed Area (Ha)	Certification Status (Certified / Not certified)	Plan Year for Certification	Actual Certification Year	Date of Last TBP Verified and Approved by CB	REVISION OF THE TBP *(Only applicable when revision is made)*			
				Latitude	Longitude						Any revision from the last approved TBP? (Yes / No)	New Proposed Year for Certification	Justification of changes for each UoC	Date of approval from RSPO
Pamol Kluang	*Malaysia*	*Pamol Kluang POM*	8½ Mile, Mersing Road, 86007 Kluang, Johor, Malaysia.	2.110969	103.392292	-	Certified		2010	24/4/2022	No			
	Malaysia	*Pamol Timur Estate*	Kluang, Johor	2.111947	103.385564	2,296.11	Certified		2010	24/4/2022	No			
	Malaysia	*Pamol Barat Estate*	Kluang, Johor	2.113033	103.343842	2,310.32	Certified		2010	24/4/2022	No			
	Malaysia	*Mamor Estate*	Kluang, Johor	2.147034	103.302668	2,230.00	Certified		2010	24/4/2022	No			
	Malaysia	*Unijaya Estate*	Kluang, Johor	1.940558	103.278069	1,260.50	Certified		2010	24/4/2022	No			
	Malaysia	*Kahang Estate*	Kluang, Johor	2.326773	103.494248	2,419.90	Certified		2010	24/4/2022	No			
	Malaysia	*Swee Lam Estate*	Kluang, Johor	1.674780	103.653778	1,160.96	Certified		2010	24/4/2022	No			

Bukit Leelau	*Malaysia*	*Bukit Leelau POM*	IOI Corporation Berhad Bukit Leelau Certification Unit KM 75, Kuantan Segamat Highway 26700 Muadzam Shah Pahang Darul Makmur	3.302979	103.137365	-	Certified		2010	29/12/2021	No			
	Malaysia	*Bukit Leelau Estate*	Muadzam Shah, Pahang	3.298692	103.132555	2,096.00	Certified		2010	29/12/2021	No			
	Malaysia	*Detas Estate*	Muadzam Shah, Pahang	3.547505	103.050146	2,225.78	Certified		2010	29/12/2021	No			
	Malaysia	*Merchong Estate*	Muadzam Shah, Pahang	3.024548	103.201716	1,952.50	Certified		2010	29/12/2021	No			
	Malaysia	*Mekassar Estate*	Muadzam Shah, Pahang	2.986702	103.167433	1,209.39	Certified		2010	29/12/2021	No			
	Malaysia	*Leepang A Estate*	Muadzam Shah, Pahang	3.003644	103.027223	2,403.70	Certified		2010	29/12/2021	No			
	Malaysia	*Laukin A Estate*	Muadzam Shah, Pahang	3.020739	103.045601	1,619.90	Certified		2010	29/12/2021	No			
Gomali	*Malaysia*	*Gomali POM*	5th Mile, Jalan Gemas-Batu Anam 85100 Segamat, Johor, Malaysia.	2.610811	102.679447	-	Certified		2010	24/8/2021	No			
	Malaysia	*Gomali Estate*	Segamat, Johor	2.611543	102.673415	2,555.75	Certified		2010	24/8/2021	No			
	Malaysia	*Paya Lang Estate*	Segamat, Johor	2.582588	102.707515	2,467.25	Certified		2010	24/8/2021	No			
	Malaysia	*Tambang Estate*	Segamat, Johor	2.631926	102.716559	2,010.70	Certified		2010	24/8/2021	No			
	Malaysia	*Sagil Estate*	Tangkak, Johor	2.315033	102.634689	2,504.99	Certified		2010	24/8/2021	No			
	Malaysia	*Regent Estate*	Gemencheh, Negeri Sembilan	2.513968	102.404654	2,300.27	Certified		2010	24/8/2021	No			
	Malaysia	*Bahau Estate*	Bahau, Negeri Sembilan	2.809171	102.448731	2,841.41	Certified		2010	24/8/2021	No			
	Malaysia	*Kuala Jelai Estate*	Durian Tunggal, Melaka	2.774558	102.389750	679.2600	Certified		2010	24/8/2021	No			
	Malaysia	*Bertam Estate*	Jasin, Melaka	2.304039	102.284858	448.8000	Certified		2010	24/8/2021	No			

	Malaysia	*Jasin Lalang Estate*	Karak, Pahang	2.254799	102.421417	750.75	Certified		2010	24/8/2021	No			
Pukin	*Malaysia*	*Pukin POM*	KM 30, Lebuhraya Tun Abdul Razak, Keratong, 85007 Rompin, Pahang, Malaysia	2.721691	102.909500	-	Certified		2012	13/6/2022	No			
	Malaysia	*Pukin Estate*	KM 30, Lebuhraya Tun Abdul Razak, Keratong, 85007 Rompin, Pahang, Malaysia	2.718814	102.907972	2,428.12	Certified		2012	13/6/2022	No			
	Malaysia	*Shahzan IOI 1 Estate*	KM 30, Lebuhraya Tun Abdul Razak, Keratong, 85007 Rompin, Pahang, Malaysia	2.799583	102.848972	1,562.98	Certified		2012	13/6/2022	No			
	Malaysia	*Shahzan IOI 2 Estate*	KM 30, Lebuhraya Tun Abdul Razak, Keratong, 85007 Rompin, Pahang, Malaysia	2.816556	102.874028	1,640.74	Certified		2012	13/6/2022	No			
	Malaysia	*Segamat Estate*	KM 5, Jalan Segamat Muar, 85009 Segamat, Johor, Malaysia	2.489590	102.882880	1,896.40	Certified		2012	13/6/2022	No			
	Malaysia	*Leepang A Estate*	KM 68, Lebuhraya Segamat–Kuantan, 26700 Muadzam Shah, Pahang, Malaysia	3.010250	103.053417	2,725.12	Certified		2012	13/6/2022	No			
	Malaysia	*Bukit Serampang Estate*	KM 12, Jalan Sagil–Tangkak, 84900 Tangkak, Johor, Malaysia	2.323795	102.688279	2,403.70	Certified		2012	13/6/2022	No			

Unico Group	*Malaysia*	*Unico POM*	1.8 km Jalan Jeroco Off Mile 13, Lahad Datu Sandakan, Sandakan Highway, P.OBox 61532, 91123 Lahad Datu, Sabah, Malaysia	5.150044	118.222064	-	Certified		2018	5/7/2021	No			
	Malaysia	*Unico 6 Estates*	Unico Plantation Sdn. Bhd – Unico 6 MDLD 5123, KM3, Jalan Segama, 91100 Lahad Datu, Sabah, Malaysia	5.195769	118.302033	2,060.00	Certified		2018	5/7/2021	No			
	Malaysia	*Ladang Asas Estates*	M D L D 5123, KM3, Jalan Segama, 91100 Lahad Datu, Sabah, Malaysia	5.240000	118.270000	1,909.00	Certified		2018	5/7/2021	No			
Unico Desa	*Malaysia*	*Unico Desa POM*	Unico Desa POM, KM3, Jalan Segama, 91100, Lahad Datu, Sabah	5.413089	118.529331	-	Certified		2018	16/5/2022	No			
	Malaysia	*Unico 1 Estate*	Unico-Desa Plantations Berhad - Unico 1 MDLD 5123,KM3, Jalan Segama, 91100 Lahad Datu, Sabah	5.411369	118.523278	2,317.50	Certified		2018	16/5/2022	No			
	Malaysia	*Unico 2 Estate*	Unico-Desa Plantations Berhad - Unico 2 MDLD 5123,KM3, Jalan Segama, 91100 Lahad Datu, Sabah	5.419511	118.524750	2,352.02	Certified		2018	16/5/2022	No			

	Malaysia	*Unico 3 Estate*	Unico-Desa Plantations Berhad - Unico 3 MDLD 5123,KM3, Jalan Segama, 91100 Lahad Datu, Sabah	5.465122	118.551314	2,203.80	Certified		2018	16/5/2022	No			
	Malaysia	*Unico 4 Estate*	Unico-Desa Plantations Berhad - Unico 4 MDLD 5123,KM3, Jalan Segama, 91100 Lahad Datu, Sabah	5.397883	118.559472	2,235.69	Certified		2018	16/5/2022	No			
	Malaysia	*Unico 5 Estate*	Unico-Desa Plantations Berhad - Unico 5 MDLD 5123,KM3, Jalan Segama, 91100 Lahad Datu, Sabah	5.373783	118.536417	2,287.47	Certified		2018	16/5/2022	No			
Morisem	*Malaysia*	*Morisem POM*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia	5.494069	118.369039	-	Certified		2013	18/12/2021	No			
	Malaysia	*Morisem 1 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia	5.490000	118.320000	2,032.00	Certified		2013	18/12/2021	No			
	Malaysia	*Morisem 2 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 LahadDatu, Sabah, Malaysia	5.460000	118.320000	2,042.14	Certified		2013	18/12/2021	No			

	Malaysia	*Morisem 3 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia	5.500000	118.330000	2,013.70	Certified		2013	18/12/2021	No			
	Malaysia	*Morisem 4 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia	5.340000	118.340000	2,023.00	Certified		2013	18/12/2021	No			
	Malaysia	*Leepang 2 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia	5.510000	118.380000	2,159.19	Certified		2013	18/12/2021	No			
Syarimo	*Malaysia*	*Syarimo POM*	KM23, Jalan Kinabatangan, Sg. Pin, Kinabatangan, Sabah Postal Address: MDLD 5123, KM 3 Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.333611	117.781250	-	Certified		2013	20/3/2022	No			
	Malaysia	*Syarimo 1 Estate*	Sg. Pin, Kinabatangan, Sabah Postal Address: MDLD 5123, KM 3 Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.329078	117.825278	1,914.00	Certified		2013	20/3/2022	No			

	Malaysia	*Syarimo 2 Estate*	Sg. Pin, Kinabatangan, Sabah Postal Address: MDLD 5123, KM 3 Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.327342	117.784797	1,986.52	Certified		2013	20/3/2022	No			
	Malaysia	*Syarimo 3 Estate*	Sg. Pin, Kinabatangan, Sabah Postal Address: MDLD 5123, KM 3 Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.329461	117.776236	2,442.02	Certified		2013	20/3/2022	No			
	Malaysia	*Syarimo 4 Estate*	Sg. Pin, Kinabatangan, Sabah Postal Address: MDLD 5123, KM 3 Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.384028	117.764725	2,376.95	Certified		2013	20/3/2022	No			
	Malaysia	*Syarimo 5 Estate*	Sg. Pin, Kinabatangan, Sabah Postal Address: MDLD 5123, KM 3 Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.351153	117.715642	2,267.55	Certified		2013	20/3/2022	No			

Baturong	*Malaysia*	*Baturong POM*	Postal Address: MDLD 5123, KM3 Jalan Segama, Lock Bag No 15, 91109, Lahad Datu, Sabah Location Address: KM 52, Jalan Kunak-Tawau, Off Road KM3, 91109 Lahad Datu, Sabah	4.755261	118.088681	-	Certified		2010	8/10/2021	No			
	Malaysia	*Baturong 1 Estate*	Location Address:KM 52, Jalan Kunak-Tawau,Off Road KM6, 91109Lahad Datu, Sabah.	4.736017	118.070986	2,698.00	Certified		2010	8/10/2021	No			
	Malaysia	*Baturong 2 Estate*	Location Address: KM 52, Jalan Kunak-Tawau, Off Road KM25, 91109 Lahad Datu, Sabah.	4.765442	118.028244	2,315.00	Certified		2010	8/10/2021	No			
	Malaysia	*Baturong 3 Estate*	Location Address: KM 52, Jalan Kunak-Tawau, Off Road KM14, 91109 Lahad Datu, Sabah.	4.757722	118.002142	1,807.00	Certified		2010	8/10/2021	No			
	Malaysia	*Cantawan Estate*	Location Address: KM 20, Jalan Tungku-Lahad Datu, Off Road KM6, 91109	5.065683	118.447639	1,163.00	Certified		2010	8/10/2021	No			

			Lahad Datu, Sabah.											
Leepang	*Malaysia*	*Leepang POM*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.549000	118.437667	-	Certified		2013	16/12/2021	No			
	Malaysia	*Morisem 5 Estate*	MDLD 5123, KM 2, Jalan Segama,Locked Bag No. 15, 91109 LahadDatu, Sabah, Malaysia.	5.500658	118.420417	1,889.00	Certified		2013	16/12/2021	No			
	Malaysia	*Leepang 1 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.549358	118.443772	2,364.04	Certified		2013	16/12/2021	No			
	Malaysia	*Leepang 5 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.546683	118.434836	1,690.67	Certified		2013	16/12/2021	No			
	Malaysia	*Permodalan 1 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.498853	118.456917	2,253.82	Certified		2013	16/12/2021	No			
	Malaysia	*Permodalan 2 Estate*	MDLD 5123, KM 2, Jalan Segama, Locked Bag No. 15, 91109 Lahad Datu, Sabah, Malaysia.	5.507639	118.478289	2,141.52	Certified		2013	16/12/2021	No			

Mayvin	*Malaysia*	*Mayvin POM*	Mayvin Incorporated Sdn Bhd, Mile 75, Sandakan/ Telupid Road, WDT No. 164, 90009 Sandakan, Sabah, Malaysia	5.555300	117.226440	-	Certified		2010	22/12/2021	No			
	Malaysia	*Mayvin 1 Estate*	Sri Mayvin Plantation Sdn Bhd, Mile 75, Sandakan/ Telupid Road, WDT No. 164, 90009 Sandakan, Sabah, Malaysia	5.581886	117.221517	1,610.00	Certified		2010	22/12/2021	No			
	Malaysia	*Mayvin 2 Estate*	Sri Mayvin Plantation Sdn Bhd, Mile 75, Sandakan/ Telupid Road, WDT No. 164, 90009 Sandakan, Sabah, Malaysia	5.558614	117.222721	1,812.81	Certified		2010	22/12/2021	No			
	Malaysia	*Tangkulap Estate*	Sri Mayvin Plantation Sdn Bhd, Mile 75, Sandakan/ Telupid Road, WDT No. 164, 90009 Sandakan, Sabah, Malaysia	5.492423	117.247353	2,277.45	Certified		2010	22/12/2021	No			
	Malaysia	*Mayvin 5 Estate*	Sri Mayvin Plantation Sdn Bhd, Mile 75, Sandakan/ Telupid Road, WDT No. 164, 90009 Sandakan, Sabah, Malaysia	5.479906	117.334011	1,765.18	Certified		2010	22/12/2021	No			

	Malaysia	*Mayvin 6 Estate*	Sri Mayvin Plantation Sdn Bhd, Mile 75, Sandakan/ Telupid Road, WDT No. 164, 90009 Sandakan, Sabah, Malaysia	5.478833	117.379064	1,836.82	Certified		2010	22/12/2021	No			
Sakilan	*Malaysia*	*Sakilan POM*	Mile 22, Sandakan/Telupid Road, WDT 164, 90009, Sandakan, Sabah, Malaysia.	5.839372	117.843825	-	Certified		2010	16/4/2022	No			
	Malaysia	*Sakilan Estate*	Sandakan, Sabah	5.846975	117.887669	2,296.37	Certified		2010	16/4/2022	No			
	Malaysia	*Linbar 1 Estate*	Sandakan, Sabah	5.549619	117.681506	2,628.17	Certified		2010	16/4/2022	No			
	Malaysia	*Linbar 2 Estate*	Sandakan, Sabah	5.502308	117.645242	2,211.83	Certified		2010	16/4/2022	No			
Pamol Sabah	*Malaysia*	*Pamol Sabah POM*	Pamol Estates (Sabah) Sdn Bhd,Mile 122, Sandakan/Telupid Road,P.O Box 203, 90702, Sandakan,Sabah, Malaysia.	6.002417	117.398389	-	Certified		2016	30/11/2021	No			
	Malaysia	*Ulu Estate*	Mile 122, Sandakan/Telupid Road, P.O Box 203, 90702, Sandakan, Sabah, Malaysia.	6.005139	117.392361	1,834.72	Certified		2016	30/11/2021	No			
	Malaysia	*Bayok Estate*	Mile 122, Sandakan/Telupid Road, P.O Box 203, 90702, Sandakan, Sabah, Malaysia.	6.005139	117.392361	2,209.93	Certified		2016	30/11/2021	No			

	Malaysia	*Rungus Estate*	Mile 122, Sandakan/Telupid Road, P.O Box 203, 90702, Sandakan, Sabah, Malaysia.	6.015639	117.367694	2,126.55	Certified		2016	30/11/2021	No			
	Malaysia	*Tindakon Estate*	Mile 122, Sandakan/Telupid Road, P.O Box 203, 90702, Sandakan, Sabah, Malaysia.	5.980028	117.356472	2,051.02	Certified		2016	30/11/2021	No			
	Malaysia	*Nangoh Estate*	Mile 122, Sandakan/Telupid Road, P.O Box 203, 90702, Sandakan, Sabah, Malaysia.	5.952417	117.253111	2,279.35	Certified		2016	30/11/2021	No			
	Malaysia	*Meliau Estate*	Mile 122, Sandakan/Telupid Road,P.O Box 203, 90702, Sandakan,Sabah, Malaysia.	5.952417	117.253111	2,998.65	Certified		2016	30/11/2021	No			
	Malaysia	*Sugut Estate*	Mile 200, Nangoh Paitan Road, P.O Box 203, 90702, Sandakan, Sabah, Malaysia.	6.232972	117.426556	1,792.34	Certified		2016	30/11/2021	No			
Ladang Sabah	*Malaysia*	*Ladang Sabah POM*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah, Malaysia.	5.729989	117.577750	-	Certified		2013	10/4/2022	No			
	Malaysia	*Bimbingan 1 Estate*	Mile 45, Sandakan-Telupid Road, WDT 164,	5.621264	117.445917	1,937.39	Certified		2013	10/4/2022	No			

			90009, Sandakan, Sabah.											
	Malaysia	*Bimbingan 2 Estate*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5.619619	117.422942	1,955.61	Certified		2013	10/4/2022	No			
	Malaysia	*Labuk Estate*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5.670375	117.498867	2,668.50	Certified		2013	10/4/2022	No			
	Malaysia	*Moynod Estate*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5.740817	117.610380	3,043.71	Certified		2013	10/4/2022	No			
	Malaysia	*Luangmanis Estate*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5.763328	117.606369	2,713.29	Certified		2013	10/4/2022	No			
	Malaysia	*Laukin Estate*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5.778469	117.532433	2,503.53	Certified		2013	10/4/2022	No			
	Malaysia	*Terusan Baru Estate*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5.764825	117.610317	2,128.00	Certified		2013	10/4/2022	No			

	Malaysia	*Sungai Sapi Estate*	Mile 45, Sandakan-Telupid Road, WDT 164, 90009, Sandakan, Sabah.	5.807536	117.517003	1,299.30	Certified		2013	10/4/2022	No			
SNA Group	*Indonesia*	*PT. SKS POM*	West Kalimantan	-2.800399312	110.5932484	-	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	*SKS 1 Estate*	West Kalimantan	-2.796566631	110.5830432	1,396.81	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	*SKS 2 Estate*	West Kalimantan	-2.792711179	110.5852891	3,156.39	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	*SKS 3 Estate*	West Kalimantan	-2.792711179	110.5389925	3,126.80	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	*BNS 1 Estate*	West Kalimantan	-2.794822532	110.6454689	2,867.42	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	BNS 2 Estate	West Kalimantan	-2.794822532	110.6454689	1,513.94	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	BNS 3 Estate	West Kalimantan	-2.854558364	110.6608534	2,128.60	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	BNS 4 Estate	West Kalimantan	-2.854558364	110.6608534	2,320.04	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate	

													from CB on 16/07/2023	
	Indonesia	BSS 1 Estate	West Kalimantan	-2.811200908	110.9130045	3,563.85	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	BSS 2 Estate	West Kalimantan	-2.877076122	110.8267758	2,041.15	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	BSS 3 Estate	West Kalimantan	-2.895104026	110.7609748	2,509.10	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	BSS 4 Estate	West Kalimantan	-2.895104026	110.7609748	1,689.90	Certified	2021	2023	3/12/2022	Yes	2023	Received RSPO certificate from CB on 16/07/2023	
	Indonesia	KPAM 1 Estate	West Kalimantan	-2.758732634	110.9617862	2,408.00	Not Certified	2023		3/12/2022	No	2024		
	Indonesia	KPAM 2 Estate	West Kalimantan	-2.723094072	111.0436924	2,499.83	Not Certified	2023		3/12/2022	No	2024		
	Indonesia	KPAM 3 Estate	West Kalimantan	-2.761628728	111.0171089	2,307.02	Not Certified	2023		3/12/2022	No	2024		
	Indonesia	KPAM 4 Estate	West Kalimantan	-2.723094072	111.0436924	1,252.15	Not Certified	2023		3/12/2022	No	2024		
IOI Pelita Plantation Sdn Bhd	*Malaysia*	Sejap Estate	Miri, Sarawak	3.6886940	114.1709440	4,959.80	Not Certified	2025		Nov-21	No	2025		

3.3 Details of Nonconformities

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

During this Assessment there were one (1) Critical; two (2) Minor nonconformities and one (1) Opportunity For Improvement raised. The Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Critical Nonconformity(ies) has been verified for its effectiveness and closed accordingly. The below is the summary of the non-conformity raised during this assessment.

Non-conformity			
NCR Ref #	2424954-202311-M1	**Issued Date**	23/11/2023
Due Date	21/02/2024	**Closure Date**	02/02/2024
Indicator & Category (Critical / Minor)	3.4.3 (C) – Critical		
Statement of Nonconformity:	The Social Impact Assessment Management Action Plans & Continuous Improvement Plan reviewed on 8/11/2023 has not been implemented, reviewed in a participatory way.		
Requirement Reference:	The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.		
Objective Evidence:	The SIA Management Action Plan reviewed on 8/11/2023 states that workers housing (linesite) should have no structural, electrical or plumbing alterations, decorations or major repairs without prior approval from Head Office. A report dated 3/10/2023 issued by Chief Engineer (Sandakan Region) has identified a major extension at Linbar 2 Estate linesite and has recommended that the extension be dismantled. As of the date of the audit, the extension has not been dismantled. This issue was also not discussed in a participatory manner with the relevant stakeholder (worker) and not recorded in the SIA review dated 8/11/2023.		
Corrections:	1. To partially review a section in the SIA to include the details of timebound action plan on the major extension at linesite. 2. The details time bound action plan will be briefed again to the workers for their information. 3. Social Liaison Officer to monitor the extension through linesite report conducted by EHA.		
Root Cause Analysis:	The issue had been informed verbally to all workers by the management during morning muster. However, due to the action plan were only being drafted after the latest revision of the SIA Management Plan take place, this particular matter was not captured in the document		
Corrective Actions:	1. To brief workers to get approval from management prior to constructing any additional building.		

	2. To have design and suggestion material from M&E Department prior to the construction of additional building if the request from workers is approved. 3. To ensure aspect and impact of housing extension or additional building is included in the SIA revision.
Assessment Conclusion:	1. The management has reviewed the Social Impact Assessment dated 05/01/2024 in section 9.0 – Facilities/Amenities stated that "However , no structural, electrical or plumbing alterations, decorations or major repairs whether for the Group or occupier's acunt are to be taken without the approval from Head Office. Existing extension is acknowledge however the inspection by M&E (Mill & Engineering Department) will be conducted to determine the integrity and safety of the building. Dismantling will be conducted if found to be unfit conditions as per M&E assessment. Any new extension is only allowed with the permission of management and the assessment by M&E." 2. The process of Social Impact Assessment with the participatory way was conducted on 24/11/2023. Where the workers were informed about the process of housing alterations. Input from the worker were taken which mentioned that the house extension were conducted to increase the housing space. The site visit was conducted and the extension of the specific house were dismantled accordingly. The management has given the worker a new extra house on 01/12/2023 to cater the space for the family. 3. The management has conducted the housing Extension Inspection for all the houses in Linbar 2 Estate on 24/11/2023. Where the each type of extension were noted. Type of extension include store, kitchen, bedroom, and garage. The specific house where the bedroom was build was dismantled, and house were provided, and where the garage were build, the assessment were done by M&E, and found that there is no direct extend from the original structure and found to be safe. 4. The management has briefed the workers on 16/12/2023 regarding the process of housing inspections where all extension that will be conducted need to have approval from HQ and assessment will be conducted by M&E prior to the approval. 5. The aspect and impact evaluation on the housing were reviewed on 05/01/2024. Which stated the positive and negative impacts. Sample of positive and negative impact are as following: • Positive – The facility allows the workers to be comfortable settling down in the operating unit • Positive – The facility provided is free of charge and is equipped with basic housing items (eg lamps, cupboard, stove) • Negative – Poor maintenance of housing area • Negative – Old houses does not meet current expectation. The management plan were available for the negative impact, of which mentioned that the workers are not to construct any extension or alteration without the approval from the management.

	Management Review stated that workers tend to construct extension and alteration mostly for garage to park their cars. Further assessment from the M&E will be needed to assess the safety and integrity of the building prior to the approval. The M&E will advice on the design and material prior to construction if any request on extension is approved. The Major Non Conformance is effectively close on 02/02/2024, further verification will be conducted in the next assessment.

Non-conformity			
NCR Ref #	2424954-202311-N1	**Issued Date**	23/11/2023
Due Date	Next Assessment (Recertification)	**Closure Date**	"Open"
Indicator & Category (Critical / Minor)	3.3.2 – Minor		
Statement of Nonconformity:	There is no mechanism to check procedures for Contractor OSH Matters.		
Requirement Reference:	A mechanism to check consistent implementation of procedures is in place.		
Objective Evidence:	Based on verification of OSH Meeting at Linbar 1 Estate and Sakilan POM, there is no evidence that contractors has been included in the OSH Committee and attended the OSH Quarterly Meeting. It was not in line with OSH Manual and OSHMS Documents, procedure safety & health instructions for contractor, Appendix 1, No 26. Contractor shall also be members of company's safety and health committee and attend meetings whenever held by the management.		
Corrections:	1. Estate and mill personnel to be retrained on the SHC meeting procedure by HSE Department. Contractors also will be invited to participate on the training. 2. To review the Safety & Health Instructions for contractors and prepare the SHC procedure. 3. To invite contractors to attend the estate SHC meeting.		
Root Cause Analysis:	The contractors were not included inside the estate OSH Committee due to the understanding that most contractor employed are short term contractor and meeting with them is done separately (induction). The estate and mill however was not aware that contractor with long term contract or frequently employed need to be included and invited to the Safety & Health Committee (SHC) quarterly meeting.		
Corrective Actions:	1. OSH Coordinator and Safety Secretary to monitor the long term contractor hired by the estate and ensure they are invited to attend and participate in the SHC Meeting. 2. HSE Department will monitor contractors' participation through the HSE Internal Audit. 3. The SHC training (meeting procedure and requirement) will be conducted on annual basis by HSE Department.		

	4. Any issues raised by the contractor to be resolved accordingly by the estate and mill management.
Assessment Conclusion:	The CAP was accepted, further verification will be conducted in the next assessment.

Non-conformity			
NCR Ref #	2424954-202311-N2	**Issued Date**	23/11/2023
Due Date	Next Assessment (Recertification)	**Closure Date**	"Open"
Indicator & Category (Critical / Minor)	3.5.2 – Minor		
Statement of Nonconformity:	The SOP on Absconded Foreign Workers updated on 8/2/2021 has not been implemented.		
Requirement Reference:	Employment procedures are implemented, and records are maintained.		
Objective Evidence:	The employment procedures SOP on Absconded Foreign states: a) Operating centre to lodge a police report and send application to Human Resources Department (HRD). b) HRD to send request to agency for payment. c) Agency to send complete permit cancellation request to Immigration Department with payment. A Sakilan Palm Oil Mill worker absconded and a police report was lodged by the Mill on 30/1/2023. However, as of the date of the audit, the Company was not able to demonstrate the clause b) and c) above as required under the said SOP.		
Corrections:	Sakilan Mill will liaise with Human Resources Department to proceed with the request to agency and cancellation to Immigration Department.		
Root Cause Analysis:	Delay of request caused by inadequate monitoring and role changes for person in-charge in Human Resources Department mid of year.		
Corrective Actions:	1. Social liaison officer will monitor the passport monitoring conducted by HR Clerk. 2. HRD to conduct training on the SOP for Absconded Workers to the HR clerk in charge. 3. To inform all operating unit if there is any changes for person-in-charge at HR Department.		
Assessment Conclusion:	The CAP was accepted, further verification will be conducted in the next assessment.		

Opportunity for Improvements	
OFI #	**Description**
OFI 1	**2424954-202311-I1** Indicator 6.5.4

	A grievance mechanism for victims to lodge a harassment report has been established and successfully implemented. As an opportunity for improvement, the grievance process that has been implemented is reflected in the flowchart.

Positive Findings	
PF #	**Description**
PF 1	Strong culture of excellence teamwork with cross functional teams were observed working collaboratively, sharing knowledge and collectively addressing challenges.
PF 2	Efficient document retrieval, with the implementation of simple and fast well-structured processes to organize and retrieved documents swiftly.

