

**MALAYSIAN SUSTAINABLE PALM OIL
3rd ANNUAL SURVEILLANCE ASSESSMENT
Public Summary Report**

Sime Darby Plantation Berhad
Client company Address: Level 3A, Main Block Plantation Tower, No. 2, Jalan P.J.U 1A/7, 47301 Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia
Certification Unit: Bukit Benut Palm Oil Mill (SOU 22) & Plantations of SOU 22 (Bukit Benut Estate, CEP Nyior Estate & Lambak Elaeis Estate)
Location of Certification Unit: KM 12, Jalan Mengkibol, 86009 Kluang, Johor, Malaysia

Report prepared by:
Hu Ning Shing (Lead Auditor)

Report Number: 3091805

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Sime Darby Plantation Berhad Bukit Benut Palm Oil Mill (SOU 22)		
Mill/Estate	MPOB License No.	Expiry Date	
	Bukit Benut Palm Oil Mill - 528154004000	31/03/2021	
	Bukit Benut Estate - 522307002000	31/07/2021	
	CEP Nyior Estate - 508445102000	31/03/2021	
	Lambak Elaeis Estate - 518641002000	28/02/2021	
Address	KM 12, Jalan Mengkibol, 86009 Kluang, Johor, Malaysia		
Certification Unit	SOU 22 Bukit Benut Palm Oil Mill		
Contact Person Name	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM)		
Website	www.simedarbyplantation.com	E-mail	shylaja.vasudevan@simedarbyplantation.com
Telephone	03-78484379 (Head Office)	Facsimile	03-78484356 (Head Office)

1.2 Certification Information			
Certificate Number	Mill: MSPO 682040 Plantations: MSPO 686845		
Issue Date	18/12/2017	Expiry date	17/12/2022
Scope of Certification	Mill: Production of Sustainable Palm Oil and Palm Oil Products Estate: Production of Sustainable Oil Palm Fruits		
Standard	MS 2530-3:2013 Part 3 and MS 2530-4:2013 Part 4		
Stage 1 Date	N/A (The certification unit is RSPO certified)		
Stage 2 / Initial Assessment Visit Date (IAV)	23/10/2017 - 25/10/2017		
Continuous Assessment Visit Date (CAV) 1	21/11/2018 - 23/11/2018		
Continuous Assessment Visit Date (CAV) 2	31/7/2019 - 2/8/2019		
Continuous Assessment Visit Date (CAV) 3	20/7/2020 - 22/7/2020		
Continuous Assessment Visit Date (CAV) 4	N/A		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 591229	RSPO Principles & Criteria for Sustainable Palm Oil Production: 2013; Malaysian	BSI Services Malaysia Sdn Bhd	4/10/2021

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	National Interpretation: 2014; RSPO Supply Chain Certification June 2017 for CPO Mills (Module D: Identity Preserved)		
MSPO 714131	MSPO SCCS	BSI Services Malaysia Sdn Bhd	17/9/2024

1.3 Location of Certification Unit

Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Longitude	Latitude
Bukit Benut Palm Oil Mill	Bukit Benut POM, KM 12, Jalan Mengkibol, 86009 Kluang, Johor, Malaysia	103.34111	1.93333
Bukit Benut Estate	Ladang Bukit Benut, P.O. Box 513, 86009 Kluang, Johor, Malaysia	103.36500	1.91167
CEP Nyior Estate	Ladang CEP Nyior, K.B. No. 514, 86009 Kluang, Johor, Malaysia	103.27278	1.90833
Lambak Elaeis Estate	Ladang Lambak/Elaeis, K.B. 510, 86009 Kluang, Johor, Malaysia	103.31889	1.97861

1.4 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Bukit Benut Estate	2,536.70	24.18	238.90	2,799.78	90.60
CEP Nyior Estate	1,880.68	6.11	78.783	1,965.57	95.68
Lambak Elaeis Estate	3,387.92	2.65	349.59	3,740.16	90.58
TOTAL	7,805.30	32.94	667.27	8,505.51	91.77

Note:

Bukit Benut Estate = The figures given in the previous assessment report were inaccurate. Hence the difference.