3.3.1 Status of Nonconformities Previously Identified and Opportunity for Improvement

Previous Audit Critical (Major) Non-conformity			
NCR Ref #	2276438-202211-M1	**Issued Date**	17/11/2022
Due Date	16/02/2023	**Closure Date**	04/02/2023
Indicator & Category (Critical / Minor)	3.6.1 – Critical		
Statement of Nonconformity:	HIRARC Risk Control, NRA and CHRA Recommendation was not fully implemented.		
Requirement Reference:	All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.		
Objective Evidence:	Linbar 1 Estate 1. During site visit at Harvesting Area, Block 12 C, it was found that 1 tractor driver was not wearing earplug as their PPE. It was not in line with NRA Recommendation dated 25/09/2020, Section 8.0: Farm Tractor Driver: Good Practice to wear PHP during Work and To Put sticker or attach prominent warning sign indicates PHP must be worn when operate them. 2. During site visit at Genset House, it was observed that 1 Operator was wearing Casual Shoes Instead of Safety Shoes. It was not in line with HIRARC Genset House dated 04/10/2022, Existing Risk Control Working Inside Genset House: PPE (Safety helmet, safety shoes, earmuff/earplug, nitrile gloves, respirator). 3. During site visit at Water Treatment Plant, it was observed that operator was not wearing earplug as their PPE. It was not in line with NRA Recommendation dated 25/09/2020, Section 8.0: Water Treatment Operator: Good Practice to wear PHP during Work. Sakilan Estate 1. During site visit at Workshop, it was found 3 bottles of lubricant were stored in the container without any labelled. It was not in line with CHRA Recommended control measures Section 6.2 The Proposed action to be taken and recommendation control measures is to comply With USECHH Regulation 2000 and "Labelling and		

	Relabelling (USECHH 2000, Regulation 20 & 21), (3) . If the chemicals are transferred to a smaller container, relabelling is required with the chemical name or trade name as written on the original label. 6.2.3 Labelling at chemical containers
Corrections:	Linbar 1 Estate 1. To provide reminder letter from the management to all field staff to remind them to conduct daily inspection on PPE usage. 2. To provide reminder letter to all workers to wear proper PPE during work operation. 3. Staff to also check the condition of the PPE not only focus on availability during daily PPE Inspection. Any PPE in bad condition will be recorded by staff and pass to store keeper for replacement. 4. To replace the PPE for the driver. 5. To provide extra shoes in the PPE box that can be worn whenever needed. 6. To provide extra earmuff in the PPE box at water treatment plant. Sakilan Estate Container used to store chemical/lubricant is to be relabelled as per the original label.
Root Cause Analysis:	As per objective evidence of the non-conformities raised, it has been identified that the root cause of the issues is related to effectiveness of the training to PIC conducting the inspection and the frequency. Effectiveness of PPE monitoring is on the cause that lead to the issues. Linbar 1 Estate 1. The driver brought his earplug however it is not in a good condition thus he reluctant to show it to the auditor. Daily PPE inspection is conducted daily however it only used to check the availability of the PPE and not cover the condition itself. In addition, the staff in charge also fail to conduct a detailed routine workplace inspection. 2. The genset operator was aware to wear PPE however, he was not wearing the safety shoes due to his safety shoes still wet after being cleaned earlier on that day. Subsequently, the decision of wearing casual shoes was not made aware to the management for temporarily replacement. , and only 1 PPE had been given to workers without backup PPE. In addition, the staff in charge also fail to conduct a detailed routine workplace inspection. 3. The PPEs have been issued out by the management to the workers. However, the actual operator was on leave and replaced temporarily by another worker who was not aware with the earplug usage. Sakilan Estate Workers were not made aware by the management that relabelling as per the original label is required should there be any liquid chemicals transferred to a smaller container from the original packaging.
Corrective Actions:	Linbar 1 Estate 1. To conduct refresher training on the SOP Workplace inspection to PIC/Field

	Staff with training evaluation. 2. Staff to conduct workplace inspection on daily, weekly and monthly basis 3. Reminder memorandum from management to display in notice board/office. 4. Evidence record of checking PPE where in bad condition to keep in PPE replacement file. 5. Induction training to be conducted to new worker before they undertake new assignment/task. <u>Sakilan Estate</u> Workshop's workers to be given training on USECHH Regulations on the requirement of relabelling of non-original containers with training evaluation.
Assessment Conclusion:	Major NC Close Out 1. Training on the SOP Workplace inspection to PIC/Field Staff dated 05/01/2023. 6 field supervisors was joined the training. Training evaluation has been documented 2. Daily workplace inspection on daily and monthly basis. Refer Daily Report, Weekly and Monthly Report for November 2022, December 2022 and January 2023 3. Reminder memorandum from management has been display in notice board/office. Refer Memo "Pematuhan Pemakaian PPE kelengkapan Perlindungan Diri" dated 03/01/2023. Verified evidence of Memo has been placed at Linbar 1 Estate Notice Board. 4. Evidence record of checking PPE was available. Refer document "Senarai Semak Alat Perlindungan Diri" dated January 2023. Interview with workers found they has been given appropriate PPE based on task or job. 5. Induction training to new worker before they undertake new assignment/task has been conducted. Refer training SOP Water Treatment Plant & NRA dated 05/12/2022 and 16/11/2022. Training evaluation has been documented. Interview with workers found their awareness was good. 6. Training on the requirement of USECHH Regulations has been conducted on 09/12/2022. Refer Training evaluation record. Interview with workshop workers found they have good awareness on USECHH Regulation. 7. Site visit at estate found all correction and corrective action has been implemented. Based on the above evidence, the major Non-Conformity is closed effectively on 04/02/2023. Continuous implementation will be further verified in the next assessment.
Effectiveness Closure (for previous audit closed Critical NC):	Based on verification through site visit at Mill and Estates, it was observed all workers wear appropriate PPE as determine in the procedures and HIRARC. Sighted evidence of Issuance of PPE records as at November 2023. On USECHH regulation, workers have good awareness. All container that has been transferred to other containers has been labelled. Sample checking on Petrol and Diesel containers. Training related PPE and USECHH has been conducted and all document related training material, attendance and photos was available. There is no reoccurrence of Major NC and Major NC was remained closed.

Previous Audit Critical (Major) Non-conformity			
NCR Ref #	2276438-202211-M2	**Issued Date**	17/11/2022
Due Date	16/02/2023	**Closure Date**	04/02/2023
Indicator & Category (Critical / Minor)	6.2.2 – Critical		
Statement of Nonconformity:	Employment contracts (main contract and extension) was not in compliance with national requirements.		
Requirement Reference:	Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.		
Objective Evidence:	Employment contract/extension offered was not in line with work permit/ VISA/ PLKS for the following workers:		

Worker information	Work permit/VISA/PLKS	Estate/Mill
Employee no: 796 Date joined: 1/2/18	Validity period until 29/3/23 (1 year), contract period 5 years until 2023	Sakilan POM
Employee no: ISRP/IOI/0208/5649 Date joined: 1/2/08	Validity period until 23/2/23 (1 year), contract period 2 years effective from 1/5/2022	Linbar II Estate
Employee no: ISRP/IOI/0319/5737 Date joined 11/3/19	Validity period until 23/4/23 (1 year), contract period 2 years effective from 1/5/2022	Linbar II Estate

Corrections:	1. Operating unit to renew the contract agreement using the latest version of contract agreement which will include the revised validity period in line with the national requirement. 2. Operating unit to brief workers on the changes of contract agreement.
Root Cause Analysis:	The latest version of workers' contract agreement has complied with the national requirement initially valid for 2 years with option to renew annually afterwards. However, for existing workers who still use the old contract agreement, operating unit will only change their contract after the 5 years validity ended as operating unit are not aware on the requirement and reluctant to change without clear instruction. Besides, any changes of the contract agreement need to be vetted by the authority (JTK).
Corrective Actions:	1. Human Resource Department to circulate memo with regards to contract agreement and its subsequent renewal processes in line with national requirements i.e., validity period of Work Permit/VISA/PLKS. And give training to person in-charge including Assistant Manager and Manager on the memo circular for their understanding before revision on the worker contract. 2. To held an engagement with the relevant authority (embassies, JTK) to discuss on contract agreement renewal.

	3. Training/refreshment training on the contract agreement to person in-charge programme a year to monitor the understanding, including the new person-in-charge. 4. To check all workers contract agreement and to renew based on the validity period as well as giving the copy to the workers. 5. To conduct training or briefing for contract agreement from time to time with workers.
Assessment Conclusion:	Major NC Close Out 1. Refer flowchart from Human Resource Department dated 01/12/2022. 2. Engagement with the relevant authority has been conducted. Refer Engagement with Labour Department dated 17/12/2022. Engagement with Indonesian Embassy dated 14&15/11/2022 and 19/12/2022. Engagement with Philippines Embassy dated 01/02/2023. 3. Final vetting of contract agreement by IOI Legal Department dated 02/02/2023. 4. Issuance of memorandum for adoption has been conducted on 03/02/2023. 5. Training/refreshment training on the contract agreement to person in-charge programme a year to monitor the understanding, including the new person-in-charge has been conducted. Refer Training dated 03/02/2023. 6. Contract agreement has been monitored by the respective units. Refer Sample of Amended contract for 2 sample workers (C382XXXX and C655XXXX) has been updated by the units. 7. Training has been conducted. Refer "Taklimat Berkenaan Perubahan Isi Dalam Kontrak Pekerjaan" dated 02/12/2022. Based on interview with sample workers found they have been aware and understand on the amendment of the contract agreement. Based on the above evidence, the major Non-Conformity is closed effectively on 04/02/2023. Continuous implementation will be further verified in the next assessment.
Effectiveness Closure (for previous audit closed Critical NC):	It was verified during the surveillance audit that the workers' agreements have been amended in accordance with the engagements held with the Konsulat Jendral Republik Indonesia and the Embassy of the Republic of Philippines. A memo dated 14/7/2023 (Ref No. IOI/SRO/HRD/23-921) was issued by Manager, Human Resources and Administration Sabah to all Head of Operating Units. This Memo was issued to inform of the engagement that was held with the Indonesian Consulate and Philippines Embassy, and that the contract employment period shall be two (2) years and that subsequent renewals shall also be two (2) years until further revision. The workers' agreements are now for a period of two (2) years as per the employment contracts issued by the embassy and consulate. Persons in charge of monitoring at each respective units, and workers interviewed during the audit demonstrated understanding of the changes in contract duration. Among the agreements and workers sampled were as follows: Linbar 1 Estate: 1SRP/IOI/0319/5060, 1SRP/IOI/0415/5126, 1SRP/IOI/0417/5130, 1SRP/IOI/1118/5132, 1SRP/IOI/0919/5188. Linbar 2 Estate: 1SRP/IOI/0912/5600, 1SRP/IOI/0917/5729, 1SRP/IOI/0519/5774, 1SRP/IOI/0820/19424, 1SRP/IOI/0122/31211.

	Sakilan Estate: 1SSD/IOI/0409/8629, 1SSD/IOI/1120/44223, 1SSD/IOI/1218/8704, 1SSD/IOI/0213/8791, 1SSD/IOI/0219/8798. Sakilan Mill: 1SHL/IOI/0113/6914, 1SHL/IOI/0113/6914, 1SHL/IOI/0409/6969, 1SHL/IOI/0817/6970, 1SHL/IOI/0417/6985. Based on the above, it was verified that the Corrective Actions have been consistently implemented at all sampled operation units. There is no reoccurrence of Major NC and Major NC was remained closed.

Previous Audit Minor Non-conformity			
NCR Ref #	2276438-202211-N1	**Issued Date**	17/11/2022
Due Date	20/11/2023	**Closure Date**	20/11/2023
Indicator & Category (Critical / Minor)	2.1.2 – Minor		
Statement of Nonconformity:	Monitoring on compliance related Genset (Electricity Regulation) and Employment Compliance (Contractor) was not effectively implemented.		
Requirement Reference:	A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.		
Objective Evidence:	<u>Linbar 2 Estate</u> To comply with regulations, Under Electricity Supply Act 1990 [Act 447], Electricity Regulations 1994, Regulation 67. Competent person and frequency of visit and inspection, the operating units has appointed visiting engineer to monitor and inspect the genset. However, during document review on Genset Inspection in Linbar 2 Estate, it was noted that the visiting engineer inspection was on quarterly basis. Reviewed the visiting records in Genset Inspection Record book dated 17/03/2022, 23/06/2022 and 22/09/2022. The SPO Department has conducted monitoring on legal compliance documented in SPO Documentation checklist. Reviewed the monitoring records dated 03/08/2022 found that the compliance status for Electricity Supply Act 1990 [Act 447], Electricity Regulations 1994 were complied. <u>Linbar 2 Estate</u> Syarikat Pengangkutan Kurnia Maju employee's payslip checked: i. SOCSO contribution was not in accordance with monthly contribution rate (third schedule for EPF) and rate of contribution (Act 4). EPF contribution based on RM1500 (minimum wage) with total contribution of RM328 and not proportionate with September 2022 salary (RM2,454.75). For SOCSO contribution, total of RM 11.75 (for RM 1400- 1500 salary scale) was made and verified via Jadual Caruman 8A for September 2022. ii. No EIS (Employee Insurance Scheme) contribution made in the payslip. iii. No evidence of employment contract between Syarikat Pengangkutan Kurnia Maju and the employee available for verification.		

Corrections:	To hold a meeting and discuss a clear term and condition as per law requirement and company standard with the visiting electrical engineer. The arrear of SOCSO and EIS contribution to be paid / repay in accordance to the gross wage following the respective act applicable. In addition, the evidence of the contractor's employee agreement is to be made available.
Root Cause Analysis:	It has been identified based on the objective evidence that there is no clear guideline/procedure stating the frequency of the genset visit by the competent. Monitoring was made only based on the availability of the document i.e. permit & visit record. Since there was no agreement made between company and the consultant with clear terms and condition as per law requirement, the monitoring was not conducted thoroughly. There is no mechanism of the management to monitor compliance for legal requirement for contractors` workers. There is no PIC has been appointed to monitor contractors. Request of the document had been communicated to the contractor every month. However, contractor only provide the summary of the document to estate management without the copy of document itself (payslip). Most of related documents acquired during a day before audit which lead to the management did not have adequate time to check and verify the compliances towards legal requirement .
Corrective Actions:	1. SPO Documentation checklist to be revised to include the visit frequency to the genset to ensure full compliances. Memo will be issued to any noncompliance observed for the estate information. 2. To ensure all license and permit being monitored according to the law and requirement. 3. Clerk in charge to collect the document required from the contractor. Assistant Manager will then cross check all the document to ensure the document is accurate and as per the law and requirement. SPO Department will further verify the data during their monitoring visit. 4. Estate to provide memo of notification to the contractor for any non-compliance. Similarly, SPO Department will issue out a memo of notification to the estate if they failed to provide evidence of contractor monitoring. 5. SPO to conduct training to staff & assistant manager on the contractor compliances monitoring from time to time.
Assessment Conclusion:	It was verified during the surveillance audit that the CAP submitted has been effectively implemented. Sighted was the SLO documented checklist of visits made by the Visiting Electrical Engineer. A service agreement with the competent engineer is for one year from 1/1/2023 to 31/12/2023. This is being complied as evidenced by the visit by the competent engineer from NTM Consultant whose monthly visits were sampled for the following dates: - 20/7/2023 - 17/8/2023 - 14/9/2023 Each operating unit monitors licenses and permits are up to date. Sampled during the audit were these latest permits and their respective expiry dates:

	Linbar 1 Estate: a. Labour Office Permit for salary deductions No. 600-1/2/8/32D/(11/SDK20 2018-092) valid until 26/10/2024 b. Trading License No. MDTKN:700-4(1/11/(06) valid until 31/12/2023 c. MPOB License No. 50243510200 valid until 31/8/2024. Linbar 2 Estate: a. Permit for diesel and petrol License No. S3537 valid until 13/6/2024 b. Licence to hire non-residents No. JTK.H. KBN 600-4/1/1 01261/0282 valid until 26/7/2024. c. MPOB license No. KBTG/2021/2449 valid until 31/12/2023. Sakilan Palm Oil Mill: a. RSPO licence No. RSPO 543161 valid until 7/3/2025 b. Labour Office permit for salary deductions No. JTKSBH/PMT/113/2023/0024 valid until 8/2/2025 c. Energy Commission License No. 2023/01424 valid until 23/5/2024. It was also verified at Linbar 2 Estate that the clerk has collected documents such as contractors' workers' payslips, copies of their contracts, for Pengangkutan Harapan Maju Sdn Bhd & Syarikat Pengangkutan Kurnia Maju. The documents were verified to be documented and in compliance with legal requirements. No memo has been issued by the SPO Department or Estates to contractors as there has been no non-compliances thus far. Record of training dated 10/11/2023 which was carried out by SPO was sighted and verified. This training entitled Sustainability Training on Environmental Aspects and 3rd Party Sustainability Requirements was attended by staff & assistant managers on the contractor compliances monitoring.

Previous Audit Opportunity for Improvement	
OFI#	**Description**
OFI 1	**OFI Statement:** N/A **Verification / Follow-up actions:** N/A

3.3.2 Summary of the Nonconformities and Status

CAR Ref.	Category (Critical / Minor)	P&C Indicator	Issued Date	Status & Date (Closure)
1853946-201911-M1	Critical	4.1.1	22/11/2019	Closed on 19/02/2020
1853946-201911-M2	Critical	5.4 (E4.1)	22/11/2019	Closed on 19/02/2020
1853946-201911-N1	Minor	4.2.3	22/11/2019	Closed on 17/11/2020
2037587-202103-N1	Minor	7.11.3	22/03/2021	Closed on 18/11/2021

2130106-202111-M1	Critical	3.4.3	18/11/2021	Closed on 09/02/2022
2130106-202111-N1	Minor	4.2.3	18/11/2021	Closed on 17/11/2022
2276438-202211-M1	Critical	3.6.1	17/11/2022	Closed on 04/02/2023
2276438-202211-M2	Critical	6.2.2	17/11/2022	Closed on 04/02/2023
2276438-202211-N1	Minor	2.1.2	17/11/2022	Closed on 20/11/2023
2424954-202311-M1	Critical	3.4.3	23/11/2023	Closed on 02/02/2024
2424954-202311-N1	Minor	3.3.2	23/11/2023	"Open"
2424954-202311-N2	Minor	3.5.2	23/11/2023	"Open"

3.4 Stakeholders and previous land owner / user consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill Certification Unit's environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

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

Stakeholders contacted		
Type of Stakeholder (e.g. Internal, Union, Contractor, Governmental Department, NGO, External, Communities)	**Stakeholder name / organization**	**Means of communication** (e.g. face to face interview, email, phone interview, comment from public notice)
Villagers/local communities	1. Dahari Dalle, Kg Kulu Kulu 2. Tasmaw Awang, Kg Pahu 3. Shamsul Lawu, Kg Lungmanis	Face to face interview
Contractors	1. Dalina, Pengangkutan Harapan Maju 2. Jack Yong, Weida Resources Sdn Bhd 3. Sia Boon Joon, J.S. Enterprise 4. Jahidin Arafat, Sidar Maju Enterprise. 5. Rahimah Mohd Noor, Rico Enterprise 6. Mohd Sabri Sudi, Syarikat Pengangkutan Kurnia Maju. 7. Azrizal Aziz, Syarikat Perniagaan Fiqrusyahlia	Face to face interview

NGO	1. Dyg Samnah bt Salam, teacher. - HUMANA 2. Noraidah bt Seibunah, Coordinator – HUMANA 3. Adi Setiawan, CLC Sandakan	Face to face interview
Governmental Department	1. Mohd Salleh Ismail, SK Sakilan Desa 2. Ahmad Sanusi Ibrahim, SK Sakilan Desa 3. Asliman, SK Lungmanis 4. Sheikh Ali Jinnah Sheikh Attar, SK Lungmanis 5. Zunikar bt Idris, Assistant Director, Dept of Education Sabah, Kota Kinabalu	Face to face interview Telephone

Stakeholders comment	
1	**Feedbacks:** Villagers from Kg Lung Manis, Kg Pahu & Kg Kulu Kulu are the nearest local communities who live near Linbar 1 Estate. All three are community representatives from their respective villages. They confirmed that the relationship with Linbar 1 Estate is good. They are able to access their villages and transport their FFB via Linbar 1 Estate, and respect the terms imposed by the company. For any requests for assistance to Linbar 1 Estate such as road repairs, supply of potable water to Kg Pahu, etc, they would submit a written request and the estate has always been responsive. They also received invitations to stakeholder meetings, even if sometimes they couldn't attend. The villagers also confirmed that there is no cases of land disputes between the villagers and Linbar 1 and Linbar 2 Estates.
	Audit Team verification and response: No further issue.
2	**Feedbacks:** The contractors informed that they have no issues of concern with the certification unit. They are aware of the legal requirements that they have to comply with. They claim that they understand the contents of the contracts despite it being in English. The contractors also confirmed that their invoices have always been paid within the agreed stipulated period of 30 days of the date of invoice. The contracts are renewed annually.
	Audit Team verification and response: The contractors' understanding on terms of payment differ from that of the certification unit. The certification unit's understanding is that the payment has to be paid within 30 days of the date of the invoice. However, the certification unit's understanding is payment is to be made within 30 days of receipt of invoice. Nevertheless, the contractors stated that so far their payments have always been on time. This was also verified during the audit.
3	**Feedbacks:** CLC teacher is based in CLC Kinabatangan, but comes to CLC in Sakilan Desa to assist the CLC teacher there twice a week. There are more than 30 pupils not just from within the certification unit, but also from nearby estates who attend CLC Sakilan Desa. Their curriculum is from Indonesia and is meant to provide education for Indonesian children so that they are able to continue with their education in Indonesia upon completion. However, due to demand, the teacher recommended that CLC be expanded to include primary school syllabus also (known as Sekolah Dasar). CLC does not have to pay for the cost of water and electricity.

	Audit Team verification and response: Spoke to Jabatan Pendidikan Negeri Sabah, Kota Kinabalu. The officer informed that the CLC is a G2G initiative between the Malaysian and Indonesian governments. The Sabah Department of Education is coming up with a new CLC guidelines which include usage of Malaysian curriculum as it was found that some of the contents are not suitable, for example on territorial claims surrounding Ligitan, Sipadan and Spratly Islands. However, until the new guidelines this is approved by the government, the existing CLC guidelines remain.
4	**Feedbacks:** The HUMANA teacher and coordinator thanked the certification unit, in particular Sakilan Estate and Mill for their generosity in providing place and facilities for the running of Humana school. HUMANA is open to children of Indonesian and Filipino descends. There are now around 90 pupils at Humana school where they are taught arithmetic and reading. When the pupils reach 12 years, the Indonesian pupils would attend the nearby CLC. The teacher also suggested that communications be improved with Sakilan estate so as to avoid any possible misunderstanding.
	Audit Team verification and response: The feedbacks were communicated to the sustainability team and the estate management on the communication improvement.
5	**Feedbacks:** Teachers from SK Sakilan and SK Lungmanis informed that the relationship between their respective schools and the certification unit has always been good. All their requests for in-kind or financial assistance have always been attended to. The requests were made in writing.
	Audit Team verification and response: No further issues.

List of land owner / user contacted					
Name	Years of ownership / used	Land area (ha)	Agreement (Yes / No)	Agreement base on FPIC (Yes/No)	Compliance on the agreement terms and conditions
Not applicable. IOI Sakilan legal area (country lease or freehold) were acquired directly from Sabah State government. All estates under IOI Sakilan POM certification units had underwent 2nd cycle of replanting.					

Previous land owner / user comment	
	Feedbacks: Not applicable. IOI Sakilan legal area (country lease or freehold) were acquired directly from Sabah State government. All estates under IOI Sakilan POM certification units had underwent 2nd cycle of replanting.
	Audit Team verification and response: No further verification required**.**

3.5 Impartiality and conflict of interest

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

Formal Signing-off of Assessment Conclusion and Recommendation

The audit objectives have been achieved and the certificate scope is appropriate. Based on the results of this audit, it is concluded that Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill has complied with the Malaysia National Interpretation 2019 of the RSPO P&C 2018 and audit criteria identified within the audit report. It is deemed that the management system has achieved its intended outcomes. Therefore, it is recommended that Halusah Ladang Sdn Bhd – Sakilan Palm Oil Mill is certified.

Report prepared by	**Acceptance of Assessment Conclusion**
Name: AHMAD RUFI BIN ABU TALB KHAN	**Name:** R. KUMARESH GENERAL MANAGER SANDAKAN REGION
Company Name: BSI SERVICES MALAYSIA SDN BHD	**Company Name: Halusah Ladang Sdn Bhd**
Title: CLIENT MANAGER	**Title: General Manager**
Signature:	**Signature:** *(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)*
Date: 25/02/2024	**Date: 03/03/2024**

Appendix A: Summary of Findings

Criterion / Indicator		Assessment Findings	Compliance
Principle 1: Behave ethically and transparently			
Criterion 1.1: The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.			
1.1.1	**(C)** Documents that are specified in the RSPO P&C are made available to the public. - Critical (Major) compliance -	Publicly available documents such as land titles, OHS plans, EIA, SIA, HCV documentation, pollution prevention and reduction plans, records of complaints and grievances, stakeholder request procedures, negotiation procedures, grievance book, RSPO Public Summary Report, company policies and continual improvement plans were available. IOI Group documents are also accessible through their Group's website link: http://www.ioigroup.com At Sakilan Mill and its supply base, the management documents related to environment, social and legal issues, were made available to the public except for those prevented by commercial confidentially or where disclosure of information would result in negative environmental or social outcomes.	Complied
1.1.2	Information is provided in appropriate languages and accessible to relevant stakeholders. - Minor compliance -	Based stakeholder meeting minutes, it was demonstrated that information was provided to the stakeholders during external stakeholder consultation held on 24/10/2023 which was attended by representatives from nearby schools, Klinik Kesihatan Sandakan, Klinik Gum Gum, nearby police station, HUMANA, CLC, transporters, contractors, suppliers and nearby plantations. Similarly, based on meeting minutes, this information were also provided to all internal stakeholders during the internal stakeholder	Complied

		meetings held at Linbar 1 (5/9/2023), Linbar 2 (5/9/2023), Sakilan Mill (6/11/2023) and Sakilan Estate (6/9/2023). This documented information was available in dual language, i.e., Bahasa Malaysia and English. The information provided verbally during the stakeholder meetings were in Bahasa Malaysia.	
1.1.3	**(C)** Records of requests for information and responses are maintained. - Critical (Major) compliance -	Based on the record of requests for information, there has been no request for information from external stakeholders during this audit period. However, sighted were requests from workers who requested information about the possibility of having extended electricity supply at the linesite to cater for family and social events.	Complied
1.1.4	**(C)** Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative. - Critical (Major) compliance -	Consultation and communication procedures are documented in the following documents: a. Stakeholder Request Procedure Flowchart (SOP 6.11; Rev 1B dated 28/12/2020); b. Stakeholder Complaint Procedure Flowchart (SOP 6.11; Rev 1A dated 17/01/2017); c. Negotiation Procedure (SOP 6.11; Rev 1A; dated 17/01/2017). These documents were also displayed at the main notice boards throughout Sakilan POM and Estate premises. Based on minutes of stakeholder meeting held on 24/10/2023, these procedures were disclosed and explained during the said stakeholder meeting by IOI's nominated representative, Jupri Mado, Manager, Sakilan Estate who is also the Chairman, Central Working Committee. Additionally, the stakeholders are also able to access to www.ioigroup.com or call the IOI Group General Line or write formal letter to Head Office of IOI if they have any requests or complaints.	Complied

1.1.5	There is a current list of contact and details of stakeholders and their nominated representatives. - Minor compliance -	Sighted and verified during the surveillance audit were the current list of stakeholder contacts and details as well as their nominated representatives. Each unit within Sakilan POM and its supply base has its own list of stakeholders who comprise relevant government agencies such as the Labour Department, Immigration Department, Department of Environment, Department of Safety and Health, Philippines Embassy and Indonesian Consulates/High Commission. Also included are neighbouring estates and smallholders, neighbouring villages, schools, canteen/shop operators, suppliers, contractors, etc.	Complied
Criterion 1.2: The unit of certification commits to ethical conduct in all business operations and transactions.			
1.2.1	A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts. - Minor compliance -	Sighted and verified during the surveillance audit was Policy known as 'Code of Business Conduct & Ethics' June 2020. Among others, this Policy calls for the following: a) Dealing fairly with customers, suppliers, contractors, competitors and other employees; b) Avoid situations of conflict of interests between personal interest and interests of the Company; c) Not to be influenced by receiving favours, and not to influence by giving favours; d) Not to accept any kinds of bribes or kickbacks or other unlawful or unethical benefits. This Policy is available on the IOI Plantation website www.ioigroup.com and shared with external stakeholders. Based on documentation review and interviews held with relevant personnel, its contractors and suppliers, Sakilan POM and its supply based was able to demonstrate that this Policy is being implemented.	Complied

		Supplier code of conduct signed by J.S. Enterprise and Jan Siong Transport together with the contracts they signed on 1/7/2023.	
1.2.2	A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice. - Minor compliance -	Systems are place to monitor compliance and implementation of the policy and overall ethical business practice. This include: a. Internal audit held on 13/9/2023 at Sakilan POM b. Internal audits held on 11/9/2023 at Linbar 2 Estate and 12/9/2023 at Linbar 1 Estate. c. Due diligence on the potential contractors done prior to signing of contract. This was sighted for J.S. Enterprise and Jan Siong Transport. To ensure compliance, the contractors are required to submit employment contracts with their workers, the workers' payslips, evidence that salaries were paid at the latest on 7th of every month, copies of passports and permits, and evidence that the workers are at least 18 years old.	Complied
Principle 2: Operate legally and respect rights			
Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.			
2.1.1	**(C)** The Unit of Certification complies with legal requirements - Critical (Major) compliance -	Based on the documents reviewed, interviews conducted and observations made, Sakilan Mill and its supply base are in compliance with the relevant legal requirements. Constant compliance of each operating unit is monitored by the Sustainable Palm Oil Department in Sandakan Regional Office, as well as the Sustainability and Safety Coordinator at each operating unit. Also sampled during the surveillance audit were current and valid licenses and permits as follows: <u>Linbar 1 Estate:</u>	Complied

		d. Labour Office Permit for salary deductions No. 600-1/2/8/32D/(11/SDK20 2018-092) valid until 26/10/2024 e. Trading License No. MDTKN:700-4(1/11/(06) valid until 31/12/2023 f. MPOB License No. 50243510200 valid until 31/8/2024. <u>Linbar 2 Estate:</u> d. Permit for diesel and petrol License No. S3537 valid until 13/6/2024 e. Licence to hire non-residents No. JTK.H. KBN 600-4/1/1 01261/0282 valid until 26/7/2024. f. MPOB license No. KBTG/2021/2449 valid until 31/12/2023. <u>Sakilan Palm Oil Mill:</u> d. RSPO licence No. RSPO 543161 valid until 7/3/2025 e. Labour Office permit for salary deductions No. JTKSBH/PMT/113/2023/0024 valid until 8/2/2025 f. Energy Commission License No. 2023/01424 valid until 23/5/2024.	
2.1.2	A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations. - Minor compliance -	The documented system for tracking changes to the laws and regulations, and for ensuring legal compliance is in place. The Sustainable Palm Oil has prepared a list of relevant laws applicable to oil palm estate and mill operations in a document titled Covenants and Standards Applicable to Sabah Estate & Mill Operations IOI Plantations Services Sdn Bhd. The document was last reviewed and updated on 2/6/2023. This list is updated each time there is a change or update in the relevant laws/regulations.	Complied

<table>
<tr><td></td><td></td><td>The Regional Office in Sandakan also subscribes to Lexis Nexis for the latest updates on any changes to the laws. In addition, monitoring is also done of any reputable media or news portals.</td><td></td></tr>
<tr><td>2.1.3</td><td>Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.
- Minor compliance -</td><td>The management has established the boundary maps, details each of the boundary stone available each estate. Site visit at each estate verified that the location of boundary stone. Sample of site visit of estate is as the following:
<table>
<tr><th>Estate</th><th>Block</th><th>Coordinate</th></tr>
<tr><td>Linbar 1 Estate</td><td>10G – Adjacent to Segaliud Lokan Forest Reserve</td><td>5°32′9.00″ N
117°41′14″ E</td></tr>
<tr><td>Linbar 2 Estate</td><td>16G - Adjacent to Segaliud Lokan Forest Reserve</td><td>5°28′59.00″ N
117°38′22.00″ E</td></tr>
<tr><td>Sakilan Estate</td><td>97W – Adjacent to IJM Plantation Estate</td><td>5°49′1.00″ N
117°53′6.00″ E</td></tr>
</table></td><td>Complied</td></tr>
<tr><td colspan="4">Criterion 2.2: All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.</td></tr>
<tr><td>2.2.1</td><td>A list of contracted parties is maintained.
- Minor compliance -</td><td>A list of contracted parties is maintained in each operating units' stakeholder list. Verified during the surveillance audit were the contractors engaged as follows:
Jen Siong Enterprise (Linbar 1 Estate)
J.S. Enterprise (Linbar 1 & 2 Estates)
Pengangkutan Harapan Maju Sdn. Bhd (Linbar 2 Estate)
Rico Enterprise Sdn Bhd (Sakilan Mill)
Lagenda Bumimas Sdn Bhd (Sakilan Estate, Sakilan Mill, Linbar 1 & Linbar 2)</td><td>Complied</td></tr>
</table>

		The list also contains the contact details and contact persons of each contracted party.	
2.2.2	All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available. - Minor compliance -	Based on the sampled contracts which were reviewed and verified during the surveillance audit, Sakilan Mill and its supply base were able to demonstrate that all contracts contain specific clause on meeting legal requirements. The relevant clause exists under Additional Requirements for Contractors and Service Providers which states that the contractors are aware of and comply with applicable local, national and ratified international laws and regulations, and not engage in child, forced or trafficked labour. In addition, contractors also signed supplier code of conduct committing to compliance with anti-bribery and anti-corruption laws, ensuring valid passports and work permits for their foreign workers. The sampled contractors were: ➢ Jen Siong Enterprise (Linbar 1 Estate) ➢ J.S. Enterprise (Linbar 1 & 2 Estates) ➢ Pengangkutan Harapan Maju Sdn. Bhd (Linbar 2 Estate) ➢ Rico Enterprise Sdn Bhd (Sakilan Mill) ➢ Lagenda Bumimas Sdn Bhd (Sakilan Estate, Sakilan Mill, Linbar 1 & Linbar 2) Evidence of legal due diligence were also sighted and verified. This include the operating units keeping the following: - Copies of contractor workers' passports and ICs which demonstrated that the contractors workers were 18 years and above;	Complied

		- Copies of permits, employment contracts, and monthly payslips demonstrated that the contractors were not engaged in trafficked or forced labour. Copies of contractor payslips demonstrated that contractor workers' wages exceed the minimum wages of RM1,500 per month, and that all statutory contributions such as SOCSO (for local and foreign workers), EIS and EPF (for local workers) were paid.	
2.2.3	All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection. - Minor compliance -	All sampled contractors signed Additional Requirements for Contractors and Service Providers which states that they are aware and comply with applicable local, national and ratified international laws and regulations, not engage in child, forced or trafficked labour. In addition, the contractors also signed IOI's Supplier Code of Conduct to ensure compliance with anti-bribery and anti-corruption, ensure workers have valid passports and work permits, and not engage in child and trafficked labour. Based on documentation review, interviews and observations, no young workers were employed.	Complied
Criterion 2.3: All FFB supplies from outside the unit of certification are from legal sources.			
2.3.1	**(C)** For all directly sourced FFB, the mill requires: • Information on geo-location of FFB origins • Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder • One or more supporting documents for claims • Valid MPOB license - Critical (Major) compliance -	Sakilan Palm Oil Mill has adopted the Identity Preserve Supply Chain Module, demonstrating a commitment to sustainability. The audit confirmed that the mill exclusively receives RSPO-certified Fresh Fruit Bunches (FFB) from the designated Supply Base, including Sakilan Estate, Linbar 1 Estate, and Linbar 2 Estate, as well as from other Certification Units within the IOI Group. The mill provides comprehensive and transparent documentation, ensuring traceability of the FFB supply chain. All relevant information on the direct sources of FFB is readily available for verification, highlighting	Complied

		Sakilan Palm Oil Mill's dedication to ethical and sustainable practices in the palm oil industry.	
2.3.2	For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1. - Minor compliance -	The mill received the FFB from group estate, thus there is no indirect FFB source obtained from any suppliers.	Complied
Principle 3: Optimise productivity, efficiency, positive impacts and resilience			
Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.			
3.1.1	**(C)** A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders. - Critical (Major) compliance -	A business plan for 5 years has been documented. Sakilan Palm Oil Mill and Supply Bases certification unit has established and implemented its commitment to long term sustainability and improvements through a capital expenditure programme. Annual business plan in the form of annual budget and the projection for 5 years (2023-2027) were prepared as guidance for future planning. Annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning. In the 5 years business plan include items as follows: a) Palm oil mill i. Mill intake – FFB input ii. Production of CPO iii. Production of PK iv. Total Palm Oil Extraction v. Total Palm Kernel Extraction vi. Mill cost b) Oil Palm Estate i. Area Statement	Complied

		ii. Crop (FFB) by year planting and by monthly breakdown a. Mature upkeep b. Manuring c. Harvesting and collection d. Transportation e. Nursery iii. Estate administration a. Admin Cost iv. Labour overhead v. Details Of Replanting Programme vi. Executive/Staff and Workers Requirement vii. Mature Oil Palm Costing Statement viii. General Charges Statement ix. Capital Expenditure Statement x. Summary Replanting Cost to maturity xi. Replanting Cost Field By Field The budget plan was reviewed annually with both actual and forecasted amount for 5 years (up to 2027) and well documented upon request.	
3.1.2	An annual replanting programme projected for a minimum of five years with yearly review, is available. - Minor compliance -	An annual replanting programme for incoming 5 years has been documented. Refer to Replanting programme 2023 - 2027. Replanting planned for the palm older than 25 years, non-performance field (yield) and Ganoderma infected palm. Long range replanting program for SOU 10 for the next 5 years as follows: [illegible] | Replanting (Ha)	Complied

<table>
<tr>
<td></td>
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<table>
<tr><td>Estate</td><td>2023</td><td>2024</td><td>2025</td><td>2026</td><td>2027</td></tr>
<tr><td>Linbar 1 Estate</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td></tr>
<tr><td>Linbar 2 Estate</td><td>110.00</td><td>0.00</td><td>0.00</td><td>0.00</td><td>0.00</td></tr>
<tr><td>Sakilan Estate</td><td>342.00</td><td>324.00</td><td>439.00</td><td>433.00</td><td>0.00</td></tr>
</table>
There is no replanting for Linbar 1 Estate as the last replanting was conducted in 2019. There is no replanting plan for next 10 years at Linbar 1 Estate.
</td>
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<tr>
<td>3.1.3</td>
<td>The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertake.
- Minor compliance -</td>
<td>Latest management review meeting was conducted at for the certification unit as follows:
- Date: 03/10/2023
- Location: Sakilan Palm Oil Mill Conference Room
- Attendance: All Estate Manager, and Executive.
The minutes of meeting were verified. The topic discussed in the meeting were:
1. Opening Speech
2. Discussion on Internal and External Audit Report
3. Performance Review of Mill, Estates, and Customer Feedbacks
4. Status of corrections and corrective actions
5. Follow up actions from previous management review
6. Continuous Improvement Aspect of mill and estates
7. Complaints and Grievances
8. Resource Needs and Training
9. Roundtable assessment of additional issues and discussion on the action plan</td>
<td>Complied</td>
</tr>
</table>

		10. Other matters	
Criterion 3.2: The unit of Certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable Continuous improvement in key operations.			
3.2.1	**(C)** The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification. - Critical (Major) compliance -	The continuous improvement plan is available for review at each site. Sample of the continuous improvement conducted at each estate and mill visited is as the following: <u>Linbar 1 Estate</u> 1. Social - Mini hall construction - Monsoon drain at housing area - New shower room separating the male and female workers - Replacement of rain gutter at line site 2. Environment - Recycle management to reduce the pollution and waste of resources by promoting and supporting recycling practises by reselling waste to authorized buyer 3. Safety - First aid kit training for mandora and workshop foreman dated 06/08/2023 - Basic occupational First Aid Training (BOFA) training 4. New technologies - New excavator for drains, roads and bridges upkeep - New trailer – usage of scissor high lift tipping trailer to assist the FFB evacuation - Shovel connected to tractor to assist in roads upkeep.	Complied

		- New crawler to assist in FFB evacuation from field to platform Sakilan Palm Oil Milll 1. Safety - Improved the mill fencing - First Aid training for all the staff and workers 2. Environment - Desludging of effluent pond	
3.2.2	As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the [RSPO metrics template]. **PROCEDURAL NOTE:** The RSPO metrics template is awaiting decision/agreement by RSPO and the issue is still being discussed. Until such metrics is agreed and developed, companies will carry on with existing reporting e.g. PalmGHG, Annual Communication of Progress (ACOP) reporting, and information provided to Certification Body and feedback via RSPO Secretariat is required. - Minor Compliance -	Annual RSPO Metrics reports has been submitted. RSPO metric template version 2.1 is used for the reporting of Sakilan Palm Oil Mill certification unit's metrics (economic, social and environment). Based on verification with input data, no discrepancies of data reported for the said period for all metrics.	Complied
Criterion 3.3: Operating procedures are Appropriately documented, consistently implemented and monitored.			
3.3.1	**(C)** Standard Operating Procedures (SOPs) for the unit of certification are in place. - Critical (Major) compliance -	The Standard Operating Procedure (SOP) for both the Mill and Estate has been established and is outlined in the Group Standard Operating Procedures for Palm Oil Mill, initially dated 01/07/2017 and subsequently revised to incorporate new work methods. The SOP Master list for the Mill encompasses various crucial operations	Complied

		and activities, including FFB Reception, FFB Handling, Sterilizer, Threshing, Digestion and Pressing, Oil Room, Depericarper, Nut and Kernel Plant, Products Storage and Dispatch, Laboratory, and more. Likewise, the Estates have their SOP outlined in the Standard Operating Procedure (SOP) for Estate Operation dated 30/09/2020. The master list for the Estates includes SOP related to best management practices and procedures for operations such as Manuring, Spraying, Genset Operation, Harvesting and Loading, Planting Density, Nursery, Land Clearing and Preparation, Planting Technique, Pest and Disease control, Road Maintenance, Workshop, and others. All documented SOPs are in English, dated accordingly, and have received approval from the management. The latest versions of the SOPs were readily available on-site. To facilitate understanding by workers, copies of the SOPs were distributed and posted at operation sites in Bahasa Malaysia. Additionally, SOPs in both the mill and estates were laminated, displayed on notice boards, and placed at workstations to ensure high visibility and easy accessibility for all workers. Interviews conducted and training records reviewed indicate a clear understanding of the SOPs among staff and workers.	
3.3.2	A mechanism to check consistent implementation of procedures is in place. - Minor Compliance -	Regular supervision serves as the primary mechanism for verifying the consistent implementation of procedures. In addition to routine supervision, visits by controllers for both the mill and plantation further strengthen the monitoring of operations. Internal audits, carried out by a group of internal auditors, play a crucial role in ensuring adherence to sustainability standards. Both the Estates and the Mill have well-established mechanisms for conducting checks to ensure the consistent implementation of	Non-compliance

		procedures. These mechanisms, which include routine supervision, controller visits, and internal audits, collectively contribute to maintaining and assessing the adherence to established procedures and standards. <u>Sakilan POM</u> 1. Daily Production Report 2. Scheduled visits by SPO / Head Office 3. Controller / Director/ CEO visit 4. Inspection visits by Government Agency/ Department Estates Operations 1. Daily production/work records for the core activities at the estates 2. Field cost book / chemical consumption record 3. Mature/immature field work program - fertilizer application, - herbicide spraying, / rat baiting, 4. Harvesting and collection of FFB. **Minor NC** There is no mechanism to check procedures for Contractor OSH Matters. Based on verification of OSH Meeting at Linbar 1 Estate and Sakilan POM, there is no evidence that contractors has been included in the OSH Committee and attended the OSH Quarterly Meeting. It was not in line with OSH Manual and OSHMS Documents, procedure safety & health instructions for contractor, Appendix 1, No 26. Contractor shall also be members of company's safety and	

		health committee and attend meeting s whenever held by the management.	
3.3.3	Records of monitoring and any actions taken are maintained and available. - Minor Compliance -	Record of monitoring on the implementation of procedures was available. The visit report was available for verification. Sample of monitoring records as below; <u>Linbar 1 Estate, Linbar 2 Estate, Sakilan Estate</u> 1. Controller / Agronomist report 2. RSPO internal audit 3. Workplace Inspection 4. Management review 5. Monthly report on costing, yield, HR & management of immature fields. 6. Annual and monthly field work program. 7. Rainfall data / R&D census 8. Budget for Crop and financial. 9. Field cost book indicating total 10. Man days, labour cost, material cost, total cost, unit cost per ha <u>Sakilan POM</u> 1. Daily production report i.e. FFB processed and balances 2. CPO / CPK produced and despatches and stocks 3. Machinery maintenance records 4. Labour out turn and productivity 5. Quality system, document control, 6. Purchasing, process control, inspection and testing,	Complied

		7. Inspection measuring and test equipment, inspection and test status, 8. Control of non-conforming product, complaint and failure investigation, 9. Handling, storage, packaging and delivery, 10. Quality records, internal quality audits, Internal audit has been conducted by internal auditor to check the compliance towards RSPO requirements. Internal audit date as below: 1. Sakilan POM: 13/09/2023 2. Linbar 1 Estate: 12/09/2023 3. Linbar 2 Estate: 11/09/2023 4. Sakilan Estate: 15/09/2023 Internal visit has been conducted by Mill and Estate Controller in order to check the compliance of their procedure. Latest Report as below: 1. Sakilan POM: 06/10/2023 2. Linbar 1 Estate: 09/11/2023 3. Linbar 2 Estate: 18/08/2023 4. Sakilan Estate: 04/09/2023	
Criterion 3.4: A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.			
3.4.1	**(C)** In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/out-grower scheme, is documented.	There is no new planting within any of the units under Sakilan Mill and its supply base. However, a Social Impact Assessment Management Actin Plans & Continuous Improvement Plans were developed for each operating unit by the Sustainable Palm Oil Department team in collaboration with the respective managers	Complied

	- Critical (Major) compliance -	and assistant managers. These assessments were undertaken with the participation of affected stakeholders. Please see Indicators 3.4.2 and 3.4.3 below. Environmental Impact Assessment (EIA) Sakilan Palm Oil Mill and Supply Bases has been prepared FY 2023 dated 06/11/2023. The Environment Impact Identification was conducted with reference to the following: 1. Identification and Management of Waste 2. Identification and management Plan for Potential Pollutants 3. Identification of Side Products 4. Identification of Integrated Pest management 5. Impact of Replanting and management plan 6. Road construction , culvert maintenance and bridge 7. Water management	
3.4.2	For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders. - Minor Compliance -	It was verified that each operating unit had carried out its own SIA assessment and monitoring plans with the participation of affected stakeholders. These include internal stakeholders (clerks, estate and mill supervisors, security personnel, weighbridge operators, effluent operators, process operators, mandores, workshop workers, worker representative groups, Women Empowerment Committees, Joint Consultative Committees), and external stakeholders (contractor, suppliers, HUMANA, CLC, nearby villagers, nearby estates, etc). External stakeholder meeting for all operating units was held on 24/10/2023. Internal stakeholder meetings were held as follows:	Complied

		Linbar 1 & Linbar 2 Estates: 5/9/2023 Sakilan POM: 6/11/2023 Sakilan Estate: 6/9/2023. At these meetings, positive and negative impacts were received from the stakeholders. Positive impacts included availability of thumb print and face ID scanner, presence of HUMANA & CLC, free transportation for school children, strong water pressure at the workers' housing, workers provided with free housing and amenities. Negative impacts included no primary school at the CLC, repair of school canteen at SK Sakilan had to be put on hold until the land title for the school issue is resolved, some streets near the housing were not sufficiently lit. The monitoring plans developed upon receiving the stakeholder inputs. Based on the above, Sakilan Mill and its supply base were able to demonstrate that the SIA and monitoring plans have been developed with participation of affected stakeholders.	
3.4.3	**(C)** The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way. - Critical (Major) compliance -	The management plan established base on operation with significant impact to the environment. The management plan was reviewed annually. The management plan stated the environmental issue, mitigation actions, monitoring plan and person responsible for monitoring implementation. Generally, the SIA and monitoring plans were implemented and reviewed in a participatory way. The reviews were held with the	Non-compliance

		internal and external stakeholder as described under Indicator 3.4.2 above. The reviews were held once a year, as follows: Linbar 1 Estate: 12/11/2023. Linbar 2 Estate: 8/11/2023 Sakilan POM: 13/11/2023 Implementation of the monitoring plan was verified when the actions were taken. Sampled during the audit was the dark street near workers' housing have been lit using solar power, the weighbridge digital meter has been moved to avoid rain splashes, placed, improved water pressure at the workers' housing following the purchase of new 1,000 litre tanks. However, at Linbar 2 Estate, the SIA Management Action Plan reviewed on 8/11/2023 states that workers housing (linesite) should have no structural, electrical or plumbing alterations, decorations or major repairs without prior approval from Head Office. A report dated 3/10/2023 issued by Civil Engineer (Sandakan Region) has identified a major extension at Linbar 2 Estate linesite and has recommended that the extension be dismantled. As of the date of the audit, the extension has not been dismantled. This issue was also not discussed in a participatory manner with the relevant stakeholder (worker) and not recorded in the SIA review dated 8/11/2023. **Therefore, a Major Non-Compliance was raised.**	
Criterion 3.5: A system for managing human resources is in place.			

3.5.1	Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable. - Minor Compliance -	Sakilan Mill and its supply base were able to demonstrate that employment procedures for recruitment, selection, hiring promotion, retirement and termination were documented. This was available under document titled SOP Employment Procedures For Workers (Recruitment Selection and Hiring). The SOP was briefed to the workers and their contractors during stakeholder meeting, and during briefings. Sampled were the briefings done at Linbar 1 Estate (15/8/2023), Linbar 1 Estate (30/10/2023), Sakilan Estate (15/8/2023). Under the SOP, recruitment would involve filling up a job application form, showing copies of MyKad, or identification document for migrant workers, skills such as training certificates, documented interview process, medical examination and medical report, issuance of letter of offer. For retirement, it is 60 or 55 years as per Minimum Retirement Age Act 2012. For workers, it involves letter application for retirement, tax clearance with the Income Tax Department; foreign workers involves permit cancellation with Immigration Department and prepare for repatriation. At Linbar 1, as per the SOP on Absconded Foreign Workers updated on 8/2/2021, a police report was lodged on 13/10/2023 (Ref. Beluran/2162/22), and a permit cancellation letter was sent to Director, Sabah Immigration Department via letter IOI/LB1/MR/065/22-23 dated 13/10/2023.	Complied
3.5.2	Employment procedures are implemented, and records are maintained. - Minor Compliance -	Based on the workers' personal files, evidence was available that the employment procedures for local and migrant workers are being implemented, and records of employment maintained. Sighted during the audit were job application forms, relevant qualifications and certificates, job interview, records of medical	Non-compliance

		check-up, and the issuance of letter of job offer. There was also evidence of medical examination, certificate of fitness for new recruitment, signing of employment contracts, and record of induction training attended. However, at Sakilan Palm Oil Mill, it was found that SOP on Absconded Foreign Workers was not implemented. The employment procedures SOP on Absconded Foreign states: a) Operating centre to lodge a police report and send application to Human Resources Department (HRD). b) HRD to send request to agency for payment. c) Agency to send complete permit cancellation request to Immigration Department with payment. A Sakilan Palm Oil Mill, a worker absconded and a police report was lodged by the Mill on 30/1/2023. However, as of the date of the audit, the Company was not able to demonstrate b) and c) above as required under the said SOP. **Therefore, a minor Non-compliance was raised.**	
Criterion 3.6: An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.			
3.6.1	**(C)** All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented. - Critical (Major) compliance -	All operations within the estate and mill underwent a thorough risk assessment to identify health and safety (H&S) issues. Mitigation plans and procedures were documented and subsequently implemented, as confirmed by the verification process. Specifically, Safety Management Plans for Sakilan POM and the Estates, dated 04/06/2023, have been established to outline procedures for managing safety. Additionally, an Occupational Safety and Health (OSH) Plan, along with a training schedule, has been documented	Complied

		to further support and enhance safety measures. These efforts underscore a proactive approach to addressing and mitigating potential health and safety risks within the operations. <u>Sakilan POM</u> 1. The mill had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, HIRARC is subject for a review in event of the following Change in work process, revision/changes in legislative requirement and Occurrence of accidents. Latest reviewed was conducted on 18/04/2023. Sample checking on Workshop, Palm Kernel Dispatch and Effluent Pond. 2. Chemical Hazard and Risk Assessment (CHRA) has been conducted on 27/03/2022 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298-2020/182. Additional CHRA has been conducted on 16/10/2023 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298-2020/182. 3. Medical Surveillance has been conducted on 05/10/2023 by DAB OH Sdn Bhd. A total of 40 workers were examined and none of them got abnormal results or recommended for removal. 4. Noise Risk Assessment (NRA) has been conducted on 05/09/2020 by DAB OH Sdn Bhd with report reference number DABOH/0920/051. 5. Audiometric test has been conducted as per NRA recommendation dated 05/10/2023 by DAB OH Sdn Bhd. A total of 43 workers were examined and result indicates that 42 have normal hearing, 1 worker with abnormal audiogram and none of them fall under Standard Threshold Shift(STS)	

		6. Workplace Inspection has been conducted on monthly basis. Latest record sighted on 27/09/2023. <u>Linbar 1 Estate</u> 1. The estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, HIRARC is subject for a review in event of the following Change in work process, Revision/changes in legislative requirement and Occurrence of accidents. Latest reviewed was conducted on 05/01/2023. Sample check on the HIRARC Tractor, Manuring and Spraying. 2. Chemical Hazard and Risk Assessment (CHRA) has been conducted on 12/11/2020 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298-2020/217. Additional CHRA has been conducted on 28/09/2022 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298-2020/217. 3. Medical Surveillance has been conducted on 09/09/2023 by Klinik Ung Lahad Datu Sdn Bhd. A total of 49 workers were examined and the results were all workers are certified as fit to work. 4. Noise Risk Assessment (NRA) has been conducted on 25/09/2020 by DAB OH Sdn Bhd with report reference number DABOH/1020/056. 5. Audiometric test has been conducted as per NRA recommendation dated 22/03/2023 by DAB OH Sdn Bhd. A total of 36 workers were examined and result indicates that 27 have normal hearing, 7 workers with abnormal audiogram and 2 of them fall under Standard Threshold Shift(STS). Further examination by OHD has been conduct and report was available. Retest has been conducted on 12/08/2023.	

		6. Workplace Inspection has been conducted on monthly basis. Latest record sighted on 10/11/2023. <u>Linbar 2 Estate</u> 1. The estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, HIRARC is subject for a review in event of the following Change in work process, Revision/changes in legislative requirement and Occurrence of accidents. Latest reviewed was conducted on 04/01/2023. Sample check on the HIRARC Ramp, Manuring and Loose Fruit collection. 2. Chemical Hazard and Risk Assessment (CHRA) has been conducted on 12/11/2020 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298-2020/218. Additional CHRA has been conducted on 18/10/2023 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298. 3. Medical Surveillance has been conducted on 09/09/2023 by Klinik Ung Lahad Datu Sdn Bhd. A total of 32 workers were examined and the results were all workers are certified as fit to work. 4. Noise Risk Assessment (NRA) has been conducted on 25/09/2020 by DAB OH Sdn Bhd with report reference number DABOH/1020/057. Additional NRA has been conducted on 26-27/07/2022 and 13-14/10/2023 by DAB OH Sdn Bhd. 5. Audiometric test has been conducted as per NRA recommendation dated 04/10/2023 by DAB OH Sdn Bhd. A total of 20 workers were examined and result indicates that 19 have normal hearing, 1 workers with abnormal audiogram and none of them fall under Standard Threshold Shift (STS).	

		Further examination by OHD has been conduct and report was available. 6. Workplace Inspection has been conducted on monthly basis. Latest record sighted on 16/11/2023. <u>Sakilan Estate</u> 1. The estates had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, HIRARC is subject for a review in event of the following Change in work process, Revision/changes in legislative requirement and Occurrence of accidents. Latest reviewed was conducted on 04/04/2023. Sample check on the Tractor, Chemical store and Nursery. 2. Chemical Hazard and Risk Assessment (CHRA) has been conducted on 12/11/2020 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298-2020/216. Additional CHRA has been conducted on 06/11/2023 by DAB OH Sdn Bhd with report reference number HQ/11/ASS/00/298. 3. Medical Surveillance has been conducted on 22/03/2023 by DAB OH Sdn Bhd. A total of 43 workers were examined and the results were all workers are certified as fit to work. 4. Noise Risk Assessment (NRA) has been conducted on 21/09/2020 by DAB OH Sdn Bhd with report reference number DABOH/0920/054. 5. Audiometric test has been conducted as per NRA recommendation dated 22/03/2023 by DAB OH Sdn Bhd. A total of 25 workers were examined and result indicates that 18 have normal hearing, 7 workers with abnormal audiogram and none of them fall under Standard Threshold Shift (STS).	