Lambak Elaeis Estate = Additional planted area of 144.84 ha (replanting at reopen area). The total area (ha) variance due to latest GPS survey on September 2019.

1.5 Plantings & Cycle

Estate	Age (Years)					Mature* *	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Bukit Benut Estate	230.48	997.72	964.59	343.91	0	2,306.22	230.48
CEP Nyior Estate	152.05	842.84	823.40	62.39	0	1,728.63	152.05

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Lambak Elaeis Estate	560.04	845.31	1,743.04	239.53	0	2,827.88	560.04
Total (ha)	942.57	2,685.87	3,531.03	645.83	0	6,862.73	942.57

1.6 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Nov 19 – Oct 20)	Actual (July 19 – June 20)	Forecast (Nov 20 – Oct 21)
Bukit Benut Estate	64,756.80	43,299.82	53,650.96
CEP Nyior Estate	37,963.16	2,585.00	28,800.00
Lambak Elaeis Estate	49,297.60	57,077.99	66,951.37
Cep Rengam Estate	-	4,699.77	-
Tun Dr Ismail Estate	-	540.35	-
Ulu Remis Estate	-	664.64	-
Cenas Estate	-	380.29	-
Bukit Badak Estate	-	63.30	-
Sembrong Estate	-	26.70	-
Pekan Estate	-	186.60	-
Total	152,017.56	109,524.46	149,402.33

Note:

July 2019 – Oct 2019 = 36,512.63 MT

Nov 2019 – June 2020 = 73,011.83 MT

1.7 Uncertified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Nov 19 – Oct 20)	Actual (July 19 – June 20)	Forecast (Nov 20 – Oct 21)
N/A			

1.8 Certified Tonnage

Mill Capacity: 20 MT/hr	Estimated (Nov 19 – Oct 20)	Actual (July 19 – June 20)	Forecast (Nov 20 – Oct 21)
	FFB	FFB	FFB
SCC Model:	152,017.56	109,524.46	149,402.33

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SG	*CPO (OER: 20.20%)	CPO (OER: 20.51%)	CPO (OER: 21.00%)
	24,752.456	22,468.18	31,374.49
	*PK (KER: 5.50 %)	PK (KER: 4.94%)	PK (KER: 4.50%)
	6,739.53	5,414.25	6,723.11

Note:

CPO:

July 2019 – Oct 2019 = 7,392.25 MT

Nov 2019 – June 2020 = 15,075.93 MT

PK:

July 2019 – Oct 2019 = 1,906.42 MT

Nov 2019 – June 2020 = 3,507.83 MT

*The conversion ratio for estimated CPO and PK reflected the FFB processed instead of FFB received.

1.9 Actual Sold Volume (CPO)

CPO (MT)	MSP0 Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
	-	-	14,094.68	2,888.28	16,982.96

1.10 Actual Sold Volume (PK)

PK (MT)	MSP0 Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
	-	-	200	2,129.44	2,329.44

Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 80,000 certified locations and clients in over 190 countries. BSI Standards is the UK's National Standards Body. BSI provides independent, third-party certification of management systems.

Assessment Methodology, Programme, Site Visits

This on-site assessment was conducted from 20 – 22/07/2020. The audit programme is included as Appendix A. The approach to the audit was to treat the Bukit Benut Palm Oil Mill and Estates as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

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

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

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

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

All the previous nonconformities are remains closed. The assessment findings for the initial assessment are detailed in Section 4.2.

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

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification decision by BSI.