		Further examination by OHD has been conduct and report was available. 6. Workplace Inspection has been conducted on monthly basis. Latest record sighted on 04/10/2023. Appropriate risk control measures were determined and implemented for the respective activities and operation. Most of the moving part and rotating machinery were installed with machine guarding and properly covered. Appropriate administrative controls such as safety signage were displayed at all work stations in the mill and estate offices and workshop. In general, the control measures were appropriate to the identified risks.	
3.6.2	**(C)** The effectiveness of the H&S plan to address health and safety risks to people is monitored. - Critical (Major) compliance -	The Safety Management Plans for Sakilan Palm Oil Mill and Estates, dated 04/06/2023, have been meticulously established. Furthermore, an Occupational Safety and Health (OSH) Plan, along with a comprehensive training schedule, has been documented. Training needs analyses have been carefully recorded and consistently monitored. The effectiveness of the Hazard Identification, Risk Assessment, and Risk Control (HIRARC) process is vigilantly ensured through the use of checklists and regular training sessions. Site visits conducted around both the mill and estates affirm that the control measures outlined in the HIRARC are consistently followed and enforced by the respective managements. Workplace inspections, carried out on a monthly basis, contribute to the ongoing assessment of safety measures. The findings from these inspections are systematically discussed in Quarterly OSH Meetings, emphasizing a proactive and collaborative approach to addressing workplace safety concerns.	Complied

<table>
<tr><td></td><td></td><td>The implementation of OSH plan was monitored by internal audits conducted by Executives from HSE Department. The OSHA plan among others initiated by the estates/mill are as follows;
<table>
<tr><th>No</th><th>Task</th><th>Activity</th></tr>
<tr><td>1</td><td>OSH Legal Compliance</td><td>Review all relevant legal compliance</td></tr>
<tr><td rowspan="3">2</td><td rowspan="3">Emergency Response Plan</td><td>ERP Training</td></tr>
<tr><td>Fire drill</td></tr>
<tr><td>Enforcement Visit</td></tr>
<tr><td rowspan="2">3</td><td rowspan="2">OSH Management System</td><td>Review documentation</td></tr>
<tr><td>HIRARC review</td></tr>
<tr><td rowspan="3">4</td><td rowspan="3">Risk Management</td><td>Identify High Risk Area</td></tr>
<tr><td>maintenance</td></tr>
<tr><td>Hygiene Tech</td></tr>
<tr><td rowspan="3">5</td><td rowspan="3">Accident Investigation/reporting</td><td>Accident Investigation</td></tr>
<tr><td>JKKP 8/6 submission</td></tr>
<tr><td>Chemical Register</td></tr>
</table></td><td></td></tr>
<tr><td colspan="4">Criterion 3.7: All staff, workers, Scheme Smallholders, out-growers, and contract workers are appropriately trained.</td></tr>
<tr><td>3.7.1</td><td>(C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and out-growers, taking into account gender-specific needs, and which covers applicable aspects of the RSPOP&C, in a form they understand, and which includes assessments of training.</td><td>The Safety Management Plans for Sakilan Palm Oil Mill and Estates, dated 04/06/2023, have been formally established. Additionally, an Occupational Safety and Health (OSH) Plan, along with a comprehensive training schedule, has been documented. Operating units visited have conducted a thorough training needs</td><td>Complied</td></tr>
</table>

	- Critical (Major) compliance -	analysis for all employees, management, and contractors. This analysis is based on job designations and the specific training required for each job type. Training programs were identified for management, employees, and contractors, and they were strategically scheduled throughout the fiscal year 2022/2023. The identified training encompasses safety and health, environmental, and social aspects. Certification units implemented means to assess participants' understanding, including the completion of post-training evaluation/feedback forms and the provision of suggestions. Moreover, knowledge acquisition and behavioural application were rated by immediate supervisors in the workplace post-training. Random interviews with workers revealed a solid understanding of RSPO, subsidiary policies, adherence to work/job Standard Operating Procedures (SOPs) and associated consequences for deviations, the importance of Personal Protective Equipment (PPE) along with a demonstration of donning and when it should be changed, the use of fire extinguishers, as well as an understanding of workplace hazards, risks, and necessary control measures. The annual training program for 2022/2023 has been established and comprehensively covers all aspects of RSPO requirements. Additional subjects, such as estate operating procedures, parameters, and vehicle maintenance, were also included. The training program specifies the target groups of employees for each allocated subject, ensuring a well-rounded and targeted approach to training initiatives.	
3.7.2	Records of training are maintained. - Minor Compliance -	Records of trainings were maintained by the Mill and all estates as below: - <u>Sakilan POM</u>	Complied

Training	Date
PPE Training	02/01/2023
SOP Steriliser and PPE	09/03/2023
SDS Training	20/06/2023
First Aid Training	19/05/2023
PTW Training	13/07/2023
ERT Training	13/07/2023
Chemical Handling Training	16/10/2023
SOP Loading Ramp FFB	02/10/2023
Accident Investigation Training	29/07/2023
PHP Training	09/05/2023
LOTO Training	17/02/2023
Press Station Training	26/10/2023

Linbar 1 Estate

Training	Date
SOP Harvesting	19/01/2023
Spraying Calibration	07/02/2023
SOP Premix and SDS Training	20/02/2023
ERP Training	27/02/2023
Premix Training	20/02/2023

First Aid Training	15/03/2023
Chemical Store Training	12/04/2023
SOP Manuring Training	14/06/2023
Genset Operator Training	19/06/2023
SOP Air Compressor & Oxy Acetylene Training	02/09/2023

Linbar 2 Estate

Training	Date
Hearing Conservation Program	26/01/2023
SOP Spraying	30/01/2023
First Aid Training	20/02/2023
ERP Training	17/03/2023
SOP Harvesting	27/02/2023
SOP Manuring	28/02/2023
Chemical Handling	18/04/2023
SOP Pre Mixing	25/04/2023
Triple Rinsing Chemical Training	31/03/2023
Calibration Spraying	03/05/2023
Genset Training	27/06/2023

Sakilan Estate

		Training / Date SOP Harvesting FFB and PPE / 04/07/2023 SOP Sprayer and PPE / 05/07/2023 SOP Premixing Chemical / 08/04/2023 Spray Pump Chemical / 12/06/2023 First Aid Training / 28/04/2023 ERP Fire Drill Training / 17/06/2023 SOP Working at Height / 31/01/2023 SOP Manuring and PPE / 31/07/2023 SOP Nursery / 03/06/2023 SOP Landfill / 29/03/2023	
3.7.3	Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed. - Minor Compliance -	The mill has diligently identified all pertinent personnel involved in the supply chain system, including key roles such as the Mill Manager, Assistant Mill Manager, Compliance Executive, Compliance Clerk, Laboratory Staff, Weighbridge Operator, Security, and Grader. To ensure the effective implementation of the Supply Chain Certification Standard, the identified personnel receive tailored training. Specifically, reference is made to the RSPO Supply Chain Training conducted on 10/11/2023, which involved 12 participants. This training is designed to equip personnel with the knowledge and skills crucial for the successful implementation of the Supply Chain Certification Standard. Additionally, training for contractors was conducted on 16/11/2023, with 2 participants, further extending the reach of awareness and competence in adhering to supply	Complied

		chain standards. These efforts underscore the commitment to comprehensive training initiatives for individuals involved in the supply chain system.	
Criterion 3.8: Supply chain requirement for mills (note: All supply chain requirements are considered as **Critical (C)**. However, it will not contribute to suspension if there is more than 5 non-compliance within a principle)			
3.8.1	Identity Preserved Module A mill is deemed to be Identity Preserved (IP) if the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Mass Balance Module is applicable.	Sakilan Palm Oil Mill has implemented the Identity Preserve Supply Chain Module, as verified during the audit. The mill exclusively receives Roundtable on Sustainable Palm Oil (RSPO) certified Fresh Fruit Bunches (FFB) from the Supply Base, Sakilan Estate, Linbar 1 Estate, Linbar 2 Estate, and other Certification Units within the IOI Group. To guide the adoption of the Identity Preserve Module, IOI Plantations has established a Standard Operating Procedure (SOP) titled RSPO Supply Chain – Identity Preserve. This SOP is documented under document number RSPOSC/SOP/IP/3, revision number 8, dated 31/10/2022. The SOP covers various aspects, including: 1. Purpose 2. Scope 3. Responsibilities 4. Reception of Raw Materials 5. Processing and Storage 6. Despatch of Mill Produce 7. Records and Retention 8. Training 9. Claims	Complied

		10. Overproduction 11. Handling Complaints 12. Non-conformities Product 13. Management Review	
3.8.2	Mass Balance Module A mill is deemed to be Mass Balance (MB) if the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.	Sakilan Palm Oil Mill has implemented the Identity Preserve Supply Chain Module. This was confirmed during the audit, and it was found that the mill exclusively receives Roundtable on Sustainable Palm Oil (RSPO) certified Fresh Fruit Bunches (FFB). These certified FFB originate from the Supply Base, Sakilan Estate, Linbar 1 Estate, Linbar 2 Estate, and other Certification Units within the IOI Group. Therefore, this is not applicable.	Not Applicable
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	The public summary report includes the estimated tonnage of Crude Palm Oil (CPO) and Palm Kernel (PK) products that the certified mill has the potential to produce. The summary of CPO and PK deliveries since the last audit is presented in Table 10 of the report. This table provides a detailed breakdown of the actual quantities of CPO and PK delivered by the mill since the last audit, offering a transparent overview of the production output during that period.	Complied
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform.	The mill has met all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization, PalmTrace. The registration of PalmTrace will be carried out by the Marketing Department in HQ. Company has registered in PalmTrace system as follows: Palm Trace ID: RSPO_PO1000000110 Member name: Halusah Ladang Sdn Bhd – Sakilan POM	Complied

		Licence status: Active Validity: 08/03/2023 – 07/03/2024 Supply Chain Model: Identity Preserved Reporting requirements for supply chain was verified through RSPO IT platform - Summary of transactions.	
3.8.5	Documented procedures The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following: a) Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). c) Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill's procedures for the implementation of this standard. d) The mill shall have documented procedures for receiving and processing certified and non-certified FFBs including ensuring no contamination in the IP mill.	IOI Plantation has established SOP entitled RSPO Supply Chain – Identity Preserve as guidelines to adopt the Identity Preserve Module. Refer document no. RSPOSC/SOP/IP/3, rev. no. 8, dated 31/10/2022. The SOP covers: 1. Purpose 2. Scope 3. Responsibilities 4. Reception of Raw Materials 5. Processing and Storage 6. Despatch of Mill Produce 7. Records and Retention 8. Training 9. Claims 10. Overproduction 11. Handling Complaints 12. Non-conformities Product 13. Management Review For Internal Audit, IOI Plantation has updated Internal Audit Procedure. Refer document no. RSPOSC/SOP/1A/1, rev. no. 03, dated 31/07/2023.	Complied

		As per SOP established, the Mill Manager has an overall responsibility and authority over the implementation of the procedure, requirements and compliances with all the applicable RSPO Supply Chain Certification Standard and assisted by Assistant Managers, Engineers and Technical Executives as per stated in its procedure. Sakilan Palm Oil mill adopted the Identity Preserve Supply Chain Module. Verified during the audit, the mill only received RSPO certified FFB from the Supply Base, Sakilan Estate, Linbar 1 Estate and Linbar 2 Estate and from other Certification Units under IOI Group. There was no third party's crop nor non-certified FFB received by the mill.	
3.8.6	Internal Audit i) The mill shall have a written procedure to conduct annual internal audit to determine whether the mill: a. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. b. Effectively implements and maintains the standard requirements within its organisation. ii) Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The mill shall maintain the internal audit records and reports.	An Internal Audit was conducted following the Internal Audit Procedure, documented in the procedure dated 31/07/2023, with Document Number RSPOSC/SOP/IA/1. The Internal Audit Report, dated 13/09/2023, outlined findings and observations from the audit process. Following this, a Corrective Action Plan (CAP) was established on 25/09/2023 to address any identified issues. Non-Conformity (NC) closure for the issues raised during the audit took place on 16/11/2023. The mill submitted evidence to address the non-conformities, and the Internal Auditor accepted the closure. A Management Review was conducted on 03/10/2023 to assess the overall effectiveness of the internal audit process and corrective actions taken. This comprehensive approach ensures continuous improvement and compliance with RSPO standards	Complied
3.8.7	Purchasing and Goods In	Refer RSPO Supply Chain – Identity Preserve, Refer document no. RSPOSC/SOP/IP/3, rev. no. 8, dated 31/10/2020. Under section 4 Reception of Raw Materials, stated as that all crop received must	Complied

	i) The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received. ii) The mill shall inform the CB immediately if there is a projected overproduction of certified tonnage. iii) The mill shall have a mechanism in place for handling non-conforming FFB and/or documents.	be accompanied by relevant documents such as the FFB despatch chits that clearly stated information as sighted in sampled as follows: Sample 1 • Estate: Linbar 1 Estate • Receipt No: FB230038XX • Lorry No: WLEXXXX • Field No: 97/C/D • RSPO Cert. No.:RSPO543161 • Weight: 10.36 MT Sample 2 • Estate: Sakilan Estate • Receipt No: FB23003XXX • Lorry No: WLEXXXX • Field No: 03/04 • RSPO Cert. No.: RSPO543161 • Weight: 10.36 MT Sample 3 • Estate: Linbar 2 Estate • Receipt No: FB23007XXX • Lorry No: SBXXXXB • Field No: 05 • RSPO Cert. No.: RSPO543161 • Weight: 11.94 MT	
3.8.8	Sales and Goods Out	As per RSPO Supply Chain – Identity Preserve, Refer document no. RSPOSC/SOP/IP/3, rev. no. 8, dated 31/10/2020. Under section 6	Complied

	The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation): a) The name and address of the buyer; b) The name and address of the seller; c) The loading or shipment / delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved ARKreviations); g) The quantity of the products delivered; h) Any related transport documentation; i) A unique identification number.	Despatch of Mill Produce stated all despatch of CSPO and CSPK must be accompanied by relevant documents such as weighbridge tickets, delivery order, shipping documents etc. reviewed the sampled despatch records as follows: CPO Sample 1 a) Buyer Name: IOI Edible Oil Sdn Bhd b) Seller Name: Sakilan POM c) Loading/Delivery date: 26/08/2023 d) Document issue date: 26/08/2023 e) RSPO Certificate No: RSPO543161 f) Description of product: CSPO IP g) Quantity of product: 34.05 MT h) Transport Documentation: SAAXXXXR i) Unique Identification No: CP23000XXX Sample 2 a) Buyer Name: IOI Edible Oil Sdn Bhd b) Seller Name: Sakilan POM c) Loading/Delivery date: 26/05/2023 d) Document issue date: 26/05/2023 e) RSPO Certificate No: RSPO543161 f) Description of product: CSPO IP g) Quantity of product: 33.98 MT h) Transport Documentation: SSXXXXK i) Unique Identification No: CP23000XXX PK	

		Sample 1 a) Buyer Name: IOI Edible Oil Sdn Bhd b) Seller Name: Sakilan POM c) Loading/Delivery date: 21/09/2023 d) Document issue date: 21/09/2023 e) RSPO Certificate No: RSPO543161 f) Description of product: CSPK IP g) Quantity of product: 31.49 MT h) Transport Documentation: SSXXXXH i) Unique Identification No: PK230000XX Sample 2 a) Buyer Name: IOI Edible Oil Sdn Bhd b) Seller Name: Sakilan POM c) Loading/Delivery date: 26/08/2023 d) Document issue date: 26/08/2023 e) RSPO Certificate No: RSPO543161 f) Description of product: CSPK IP g) Quantity of product: 35.80 MT h) Transport Documentation: SMAXXXX i) Unique Identification No: PK23000XX	
3.8.9	Outsourcing Activities i) The mill shall not outsource its milling activities. In cases where he mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding	The mill have updated procedure on handling, refer title RSPO Supply Chain -Identity Preserve (IP) RSPOSC/SOP/IP/3 Rev: 08 dated 31/10/2020. Sakilan POM has legal ownership of all CPO and PK Transport and has been detailed up in the procedure and contract agreement.	Complied

	the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification ii) The mill shall ensure the following: a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary. c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance.	Outsourcing only applicable for CPO and PK dispatch based on the delivered contract with buyers. Sighted the contract agreement as following; i) Rico Enterprise: Crude Palm Oil Transport Agreement dated 01/08/2022 valid until 31/07/2025 ii) Uniharvest Sdn Bhd: Palm Kernel Transport Agreement dated 01/08/2022 valid until 31/07/2025 iii) Syarikat Perniagaan Piqrusyahliajaya: Palm Kernel Transport Agreement dated 01/08/2022 valid until 31/07/2025 The transporter already sign the Transport Policy stated that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary. Under addendum contract (additional requirements for contractors and service providers) and transport policy/guideline in handling of certified sustainable CPO and PK, it has stipulated the independent third party complies with relevant requirements of this RSPO Supply Chain Certification.	
3.8.10	The mill shall record the names and contact details of all contractors used for the physical handling of RSPO certified oil palm products.	The mill has listed all the CPO and PK transporters in the stakeholder list. Only transporters are involved in physical handling as there are no process being contracted to outsiders.	Complied
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	The mill has informed the CB through Pre Audit Info submission. There are additional of two Palm Kernel transporters with the details as following: 1. Uniharvest Sdn Bhd 2. Rezeki Jutamas Sdn Bhd	Complied

		The verification regarding details of the names and contact details is available in the stakeholder list. Subsequently, there is no outsourcing of processing activity was conducted by the mill.	
3.8.12	Record keeping i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements. ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock. iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. iv) For Mass Balance Module, the mill: a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.	Refer Standard Operating Procedure RSPO Supply Chain – Identity Preserve (IP) dated 31/10/2020 with reference number: RSPOSC/SOP/IP/3. i. Sakilan POM has maintained the accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO Supply Chain Certification requirements. ii. As per the RSPO Supply Chain – Module: Identity Preserved (IP) procedure, the records retention for RSPO Supply Chain related records and reports to be retained for a minimum of 2 years' period. Sampled records of FFB weighbridge tickets and daily production records for last 2 years were still in place for verification. iii. The material and products movement on real-time basis is recorded in "Month End Production Report" for both CPO and PK. The data is summarised in "CPO/PK Mass Balance Calculation (Internal Process & Output for Financial Year XX/YY". Among the information available in the format is date, FFB processed, OER, CPO amount (opening, produced and closing) and transferred CPO (mill weight, refinery weight). iv. Not Applicable since the model use was IP	Complied

3.8.13	Extraction Rate The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.	The mill has established the OER and KER on daily basis and its available in daily production records. Sample of the monthly production records sample is as following: 1. August 2023 – FFB Process – 7978.86 – OER – 21.85% - KER – 3.46% 2. June 2023 – FFB Process 7585.86, OER – 21.69%, KER – 3.43% 3. March 2023 – FFB Process 4534.63, OER 20.32%, KER 3.72	Complied
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	There is no update needed as the mill declared actual OER and KER on daily basis and monthly basis.	Complied
3.8.15	Processing For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	According to the summary of the announcement, all registrations were determined to be correct. There were no sales of RSPO volume under any other scheme; only RSPO certified volume was downgraded to conventional CPO/PK. The mill has implemented updated procedures for handling, as outlined in the document titled "RSPO Supply Chain - Identity Preserve (IP) RSPOSC/SOP/IP/3 Rev: 08 dated 31/10/2020." Upon record verification, it was confirmed that no external Fresh Fruit Bunches (FFB) are accepted at Sakilan POM. The FFB source is exclusively from the supply base in accordance with the RSPO Sakilan certificate.	Complied
3.8.16	Registration of Transactions i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.	The actor is a palm oil mill, and its products are CPO and PK which are covered under Figure 2 and 3, Annex 1 of the RSPO SCCS Standard. Based on the downloaded transactions register from the certification unit's PalmTrace, the company was able to demonstrate that it has been registering its transactions in the PalmTrace accordingly. For the period of Nov 2022 until Oct 2023,	Complied

	ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.	there were 27 announcements for CPO and 11 announcements for PK made. Based on RSPO Palm Trace, it was confirmed that CPO sold under conventional has been removed in the IT Platform. Refer transaction date 23/10/1023 (Transaction ID: ST-TR-60ccd192-9b96, Volume: 672 mt, and Transaction ID: ST-TR-c5c5f616-c6e1, Volume: 428.79)	
3.8.17	Claims The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.	The RSPO (Roundtable on Sustainable Palm Oil) trademark was not utilized by the facility; however, the facility is cognizant of the requirements outlined in the RSPO Rules on Market Communications and Claims. IOI Corporation Berhad has successfully obtained a Trademark License from RSPO with the license number 2-0002-04-000-00 (IOI Corporation Berhad). This license is valid from 25/01/2022 until 24/01/2024 and has been officially issued by RSPO. This information signifies the facility's adherence to the standards set by RSPO in their market communications and the licensing agreement in place with IOI Corporation Berhad.	Complied
General corporate communications			
4.1	A corporate communication is one made by any RSPO member that highlights its RSPO membership and/or its commitment to the objectives and principles of RSPO. Corporate communication is a "non-product related" claim.	Sakilan POM has not made any off-product claims, a fact verified through document and site reviews, including examinations of the notice board, business cards, shipping documentation, procurement/purchasing documents, and promotional materials, among others	Complied
4.2	In corporate communications, a member is allowed to: A. display its RSPO membership status B. display the RSPO web address (www.rspo.org)	On the parent company's website, it is explicitly mentioned that they are a member of RSPO and are dedicated to adopting RSPO standards.	Complied

	C. state that the member supports the work of RSPO D. state the member's history with regard to RSPO E. use the RSPO Trademark (as shown below) with a valid trademark licence number to promote its RSPO membership		
4.3	Members are **not allowed** to use the RSPO corporate logo as shown below. This is for the sole use of the RSPO Secretariat.	Based on site visit and documentation review, verified that RSPO corporate logo is not use by the UoC.	Complied
4.4	In corporate communications, RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO certified palm oil products.	Sakilan Palm Oil Mill does not make any statement that may lead to believe that RSPO memberships by itself implies the selling of RSPO certified oil palm product.	Complied
4.5	Additionally, RSPO certified members are allowed to make statements that highlight their RSPO certification status and product-related claims in their corporate communication tools. Some permitted examples include: • "We have been sourcing RSPO certified palm oil since (YEAR)." • "We have used (X) tonnes of RSPO certified palm oil for our products manufactured in the last year." • "We have been RSPO certified since (YEAR)." • "We have (X NUMBER OF PRODUCTS) produced using RSPO certified MB/SG palm oil." • "In (YEAR), our company sourced (X%) of palm oil derivative volumes that was used across our products manufactured as MB certified."	On the parent company's website, it is explicitly mentioned that they are a member of RSPO and are dedicated to adopting RSPO standards. Not applicable as no off-product claim made by the mill as to date.	Not Applicable

	• "Our company covered (X%) of palm oil derivative volumes used across all our products manufactured in (YEAR) with smallholder credits." • "We are RSPO certified. Ask us for our RSPO certified products."		
4.6	RSPO non-certified members are allowed to make product-related claims in their corporate communication tools by doing the following: A. Use the RSPO Trademark with a valid trademark licence number to promote its membership of RSPO. It is sufficient for non-certified members to indicate this only once in their communication. B. Claim statements are limited to the following examples: i. "The rate of RSPO-certified palm oil procurement was (X%). We aim to achieve (X%) sustainable procurement by fiscal year (YEAR)." ii. X% of palm oil sourced by our organisation are certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity Preserved, (b) Segregated, (c) Mass Balance, or (d) Book and Claim. C. In cases wherein an organisation/member would like to indicate their commitment to sourcing RSPO certified volumes, the statement shall be accompanied with a disclaimer: "This reported figure is not audited through RSPO Certification".	Sakilan Palm Oil Mill is a RSPO certified unit and IOI Plantations is a certified member. Therefore, this indicator is not applicable.	Not Applicable
Product-specific communications			
5.1 General			
5.1.1	Product-specific communications refer to any public statement about an individual product that contains RSPO certified sustainable palm oil. These product-specific communications can be made on pack and/or off pack such as shipping documents, advertisements, flyers, brochures, posters,	Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable

	displays, newsletters, websites, emails, letters, offerings, invoices, (annual) reports, or media interviews.		
5.1.2	Product-specific communications are voluntary.	No Product-specific communications are being made by the UoC. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
5.1.3	Wherever the RSPO Label is displayed for product-specific communications, the applicable trademark licence number must be shown immediately under or next to the RSPO Label or the statement itself.	No RSPO Label used. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP..	Not Applicable
5.1.4	Use of any other trademark or label to highlight the presence of RSPO certified sustainable palm oil products is an unauthorised product-specific communication.	No other trademark or label use to highlight. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
5.1.5	If any organisation, which does not further modify end products or does not need to undergo Supply Chain Certification such as retailers, traders or distributors, enters into any agreement whereby the RSPO certified supplier labels products with the retailers/traders/distributors RSPO Trademark licence number, the following conditions shall be met as shown below	No on products claims made. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable

	• RSPO members should be registered on the RSPO IT Platform and complete the information under 'description of products' field. • Both parties shall inform their certification body in writing about the agreement. • The RSPO certified supplier is responsible for ensuring that the buyer's RSPO Trademark licence number is used only on products that are supplied to that buyer.		
5.1.6	Organisations that do not further modify end products or that do not need to undergo Supply Chain Certification such as retailers, traders, or distributors who intend to use the RSPO Label with their own RSPO Trademark licence number in any of their product-specific communications, can do so by undergoing a remote audit. A remote audit shall be conducted by an RSPO-accredited certification body (CB) prior to the use of the RSPO Label whereby the organisation will need to demonstrate that the use is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain	Only produce CPO and PK, no further modify end products. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
5.2 Off pack claims			
5.2.1	Off pack claims are product-specific communications regarding the certified sustainable palm oil contained within the product(s) made on any communication materials such as shipping documents, advertisements, flyers, brochures, posters, displays, newsletters, websites, emails, letters, offerings, invoices, (annual) reports, or media interviews. The RSPO Label should be used together with the valid trademark licence number wherever an off pack claim is made.	Product specific communications made off pack such as shipping documents. Sighted shipping documents of below transaction: a) The name and address of the buyer: IOI Edible Oils Sdn Bhd b) The name and address of the seller: Sakilan Palm Oil Mill c) The loading or shipment / delivery date: 09/11/20223 d) The date on which the documents were issued: 09/11/2023 e) RSPO certificate number: RSPO-543161	Complied

		f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations): Identity Preserve g) The quantity of the products delivered: 30.59 MT of RSPO/IP CSPK. h) Any related transport documentation: Delivery Note (1121) No RSPO Label used off pack claim.	
5.2.2	When confirming the sale of certified palm oil products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made.	Product specific communications made off pack such as shipping documents. Sighted shipping documents of below transaction: a) The name and address of the buyer: IOI Edible Oils Sdn Bhd b) The name and address of the seller: Sakilan Palm Oil Mill c) The loading or shipment / delivery date: 09/11/20223 d) The date on which the documents were issued: 09/11/2023 e) RSPO certificate number: RSPO-543161 f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations): Identity Preserve g) The quantity of the products delivered: 30.59 MT of RSPO/IP CSPK. h) Any related transport documentation: Delivery Note (1121)	Complied
5.2.3	Where a distributor or wholesaler takes title to products containing certified sustainable palm oil products, the requirements of the RSPO SCCS can follow either one of these two options: • If the distributor or wholesaler holds only a distributor licence, it may only communicate RSPO certified palm oil products by linking the product	Not distributor or wholesaler. Therefore, it is not applicable.	Not Applicable

	to the manufacturer using the manufacturer's SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products, it is essential that customers are aware that the products have been made on behalf of the distributor or wholesaler, with specific evidence either through on pack claims or documentation. • If the distributor or wholesaler is supply chain certified, they should follow the requirements outlined in section 5.2.2.		
5.3 On pack claims			
5.3.1	Only RSPO members who have supply chain certification and members who have undergone remote audit as per 5.1.6 are allowed to make on pack claims about the certified sustainable palm oil contained within the product(s) as per Module A, B, C and E. RSPO members who have purchased RSPO Credits are entitled to claim their support for the production of certified sustainable palm oil as per Module D.	No on-pack claims. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
5.3.2	In case of limited space, RSPO allows flexibility to use a one-line arrangement claim together with a valid trademark licence number for on pack communications as below without having to use any RSPO Label. The licence number has to measure at least 4pt (1.4mm) in size and the font must be Calibri. The following options shall be considered: A) For Identity Preserved (IP)/ Segregated (SG) Certified Products: • RSPO IP/SG CERTIFIED* • Contains RSPO IP/SG palm oil* • Contains RSPO certified palm oil (IP/SG)* *Add RSPO TM Licence Number below or next to the claim.	No on-pack claims. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
	B) or Mass Balance (MB) Certified Products:	No on-pack claims.	Not Applicable

	• RSPO MIXED* • Contributes to the production of RSPO certified palm oil* • Contains RSPO certified palm oil (MB)* *Add RSPO TM Licence Number below or next to the claim.	Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	
	C) For Partially Certified Products: RSPO 50% MIXED* Contains at least 50% RSPO certified palm oil* *Add RSPO TM Licence Number below or next to the claim.	No on-pack claims. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
	D) For Products covered with Book and Claim (B&C): • RSPO CREDITS* • Supports the production of RSPO certified palm oil* • Contains palm oil covered by the purchase of RSPO Credits* *Add RSPO TM Licence Number below or next to the claim.	No on-pack claims. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
5.3.3	On pack claims shall not include information about the claimant's RSPO membership status.	No on-pack claims. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
5.3.4	Members shall not communicate to consumers information about their suppliers' RSPO membership status.	No on-pack claims.	Not Applicable

		Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	
5.3.5	Use of the RSPO Label is restricted to claims about RSPO certified sustainable palm oil contained in products and is not authorised for use in relation to any other ingredient.	No on-pack claims. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
5.3.6	All members making on pack claims are encouraged to submit the information and images of their end products that carry the RSPO Label via the MyRSPO portal.	No on-pack claims. Not applicable as no packings required for the mill products as deliveries made in bulk via tanker for CPO and cargo lorry for PK. Delivery documents specified only RSPO module i.e. CPO IP and PK IP.	Not Applicable
MODULE A – IDENTITY PRESERVED			
	95% of the palm oil content must be RSPO IP certified.	Sakilan POM produce 100% palm oil product, raw material as FFB and output as CPO and PK. The product when claimed as RSPO material is under 100% CPO and PK content is 100% Oil Palm and claimed as either RSPO IP-certified or conventional.	Complied
	If 100% of RSPO IP certified palm oil content cannot be sourced, a maximum of 5% volume from other non-certified sources is allowed and the reason for this must be fully justified. The volume of the non-certified	The company is using IP module with all incoming and outgoing claim were made under IP supply chain model.	Complied

	palm oil content shall be covered by the purchase of RSPO Credits of equivalent volume.	CPO and PK content is 100% Oil Palm and claimed as either RSPO IP-certified or conventional. The is no percentage of non-certified volume as volume sold is same with IP-certified produced.	
Messaging			
	Messaging ALLOWED for storytelling in product-specific communications may include any of the following elements: • The palm oil products contained in this product have been certified to come from RSPO sources. www.rspo.org • By choosing this product, you are sure that it contains RSPO certified palm oil. For more information: www.rspo.org • RSPO certified sustainable palm oil products were kept apart from other palm oil products throughout the supply chain.www.rspo.org • Certified sustainable palm oil products can be traced back to RSPO certified mills and plantations. www.rspo.org • The entire supply chain is monitored by independent, RSPO-accredited auditors. www.rspo.org • RSPO certified sustainable palm oil has been produced according to stringent environmental and social criteria. www.rspo.org	There are no messaging involved since Sakilan Palm Oil Mill is producing crude palm product and does not involved in any labelling of end products	Complied
Product-Specific Communications Labelling			
	Members are allowed to use the RSPO Label in one of the following ways: • RSPO Trademark that includes the tag "CERTIFIED"; or • RSPO Trademark that includes the tag "This product contains certified sustainable palm oil".	There are no product specific communication and labelling being practise as the mill is using the tanker and lorry to transport the CPO and PK. Hence there is no Product-Specific Communications Labelling being practice by the UoC. Hence, this requirement is not applicable.	Not Applicable