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

Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Bukit Benut Palm Oil Mill	√	√	√	√	√
Bukit Benut Estate	√	√	-	√	√
CEP Nyior Estate	-	√	√	-	-
Lambak Elaeis Estate	√	-	√	√	√

Tentative Date of Next Visit: July 5, 2021 - July 7, 2021

Total No. of Mandays: 6

2.1 BSI Assessment Team

Team Member Name	Role (Team Leader or Team member)	Qualifications (Short description of the team members)
Hu Ning Shing	Team Leader	She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSP0 and RSPO in her previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She attended Endorsed MSP0 Auditor and MSP0 SCCS Lead Auditor Course in 2019. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social, legal, workers & stakeholders consultation and SCC for CPO mill. She is fluent in Bahasa Malaysia and English languages.
Vijay Kanna	Team Member	He holds a bachelor's degree in Agribusiness Science Management with Honours from University Utara Malaysia in 2010. He gained his working exposure in the plantation sector, serving as an Assistant Manager with KL Kepong and IOI Plantations and as a Sr. Assistant Manager with United Plantations Berhad. Throughout his 10 year tenure in the oil palm industry, he has been part of the operations team that implements standards within the estate such as RSPO, MSP0, ISCC and FINWATCH. He has completed ISO IMS 9001, 14001, 45001(OHS 18001) Lead Auditor Course in November 2019, endorsed RSPO P&C Lead Auditor Course in October 2019 and endorsed MSP0 Lead Auditor Course in November 2019. During this assessment, he assessed on the aspects of Occupational, Health & Safety

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		and estate best practises. He is fluent in Bahasa Malaysia and English languages.
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2.2 Accompanying Persons

No.	Name	Role
1	Mohamed Hidhir Zainal Abidin	BSI Qualifying Reviewer

2.3 Assessment Plan

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

Date	Time	Subjects	HNS	VJ	MH
Sunday 19/07/2020	PM	Audit team travelling to Kluang	√	√	√
Monday 20/07/2020 Bukit Benut Estate	0830 - 0900	Opening Meeting: <ul style="list-style-type: none"> • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan (including stakeholder's consultation). • Verification on previous audit findings 	√	√	√
	0900 - 1300	Bukit Benut Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.	√	√	√
	1300 – 1400	Lunch	√	√	√
	1400 - 1600	Bukit Benut Estate Document review P1 – P6 (part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices, P7: Development of New Planting	√	√	√
	1600 - 1630	Interim Closing Briefing	√	√	√
Tuesday 21/07/2020 Lambak Estate	0830 - 1300	Lambak Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill, etc.	√	√	-

	1000 - 1200	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)	√	-	-
	1300 -1400	Lunch	√	√	-
	1400 - 1600	Lambak Estate Document review P1 – P6 (part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices, P7: Development of New Planting	√	√	-
	1600 - 1630	Interim Closing Briefing	√	√	-
Wednesday 22/07/2020 Bukit Benut POM	0830 - 1300	Bukit Benut POM FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√	-
	1300 - 1400	Lunch	√	√	-
	1400 - 1600	Bukit Benut POM Document Review P1 – P6 (part 4), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices	√	√	-
	1600 - 1630	Preparation of Closing Meeting	√	√	-
	1630 – 1700	Closing Meeting	√	√	-

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

The nonconformity is listed below.

During the Certification Assessment there were zero (0) Major, two (2) Minor nonconformities and one (1) Opportunity for Improvement raised. The SOU 22 Bukit Benut Palm Oil Mill and Estates 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.

Minor Nonconformities:									
Ref: 1929475-202007-N1	<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Area/Process: Estates</td> <td style="width: 50%;">Clause: 4.4.5.4 Part 3</td> </tr> <tr> <td>Issue Date: 22/07/2020</td> <td>Due Date: Next surveillance assessment</td> </tr> </table>	Area/Process: Estates	Clause: 4.4.5.4 Part 3	Issue Date: 22/07/2020	Due Date: Next surveillance assessment				
Area/Process: Estates	Clause: 4.4.5.4 Part 3								
Issue Date: 22/07/2020	Due Date: Next surveillance assessment								
Requirements:	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.								
Statement of Nonconformity:	The contractor did not pay his workers based on Employment Act 1955, Clause 60 (3) (d).								
Objective Evidence:	<p>Reviewed the payslips and FFB Despatch by Field report for the contractor’s (Syarikat Sin Kim Huat) workers in Lambak Estate on June 2020 found that they have worked on rest day. However, no evidence to show that the workers have been paid as per Employment Act 1955, Clause 60 (3) (d). This has confirmed with the contractor that he only paid additional RM 0.20 as incentive for work on rest day on top of the ordinary rate per piece.</p> <p>The sampled workers are as below:</p> <table border="1" style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="width: 50%;">I/C No.:</th> <th style="width: 50%;">Date of WDR</th> </tr> </thead> <tbody> <tr> <td>770923-01-53XX</td> <td>7/6/2020</td> </tr> <tr> <td>621212-71-50XX</td> <td>7/6/2020 and 28/6/2020</td> </tr> <tr> <td>651011-71-55XX</td> <td>7/6/2020, 21/6/2020 and 28/6/2020</td> </tr> </tbody> </table>	I/C No.:	Date of WDR	770923-01-53XX	7/6/2020	621212-71-50XX	7/6/2020 and 28/6/2020	651011-71-55XX	7/6/2020, 21/6/2020 and 28/6/2020
I/C No.:	Date of WDR								
770923-01-53XX	7/6/2020								
621212-71-50XX	7/6/2020 and 28/6/2020								
651011-71-55XX	7/6/2020, 21/6/2020 and 28/6/2020								

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Corrections:	Estate will inform the said contractor to pay the amount for work on rest day as per Employment Act 1955 that is due to sampled workers based on the sampled date.
Root cause analysis:	The issue happened when the contractor is in-consistent in submitting their workers' proof of payment for Estate Management monitoring, resulting estate not being able to monitor the contractor's compliance to Employment Act 1955. At the same time, the contractor also did not fully understand the Employment Act 1955 requirements resulting in such issue occurred.
Corrective Actions:	Estate with RSQM representative will conduct briefing on the MSPO requirement of employment condition (based on Employment Act 1955) for the said contractor. The contractors will submit the copy of their worker's proof of wages payment to the estate management on monthly basis for consistent monitoring.
Assessment Conclusion:	The CAP is accepted, and the implementation of the CAP will be verified during next assessment.

Minor Nonconformities:		
Ref: 1929475-202007-N2	Area/Process: Estates	Clause: 4.5.3.2 Part 3
	Issue Date: 22/07/2020	Due Date: Next surveillance assessment
Requirements:	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p>	
Statement of Nonconformity:	The disposal of used motor oil (2T/4T) was not identified and monitored accordingly as per SOP.	
Objective Evidence:	<p>LambakEstate The Operational Control Procedure for Landfill Management In Estate (SD/SDP/PSQM(ESH)203-EN7) dated 13th march 2017 states under Section 6 Requirements and Procedures; Section 6.6 Landfill Prohibitions; No Scheduled Wastes.</p> <p>Sime Darby Berhad Group Sustainability Quality Management (GSQM); Waste Management Procedure; Doc No. SD/SDH/GSQM/ESH/312 (Date: 01.07.16); 5.2 Waste Segregation; Waste shall be segregated into scheduled waste and non-hazardous waste at the point of generation by the waste generator at sites.</p> <p>During the site visit to the landfill it was sighted that there were several motor oil containers (2T/4T Oil) disposed as domestic waste in the landfill. The contaminated oil containers should be treated as a scheduled waste and therefore be disposed through a licensed waste manager. The oil containers even though might not be generated by estate operations, its sources are from within the estate thus any activity within the vicinity of the estate should be identified, monitored and treated as per MSPO requirements.</p>	
Corrections:	Estate has removed the empty motor oil containers (2T/4T Oil) from the landfill and store it in the scheduled waste store and will dispose accordingly together with other scheduled wastes.	