Principle 4: Respect community and human rights and deliver benefits			
Criterion 4.1: The unit of Certification respects human rights, which includes respecting the rights of Human Rights Defenders.			
4.1.1	**(C)** A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces. - Critical (Major) compliance -	A Sustainable Palm Oil Policy which was revised in Oct 2020 was made available during this surveillance audit. It was signed by Dato' Lee Yeow Chor, Group Managing Director & Chief Executive Officer and Dr Surina Ismail. Among the commitments contained in the Policy include the commitment for human rights. A policy to respect human rights was included in the clause on prohibiting retaliation against Human Rights Defenders. The Policy was communicated to all levels of workforce during trainings held on 28/10/2023 (Linbar 1 Estate), 10/10/2023 (Linbar 1 Estate) and on 3/7/2023 (Linbar 2 Estate). Briefings on the Policy were given to external stakeholders on 24/10/2023.	Complied
4.1.2	The unit of certification does not instigate violence or use any form of harassment in their operations. - Minor compliance -	Based on records sighted and interviews conducted with workers and local communities, as well as security personnel, there was no evidence that Sakilan Palm Oil Mill and its supply base instigate violence or use any form of harassment in the operations.	Complied
Criterion 4.2: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties			
4.2.1	**(C)** The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistle-blowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD. - Critical (Major) compliance -	Sakilan Palm Oil Mill and its supply base comply with the Company's Standard Operating Procedure known as "Grievance Procedure (Section 7.0)". The procedure includes the mechanism of receiving, recording and addressing any complaints/grievance from affected parties. Among the complaints and grievance channels include filling up the complaints form, Green Book, and IOI Mesra. With regards of ensuring anonymity of complainants or whistle-blowers, IOI has its 'Whistle-blowing Policy' revised October 2019	Complied

		which ensures anonymity and protects whistleblowers against reprisals or intimidation.	
4.2.2	Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties. - Minor compliance -	The documented system in dealing with complaints and grievances are briefed during muster briefing. For those who are illiterate, flowcharts and pictorial explanations were given. Briefing on grievance mechanism and the related procedures were briefed as follows to all workers as follows: Sakilan Estate (15/8/2023, 14/6/2023) Linbar 1 Estate (18/11/2023) Workers interviewed confirmed their understanding of the grievance procedure.	Complied
4.2.3	The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders. - Minor compliance -	Evidence was available that parties to a grievance are kept aware of the progress of their complaints. All the sampled complaints received from workers on housing repair needs, requests for extra electricity or water were complied with within 24 hours of requests.	Complied
4.2.4	The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator. - Minor compliance -	The conflict resolution mechanism is contained in IOI Corporation Berhad Grievance Procedure (Doc Ref.: IOI/P/GP/001 Rev No. 1 Rev Date 20 Jan 2020). This procedure allows aggrieved parties to have access to information, advice and expertise.	Complied
Criterion 4.3: The unit of Certification contributes to local sustainable development as agreed by local communities.			
4.3.1	Contributions to community development that are based on the results of consultation with local communities are demonstrated. - Minor compliance -	Sakilan Mill and its supply base has been contributing to the local community by: a. Providing job opportunities as confirmed by the workers' lists sighted at the operating units and confirmed by local community representatives during audit interview;	Complied

		b. Allowing children from other estates to attend the CLC at Sakilan; c. Providing return school transport for workers' children to attend school. d. Allowing villagers to have access along estate road to Kg Kulu Kulu and Kg Pahu to evacuate FFB.	
Criterion 4.4: Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.			
4.4.1	**(C)** Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents Related to the history of land tenure and the actual legal or customary use of the land are available. - Critical (Major) compliance -	Based on documents reviewed, there is evidence that Sakilan Mill and its supply base have authority to operate on the land. The documents reviewed were as follows: 1. Estate: Linbar 1 & 2 Size: 4,840 ha Purpose: Oil palm cultivation Document: CL 09511667 Transferor: Govt of the State of Sabah Transferee: Linbar Estate Sdn Bhd 2. Estate: Sakilan Size:999.6 ha Purpose: oil palm cultivation Document: CL 075471260 Lease period: 5/7/1888 – 2/7/2887 Lessor: Govt of the State of Sabah Lessee: Sakilan Desa Sdn Bhd Size: 1,974 ha	Complied

		Purpose: oil palm cultivation Document: CL 075471288 Lease period: 5/7/1888 – 4/7/2887 Lessor: Govt of the State of Sabah Lessee: Sakilan Desa Sdn Bhd Size: 1,294.8 ha Purpose: oil palm cultivation Document: CL 075471242 1st registered owner: The North Borneo Trading Co Ltd. Transferred to 2nd registered owner on 12/8/1960. 2nd registered owners: Tay Chee Hiong, Hock Teck Guan, Tan Kok Shiong, Lai Wing Yip. Transferred to 3rd registered owner on 3/9/1964. 3rd registered owner: Teck Ann Co Ltd transferred to 4th registered owner on 20/8/1973. 4th registered owner: Teck Guan Co Sdn Bhd transferred to 5th registered owner on 20/8/1973 5th registered owner: Gaya House Sdn Bhd transferred to Sakilan Desa Sdn Bhd on 11/7/1979.	
4.4.2	Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	Based on documentation review, interviews with representatives of nearby local communities and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	Complied
4.4.2a	Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with	Based on documentation review, interviews with representatives of nearby local communities and site observations, there was no	Complied

	particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making. - Minor compliance -	evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	
4.4.2b	Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken. - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	Complied
4.4.2c	Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land. - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	Complied
4.4.3	**(C)** Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Critical (Major) compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	Complied
4.4.4	All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	Complied

4.4.5	**(C)** Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose. - Critical (Major) compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	Complied
4.4.6	There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties. - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Details of the land historical ownership are as per Indicator 4.4.1 above.	Complied
Criterion 4.5: No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.			
4.5.1	**(C)** Documents showing identification and assessment of demonstrable legal, customary and user rights are available. - Critical (Major) compliance -	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable
4.5.2	**(C)** FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation. - Critical (Major) compliance -	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable

4.5.3	Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations. - Minor compliance -	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable
4.5.4	To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process. - Minor compliance -	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable
4.5.5	Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. - Minor compliance -	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable
4.5.6	Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator. - Minor compliance -	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable
4.5.7	New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable

	under the right of eminent domain of the federal and state land acquisition legislations. - Minor compliance -		
4.5.8	**(C)** New lands are not acquired in areas inhabited by communities in voluntary isolation. - Critical (Major) compliance -	It was verified during the surveillance audit that there was no evidence of new plantings within Sakilan Mill and its supply base, and therefore, this Indicator is not applicable.	Not Applicable
Criterion 4.6: Any negotiations Concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.			
4.6.1	**(C)** A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place. - Critical (Major) compliance -	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the "Grievance Procedure for land owner issues", the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the IOI Plantations Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.	Complied
4.6.2	**(C)** A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. - Critical (Major) compliance -	In accordance with the "Grievance Procedure for land owner issues", the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during the surveillance audit.	Complied
4.6.3	Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings. - Minor compliance -	There were no scheme small holdings at Sakilan Mill and its supply base. The FFBs were supplied from IOI Plantations owned estates which are certified to RSPO.	Complied

4.6.4	The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them. - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of any diminished legal, customary or user rights of other users without their free, prior and informed consent. Therefore, there was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties.	Complied
Criterion 4.7: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.			
4.7.1	**(C)** A mutually agreed procedure for identifying people entitled to compensation is in place. - Critical (Major) compliance -	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the "Grievance Procedure for land owner issues".	Complied
4.7.2	**(C)** A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. - Critical (Major) compliance -	The procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, the implementation could not be verified as there was no claim for legal, customary or user rights.	Complied
4.7.3	Communities that have lost access and rights to land for plantation expansion are given opportunities including employment and supply contracts to benefit from plantation development. - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence that any communities have lost access and rights to land for plantation expansion. Therefore, this Indicator is not applicable.	Not Applicable
Criterion 4.8: The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.			
4.8.1	Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg	Complied

	people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC. - Minor compliance -	Pahu, and site observations, there was no evidence of any land dispute within Sakilan Mill and its supply base.	
4.8.2	**(C)** Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms. - Critical (Major) compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of any land conflict within Sakilan Mill and its supply base.	Complied
4.8.3	Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4) - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations.	Complied
4.8.4	For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). - Minor compliance -	Based on documentation review, interviews with representatives of nearby local communities from Kg Lungmanis, Kg Kulu Kulu and Kg Pahu, and site observations, there was no evidence of any land conflict within Sakilan Mill and its supply base.	Complied
Principle 5: Support smallholder inclusion			
Criterion 5.1: The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.			
5.1.1	Current and previous period prices paid for FFB are publicly available and accessible by smallholders.	IOI Sakilan POM is an Identity Preserved Mill and has exclusively and strictly sourced FFB from its own group of estates. The Mill does	Not Applicable

	- Minor compliance -	not receive FFB from third parties including smallholders. Therefore, this Indicator is not applicable	
5.1.2	**(C)** Evidence is available that the unit of certification explains the FFB pricing to smallholders on request from individual smallholders (at least once a year or upon request). - Critical (Major) compliance -	IOI Sakilan POM is an Identity Preserved Mill and has exclusively and strictly sourced FFB from its own group of estates. The Mill does not receive FFB from third parties including smallholders. Therefore, this Indicator is not applicable.	Not Applicable
5.1.3	**(C)** Fair pricing, calculated as a portion of the international CPO price less costs is provided to smallholders in the supply base and documented. - Critical (Major) compliance -	IOI Sakilan POM is an Identity Preserved Mill and has exclusively and strictly sourced FFB from its own group of estates. The Mill does not receive FFB from third parties including smallholders. Therefore, this Indicator is not applicable.	Not Applicable
5.1.4	**(C)** Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable. - Critical (Major) compliance -	IOI Sakilan POM is an Identity Preserved Mill and has exclusively and strictly sourced FFB from its own group of estates. The Mill does not receive FFB from third parties including smallholders. Therefore, this Indicator is not applicable.	Not Applicable
5.1.5	Contracts are fair, legal and transparent and have an agreed timeframe. - Minor compliance -	Sakilan POM and its supply base were able to demonstrate that contracts entered into with contractors are fair, legal and transparent and have an agreed timeframe. The contracts also contain description of the services provided by the contractor, the amount payable, timeframe for payment, termination clause, rights and obligations of both parties, etc. Interviews with sampled contractors also confirmed that the contracts are fair, legal and transparent.	Complied

5.1.6	**(C)** Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given. - Critical (Major) compliance -	IOI Sakilan POM is an Identity Preserved Mill and has exclusively and strictly sourced FFB from its own group of estates. The Mill does not receive FFB from third parties including smallholders. Therefore, this Indicator is not applicable.	Not Applicable
5.1.7	Weighbridges used for determining payment to smallholders are verified by an independent third party on a regular basis (this can be government). - Minor compliance -	Weighbridge calibration has been conducted by De Metrology Sdn Bhd by annually basis. Sample checking on weighbridge has been verified: Weighbridge No: 1 / Weighbridge No: 2 Date: 23/12/2022 / Date: 23/12/2022 Cert No: D099845 / Cert No: D099845 Capacity: 60,000 Kg / Capacity: 60,000 Kg	Complied
5.1.8	The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. - Minor compliance -	IOI Sakilan POM is an Identity Preserved Mill and has exclusively and strictly sourced FFB from its own group of estates. The Mill does not receive FFB from third parties including smallholders. Therefore, this Indicator is not applicable.	Not Applicable
5.1.9	**(C)** The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner. - Critical (Major) compliance -	IOI Sakilan POM is an Identity Preserved Mill and has exclusively and strictly sourced FFB from its own group of estates. The Mill does not receive FFB from third parties including smallholders. Therefore, this Indicator is not applicable.	Not Applicable
Criterion 5.2: The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.			
5.2.1	The Company consults with interested smallholders (irrespective of type) within the Unit of Certification, including women or other partners in their	Management has communicated on RSPO Certification with interested smallholders during stakeholder meeting dated 24/10/2023. Refer Minutes of meeting on communication related RSPO Certification. Verification through interview with Mill	Not Applicable

	supply base, to assess their needs for support to improve their livelihoods and their interest in RSPO certification. - Minor compliance -	Management confirmed there is no smallholders involved as a supplier of FFB. Sakilan POM only received certified FFB from supply base within Certification Units Group and diverted crop from sister estate under IOI if any. As the date of audit, there is no FFB supplied from Smallholders. Therefore, this indicator is not applicable.	
5.2.2	The unit of certification develops and implements smallholder support programme to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Independent Smallholder Standard or RISS). - Minor compliance -	Management has communicated on RSPO Certification with interested smallholders during stakeholder meeting dated 24/10/2023. Refer Minutes of meeting on communication related RSPO Certification. Verification through interview with Mill Management confirmed there is no smallholders involved as a supplier of FFB. Sakilan POM only received certified FFB from supply base within Certification Units Group and diverted crop from sister estate under IOI if any. As the date of audit, there is no FFB supplied from Smallholders. Therefore, this indicator is not applicable.	Not Applicable
5.2.3	Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production. - Minor compliance -	Management has communicated on RSPO Certification with interested smallholders during stakeholder meeting dated 24/10/2023. Refer Minutes of meeting on communication related RSPO Certification. Verification through interview with Mill Management confirmed there is no smallholders involved as a supplier of FFB. Sakilan POM only received certified FFB from supply base within Certification Units Group and diverted crop from sister estate under IOI if any. As the date of audit, there is no FFB supplied from Smallholders. Therefore, this indicator is not applicable.	Not Applicable
5.2.4	**(C)** Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling. - Critical (Major) compliance -	The mill received only certified crop from the Group Estate with occasionally diversion from other IOI estates in event of any sister mill annual maintenance. No association to any scheme	Not Applicable

		smallholders involved with the Sakilan Palm Oil Mill. Therefore, this indicator is not applicable.	
5.2.5	The unit of certification regularly reviews and publicly reports on the progress of the Smallholder support programme. - Minor compliance -	The mill received only certified crop from the Group Estate with occasionally diversion from other IOI estates in event of any sister mill annual maintenance. No association to any scheme smallholders involved with the Sakilan Palm Oil Mill. Therefore, this indicator is not applicable.	Not Applicable
Principle 6: Respect workers' rights and conditions			
Criterion 6.1: Any form of discrimination is prohibited.			
6.1.1	**(C)** A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. - Critical (Major) compliance -	A publicly available non-discrimination and equal opportunity policy known as Equal Opportunity Employment and Freedom of Association Policies is available at Sakilan Mill and its supply base. This Policy is publicly displayed at main notice boards and at the workers' housing. Among other things, the Policy states that there will be no discrimination based on race, national origin, religion, gender, union membership and age. Various audit interviews were carried out with the workers (foreign, local, male, female) at all sampled units within Sakilan Mill and its supply base. All workers interviewed confirmed that there was no form of discrimination. All workers are given equal employment opportunities and are able to enjoy all the benefits and use of amenities accorded by the Company, irrespective of background, gender and nationality.	Complied
6.1.2	**(C)** Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for foreign workers. - Critical (Major) compliance -	Based on documentation review, which was supported by audit interviews and field observations, there was no evidence that workers, local communities, women and migrant workers have been discriminated against. None of the sampled migrant workers have paid any recruitment fees.	Complied

		This is in tandem with IOI Group's Sustainable Palm Oil Policy (Revised October 2020) signed by the Group Managing Director and Group Head of Sustainability which states that no worker would be charged any recruitment related fee at any stage in the recruitment process. None of the newly recruited workers sampled during the audit had been charged any recruitment fee. The said workers were: - Linbar 1 Estate: carrier & cutter from Indonesia Workers No. 1SRP/IOI/1222/39615 & 1SRP/IOI/1222/39614. - Linbar 2 Estate: cutters from Indonesia Workers No. 1SRP/IOI/1122/38311 & 1SRP/IOI/1122/38308. - Sakilan Desa Estate: FFB loader from Indonesia Worker No. 1SSD/IOI/1121/30426 - Sakilan Mill: Workshop apprentice from Indonesia Worker No. 1SHL/IOI/0412/6983	
6.1.3	The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available. - Minor compliance -	Evidence was available that the recruitment selection, hiring and access to training were based on skills, capabilities and medical fitness. Verified during this surveillance audit that the process of recruitment for local employees starts with each job applicant filling up a job application form attaching copies of NRIC, qualification and previous work experience. The respective Manager would then assess their respective suitability to the job vacancy. If suitable, the said workers were required to undergo a medical test. Newly recruited workers would also attend an orientation and induction training to familiarize them with their work in IOI. Sampled were the following workers: - Sakilan Palm Oil Mill: 1SHL/IOI/0423/42431 (fireman) - Sakilan Estate: 1SSD/IOI/0623/44284 (general maintenance)	Complied

		- Linbar 1 Estate: No. 1SRP/IOI/1222/39615(carrier) & 1SRP/IOI/1222/39614 (cutter).	
6.1.4	Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women. - Minor compliance -	Pursuant to Clause 4.1.2 of IOI's Guidelines on Reproductive Health (Ref: IOI/G/SE/002 Rev No. 2 Issued on 14 Aug 2020), the Estate Health Assistants will carry out health screening including urine pregnancy test (UPT) every 3 months for general workers subject to their consent to ensure reproductive health of employees are protected. Members of the WEC and other female workers interviewed during this surveillance audit confirmed their understanding that the health screening and UPT are done for safety and health purposes, and would only be carried out with their written consent. As part of the triangulation process, documents containing the female workers' consent and refusal were sighted. Sighted during the audit at Linbar 2 Estate were the consents given by the following female workers: - 1SRP/IOI/0822/3xxx6 (sprayer) - 1SRP/IOI/1221/3xxx1 (manurer) - 1SRP/IOI/0100/2xxx7 (mandore sprayer) - 1SRP/IOI/0422/3xxx7 (sprayer)	Complied
6.1.5	**(C)** A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women. - Critical (Major) compliance -	Sighted during the audit were the organisational chart for the Women Empowerment Committee 2023 of each operating unit. This committee comprise a Chairperson, Vice Chair, Secretary, Treasurer, and committee members. The Adviser is SAP Operation Manager, Sandakan Region, and Acting Manager Sustainability, Sandakan Region. In accordance with the IOI website (https://www.ioigroup.com/sustainability/empowering-women-within-the-ioi-plantation-community), the WEC is a platform for female employees to discuss any issues that may affect them in their respective operating unit, such as, but not limited to, sexual harassment, physical violence, gender discrimination, welfare and	Complied

		workplace-related issues. The WEC will also explore opportunities in empowering women at the workplace through capacity building and social activities which are not limited to IOI female employees, but also to female dependents living within the IOI plantation community. Members of the WEC were interviewed and WEC meeting minutes were reviewed during this surveillance audit. The members understood the roles of the WEC, potential issues of concern that women have such as sexual harassment and harassment at workplace, domestic violence, and reproductive rights. They were aware of the grievance mechanism for addressing issues of concern, and they can also provide feedback to management on any social impacts they may encounter. It was also verified that the description on the website mentioned above is correct and implemented. WEC meetings were held at each operating unit to discuss objectives of the WEC, grievance mechanism, membership, reproductive rights, pregnant mothers not to be involved in chemical and fertiliser, etc. The meetings were held as follows: Sakilan Mill: 25/3/2023 & 30/9/2023 Sakilan Estate: 9/9/2023	
6.1.6	There is evidence of equal pay for the same work scope. - Minor compliance -	All units within Bukit Leelau CU were able to demonstrate evidence of equal pay for the same work scope. This was verified by reviewing sampled payslips and employment contracts of the following workers. Workers doing the same job receives the same rate of pay. <table><tr><th>Estate/Mill</th><th>Job scope</th><th>Gender</th><th>Nationality</th></tr><tr><td>Linbar 2</td><td>Field maintenance</td><td>Male</td><td>Indonesian</td></tr></table>	Complied

				Field maintenance	Female	Indonesian		
			Sakilan Desa	Cutter	Male	Indonesian		
				Cutter	Male	Filipinos		
			Linbar 1	Field maintenance	Male	Indonesian		
				Field maintenance	Female	Indonesian		
			Sakilan Mill	Effluent operator	Male	Malaysian		
				Effluent operator	Male	Indonesian		

Criterion 6.2: Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).			
6.2.1	**(C)** Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand. - Critical (Major) compliance -	Applicable labour laws such as the Sabah Labour Ordinance and Minimum Wages Order 2022 and documentation of pay and conditions are available to the workers in language they understand. Each foreign worker signed an employment contract, and local workers signed a job offer letter. It was verified during the surveillance audit that each contract was prepared in accordance with the language the workers are familiar with, which is Bahasa Malaysia and Bahasa Indonesia. During audit interviews, all sampled workers confirmed that they understood the contents of their contracts. In addition, the workers also confirmed that the contracts were explained to them by the estate representative and/or their respective worker representatives. Workers' documentation of pay is available in their monthly pay slips. Both the employment contracts and letters of job offer are given to the workers for their record and safekeeping.	Complied
6.2.2	**(C)** Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions,	During the audit, employment contracts, letters of job offer and payslips for the months of March, July and October 2023 were	Complied

overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.

- Critical (Major) compliance -

sampled. The employment contracts contain details related to wages payable, job description, regular working hours, statutory deductions, overtime, paid public holidays, annual, medical and maternity leave entitlement, mutual notice period for termination, etc. The payslips which are issued to the workers upon payment of salary detail out the month of pay, total income (basic pay, overtime, bonus, allowances, piece rate calculation, number of days worked, medical leave taken if any, deductions for EPF, EIS, SOCSO, etc). None of the workers had their family members do work for them.

The sampling was done based on the following formula of √n x 0.8 with n= total number of workers for each operating unit. The payslips sampled were based on the highest, lowest and median figure of FFB produced. For Sakilan Mill and its estate, this was March, July and October 2023. The sampled contracts and payslips were as follows:

Estate/Mill	Job scope	Nationalities	Date of employment contract
Linbar 1 Estate	Sprayer	Indonesian	9/12/2022
	Manurer	Indonesian	11/1/2023
	Cutter	Indonesian	19/5/2023
	Operator	Indonesian	29/7/2023
	Field maintenance	Indonesian	8/5/2023

				Driver	Indonesian	11/1/2023	
				Sprayer	Indonesian	9/1/2023	
				Sprayer	Indonesian	8/12/2022	
				Creche minder	Indonesian	2/2/2023	
				Cutter	Indonesian	19/5/2023	
				Cutter	Indonesian	3/2/2023	
				Workshop	Indonesian	11/1/2023	
				Field maintenance	Indonesian	9/1/2023	
			Linbar 2 Estate	Cutter	Indonesian	22/12/2022	
				Cutter	Filipinos	1/4/2022	
				Security	Indonesian	1/5/2022	
				Manurer	Indonesian	1/5/2022	
				Sprayer	Indonesian	1/5/2022	
				Creche aiyah	Indonesian	23/2/2023	
				Field maintenance	Indonesian	1/5/2022	
				Cutter	Indonesian	10/5/2022	

		Field maintenance	Indonesian	17/2/2022	
		Security	Malaysian	1/4/2022	
		Sprayer	Indonesian	29/6/2022	

Estate/Mill	Job scope	Nationalities	Date of employment contract
Sakilan Estate	Grabber	Indonesian	1/1/2023
	Cutter	Filipinos	20/6/2022
	Creche aiyah	Indonesian	3/12/2022
	Creche aiyah	Indonesian	1/8/2022
	Creche aiyah	Indonesian	1/8/2022
	Field maintenance	Indonesian	6/2/2022
	Field maintenance	Indonesian	13/12/2022
	Cutter	Indonesian	4/2/2022
	FFB loader	Indonesian	1/3/2022

		Sprayer	Indonesian	19/2/2022
		Manurer	Indonesian	20/6/2022
		Workshop	Malaysian	19/1/2022
	Sakilan Mill	Water treatment	Malaysian	22/8/2015
		Lab sampler	Malaysian	16/1/2023
		Lab sampler	Malaysian	4/4/2018
		Kernel plant	Malaysian	1/3/2019
		Gardener	Malaysian	22/8/2025
		Weighbridge	Malaysian	10/2/2021
		Loading ramp	Indonesian	1/3/2023
		Press operator	Indonesian	22/8/2022
		Oil room operator	Indonesian	22/8/2022
		Tipper operator	Indonesian	1/3/2023
		FFB grader	Indonesian	1/4/2022

6.2.3	**(C)** There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements. - Critical (Major) compliance -	Documentary evidence was available within Sakilan Mill and its supply base that regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, etc were complied with. This was triangulated against worker interviews and observations. All workers interviewed confirmed that they work 8 hours per day, for 6 days a week, with one rest day. Any work done beyond 8 hours is considered overtime which they are paid at 1.5 per hour the normal rate. Overtime is not compulsory, and would only be carried out if mutually agreed between employee and employer. Sighted were request for overtime from the following workers at Sakilan Mill: - 1SHL/IOI/0113/6xx4 dated 22/10/2023; - 1SHL/IOI/1110/69xx dated 29/10/2023; - 1SHL/IOI/0817/69xx dated 15/10/2023; - 1SHL/IOI/0221/27xx dated 15/10/2023 and 29/10/2023 Also sighted was a request for work on rest day from Worker No. 1SHL/IOI/0113/69xx dated 8/10/2023. The abovementioned workers' payslips were also cross-checked and it was verified that their overtime and work on rest day were included in their October wages. Payslips reviewed also showed statutory deductions for EPF, SOCSO and EIS for local workers, and payments for SOCSO for migrant workers. The quantum deducted was also verified to be correct. The payslips also showed non-statutory deductions for payment of travelling documents for workers' dependants. Sighted during the audit were Labour Office permit issued to Halusah Ladang Sdn Bhd (Sakilan Mill) Ref No. JTKSBH/PMT/113/2022/0161 dated 19/7/2022 and valid until 18/7/2024. Workers' requests for salary deductions were also sighted for the following sampled workers:	Complied

		- 1SHL/IOI/0114/6xx2; - 1SHL/IOI/0817/6xx0. Other Labour Office permits for salary deductions were also sighted as follows: - Linbar 2 Estate: Ref No JTKSBH/PMT/113/2022/0097 dated 7/6/2022 valid to 6/6/2024 for purposes of sports club & recreation fee and cost of processing dependants' travel documents. - Sakilan Estate: Ref No JTKSBH/PMT/113/2022/0154 dated 19/7/2022 to 18/7/2024 for purposes of processing dependants' travel documents, sports club & recreation fee and electricity charges. For all the above deductions, letters of request for salary deductions signed by workers in accordance with Section 113(3) of the Sabah Labour Ordinance.	
6.2.4	**(C)** The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5years) is allowed to upgrade the infrastructure. - Critical (Major) compliance -	All units within Sakilan Mill and its supply base provide adequate housing for all its workers, free of charge. Each house has sanitation facilities, water and electricity. Additionally, recreational facilities such as creche, HUMANS, CLC, clinics, football fields, futsal courts, places of worship (mosques/chapels) are also provided. Grocery shops run and managed by third parties. Weekly housing inspections were carried by the Estate Health Assistants and fortnightly, with the Visiting Medical Officer (VMO). At Linbar and 2 Estates, the VMO was Dr R. Devendran from Berkat Polyclinic. The VMO visits were held on 5/10/2023, 19/10/2023, 2/11/2023, and 16/11/2023. Among the checks done were together with who checked on cleanliness, facilities such as septic tanks, pipes, drains, length of grass, mosquito nets, cleanliness of creche, health of toddlers and creche aiyahs, etc.	Complied

		At Linbar 2 Estate, housing inspections were carried out on 11/11/2023, 15/11/2023, 2/11/2023, and at Sakilan Mill housing on 25/10/2023, 1/11/2023, 8/11/2023, 15/11/2023. It was verified during visits to the housings at Sakilan Mill, Linbar 1 and Linbar 2 Estates, the houses and the surrounding areas are generally well maintained and kept clean. Interviews conducted with workers also confirmed the same. Any requests for house repairs were carried out within reasonable timeframe.	
6.2.5	The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food. - Minor compliance -	Evidence of the operating units' efforts in improving workers' access to adequate, sufficient and affordable food was available. All the sundry shops were requested to provide monthly prices of all food items sold, which would then be compared against Servey Supermarket in Sandakan. Sampled were price list for monitoring at Linbar 1 Estate for July – October 2023. The latest price comparison was done in November 2023 with Servey Supermarket in Sandakan town. Any slight increase in prices were allowed considering the distance of the estate from Sandakan town. In addition. Sakilan Mill had also written a letter to Sakilan Desa Estate Manager dated 12/9/2023 to apply for an area for the cultivation of vegetables and fruits by the workers near the housing area. The area has been identified and will be cleared in due course.	Complied
6.2.6	A DLW is paid to all workers, including piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours. **PROCEDURAL NOTE:** STATEMENT FROM THE RSPO STANDARDS STANDING COMMITTEE REGARDING INDICATOR 6.2.6 ON DECENT LIVING WAGE With reference to procedural note of indicator 6.2.6, the RSPO has published a guidance on the DLW calculation in June 2019. The RSPO Secretariat will endeavour to carry out DLW country benchmarks for palm oil producing countries in which RSPO members operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist (As of September 2019,	The DLW has been calculated for Sakilan Mill and its supply base. The calculation of DLW took into account cost of housing, medical, transportation and education. The amount is calculated as RM1,616.88 irrespective of local or migrant workers; and this is higher than the legal minimum wage.	Complied