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Root cause analysis:	The issue happened due to empty motor oil containers (2T/4T Oil) was not generated from estate's operation activity hence estate did not pick that up as part of estate's operation generated waste or scheduled waste in their waste monitoring. The waste possibly generated by outsider/workers at linesite area. Linesite inspection did not cover on the monitoring of waste that should not be generated in the linesite area.
Corrective Actions:	Estate will conduct briefing on waste management to all the workers and contractors which includes to inform them what type of waste should not be generated at linesite. Estate also will include checking on wastes that should not be generated at linesite area in the weekly linesite inspection.
Assessment Conclusion:	The CAP is accepted, and the implementation of the CAP will be verified during next assessment.

Opportunity For Improvement		
Ref: 1929475-202007-I1	Area/Process: Estates	Clause: 4.4.2.2 Part 3
Objective Evidence:	The management to ensure all the complaints received are resolve in an effective, timely and appropriate manner.	

Noteworthy Positive Comments	
1	Good relationship being maintained with surrounding communities.

3.3 Status of Nonconformities Previously Identified and OFI

Opportunity For Improvement		
Ref: 1769982-201905-I1	Area/Process: Estates	Clause: 4.4.5.11
Objective Evidence:	<p>The weekly workers quarters inspection report can be further improved by reporting more accurately on some criteria such as illegal wiring.</p> <p>Verification during ASA 3, Linesite inspection was carried out on weekly basis by Medical Assistant using Housing Complex/ Nest/ Community Hall Inspections. The last inspection for July 2020 was conducted on 16/7/2020, 9/7/2020 and 3/7/2020 in Bukit Benut Estate and 20/7/2020, 17/7/2020, 10/7/2020 and 3/7/2020 in Lambak Estate. The Medical Assistant in Bukit Benut Estate has inspected on the illegal wiring and extension of houses during the inspection. Warning letter was issued to House No.: 139B and 144B for illegal extension of houses which sighted by MA during the linesite inspection done on 14/12/2019. Thus, the OFI was verified and closed.</p>	

Opportunity For Improvement		
Ref: 1769982-201905-I2	Area/Process: Mill	Clause: 4.4.5.7

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Objective Evidence:	<p>The recording of overtime based on attendance punch card at Bukit Benut POM can be further improved and can be reflected in the pay slips.</p> <p>Verification during ASA 3, Seen the Mill Daily Attendance Report for monthly basis where it recorded the number of days work and hours of overtime work. The data was transferred from punch card into the SAP system. The total number of overtime was recorded in the pay slip. Thus, the OFI was verified and closed.</p>
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3.4 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1929475-202007-N1	Minor	22/07/2020	"Open"
1929475-202007-N2	Minor	22/07/2020	"Open"



3.5 Issues Raised by Stakeholders

IS #	Description
1	Issues: Schools' Representatives – They informed that they have good relationship with the management. Assistance was provided by the management whenever requested. The teachers informed that no issue on child labour reported in SOU 22.
	Management Responses: Management will continue to maintain good relationship with the stakeholders.
	Audit Team Findings: No further issue.
2	Issues: Contractors – They informed that the payment was made promptly. They are aware of the complaint procedure and so far, they have no issue with the management.
	Management Responses: The management will ensure the payment will be made accordingly.
	Audit Team Findings: No other issue.
3	Issues: Workers' Representatives – The workers are satisfied with the management and they informed that their wages have achieved Minimum Wage Order 2020. There was top-up of wages during MCO period if the management did not offer work. They are aware of the complaint procedure. No discrimination from the management.
	Management Responses: The management will ensure comply to legal requirements and respect all the workers without discrimination.
	Audit Team Findings: No other issue.

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<p>4</p>	<p>Issues: Gender Committee Representatives – No sexual harassment or violence case reported during the time of assessment. They are aware of the function of the committee and informed that no discrimination from the management regardless of gender.</p> <p>Management Responses: The management will continue to monitor if there is any case of sexual harassment or violence.</p> <p>Audit Team Findings: No further issue.</p>
<p>5</p>	<p>Issues: Sundry Shop’s owner – They have good relationship with the management. They are aware of the complaint procedure. They have made complaint on some of the facility’s defects. The management has taken action to rectify part of the complaint.</p> <p>Management Responses: The management is in progress to rectify all the issues reported.</p> <p>Audit Team Findings: Raise as OFI under Indicator 4.4.2.2 Part 3.</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment SOU 22 Bukit Benut Palm Oil Mill and Estates Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of SOU 22 Bukit Benut Palm Oil Mill and Estates Certification Unit is approved and/or continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Rozdizam bin Kasan	Name: Hu Ning Shing
Company name: Sime Darby Plantation Berhad	Company name: BSI Services Malaysia Sdn Bhd
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Appendix A: Summary of the findings by Principles and Criteria

MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Plantations and Organized Smallholders

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	Sime Darby Plantation Berhad has issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation by Head, Global Sustainability Operations, Mr. Tang Men Kon. Sime Darby Plantation Berhad is committed to comply and implement the MSPO certification to demonstrate our commitment towards the production of certified sustainable palm oil products.	Yes
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	Sime Darby Plantation Berhad has clearly emphasized to achieve commitment towards a systematic approach in ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.	Yes
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement.	RSPO + MSPO Internal Audit for SOU 22 Bukit Benut was carried out on 9/6/2020 in Bukit Benut Estate and 11/6/2020 in Lambak Estate by GSQM & RSQM. The audit was carried out based on the reference of MS 2530-3:2013 and MS 2530-4:2013. Total 1 major, 1 minor non-	Yes

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>conformity and 5 Opportunity for Improvement raised in Bukit Benut Estate and 5 major, 3 minor non-conformity and 7 Opportunity for Improvement raised in Lambak.</p> <p>Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.</p>	
4.1.2.2	<p>The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 1/9/2017. The frequency of the internal audit shall be carried out at least once a year and when is required.</p> <p>Total 1 major, 1 minor non-conformity and 5 Opportunity for Improvement raised in Bukit Benut Estate and 5 major, 3 minor non-conformity and 7 Opportunity for Improvement raised in Lambak Estate. Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.</p>	Yes
4.1.2.3	<p>Report shall be made available to the management for their review.</p> <p>- Major compliance -</p>	<p>The internal audit report has distributed to the estate's management. The Management Representative has acknowledged on the acceptance of the Internal Audit Report on 9/6/2020 in Bukit Benut Estate and 11/6/2020 in Lambak Estate. Management review meeting was conducted to review the findings of the internal audit.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance	
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.</p> <p>- Major compliance -</p>	<p>The latest management review meeting was carried out on 11/6/2020 in Bukit Benut Estate and 10/7/2020 in Lambak Estate where the agenda that discussed as below:</p> <ol style="list-style-type: none"> 1. Previous Meeting Minutes Review 2. Matters Arising from Previous Minutes of Meeting 3. Objective/ Management Program 4. Training Plan 5. Results from Internal Audits: RSPO & MSPO 6. Nonconformity, Corrective and Preventive Actions 7. Customers/ Stakeholders Feedback/ Complaints 8. Resource Needs 9. Changes that could affect the management systems 10. Recommendations for Improvement 11. Other matters 	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
Criterion 4.1.4 – Continual Improvement		
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p> <p>Projects in relation to the continual improvement are made through allocation in Capital Expenditure. For both, the management provided the following CAPEX for the upgrading of buildings and infrastructures. Such projects have attributed positively to the social and environmental of the estate. Besides that, the management of the estates have developed a continual improvement plan for the year 2020 to address the social and environment aspects within the estate. Among the plans include:</p> <p>Bukit Benut Estate</p> <ol style="list-style-type: none"> 1. To reduce path grass cutting cost/ha for mature fields 2. To carry out gotong-royong on a monthly basis. <p>Lambak Estate</p> <ol style="list-style-type: none"> 1. To identify unsafe acts and condition to minimize misses/accident occurrences. To conduct training on SIME Card. To discuss in OSH Meetings. 2. To keep tracks on the FFB movement from the field up to the oil mill. 3. Reporting on accidents, OSH program, alert on expiring dates for permits and licenses. 4. To reduce raking cost by using circle blower (Zenoah Blower). <p>Reporting on field inspections.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.1.4.2	<p>The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.</p> <p>- Major compliance -</p>	<p>The management continuously reviewed the estates performance and work method for a continual improvement to achieve better results. Among other was the Yield Enhancement Program. Initiative and practices among others include the following in both estates.</p> <p>Bukit Benut Estate</p> <ol style="list-style-type: none"> To reduce circle spraying cost/ha for mature fields by converting more areas to CDA fields. <p>Lambak Estate</p> <ol style="list-style-type: none"> Estate management is provided with gadget (Samsung S4) for field inspection daily. <p>Estate management is provided Circle Blower to reduce manpower and cost of manual raking.</p>	
4.1.4.3	<p>An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.</p> <p>- Major compliance -</p>	<p>Where new technology or systems are introduced, awareness briefings are provided to the employees at all levels prior to the implementation. This is evidenced via the Regional & SOU meetings and the training plan for Financial Year. The training identified including operations, understanding of MSPO/RSPO requirements, human rights, company policies, health and safety, HIRARC, etc. The FY 2020 OPEX budget has included training budget and operations improvement including environmental improvement, worker welfare, OHS etc. Interview with workers confirmed trainings are provided by the management on regular basis.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance	
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation. Manager is responsible for address the communication and requests.	Yes
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	The management has disseminated the information of the documents that made publicly available such as management plan, OSH plan, audit reports and land titles upon request during the stakeholder meetings. Besides, internal and external stakeholders could access to the company's website (http://www.simedarbyplantation.com/Sustainability.aspx) to obtain information such as policies, annual report and complaint procedures.	Yes
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders.	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2008 to put in place a system to effectively	Yes