	GLWC has developed national benchmarks in Bangladesh, Belize, Brazil, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Ethiopia, Ghana, Guatemala, India, Kenya, Malawi, Mexico, Nicaragua, Pakistan, South Africa, Sri Lanka, Uganda and Vietnam These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate). *Where a GLWC living wage standard (benchmark), or one that fulfils the basic requirements of the RSPO-endorsed living wage methodology, has been established in the country or region of operation, the same should be used as benchmarks.* In the absence of such benchmarks, the RSPO will collaborate with the GLWC and/or local experts on developing oil palm industry benchmarks (Benchmark in this context may include other approaches and/or methods to calculate the applicability of DLW in the country or region in accordance to the RSPO endorsed method for determining a DLW. Local applicability for benchmarks is important and it may differ based on the needs of each locality or country). These benchmarks will be developed in collaboration and consultation with relevant stakeholders such as palm oil industry members, workers' union, authorities and/or relevant organisations. *For countries where no living wage standard is established, until such time that an RSPO endorsed benchmark for the country is in place, national minimum wages shall be paid to all workers. In addition to the payment of minimum wages, the Unit of Certification (UoC) shall conduct an assessment of the prevailing wages and in-kind benefits provided to workers in the Unit of Certification aligned with the RSPO Guidance for Implementing a Decent Living Wage* (RSPO Guidance for Implementing a Decent Living Wage. The RSPO will also develop further guidance and tools to calculate DLW in line with the RSPO endorsed methodology which may include independent studies by local experts in their respective region or country). Once these benchmarks are available, this procedural note is no longer applicable. UoC shall have an implementation plan towards the payment of a DLW with specific targets, and a phased implementation process including: • Updated assessment on prevailing wages and in-kind benefits • There is annual progress on the implementation of living wages		

	• Where a minimum wage, based on equivalent of baskets of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment • The UoC may choose to implement the living wage payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before eventual scale up of the living wage implementation. - Minor compliance -		
6.2.7	Permanent, full-time employment including contractors' workers and contracted workers is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal - Minor compliance -	For all units within Sakilan Mill and its supply base, all core work is performed by permanent and full-time employees. This was evident from the worker's register reviewed and verified during the surveillance audit.	Complied
Criterion 6.3: The unit of Certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.			
6.3.1	**(C)** A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented. - Critical (Major) compliance -	IOI's Sustainable Palm Oil Policy signed by the Group Managing Director/Chief Executive Officer and Group Head of Sustainability (revised in October 2020) contains a published statement recognising freedom of association and the right to collective bargaining. This document commits IOI to uphold the rights to freedom of association and recognize the right to collective bargaining and allow trade unions to have access to all workers. This is demonstrably implemented when management allowed Sabah Plantation Industry Employee's Union (SPIEU) to meet and brief the workers. Workers were also briefed about SPIEU during muster at Linbar 1 Estate on 15/8/2023. Additionally, workers are also able to nominate and elect their own representatives in pursuant of their rights and issues. Refer to Indicators 6.3.1. and 6.3.2 below.	Complied

6.3.2	Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request. - Minor compliance -	Via worker election records, evidence was available that worker representatives were freely elected. Sampled were worker elections held at Sakilan Estate on 1/7/2023, and at Linbar 2 on 30/1/2023. Workers interviewed also confirmed that these elections were where the Employees Consultative Committee members were chosen. The ECC comprise of sprayers, manurers, harvesters, general workers, etc. The ECC would hold meetings with the workers, and bring up issues to the management via the Joint Consultative Committee (JCC). The JCC comprise ECC and management representatives. The JCC meetings were documented and sampled as follows: Sakilan Mill: 13/2/2023,14/4/2023, 16/8/2023, 27/10/2023. Linbar 2: 24/2/2023, 25/4/2023, 22/6/2023, 23/8/2023, 10/10/2023.	Complied
6.3.3	Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers. - Minor compliance -	Review of the sampled JCC meeting minutes showed that the management does not interfere with the formation of the ECC and JCC. Refer to Indicator 6.3.2 above on the process to elect the ECC members. The ECC were also able to freely bring up workers' issues of concern to the management. This included issues such as request to enhance safety of road, increase of light sources, workers' request to have primary level for their children to the nearby CLC, repairs to the chapel, etc. Among the sampled ECC meetings were at the Sakilan Mill on 14/4/2023, 12/6/2023, 16/8/2023, 27/10/2023 where matters raised at the ECC was brought up to the JCC meeting held on the same day.	Complied
Criterion 6.4: Children are not employed or exploited.			

6.4.1	A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements. - Minor compliance -	IOI's Sustainable Palm Oil Policy contains the clause for the protection of children, including the prohibition against child labour. The Company also pledged to eliminate all forms of child labour. This Policy is displayed at all main notice boards and explained during external stakeholder meeting on 24/10/2023. Agreements signed with contractors and suppliers also contain a provision that no person below the age of 18 would be recruited. The relevant clause exists under Additional Requirements for Contractors and Service Providers which states that the contractors are aware of and comply with applicable local, national and ratified international laws and regulations, and not engage in child, forced or trafficked labour. Sampled were the following contracts: ➢ Jen Siong Enterprise (Linbar 1 Estate) ➢ J.S. Enterprise (Linbar 1 & 2 Estates) ➢ Pengangkutan Harapan Maju Sdn. Bhd (Linbar 2 Estate) ➢ Rico Enterprise Sdn Bhd (Sakilan Mill) ➢ Lagenda Bumimas Sdn Bhd (Sakilan Estate, Sakilan Mill, Linbar 1 & Linbar 2)	Complied
6.4.2	**(C)** There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure. - Critical (Major) compliance -	Based on review of the workers' register, copies of workers' passports and MyKad, and triangulated against interviews with sampled workers and field observations, evidence was available that minimum age requirements are met throughout Sakilan Mill and its supply base. MyKad and passports are used as a documented screening process to verify workers' age before they commenced their employment.	Complied
6.4.3	**(C)** Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	Based on review of the workers' register, copies of workers' passports and MyKad, no young persons were employed within	Complied

	- Critical (Major) compliance -	Sakilan Mill and its supply base. The youngest worker is aged 19 when he joined as Linbar 2 Estate as a cutter.	
6.4.4	The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live. - Minor compliance -	Communication about IOI's no child labour policy and negative effects of child labour was done during internal and external stakeholder meetings, as well as during muster briefings. Sampled were external stakeholder meeting on 24/10/2023. Internal stakeholder meetings held on the following dates also communicated about IOI's no child labour policy: Linbar 1 (5/9/2023), Linbar 2 (5/9/2023), Sakilan Mill (6/11/2023) and Sakilan Estate (6/9/2023).	Complied
Criterion 6.5: There is no harassment or abuse in the workplace, and reproductive rights are protected.			
6.5.1	**(C)** A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce. - Critical (Major) compliance -	IOI's Sustainable Palm Oil Policy signed by the Group Managing Director/Chief Executive Officer and Group Head of Sustainability (revised in October 2020) contains a Policy to prevent sexual and other forms of harassment. This document states that the Company will promote a safe and healthy working environment that is free from sexual harassment and other type of harrasments. In addition, IOI also has a policy known as Guideline for Handling Harassment at Workplace. Based on interviews with members of the Women's Empowerment Group and other workers, these Policies are being implemented and communicated to all levels of workforce during Policy trainings conducted as follows: Linbar 1 Estate: 5/10/2023 Linbar 2 Estate: 21/7/2023 Sakilan Mill: 25/3/2023 & 30/9/2023 Sakilan Estate: 9/9/2023	Complied

		Interviews with sampled workers (male and female) confirmed their understanding of sexual harassment and type of violence and its grievance mechanism.	
6.5.2	**(C)** A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce. - Critical (Major) compliance -	IOI's Sustainable Palm Oil Policy signed by the Group Managing Director/Chief Executive Officer and Group Head of Sustainability (revised in October 2020) contains a Policy to Policy to protect reproductive rights of all. This document states that the Company will protect reproductive health of women employees. The implementation of this Policy was verified based on interviews held with women employees where they are not prohibited from planning their families, are entitled to two months paid maternity leave, and women employees who are exposed to chemicals would be re-assigned to another job once she is confirmed pregnant. Briefings on this Policy were done as follows: Linbar 2 Estate: 10/9/2023, 3/8/2023, Sakilan Estate: 11/9/2023 Sakilan Mill: 9/9/2023 Interviews conducted with workers also confirmed their understanding especially female workers who knew that they are entitled to be given light job upon confirmation of pregnancy and will not be allowed to handle chemicals.	Complied
6.5.3	Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified. - Minor compliance -	Evidence was available that needs of new mothers were assessed. Sighted during the audit were assessment form for a new mother at Linbar 2 Estate. The assessment was carried out on 20/3/2023 for worker 1SRP/IOI/0519/5xx8. For new mother's assessment, IOI developed a checklist which covers questions related to mothers' needs such as post-natal treatment, nursing, infant medical check-ups, space required to	Complied

		express milk while at work, immunization for baby, and transportation needed for the purpose of a new mother. Interviewed with the new mother found that IOI has been taking care of the new mother and no additional needs were needed. Enough facilities were provided for new mother.	
6.5.4	A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce. - Minor compliance -	A grievance mechanism for victims to lodge a harassment report has been established and successfully implemented. As an opportunity for improvement, the grievance process where WEC Chairperson can refer the investigation to the Headquarters is reflected in the flowchart.	OFI
Criterion 6.6: No forms of forced or trafficked labour are used.			
6.6.1	**(C)** All workers have entered into employment voluntarily and the following are prohibited: • Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) • Charging the workers for recruitment fees. • Contract substitution • Involuntary overtime • Lack of freedom of workers to resign • Penalty for termination of employment • Debt bondage • Withholding of wages - Critical (Major) compliance -	Based on workers interviewed, and review of employment contracts and payslips, Sakilan Mill and its supply base was able to demonstrate that all workers have entered into employment voluntarily. **Passports:** All workers now keep their own passports. Sampled at Linbar 2 (6/11/2023) and Linbar 1 (20/9/2023) were briefings given to migrant workers that they are to keep their own passports safely. **Recruitment fees:** There is no evidence of recruitment fee paid. This is also mentioned in the workers' employment contracts. **Contract substitution:** Workers sampled confirmed that they knew what the job entailed before they were employed. **Involuntary overtime:**	Complied

		Reviewed during the audit were workers' consent to work overtime. Sampled workers also confirmed that overtime is mutually agreed with the employer. **Lack of freedom of workers to resign:** Workers were able to resign by giving 14 days' notice in writing to the management. This was also stipulated in their employment contracts. **Penalty for termination of employment:** There is no evidence of any worker being penalised for termination of employment. **Debt bondage and withholding of wages:** Based on payslips reviewed for sample workers, there was no evidence of any debt bondage and withholding	
6.6.2	**(C)** Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented. - Critical (Major) compliance -	IOI Plantation Foreign Workers Recruitment Guideline and Procedure signed by the Plantation Director dated October 017 (Revised July 2018) contains a specific labour policy and/or procedures for migrant workers. This Guidelines and Procedure covers the following: • No payment of recruitment fee • Pre-employment stages • Arrival of workers • Orientation and induction training • Health screening • Passport handling • Provision of basic items • Grievance mechanism • Contract renewal, etc.	Complied

		Based on audit interviews and records sighted, Sakilan Mill and its supply base were able to demonstrate that the procedures are being implemented.	
Criterion 6.7: The unit of certification ensures that the working environment under its control is safe and without undue risk to health.			
6.7.1	**(C)** The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded. - Critical (Major) compliance -	The management has established Safety Committee Member consist of Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Estate/Mill Manager. The mill and estates manager has been appointed as person responsible for safety and health cum chairman for safety and health as per Safety Management Plan Section 1.3.4 dated 04/06/2023 stating that Managers of respective units is automatically appointed as ESH Chairman. All correspondence were sighted and verified. The OSH committee discussed regarding the safety and health of the workers on quarterly basis during the OSH committee meeting. In the meeting discussed on the matters arising from the previous meetings, accident and incident report, workplace inspection, and training. Concerns on issue related health, safety and welfare were discussed at these meetings and recorded. The OSH Committee meeting for Estate was conducted on quarterly basis. Reviewed the latest minutes meeting FY 2023 as follows: OSH Meeting 2023 | Sakilan POM | Linbar 1 Estate 1st Quarter | 27/03/2023 | 21/03/2023 2nd Quarter | 27/06/2023 | 20/06/2023 3rd Quarter | 29/09/2023 | 19/09/2023 4th Quarter | TBC | TBC	Complied

<table>
<tr><td></td><td></td><td>
<table>
<tr><td>OSH Meeting 2023</td><td>Linbar 2 Estate</td><td>Sakilan Estate</td></tr>
<tr><td>1st Quarter</td><td>27/03/2023</td><td>09/03/2023</td></tr>
<tr><td>2nd Quarter</td><td>22/06/2023</td><td>27/06/2023</td></tr>
<tr><td>3rd Quarter</td><td>22/09/2023</td><td>25/09/2023</td></tr>
<tr><td>4th Quarter</td><td>TBC</td><td>TBC</td></tr>
</table>
Workplace inspections are made prior to the ESH meeting. Sighted evidence of inspection records.
</td><td></td></tr>
<tr><td>6.7.2</td><td>Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.

- Minor compliance -</td><td>The procedures for accident and emergencies has been established. There is formation of ERP Team & ERP for all the identified incidences. In addition the procedures have been summarized in a chart flow form and displayed for information of all employees in the estates and mill. They includes emergencies relating fire, chemical spillage, flood and accident at work place. Refer Flowchart procedure that has been reviewed on 17/10/2022 as below:
• Emergency Response for Eartquake
• Emergency Response for accident (Tractor & Lorry Drver)
• Emergency Response for Chemical handling
• Emergency Response for physical injured
• Emergency Response for fire at Mill
• Emergency Response for leachate from EFB
• Emergency Response for CPO spillage
• Emergency Response for Schedule waste spillage
• Emergency Response for electric shocked
• Emergency Response for effluent spillage</td><td>Complied</td></tr>
</table>

The organization chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. Procedure's guidelines were issued by SPO and amended to tailor to the situation differences in the estates and mill.

The operating units continuously provide training to the workers to ensure the awareness on the ERP. Reviewed the training records as follows:

Estate/ Mill	ERP Training date
Sakilan POM	13/07/2023
Linbar 1 Estate	03/10/2023
Linbar 2 Estate	03/03/2023
Sakilan Estate	17/06/2023

Procedure for First Aid has been established. Refer SOP Emergency Prevention, Preparedness and Response dated 01/08/2012 with reference number: IOI-OSH 3.3.4.3. The operating provided first aid kit/box and located in designated places or assigned to competent first aider. The operating units has also established an information on the location of first aid box, name and contact no. of the assigned first aider and communicated through briefing, training and displayed on notice board. First aid kit was monitored on monthly basis for estate and quarterly basis for mill. Latest inspection as follows:

Estate/ Mill	First Aid Training date	Latest First Aid Monitoring Record
Sakilan POM	19/05/2023	23/09/2023

		<table><tr><td>Linbar 1 Estate</td><td>06/09/2023</td><td>18/11/2023</td></tr><tr><td>Linbar 2 Estate</td><td>20/02/2023</td><td>07/11/2023</td></tr><tr><td>Sakilan Estate</td><td>28/04/2023</td><td>17/11/2023</td></tr></table> <u>Linbar 1 Estate</u> Accident records were maintained and updated monthly at the estate. The JKKP 8 form have been submitted for the year ending 2022 on 10/01/2023 with reference number JKKP8/124931/2022. There were 4 accidents recorded with 11 days TLA. <u>Sakilan POM</u> Accident records were maintained and updated monthly at the mill. The JKKP 8 form have been submitted for the year ending 2022 on 18/01/2023 with reference number JKKP8/103767/2021. There were 4 accidents recorded with 13 days TLA. <u>Linbar 2 Estate</u> Accident records were maintained and updated monthly at the estate. The JKKP 8 form have been submitted for the year ending 2022 on 26/01/2023 with reference number JKKP8/138617/2022. There were no accident recorded. <u>Sakilan Estate</u> Accident records were maintained and updated monthly at the estate. The JKKP 8 form have been submitted for the year ending 2022 on 30/01/2023 with reference number JKKP8/140210/2022. There were 5 accidents recorded with 32 days TLA.	
6.7.3	**(C)** Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for	Workers in both the Mill and Estate have been equipped with Personal Protective Equipment (PPE) tailored to their specific job tasks. This is confirmed through the PPE Issuance record for the year 2023. The estates and mill demonstrate a commitment to worker safety by providing PPE such as aprons, safety helmets, and	Complied

those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.

- Critical (Major) compliance -

safety shoes, which are relevant to the specific tasks handled by the workers.

Records of PPE issuance for the estate were observed, indicating a systematic approach to ensuring that employees have the necessary protective gear. During the site visit, workers were consistently observed wearing the appropriate PPE, reinforcing the practical implementation of safety measures.

The Hazard Identification, Risk Assessment, and Risk Control (HIRARC) conducted at the estates/mill have played a pivotal role in identifying and implementing specific PPE types for various activities. This proactive approach aligns with best practices in ensuring that workers are adequately protected based on the potential hazards associated with their respective tasks.

Category	PPE provided
Tractor Driver	Safety Helmet, Safety Shoes, Ear Plug, Safety Vest.
Sprayers	Respirator, nitrile glove, goggles, wellington boots, apron.
Manuring	Apron, wellington boots, dust mask, nitrile glove.
Engine Driver (Genset)	Safety Helmets, Safety shoes, Earmuff / Ear Plug, Gloves
Harvester	Safety helmet, Goggle, sickle cover, hand glove, wellington boots

Similarly, the mill issued PPE to its employees for their protection at workplace. Records of PPE issued are maintained individually to all employees. PPE issued to the workers is safety helmets, safety

<table>
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<td>shoes. Special PPE for workers assigned to height, confined space. Safety shoes issued on a 6 monthly basis and recorded.
<table>
<tr><th>Category</th><th>PPE provided</th></tr>
<tr><td>Mill operator</td><td>Safety boots, earmuff, safety vest, helmet, cotton glove</td></tr>
<tr><td>Water treatment Plant Operator</td><td>Safety boots, earmuff, safety vest, helmet, cotton glove, dust mask.</td></tr>
<tr><td>Workshop</td><td>Safety Helmets, Goggles, Leather Gloves, safety Shoes.</td></tr>
</table>
</td>
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<tr>
<td>6.7.4</td>
<td>All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents leading to injury or sickness are covered in accordance with Malaysian law.
- Minor compliance -</td>
<td>Medical care is inclusively provided to all employees by the organization, and this coverage is complemented by accident insurance. A review of workers' profile records indicates that all workers, both local and foreign, are covered by accident insurance. Specifically, both local and foreign workers are encompassed under the Social Security Organization (SOCSO) scheme.
Evidence supporting this coverage is observed in the contribution forms (8A) for the months of August, September, and October 2023, which were sighted for the mill and all sampled estates. This documentation substantiates the organization's commitment to ensuring comprehensive coverage for its workforce, aligning with both medical care provisions and accident insurance measures. The inclusion of foreign workers under the SOCSO scheme reflects a</td>
<td>Complied</td>
</tr>
</table>

<table>
<tr><td></td><td></td><td>comprehensive approach to employee welfare and compliance with relevant regulations.
<table>
<tr><th>Operating Unit</th><th>Month</th><th>Total Workers</th><th>Amount</th></tr>
<tr><td rowspan="3">Sakilan POM</td><td>Aug 2023</td><td>107</td><td>RM X,XXX.XX</td></tr>
<tr><td>Sept 2023</td><td>105</td><td>RM X,XXX.XX</td></tr>
<tr><td>Oct 2023</td><td>105</td><td>RM X,XXX.XX</td></tr>
<tr><td rowspan="3">Linbar 1 Estate</td><td>Aug 2023</td><td>159</td><td>RM X,XXX.XX</td></tr>
<tr><td>Sept 2023</td><td>160</td><td>RM X,XXX.XX</td></tr>
<tr><td>Oct 2023</td><td>170</td><td>RM X,XXX.XX</td></tr>
<tr><td rowspan="3">Linbar 2 Estate</td><td>Aug 2023</td><td>120</td><td>RM X,XXX.XX</td></tr>
<tr><td>Sept 2023</td><td>115</td><td>RM X,XXX.XX</td></tr>
<tr><td>Oct 2023</td><td>124</td><td>RM X,XXX.XX</td></tr>
<tr><td rowspan="3">Sakilan Estate</td><td>Aug 2023</td><td>199</td><td>RM X,XXX.XX</td></tr>
<tr><td>Sept 2023</td><td>199</td><td>RM X,XXX.XX</td></tr>
<tr><td>Oct 2023</td><td>198</td><td>RM X,XXX.XX</td></tr>
</table></td><td></td></tr>
<tr><td>6.7.5</td><td>Occupational injuries are recorded using Lost Time Accident (LTA) metrics.</td><td>Records of all accidents are kept. Accident incidences are reviewed during the safety meetings. Records on Lost Time Accident (LTA) metrics was maintained. Accident records are found to be updated.</td><td>Complied</td></tr>
</table>

<table>
<tr><td></td><td>- Minor compliance -</td><td>JKKP 8 form were submitted to DOE through MyKKP systems. Occupational Injuries were recorded as below:
<table>
<tr><td rowspan="2">Operating Unit</td><td colspan="2">2022</td><td rowspan="2">Hours worked</td><td rowspan="2">Average Days Worked</td></tr>
<tr><td>Cases</td><td>TLA</td></tr>
<tr><td>Sakilan POM</td><td>4</td><td>13</td><td>248,464</td><td>106</td></tr>
<tr><td>Linbar 1 Estate</td><td>4</td><td>11</td><td>349,280</td><td>148</td></tr>
<tr><td>Linbar 2 Estate</td><td>0</td><td>0</td><td>247,104</td><td>104</td></tr>
<tr><td>Sakilan Estate</td><td>5</td><td>32</td><td>417,720</td><td>177</td></tr>
</table></td><td></td></tr>
<tr><td colspan="4">Principle 7: Protect, conserve and enhance ecosystems and the environment</td></tr>
<tr><td colspan="4">Criterion 7.1: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.</td></tr>
<tr><td>7.1.1</td><td>(C) IPM plans are implemented and monitored to ensure effective pest control.
- Critical (Major) compliance -</td><td>Integrated Pest Management Plan has been established for the year of 2023. The plan was monitored by person in charge with target date and completion status. Among the plan as below:
<table>
<tr><td>Issue / Area</td><td>Action Plan</td></tr>
<tr><td>Bagworm attack</td><td>1. Conduct the census, if the population is above threshold level, chemical treatment by trunk injection of mature palm
2. Promotes the biological control on pest by planting more beneficial plant</td></tr>
<tr><td>Rat attack</td><td>1. To conduct the rat damage census
2. Control the population within housing by spot baiting and traps</td></tr>
</table></td><td>Complied</td></tr>
</table>

		Rhinoceros beetle	1. Trunk chipping thickness to be carried out below 6 cm. 2. Cypermethrin usage for immature planting area	
		Elephant	1. Enforce strict regulation of not killing the elephant 2. Identify the areas and passages frequently used by elephant. 3. Patrol the replanting areas near forest reserve and monitor for any elephant track 4. Use of solar powered electric fencing 5. Cut trenches within the estate boundary to prevent the elephant from crossing into the estate.	
		Monitoring has been conducted by estate. The estate continues to implement biological control for the oil palm pest in the plantation such as leaf eating pest and rat. Census records show that there was minimal outbreak of leaf eating pest. Although there have been minimal outbreaks of leaf eating pests, beneficial plants are being established along roadsides to attract natural predators and further reduce the outbreak. The estates have planted beneficial plants such as *Cassia cobanensis* , *Turnera subulata* and *Antigonon leptopus*. The estate has conducted the training on IPM Management especially on Elephant at Linbar 2 Estate. Training conducted on 24/07/2023 was verified on materials, and attendance list.		

7.1.2	Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented. - Minor compliance -	Species referenced in the Global Invasive Species Database and CABI.org are not used in the estate.	Complied
7.1.3	There is no use of fire for pest control unless in exceptional circumstances such as plantation sanitation, i.e. where no other effective methods exist, and with prior approval of government authorities. - Minor compliance -	There was no evidence of use of fire for pest control in all the estate.	Complied
Criterion 7.2: Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.			
7.2.1	**(C)** Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritised. - Critical (Major) compliance -	The justification for all pesticides used in the sampled estates was effectively demonstrated. This is supported by the sighting of Chemical calibration for CKS palm, which included dosage information for circle weeding, selective weeding, and pest and disease (P&D) control. Importantly, the pesticides utilized are registered under the Pesticide Act of 1974, as evidenced by the chemical register for the year 2022. Key objective evidence supporting the justification includes: • No Paraquat Usage: There is a notable absence of paraquat use in the sampled estates, aligning with safer and more environmentally friendly practices. • Guidelines for Weeding Activities: Standard Operating Procedures under subject 7.1 Weeding - Weeds & Weeding and the Agrochemical Management Guidelines dated 28/8/2020 (reference IOI/GG/SE/102) serve as guidelines for weeding activities. This ensures a standardized and regulated approach to weeding practices. • Incorporation of PPE Procedures: The procedures encompass	Complied

		the use of Personal Protective Equipment (PPE) when handling chemicals, emphasizing safety measures for workers. The chemical register lists selective products that are specific to targeted pests, weeds, or diseases, ensuring a precise and controlled approach. • Centralized Pesticide Purchases: Purchases of pesticides are centrally arranged via the Regional Office, indicating a controlled and organized procurement process under the supervision of the organization. This centralized arrangement provides a structured approach to acquiring pesticides, enhancing control mechanisms and ensuring compliance with standards. The cumulative evidence reflects a thorough and well-regulated approach to pesticide usage in the sampled estates, taking into account safety, environmental impact, and adherence to relevant guidelines and regulations.	
7.2.2	**(C)** Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided. - Critical (Major) compliance -	The estates had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and active ingredients (ai) per ha. a) Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field-cost books and in progress reports. Records of pesticides used were available and verified. b) All pesticides used were those officially registered under the Pesticide Act 1974. The CU had used only class II ,class lll & class lV pesticides. c) No illegal agrochemicals (stated by local and international laws) in particular paraquat were used in their estates.	Complied

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<td>Variation of chemical usage are attributed to sizes of immature areas, rainfall pattern and the regeneration growth of weeds in different type of soil series.
Records of pesticides used and a.i per Ha is monitored monthly in the yearly Pesticide Records for FY2023/2024 (Oct 2023) The records were sampled and available for verification as below:
<table>
<tr><td rowspan="2">Type of Chemical</td><td colspan="3">a.i / ha</td></tr>
<tr><td>Linbar 1 Estate</td><td>Linbar 2 Estate</td><td>Sakilan estate</td></tr>
<tr><td>Metsulfuron Methyl</td><td>0.0041</td><td>0.00042</td><td>0.0129</td></tr>
<tr><td>Glyphosate Isoprorylamine</td><td>0.3693</td><td>0.4789</td><td>0.7732</td></tr>
<tr><td>Triclophyr Butoxy Ethyl</td><td>0.1011</td><td>0.00092</td><td>0.10591</td></tr>
<tr><td>2,4-D Dimethylamine</td><td>0.0006</td><td>-</td><td>-</td></tr>
<tr><td>Sodium Chloride</td><td>0.0000</td><td>-</td><td>0.1472</td></tr>
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<tr>
<td>7.2.3</td>
<td>(C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.
- Critical (Major) compliance -</td>
<td>Integrated Pest Management (IPM) plans have been established and are actively monitored to ensure that the use of chemicals aligns with established guidelines. The Standard Operating Procedure under subject 7.1 Weeding - Weeds & Weeding and the Agrochemical Management Guidelines dated 28/8/2020 (reference IOI/GG/SE/102) serves as a comprehensive manual. This manual provides detailed guidance on the type of agrochemicals to be used, target pests/weeds/diseases, weed situations, recommended chemical brand names, application rates, and methods of application.
Verification processes, including checks of the chemical register, chemical issuance records, and on-site visits, demonstrate that the pesticides used are in strict accordance with the justifications</td>
<td>Complied</td>
</tr>
</table>

		outlined in the manual. The use of beneficial plants to host leaf-eating predators, observed in various locations along the estates' roadsides, indicates a proactive approach to pest management that aligns with IPM principles. The implementation in the field consistently adheres to the established Standard Operating Procedures (SOP). Notably, there is a commendable shift as all sampled estates have discontinued the use of Class I herbicides, indicating a commitment to adopting safer and more environmentally friendly practices in pest and weed management. Overall, the presence of detailed guidelines, effective monitoring mechanisms, and on-site evidence attests to a robust Integrated Pest Management approach that aligns with best practices and sustainability standards.	
7.2.4	There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines. - Minor compliance -	No evidence of prophylactic use of pesticides in the estates visited as per Register of Chemicals Hazardous to Health for all estates visited.	Complied
7.2.5	Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to: a) Judgment of the threat and verify why this is a major threat b) Why there is no other alternative which can be used c) Which process was applied to verify why there is no other less hazardous alternative	The Chemical Registers for the mill and sampled estates were available for verification and reviewed yearly and as and when there are introductions of new chemicals in the operations. The register showed and concluded that all pesticides used were of class II, III & class IV. The use of paraquat had been prohibited in all IOI estates. As for usage of highly toxic/limited pesticides, the estates acquired permit from Department of Agriculture. SDS were placed in the chemical store for emergency purpose. Emergency eye wash located at the chemical store were functioned. Estate's usage of pesticides which are were officially registered under the Pesticides	Complied