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	communicate with external interested parties on matters pertaining to performance of the estate. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation.	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	Senior Assistant of Bukit Benut Estate and Lambak Estate has been appointed as social officer to handle any issues related to social in the estate by the Manager. Appointment letter dated 1/1/2020 and 3/1/2020 was sighted respectively.	Yes
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	A combine stakeholder meeting for Bukit Benut POM, Bukit Benut Estate and Lambak Estate was conducted on 11/3/2020 in Bukit Benut Estate. Stakeholders such as contractors, suppliers, school's representatives, sundry shops' owner, smallholders, government authorities and MAPA representative were attended the meeting. Issues raised by stakeholders were recorded in the minutes and responded by the management accordingly.	Yes
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	Sime Darby Plantation has developed Plantation Quality Management System – Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: Appendix 15, Version 2 dated April 2019. The objective of the procedure is to provide guideline for estates to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB).	Yes

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		Procedure of incoming of FFB and outgoing of CPO was explained in the procedure.	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	The management conducted regular inspections on compliance with the established traceability system. Seen the Checkroll - FFB Despatch Details report where updated on daily basis. Sampled of FFB Despatch Detail as below: <u>Bukit Benut Estate</u> i. Total Estate Weight on 18/7/2020 • 163,910 kgs <u>Lambak Estate</u> i. Total Estate Weight on 15/7/2020 • 233,280 kgs The company is using SAP system and CRS system to monitor the daily input and output.	Yes
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Head of Operating Unit has the overall responsibility for the implementation of the Standard Operating Procedure for Sustainable Supply Chain and Traceability. Besides, Manager of Bukit Benut Estate and Lambak Estate has appointed Senior Assistant Manager Assistant Manager and Medical Assistant as RSPO/ ISCC/ MSPO representative. Seen the appointment letter dated 6/1/2020, 15/11/2019 and 15/1/2020 respectively.	Yes
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained.	There was no sale of FFB carried out by Bukit Benut Estate and Lambak Estate because all its FFB were sent to own company's mill.	Yes

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>Records of FFB delivery to the mill were maintained and sampled recorded as below:</p> <p><u>Bukit Benut Estate:</u></p> <ul style="list-style-type: none"> i. FFB Consignment Note# 7182 dated 18/7/2020; Field No.: 2016A; Vehicle No.: JSH 8288; Weight: 11,500 kgs (FFB) and 1,