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<td>d) What is the process to limit the negative impacts of the application
e) Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.
- Minor compliance -</td>
<td>Act 1974 (Act 149) and the relevant provision (Section 53A) and in accordance with USECHH Regulations 2000.
There was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that were listed by the Stockholm or Rotterdam Conventions been used. Sighted from records and interviews with workers, staff and estate assistants, concluded that training were held with all precautions being taken and all legal requirements met. Sample of chemical used in the estates among others as listed below;
<table>
<tr><th>No</th><th>Chemical name</th><th>Class</th></tr>
<tr><td>1</td><td>Glyphosate Isopropylamine 41%</td><td>III</td></tr>
<tr><td>2</td><td>Metsulfuron Methyl 20%</td><td>IV</td></tr>
<tr><td>3</td><td>Triclopyr Butoxy Ethyl Ester 32.1%</td><td>III</td></tr>
<tr><td>4</td><td>Alkylphenol Ethoxylate</td><td>IV</td></tr>
<tr><td>5</td><td>Cypermethrin</td><td>II</td></tr>
<tr><td>6</td><td>Sodium Chloride</td><td>III</td></tr>
</table>
</td>
<td></td>
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<tr>
<td>7.2.6</td>
<td>(C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criteria 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.
- Critical (Major) compliance -</td>
<td>The pesticides operators has been given training regarding the usage safety and health issue and proper way for chemical application and attend monthly health surveillance done by the Medical Assistant. Pesticide operators are given training on the safe handling and application of the pesticides. Suitable personal protective equipment’s and application equipment provided to the operators based on the PPE issuance forms. Reviewed the training records as per criteria 3.7.2. Sampled the training conducted for pesticide handlers as below: -</td>
<td>Complied</td>
</tr>
</table>

Sakilan POM

Training	Date
SDS Training	20/06/2023
Chemical Handling Training	16/10/2023

Linbar 1 Estate

Training	Date
Spraying Calibration	07/02/2023
SOP Premix and SDS Training	20/02/2023
ERP Training	27/02/2023
Premix Training	20/02/2023
Chemical Store Training	12/04/2023

Linbar 2 Estate

Training	Date
Chemical Handling	18/04/2023
SOP Pre Mixing	25/04/2023
Triple Rinsing Chemical Training	31/03/2023
Calibration Spraying	03/05/2023

Sakilan Estate

		Training: SOP Sprayer and PPE — Date: 05/07/2023 Training: SOP Premixing Chemical — Date: 08/04/2023 Training: Spray Pump Chemical — Date: 12/06/2023	
7.2.7	**(C)** Storage of all pesticides is in accordance with recognised best practices. - Critical (Major) compliance -	Pesticides were discovered to be appropriately stored both in the mill and the Chemical Store across the estate, in compliance with the Occupational Safety and Health Act 1994 (Act 514) and Pesticides Act 1974 (Act 149) and their respective regulations. These storage facilities were consistently secured with locks, and during the visit, the storekeeper was observed unlocking the padlock to allow the auditor to inspect the store. Notably, prominent signage at the entrance emphasized the necessity of wearing Personal Protective Equipment (PPE). Furthermore, the Chemical Store displayed clear signage featuring Hazard Symbols as required. The ventilation system within the facility was operational, providing ample ventilation. Additionally, an up-to-date chemical register, including both trade and generic names, along with corresponding Safety Data Sheets, was readily accessible.	Complied
7.2.8	All pesticide containers are triple rinsed and punctured before being disposed of and/or handled responsibly if used for other purposes. - Minor compliance -	Addressed in the SOP Pengendalian Bekas Kosong dated 01/08/2012 for Triple Rinsing and Punctured guidelines for empty chemical containers. The container were collected at designated placed as disposed through responsible contractors or sent to collection centre, normally at Mill. Record of disposal as below: Linbar 1 Estate: Consignment note 70176 dated 07/11/2023. Empty chemical container 420 Kg to LD Recycle Enterprise. Linbar 2 Estate: Consignment note 70175 dated 07/11/2023. Empty chemical container 570 Kg to LD Recycle Enterprise.	Complied

		Sakilan Estate: Consignment Note 402183 dated 18/11/2023. Empty chemical container 281 Kg to Tong Lian Enterprise.	
7.2.9	**(C)** Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying. - Critical (Major) compliance -	Aerial application of agrochemicals is not employed in the estates that were visited. This was ascertained through direct observation during the site visit and interviews with the employees. It is evident that this method is no longer part of the estate's current practices.	Complied
7.2.10	**(C)** Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated. - Critical (Major) compliance -	The CHRA for the estates and the mill was conducted. In addition, the assessor recommended medical surveillance be conducted for the categories of employees who have contact with chemicals. The medical surveillance was carried out on as below: Sakilan POM - Medical Surveillance has been conducted on 05/10/2023 by DAB OH Sdn Bhd. A total of 40 workers were examined and none of them got abnormal results or recommended for removal. Linbar 1 Estate - Medical Surveillance has been conducted on 09/09/2023 by Klinik Ung Lahad Datu Sdn Bhd. A total of 49 workers were examined and the results were all workers are certified as fit to work. Linbar 2 Estate - Medical Surveillance has been conducted on 09/09/2023 by Klinik Ung Lahad Datu Sdn Bhd. A total of 32 workers were examined and the results were all workers are certified as fit to work. Sakilan Estate - Medical Surveillance has been conducted on 22/03/2023 by DAB OH Sdn Bhd. A total of 43 workers were examined and the results were all workers are certified as fit to work.	Complied

7.2.11	**(C)** No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work. - Critical (Major) compliance -	Based on site observation and verification of employee master list and interviews at the sampled estates, there was no evidence that work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions. Standard Operating Procedure adopted by the Organisation guidelines on reproductive health dated 05/10/2020 whereby; "No work with pesticides is given to pregnant or breast-feeding women" has been established by IOI. The estates maintained the list of sprayers. Identification of pregnancy status is made by the respective appointed Medical Assistant during the monthly check-up. Field interviews with the lady workers confirmed that such a regulation is a standard practice in the estates and in compliance.	Complied
Criterion 7.3: Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.			
7.3.1	A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented. - Minor compliance -	Addressed in the Environment Impact Assessment (EIA) Management Action Plan and Continuous Improvement Plan dated 06/11/2023, Identification and management plan of waste product Waste management were based on their categorization which is: • Schedule Waste and Empty Chemical Container • Clinical Waste • Domestic and Recycle Waste, Sewage and Garden Residue • Scrap Iron Sakilan Palm Oil Mill and supply bases has established Waste Management Plan 2023. Among details in the management plan tabulated in the table below: Waste Generation | Action Plan	Complied

		Scheduled waste	1. Comply with Schedule waste regulation 2. Update inventory of SW in E-Swiss on monthly basis 3. Ensure storage of SW not exceed 180 days 4. Ensure each SW have labels	
		Industrial waste	1. Liaise with Procurement Department for tendering process to appoint vendor to collect scrap metals 2. Ensure the contractor to dispose the debris after work completion	
		Domestic waste	1. Identify landfill at least 50m distances from nearest waterways, river 2. Allocate sufficient amount of dustbin at office and housing compound 3. Collect waste at estate compound at least 3 times a week 4. Arrange licenced contractors to de sludge septic tank periodically	
		Operational waste	1. Fertilizer bag re used for loose fruit collection or return to supplier 2. Old tyres used for landscaping or return to supplier	
		The implementation was monitored by the management units on monthly basis. There are one contractor was appointed to handle the disposal of schedule waste. Contractors' information as below: i) Lagenda Bumimas Sdn Bhd with valid license until 30/04/2024		

7.3.2	Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated. - Minor compliance -	Procedure of Schedule waste management has been established. Refer Environment Impact Assessment (EIA) Management Action Plan and Continuous Improvement Plan dated 06/11/2023, Identification and management plan of waste product. Other reference made was Guidelines for Packaging, Labelling and Storage of Scheduled Wastes In Malaysia. Awareness training on Schedule waste has been conducted as per date below: • Linbar 1 Estate: 20/04/2023 and 11/11/2023 • Sakilan POM: 12/01/2023 • Linbar 2 Estate: 28/04/2023 • Sakilan Estate: 29/09/2023 Generally, the workers have demonstrated good understanding in proper disposal of wastes. The management has obtained the approval from DOE to centralise the Schedule Waste dated 23/01/2018 with Ref No: ASSH(B) 91/110/619/001 Jld 22(85). Record of Inventory of Schedule Waste and Disposal Record as per details below: <u>Linbar 1 Estate</u> <u>Inventory</u> • Date Reporting: 31/10/2023 • Waste Generated: SW305, SW410, SW409, SW410, SW417, SW104, SW404. <u>Disposal</u> Sample 1 • Weighbridge Ticket No: SC23000085	Complied

		• Date Disposal: 23/10/2023 • SW 410 – Used Filter, 30 kg disposed to Ladang Sabah Palm Oil Mill – centralised collection center Sakilan Palm Oil Mill Inventory • File reference Number: JAS.SSK.600-3/1/31 • Date Reporting: 31/10/2023 • Waste Generated: SW305, SW3409, SW410. Disposal Sample 1 • Disposal consignment note: 20230725160VK2FS • Date Disposal: 25/07/2023 • SW 102 – Waste of lead acid batteries in whole or crushed form - 0.083 MT disposed by Lagenda Bumimas Sdn Bhd Sample 2 • Disposal consignment note: 20230725166QCA4B • Date Disposal: 25/07/2023 • SW 305 – Spent Lubricating Oil, 0.8 MT disposed by Lagenda Bumimas Sdn Bhd Sakilan Estate Inventory • Date Reporting: 18/11/2023 • Waste Generated: SW409 Disposal Sample 1	

		• Memo date 13/11/2023 to Mill verified on the schedule waste delivery to the mill • Date Disposal: 18/11/2003 • SW 409 – Used polybag, used fertilizer liner with total weight of 189 kg disposed to Sakilan Palm Oil Mill – centralised collection center Sample 2 • Memo date 31/10/2023 to Mill verified on the schedule waste delivery to the mill • Date Disposal: 04/11/2023 • SW 104 – Used welding rod 2.5 kg, SW 109 Used lamp, 2kg, SW 305 used lubricant oil 90 kg, SW 409 used paint tin 5kg, SW 410 used filter 115 kg, used PPE 38 kg, SW 410 Used rags 18 kg disposed to Sakilan Palm Oil Mill – centralised collection center The domestic waste was disposed through the landfilled at each estate. Which was visted during the audit found that the area are well maintain and only domestic waste were disposed. There are no other type of waste in the landfilled.	
7.3.3	The unit of certification does not use open fire for waste disposal. - Minor compliance -	There was no evidence of fire used for waste disposal estate visited. Domestic waste was collected and disposed at landfill. Estate | Block No | Date Open Linbar 1 Estate | 16C | 01/11/2023 Linbar 2 Estate | 18A | 15/10/2023 Sakilan Estate | 97W | 30/10/2023	Complied

Criterion 7.4: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
7.4.1	Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts. - Minor compliance -	SOP on managing soil fertility for optimize yield and minimize environmental impacts has been established. The sustaining of the soil fertility is guided by the organization SOPs content among others as stated in sections of the following documents. 1. Standard Operating Procedure for Leguminous Cover Plant Manuring, document no. IOI/SOP/A/08, issue date 2007, revised date March 2020 2. Standard Operating Procedure for Manual Fertiliser Application for Immature and Mature Palms, document no. IOI/SOP/A/09, issue date 2007, revised date March 2020 3. Standard Operating Procedure for wheelbarrow Fertiliser Application for Immature and Mature Palms, document no. IOI/SOP/A/10, issue date 2007, revised date March 2020 4. Standard Operating Procedure for Buffalo Assisted manuring (BAM) for Immature and Mature Palms, document no. IOI/SOP/A/11, issue date 2007, revised date March 2020 5. Standard Operating Procedure for Semi mechanised Manuring for Mature Palms, document no. IOI/SOP/A/12, issue date 2007, revised date March 2020 6. Standard Operating Procedure for Empty Fruit Bunch (EFB) Mulching, document no. IOI/SOP/A/13 issue date 2007, revised date March 2020	Complied
7.4.2	Periodic tissue and soil sampling is carried out by Companies to monitor and manage changes in soil fertility and plant health. - Minor compliance -	Foliar and soil sampling was carried out by the IOI Research Centre Sabah prior to the fertilizer recommendation for the next financial year. Leaf and soil nutrient analysis are commonly used in the diagnosis of fertilizer requirements in oil palms. Reviewed the sampling records as follows:	Complied

		Linbar 1 Estate Latest Soil Sampling was conducted on 04/10/2022. Refer report no. S016/22-23. Latest leaf sampling was conducted in 03/07/2023. Linbar 2 Estate The management of IOI Research Centre Sabah has conducted the Soil and Foliar sample on 02/08/2023. During the audit, the result is yet to be available for review. Previous test result on foliar sample dated 04/10/2022 and soil sample dated 07/12/2019 was verified. Sakilan Estate The management of IOI Research Centre Sabah has conducted the Soil and Foliar sample on 04/07/2023. Both of the result are available for review. The Agronomist research has submitted the recommendation on the management fertilizer plan according to the soil sample and foliar sample to estates. Sample sighted on the agronomist recommendation dated 26/08/2023 for Sakilan Estate.	
7.4.3	A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers. - Minor compliance -	The mill disposed EFB by send to neighbouring sister estate as nutrient recycle program. Reviewed the EFB disposal records FY 2023 as follows: The following practices are applied in the estates in relation to the nutrient recycling strategy. 1. EFB application in designated fields at dosage of 250-300 kg of EFB per palm applied in inter rows for immature planting 2. For mature planting, 1 mt EFB for every 4 palms with application is conducted along the inter row near frond stacks. 3. The cut frond are stacked in between the palm's rows left to discompose.	Complied

<table>
<tr><td></td><td></td><td>The estate has established EFB and Bio-Compost application program FY 2023. EFB records are available at Sakilan Palm Oil Mill. Sample taken from 01/01/2023 until – 31/10/2023 are as following:
<table>
<tr><th>Estate</th><th>Quantity (mt)</th></tr>
<tr><td>Sakilan Estate</td><td>598.52</td></tr>
<tr><td>Linbar 1 Estate</td><td>41.02</td></tr>
<tr><td>Linbar 2 Estate</td><td>11.36</td></tr>
<tr><td colspan="2"></td></tr>
<tr><th>External</th><th>Quantity (mt)</th></tr>
<tr><td>IOI Edible Oils Sdn Bhd</td><td>21.08</td></tr>
<tr><td>IOI Bio-Energy Sdn Bhd</td><td>7,551.47</td></tr>
</table></td><td></td></tr>
<tr><td>7.4.4</td><td>Records of fertiliser inputs are maintained.
- Minor compliance -</td><td>The fertiliser application was conducted as per recommendation by agronomist base on foliar sampling conducted. The fertiliser application records were available at the estate visited for review. Sample of fertilizer consumption programme and application record as table below:
<table>
<tr><th colspan="2">Linbar 1 Estate</th></tr>
<tr><th>Fertilizer</th><th>Amount (kg)</th></tr>
<tr><td>Rock Posphate</td><td>518,650.00</td></tr>
<tr><td>Kieserite</td><td>13,750.00</td></tr>
<tr><td>Ammonium Suphate</td><td>342,800.00</td></tr>
<tr><td>Rock Phospate Egyptian</td><td>20,500.00</td></tr>
</table></td><td>Complied</td></tr>
</table>

Compound 44B	1,700.00

Linbar 2 Estate	
Fertilizer	Amount (kg)
Borate	18,825.00
Kieserite	69,250.00
NPK	111,450.00
MOP STD	337,700.00
Rock Phospate Egyptian	383,050.00
Verde	22.00

Sakilan Estate	
Fertilizer	Amount (kg)
Borate	3,100.00
Compound	27,350.00
NPK	111,450.00
MOP STD	108,500.00
Ammonium Sulphate	15,050.00
Egyptian Rock Phosphate	133,800.00

Criterion 7.5: Practices minimise and control erosion and degradation of soils.

7.5.1	**(C)** Maps identifying marginal and fragile soils, including steep terrain, are available. - Critical (Major) compliance -	The GIS department has created a soil series map for all visited estates. Here are the identified soil series for each estate: <u>Linbar 1 Estate:</u> • Kinabatangan • Sapi • Lungmanis • Silabukan • Kalabakan • Linbar 2 Estate: Linbar 2 Estate • Sapi • Brantian • Silabukan • Kalabakan • Lokan Sakilan Estate: • Silabukan • Rumidi • Kretam • Lokan	Complied

7.5.2	No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25 degrees) larger than 25 Ha within the Unit of Certification. - Minor compliance -	IOI Plantations has established Standard Operating Procedures (SOP) for estate operations related to new planting and replanting land preparation. These SOPs include: Standard Operating Procedure for Land Clearing for Oil Palm Cultivation, document no. IOI/SOP/A/04, issued in 2007, revised in March 2020. Standard Operating Procedure for Land Preparation for New Planting and Replanting, document no. IOI/SOP/A/05, issued in 2007, revised in March 2020. According to the SOPs, under section 6.5 concerning Hilly to Steep Terrain (≤ 25° Slope), it is stated that no planting or terracing shall be carried out on steep terrains (≥25°). The GIS Department has established a slope map indicating the percentage of different slope categories for each estate: <u>Linbar 1 Estate:</u> • Flat (0° - 2°): 40.01% • Undulation (2° - 6°): 47.90% • Rolling (6° - 12°): 10.00% • Hilly (12° - 15°): 0.98% • Steep (15° - 25°): 1.05% • Very Steep (≥ 25°): 0.06% <u>Linbar 2 Estate:</u> • Flat (0° - 2°): 17.72% • Undulation (2° - 6°): 46.37% • Rolling (6° - 12°): 27.89%	Complied

		• Hilly (12° - 15°): 4.10% • Steep (15° - 25°): 3.48% • Very Steep (≥ 25°): 0.44% <u>Sakilan Estate:</u> • Flat (0° - 2°): 42.16% • Undulation (2° - 6°): 45.67% • Rolling (6° - 12°): 11.91% • Hilly (12° - 15°): 0.25% • Steep (15° - 25°): 0.01% Very Steep (≥ 25°): 0.00%	
7.5.3	There is no new planting of oil palm on steep terrain. - Minor compliance -	Verified through document checking, interview and site verification found there is no new planting or replanting activities on steep terrain.	Complied
Criterion 7.6: Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.			
7.6.1	**(C)** To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations. - Critical (Major) compliance -	Soil surveys have been conducted, and the results are presented in a soil map available at the estates. Additionally, topographic contour maps are accessible, and both the soil map and contour maps are utilized to oversee drainage and road-related activities in the estates. During visits to the estates, slope maps and relevant information were also made available for review. These maps and information contribute to effective management practices in handling drainage and roadwork within the estates.	Complied

7.6.2	Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices. - Minor compliance -	Soil series and topography map available for estate sampled. No fragile soil categorized in the estates sampled. The estate has taken into account the land terrain, drainage, and road systems in planning for replanting. there is no presence of peat soil or soil categorized as marginal or fragile. Additionally, there has been no new planting activities in these estates.	Complied
7.6.3	Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure. - Minor compliance -	Soil surveys have been conducted, and the results are presented in a soil map available at the estates. Additionally, topographic contour maps are accessible, and both the soil map and contour maps are utilized to oversee drainage and road-related activities in the estates. During visits to the estates, slope maps and relevant information were also made available for review. These maps and information contribute to effective management practices in handling drainage and roadwork within the estates.	Complied
Criterion 7.7: No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.			
7.7.1	**(C)** There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas. - Critical (Major) compliance -	There is no new planting at sample estates. There is no peat soil identified at estate visited in Sakilan Palm Oil Mill and Supply Bases. Verification through site visit, document checking, and interview confirmed that there is no new planting activity in the estate visited. Hence, the criterion is not applicable.	Not Applicable
7.7.2	Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. **PROCEDURAL NOTE:** Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peatland Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below). - Minor compliance -	There is no new planting at sample estates. There is no peat soil identified at estate visited in Sakilan Palm Oil Mill and Supply Bases. Verification through site visit, document checking, and interview confirmed that there is no new planting activity in the estate visited. Hence, the criterion is not applicable.	Not Applicable

7.7.3	**(C)** Subsidence of peat is monitored, documented and minimised. - Critical (Major) compliance -	There is no new planting at sample estates. There is no peat soil identified at estate visited in Sakilan Palm Oil Mill and Supply Bases. Verification through site visit, document checking, and interview confirmed that there is no new planting activity in the estate visited. Hence, the criterion is not applicable.	Not Applicable
7.7.4	**(C)** A documented water and ground cover management programme is in place. - Critical (Major) compliance -	There is no new planting at sample estates. There is no peat soil identified at estate visited in Sakilan Palm Oil Mill and Supply Bases. Verification through site visit, document checking, and interview confirmed that there is no new planting activity in the estate visited. Hence, the criterion is not applicable.	Not Applicable
7.7.5	**(C)** For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. This is subject to transitional (5 years: 2019 to 2024) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition. - Critical (Major) compliance -	There is no new planting at sample estates. There is no peat soil identified at estate visited in Sakilan Palm Oil Mill and Supply Bases. Verification through site visit, document checking, and interview confirmed that there is no new planting activity in the estate visited. Hence, the criterion is not applicable.	Not Applicable
7.7.6	**(C)** All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2019) and associated audit guidance.	There is no new planting at sample estates. There is no peat soil identified at estate visited in Sakilan Palm Oil Mill and Supply Bases. Verification through site visit, document checking, and interview	Not Applicable

	- Critical (Major) compliance -	confirmed that there is no new planting activity in the estate visited. Hence, the criterion is not applicable.	
7.7.7	**(C)** All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2019) and associated audit guidance. - Critical (Major) compliance -	There is no new planting at sample estates. There is no peat soil identified at estate visited in Sakilan Palm Oil Mill and Supply Bases. Verification through site visit, document checking, and interview confirmed that there is no new planting activity in the estate visited. Hence, the criterion is not applicable.	Not Applicable
Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.			
7.8.1	A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following: a) The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities. b) Workers have adequate access to clean water. - Minor compliance -	The certification unit has established water management plan for the year 2023. <u>Linbar 1 estate</u> The water management plan dated 01/09/2023 has details the 1. Water resource management - Catchment pond at block 12L 2. Water for domestic use and streams - Drinking water test conducted on 29/09/2023 shows that the water specification met with the drinking water standard 3. Water management plans at estate <u>Linbar 2 Estate</u> 1. Water resource management - Catchment pond at block 14E	Complied

2. Water for domestic use and streams

- Drinking water test conducted on 13/10/2023 shows that the water specification met with the drinking water standard.

Parameter	Result	Limit
pH	7.0	6.5-8.5
Turbidity	0.10	2.00
Total Coliform	ND	10
e-Coli	ND	Nil
Hardness	13.6	500

3. Water management plans at estate

<u>Sakilan Estate</u>

1. Water resource management

- Catchment pond at block 97B

2. Water for domestic use and streams

- Drinking water test conducted on 02/08/2023 and 16/10/2023 for Total Coliform and e-Coli shows that the water specification met with the drinking water standard.

Parameter	Result	Limit
pH	7.3	6.5-8.5
Turbidity	0.15	2.00

<table>
<tr>
<td></td>
<td></td>
<td>
<table>
<tr><td>Total Coliform</td><td>ND</td><td>10</td></tr>
<tr><td>e-Coli</td><td>ND</td><td>Nil</td></tr>
<tr><td>Hardness</td><td>13.6</td><td>500</td></tr>
</table>
3. Water management plans at estate
<table>
<tr><th>Objective</th><th>Action Plan</th></tr>
<tr><td>To monitor quality of main water inlet/outlet for pollutants from estate operations</td><td>Water analysis results by R&D</td></tr>
<tr><td>Contingency during water shortage</td><td>Purchasing water from JBA</td></tr>
<tr><td>Contingency during water shortage</td><td>Establish drain blocking system in field to conserve water</td></tr>
<tr><td>To monitor the usage of fresh water in monthly basis</td><td>Awareness to workers on water consumption</td></tr>
<tr><td>To monitor the plumbing system</td><td>To carry out immediately repair of broken pipelines and identified any</td></tr>
<tr><td>Harvesting rainwater</td><td>To use for general cleaning, operation, gardening and etc.</td></tr>
</table>
</td>
<td></td>
</tr>
<tr>
<td>7.8.2</td>
<td>(C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017) or applicable National legislation or specific</td>
<td>Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. Riparian buffer zones have been identified and demarcated. Signage has been placed. No chemicals and fertilizer application observed been used</td>
<td>Complied</td>
</tr>
</table>

<table>
<tr>
<td></td>
<td>environmental permit. Smallholders may replant existing planted areas provided there is no evidence of environmental deterioration having occurred during the previous cycle.

- Critical (Major) compliance -</td>
<td>in their maintenance. In some areas Guatemala grass were planted along the riverbanks. Management of riparian zone is guided by Water Management Plan. The widths of the buffer zones are guided by the following measurements:
<table>
<tr><td>River width (meter)</td><td>Minimum width for river reserve (m) for Sabah</td></tr>
<tr><td><3</td><td>5</td></tr>
<tr><td>3-20</td><td>20</td></tr>
<tr><td>20-40</td><td>40</td></tr>
<tr><td>>40</td><td>50</td></tr>
</table>
There is a river at Linbar 1 Estate and Linbar 2 Estate named Sungai Lokan that flow along the boundary. Verified availability of signage and buffer zone marking. There were no chemical activities sighted. Water analysis has been conducted. Refer Water Analysis report for Sungai Lokan conducted on 12/09/2023 for Linbar 1 Estate and 09/05/2023 for Linbar 2 Estate. Both results shows compliance to Class III of National Water Quality Standards for Malaysia.

Sakilan Estate has conducted the water quality analysis dated 14/03/2023, which consist of three river flowing in the estate. The result indicates that all the parameters are abide with the NWQSM Class III.</td>
<td></td>
</tr>
<tr>
<td>7.8.3</td>
<td>Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.

- Minor compliance -</td>
<td>Mill effluent is treated through biological anaerobic treatment. Regular monitoring was conducted as per requirement. Monthly and quarterly reports were submitted to DOE accordingly. Reviewed the Quarterly Return Form to DOE as follows:
<table>
<tr><td>Report Date</td><td>Quarter/Week</td><td>BOD (Limit= 50 mg/L)</td></tr>
</table></td>
<td>Complied</td>
</tr>
</table>

13/10/2023	1st week/1st month	16.40
	5th week/2nd Month	8.90
	9th week/3rd Month	18.20
12/07/2023	1st week/1st month	16.70
	5th week/2nd Month	13.80
	9th week/3rd Month	14.10

Sakilan Palm Oil Mill discharge POME through furrow system after treated as per "Jadual Pematuahan" No:003460. Signage on "Takat Pelepasan" was maintained at Mill has conducted water sampling at final discharge. Refer Report from Dynakey Laboratories Sdn Bhd dated 09/10/2023 with reference number E231010-08C-0.

1. Mill Final Discharge

Parameter	Result	Limit
pH	8.5	5.0 <x< 9.0
BOD	13.9	50
Ammonical Nitrogen	1	150 mg/l
Total Nitrogen	11.7	200 mg/l
Oil & Grease	ND (<2)	20 mg/l
Suspended Solids	18	200 mg/l
Total Solids	2525	-

2. Upstream and Downstream

<table>
<tr>
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<td>
<table>
<tr><th>Parameter</th><th>Upstream</th><th>Downstream</th></tr>
<tr><td>pH</td><td>7.3</td><td>6.7</td></tr>
<tr><td>BOD</td><td>3</td><td>3.6</td></tr>
<tr><td>Ammonical Nitrogen</td><td>ND</td><td>ND</td></tr>
<tr><td>Total Nitrogen</td><td>ND</td><td>3.6</td></tr>
<tr><td>Oil & Grease</td><td>ND</td><td>ND</td></tr>
<tr><td>Suspended Solids</td><td>150</td><td>340</td></tr>
<tr><td>Total Solids</td><td>328</td><td>458</td></tr>
</table>

Base from the latest sample and quarterly submission, it is found that the mill complied with the requirements stated in the “Jadual Pematuhan”
</td>
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<tr>
<td>7.8.4</td>
<td>Mill water use per tonne of FFB is monitored and recorded.
- Minor compliance -</td>
<td>Mill has maintained monitoring of water usage for processing FFB which are recorded monthly. Water for processing is abstracted from water catchment by using pump. The trend of water usage is tandem with volume of FFB process. Refer Water Usage Record Sakilan Palm Oil Mill. Average data as below:
<table>
<tr><th>Month</th><th>Water/mt FFB</th></tr>
<tr><td>01/2023</td><td>1.01</td></tr>
<tr><td>02/2023</td><td>0.83</td></tr>
<tr><td>03/2023</td><td>1.33</td></tr>
<tr><td>04/2023</td><td>0.93</td></tr>
<tr><td>05/2023</td><td>1.03</td></tr>
</table>
</td>
<td>Complied</td>
</tr>
</table>

		06/2023	0.95		
		07/2023	1.02		
		08/2023	1.56		
		09/2023	1.43		
		10/2023	1.55		
Criterion 7.9: Efficiency of fossil fuel use and the use of renewable energy is optimised					
7.9.1	A plan for efficiency of the use of fossil fuels and to optimise renewable energy is implemented, monitored and documented. - Minor compliance -	A plan for improving the efficiency of the use of fossil fuels is in place and has been incorporated into the Environment Impact Assessment (EIA) management Action Plans and Continuous Improvement Plan 2023. The document was reviewed/updated on January 2023. Among the Energy Management Plan were: i) Avoid purchasing second grade diesel from unauthorized dealers that contain high sulphur content ii) Monitoring if effectiveness of diesel usage by drivers iii) Continue the regular servicing of vehicle for smooth running of engines iv) Records of diesel usage by vehicles-genset and maintenance The mill and estate monitored the diesel usage per ton FFB process/production on monthly basis. Reviewed the data FY 2023/2024 (July 2023- November 2023) as follows:			Complied

Estate / Mill	Diesel, (liter)	FFB, (MT)	Diesel / FFB (MT)
Linbar 1 Estate	83901.00	15,677.85	5.2991
Sakilan Palm Oil Mill	178,400.00	40,692.48	4.3841

		Linbar 2 Estate	64008.00	9,289.00	6.891	
		Sakilan Estate	72,101.00	11,576.54	6.2282	
Criterion 7.10: Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.						
7.10.1	**(C)** GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported. - Critical (Major) compliance -	The GHG emissions are identified and assessed for the unit certification by sustainability team. RSPO Palm GHG Calculator version 4 is used. The consumption of fertilisers and diesel were verified through Estates: • FFB record book • Stock book • Monthly stock issue • Stock requisition note Mill • Mill Month End Production Report • Monthly production report • Flowmeter & running hours record book Effluent analysis report Based on the verification of records; all the sampled issuance was traceable				Complied
7.10.2	**(C)** Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared and implemented (following the RSPO GHG Assessment Procedure for New Development). - Critical (Major) compliance -	Not applicable since no new development by the certification unit.				Not Applicable

7.10.3	**(C)** Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored. - Critical (Major) compliance -	Assessment of all polluting activities was conducted under Environmental Risk Assessment for identifying activities that contributes significant impact to environment including gaseous emission. Among the plan for pollution preventive action Plan FY 2022/2023 were: • To ensure the preventive maintenance vehicles checklist were in place. Regularly inspection is carried out to these vehicles. • To place tray underneath the vehicles. Implementation of plan is being monitored by appointed person in charge with target of time frame for completion. As prescribed under DOE's Compliance Schedule, the mill is obliged to conduct stack sampling minimum once a year. Below are the verified reports (Isokinetic Stack & Air Emission Monitoring Report): 1st Half 20223 • Report no.: ALM/TCEMSB/0223/8256 • Report date: 01/03/2023 • Result: Dust: 33.90 mg/m3 (B5) vs limit 150, CO: 2.3 mg/m3 vs limit 1000 @ 12% CO2 For Air Pollution Control System, management use Electrostatic Precipitator (ESP) for monitoring. Continuous Emissions Monitoring System (CEMS) which link to the DOE on real time base were monitored.	Complied
Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area			
7.11.1	**(C)** Land for new planting or replanting is not prepared by burning. - Critical (Major) compliance -	No new planting is happening at the Sakilan Palm Oil Mill Certification unit. After checking documents, interviews, and visiting the site, it's confirmed that they aren't preparing for replanting by burning. This follows the Zero Open Burning policy in the SOP Section B2 - Felling/Land Clearing & Land Preparation from	Complied

		November 2008. The management is following Malaysian environmental laws – EQA and Regulations 1974. The records for land clearing and felling during the visit to estates show no open burning. They use methods like felling & chipping, cambering/land forming, and path construction for land clearing and preparation.	
7.11.2	The unit of certification establishes fire prevention and control measures for the areas directly managed by the unit of certification. - Minor compliance -	Fire prevention measure has been established. Refer Emergency Preparedness and Response Procedures. Refer document no. UM/HSE/SP/02.	Complied
7.11.3	The unit of certification engages with adjacent stakeholders on fire prevention and control measures. - Minor compliance -	There is evidence that management has engaged with stakeholders regarding on fire prevention and control measures. Refer Stakeholder meeting dated 24/10/2023. The management briefed the IOI Group Fire Management Guideline and the stages on fire management to the stakeholders.	Complied
Criterion 7.12: Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.			
7.12.1	**(C)** Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document. - Critical (Major) compliance -	No new planting has been happening in the certification unit since 15/11/2018. An Internal High Conservation Value (HCV) Assessment was conducted in 2013 for the existing planted area. The report was prepared on 20/11/2018, covering all the operating units under Sakilan Palm Oil Mill and the supply base. The report also includes Management Action Plans, which are reviewed annually.	Complied
7.12.2	**(C)** HCVs, HCS forests and other conservation areas are identified as follows:	In 2023, an Internal High Conservation Value (HCV) Assessment was carried out, and the report was prepared on 01/11/2023, covering all the operating units under Sakilan Palm Oil Mill and the supply base. The identified HCV and conservation areas include:	Complied

	a) For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid. b) Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations. **PROCEDURAL NOTE:** Requirement is further clarified under the Interpretation of Indicator 7.12.2 and Annex 5 (approved by BOG on 12 June 2019). - Critical (Major) compliance -	Linbar 1 Estate: • Segaliud Lokan Forest Reserve Buffer Zone (HCV 1) • River buffer zone for Sg. Lokan (HCV 4) • Water Pond Conservation Area • Steep area Conservation Area • Small River/Tributaries Conservation Area Linbar 2 Estate: • Segaliud Lokan Forest Reserve Buffer Zone (HCV 1) • Water Pond Conservation Area • Small River/Tributaries Conservation Area • Sentang/Sepat area Conservation Area Sakilan Estate: • Water Pond Conservation Area • Steep hill Conservation Area • Volcano Mud Conservation Area • River/riparian reserve Conservation Area	
7.12.3	*Indicator is not applicable in Malaysia context*	Not Applicable	Not Applicable
7.12.4	**(C)** Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in	The estates have developed Management Action Plans for all identified High Conservation Value (HCV) areas, and these plans are reviewed annually. The management details are documented in the High Conservation Value & Conservation Area Management Plans & Continuous Improvement Plan. The sample of the implementation of the management plans for each estate are as following:	Complied

	consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified). - Critical (Major) compliance -	Linbar 1 Estate: • Prohibition signs for chemical spraying, fertilizer application, tree cutting, open burning, fishing/poisoning fish, disposal of toxic waste, and hunting are erected in the HCV area, observed in Segaliud Lokan Forest Reserve Buffer Zone and Sg. Lokan buffer zone. • Weekly monitoring of the HCV area is conducted, with records reviewed on specific dates. • Inspections are carried out for all visitors or persons passing by the estate to ensure no hunting gear is brought in. • Animal sightings or traces are recorded, with a review of animal sighting records for FY 2023 Linbar 2 Estate: • Buffer zones for Sg. Rawog and Sg. Lokan are established and monitored, as seen in field P17B and P16J. • Estate Field Supervisors undergo Honorary Wildlife Warden training, with relevant documents reviewed. • Weekly monitoring of the HCV area is conducted, with records reviewed on specific dates. Sakilan Estate: • River riparian buffer zones for Sg. Garinono and Sg. Bulu are established and clearly marked in the field. • Signboards prohibiting chemical application are demarcated, with no evidence of chemical application in the area. • During a site visit to the steep hill area, it was observed that the area was left undisturbed, and the vegetation was well maintained.	

7.12.5	Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peat land and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas. - Minor compliance -	There was no rights of local communities been identified in HCV areas, HCS forest after 15/11/2018, peat land and other conservation areas.	Complied
7.12.6	All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species. - Minor compliance -	The estate's management consistently raises awareness about High Conservation Value (HCV) and Responsible Traceable Entrepreneurship (RTE) among workers through morning briefings and training sessions. Training records were reviewed based on criteria 3.7.2. Additionally, the estates have placed signs at important locations within the estates, including the entrance, office, housing area, and notice board, to ensure that everyone is aware of HCV and RTE. Furthermore, the estate communicates information about HCV and RTE to all stakeholders during stakeholders' meetings. This comprehensive approach ensures that awareness is promoted among workers and stakeholders alike.	Complied
7.12.7	The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan. - Minor compliance -	There are no new High Conservation Values (HCVs), High Carbon Stock (HCS) forests, peatland, or other conservation areas have been identified since 15/11/2018. The daily field supervision by field staff and executives ensures continuous monitoring of these areas. The estate keeps records of animal sightings or traces, and a review of the animal sighting records for FY 2023 reveals various animals observed, including: 1. Long-tailed Macaque 2. Wild Boar	Complied

		3. Elephant 4. Sambar Deer 5. Pig-tailed Macaque 6. Snake 7. Squirrel 8. Hornbill 9. Crocodile	
7.12.8	**(C)** Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies. - Critical (Major) compliance -	No land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15/11/2008 2018 within certification unit.	Complied

Appendix B: GHG Reporting Executive Summary

The GHG emissions that were produced in **[2022]** for **[Halusah ladang Sdn Bhd - Sakilan Palm Oil Mill]** and supply base was calculated using the PalmGHG Calculator version 4.0. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

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

The summary of the Net GHG emitted in **[2022]** for **[Sakilan Palm Oil Mill]** and supply base are as following:

Emission per product	tCO_2e/tProduct
CPO	7.84
PKO	7.84

Extraction	%
OER	21.65
KER	3.74

Production	t/yr
FFB Process	103,635.10
CPO Produced	22,433.416
PKO Produced	3,873.451

Land Use	Ha
OP Planted Area	6,295.00
OP Planted on peat	0.00
Conservation (forested)	68.30
Conservation (non-forested)	0.00
Total	6,363.30

Summary of Field Emission and Sink

	Own Crop*		Group		3rd Party		Total	
	tCO_2e	tCO_2e / FFB	tCO_2e	tCO_2e / FFB	tCO_2e	tCO_2e / FFB	tCO_2e	tCO_2e / FFB
Emission								
Land Conversion	49,254.75	0.48	0.00	0.00	0.00	0.00	49,254.75	0.48
CO_2 Emission from fertilizer	4,965.70	0.05	0.00	0.00	0.00	0.00	4,965.70	0.05
NO_2 Emission	3,414.28	0.03	0.00	0.00	0.00	0.00	3,414.28	0.03
Fuel Consumption	911.29	0.01	0.00	0.00	0.00	0.00	911.29	0.01
Peat Oxidation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sink								
Crop Sequestration	-46,683.68	-0.45	0.00	0.00	0.00	0.00	-46,683.68	-0.45
Conservation Sequestration	-626.31	-0.01	0.00	0.00	0.00	0.00	-626.31	-0.01
Total	11,236.02	1.78	0.00	0.00	0.00	0.00	11,236.02	1.78

**Note: Includes both estates and smallholders*

Summary of Mill Emission and Credit

	tCO_2e	$tCO_2e/tFFB$
Emission		
POME	194,582.61	1.88
Fuel Consumption	1589.22	0.02
Grid Electricity Utilization	0.00	0.00
Credit		
Export of Grid Electricity	0.00	0.00
Sales of PKS	-1,170.60	-0.01
Sales of EFB	0.00	0.00
Total	**19,5001.23**	**1.88**

Summary of Kernel Crusher Emission and Credit (if applicable)

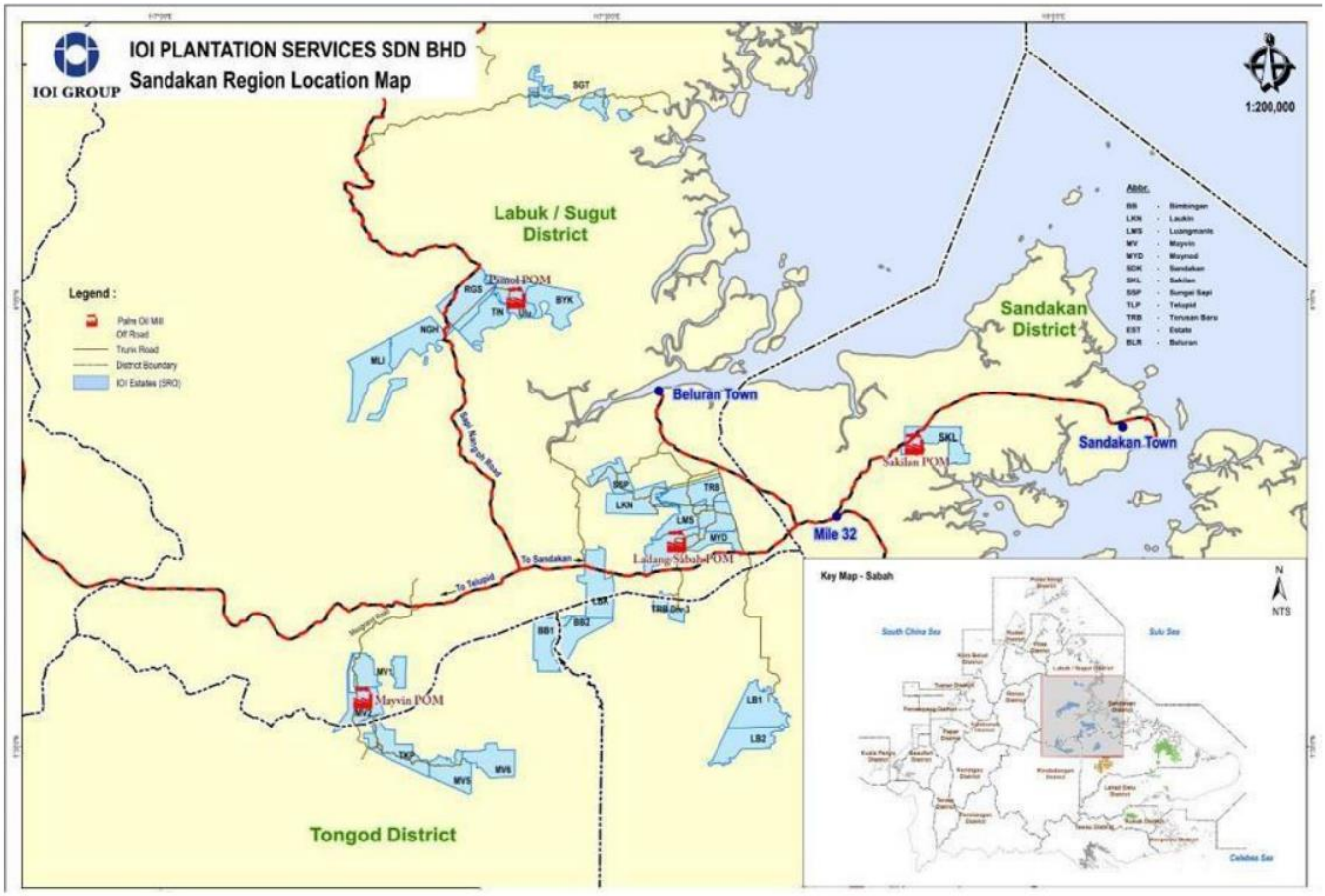
Emissions	tCO_2e
PK from own mill	0.00
PK from other source	0.00
Fuel Consumptions	0.00
Total Crusher emissions	**0.00**

*This mill has no kernel crusher operation.

Palm Oil Mill Effluent (POME) Treatment:	
Divert to Compost (%)	0.00
Divert to anaerobic diversion (%)	100

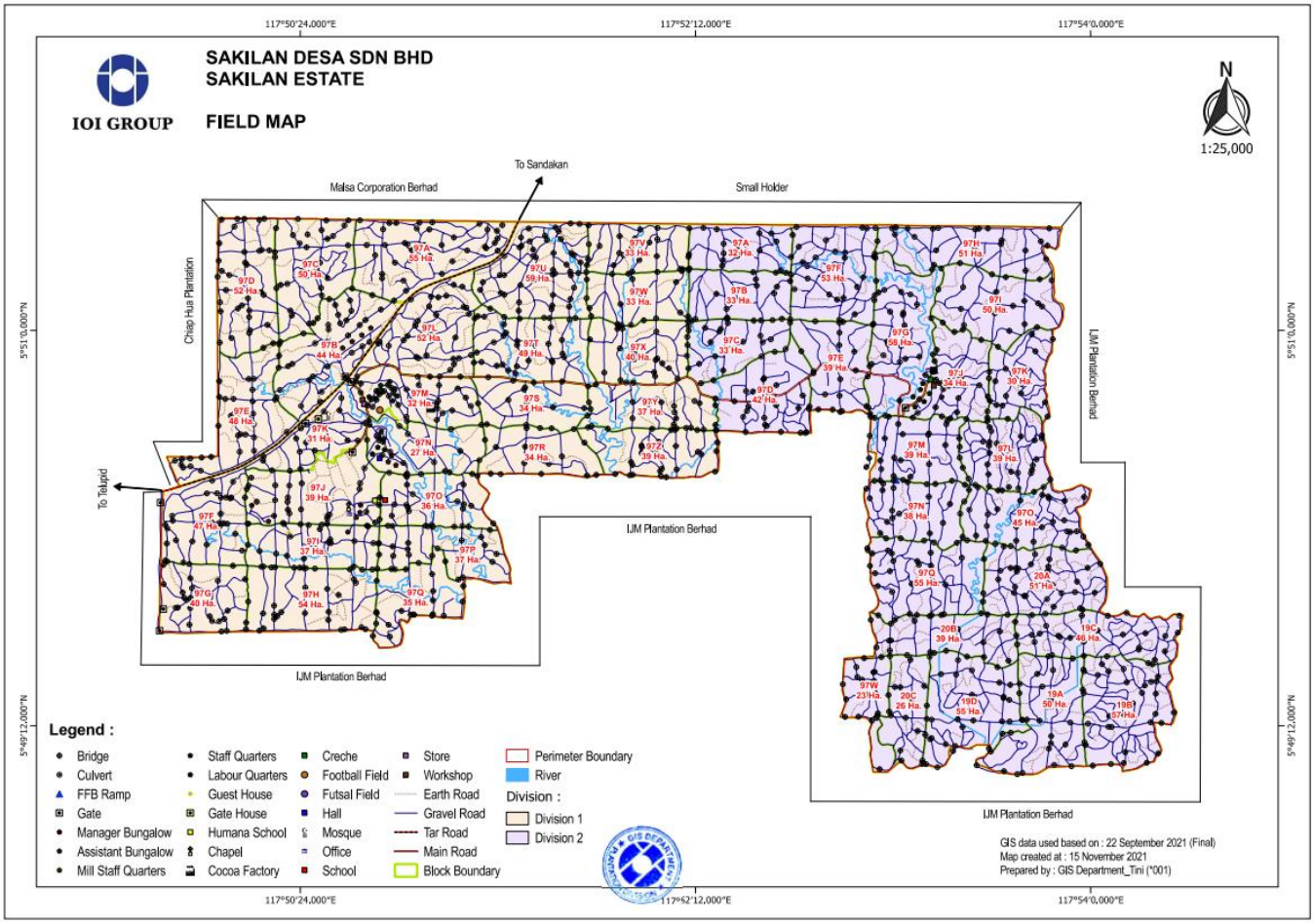
POME Diverted to Anaerobic Digestion:	
Divert to anaerobic pond (%)	100
Divert to methane captured (flaring) (%)	0.00
Divert to methane captured (energy generation) (%)	0.00

Appendix C: Location Map of Certification Unit and Supply bases

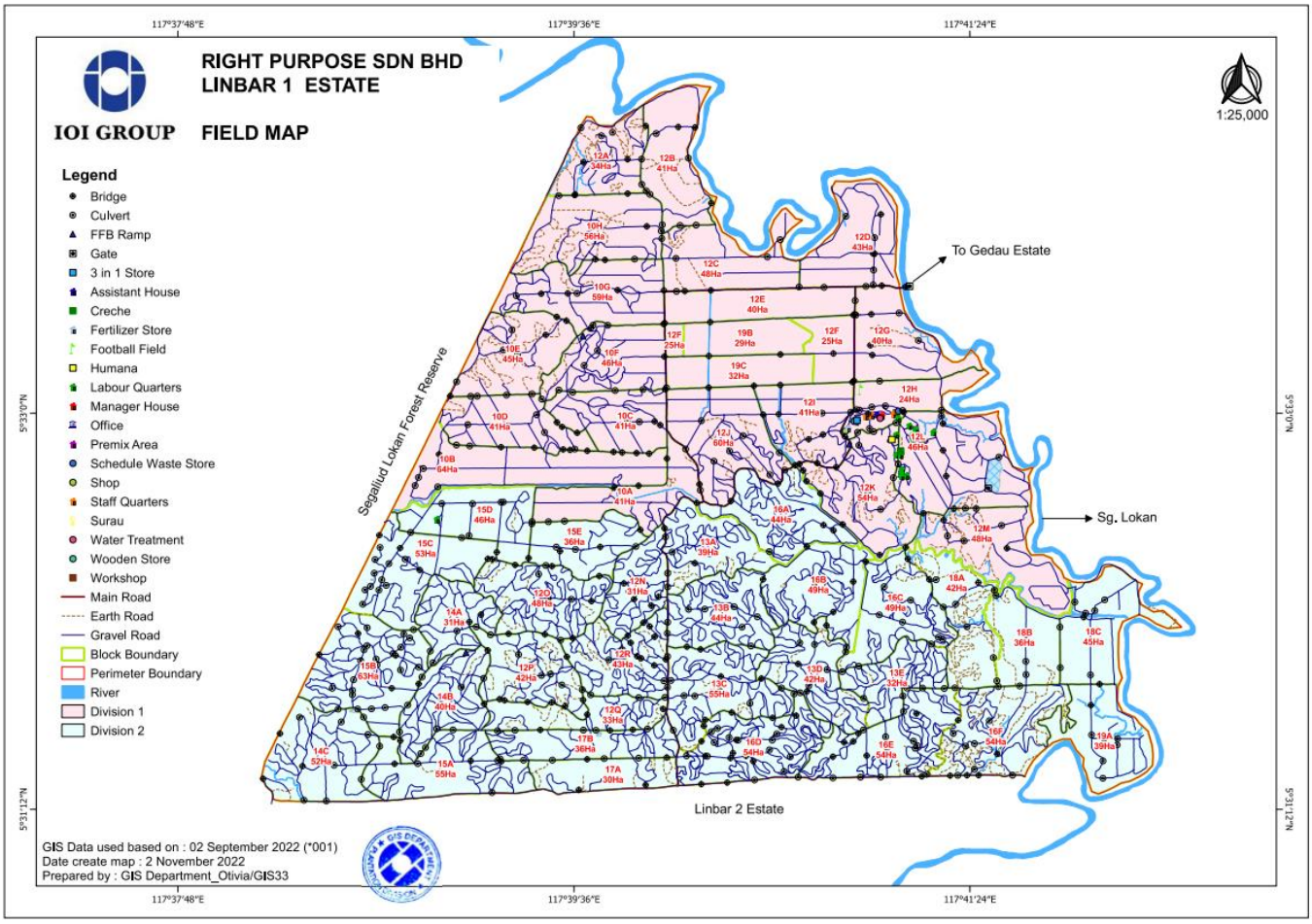


Appendix D: Estate Field Map

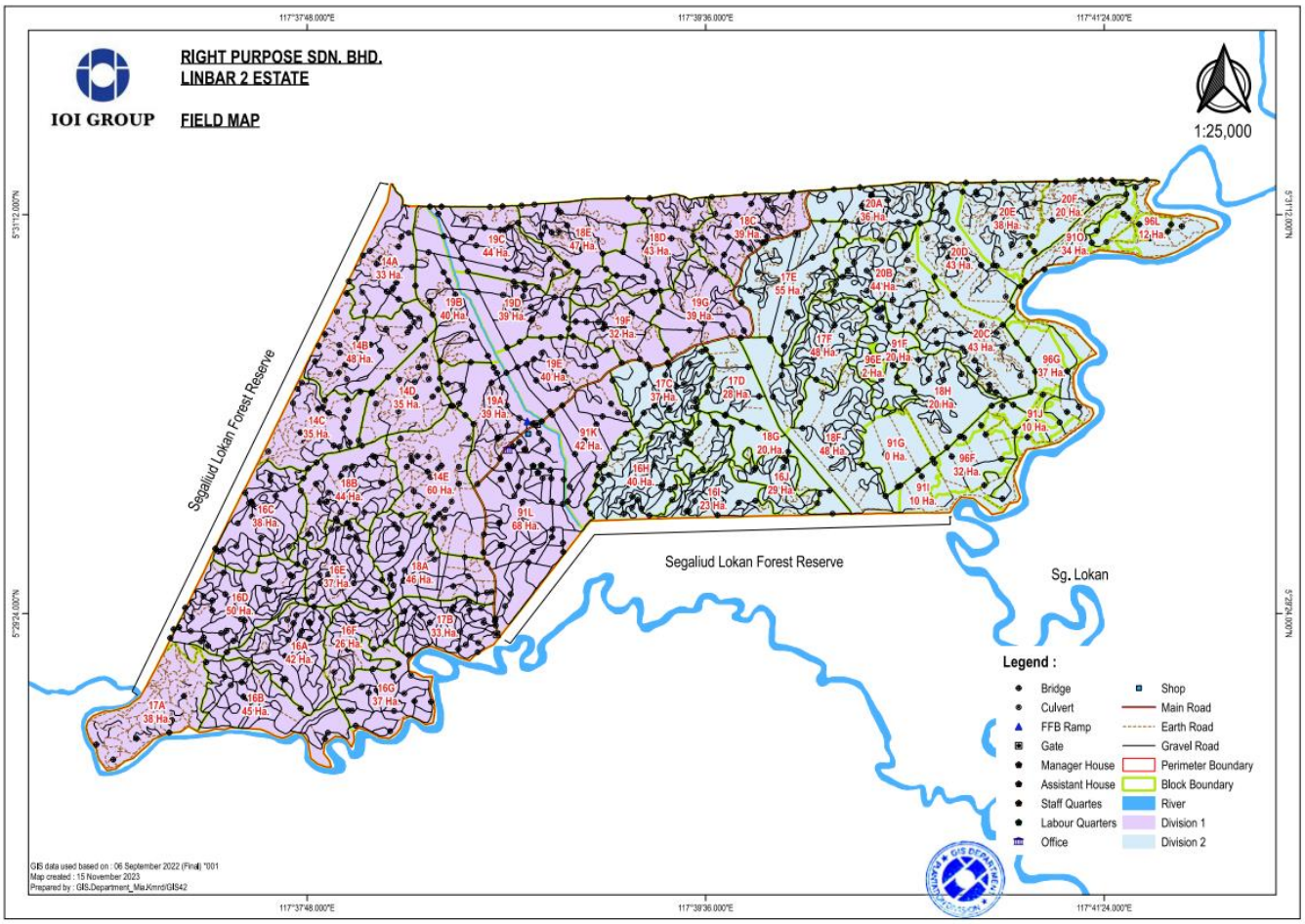
Sakilan Estate



Linbar 1 Estate



Linbar 2 Estate



Appendix E: List of Smallholder Registered and/or sampled

Sampling Group	Current Certification	Scope Extension	Other:
Risk Factor Applied	N/A	N/A	N/A
Justification of Risk Factor Applied			
Number of samples			
Remarks			

No	Name of farmer	Location	GPS Reference		Area Summary (Ha)		Forecasted annual FFB Production (MT)	Date of joining	Smallholder ID
			Latitude (N)	Longitude (E)	Total Certified Area	Planted Area			
Not Applicable									
				Total					
Note: * are smallholders sampled in this audit.									

Appendix F: List of Abbreviations

a.i	Active Ingredient
BOD	Biochemical Oxygen Demand
CB	Certification Bodies
CHRA	Chemical Health Risk Assessment
COD	Chemical Oxygen Demand
CPO	Crude Palm Oil
CSPO	Certified Sustainable Palm Oil
CSPKO	Certified Sustainable Palm Kernel Oil
EFB	Empty Fruit Bunch
EHS	Environmental, Health and Safety
EIA	Environmental Impact Assessment
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior, Informed and Consent
GAP	Good Agricultural Practice
GHG	Greenhouse Gas
GMP	Good Manufacturing Practice
GPS	Global Positioning System
HCV	High Conservation Value
IPM	Integrated Pest Management
IP	Identity Preserved
IS - CSPO	Independent Smallholder Certified Sustainable Palm Oil
IS – CSPKO	Independent Smallholder Certified Sustainable Palm Kernel Oil
IS – CSPKE	Independent Smallholder Certified Sustainable Palm Kernel Expeller
ISCC	International Sustainable Carbon Certification
ISS	Independent Smallholder Standard
LD50	Lethal Dose for 50 sample
MB	Mass Balance
MSDS	Material Safety Data Sheet
MT	Metric Tonnes
OER	Oil Extraction Rate
OSH	Occupational Safety and Health
PK	Palm Kernel
PKO	Palm Kernel Oil
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable on Sustainable Palm Oil
P&C	Principles & Criteria
RTE	Rare, Threatened or Endangered species
SCCS	Supply Chain Certification Standard
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure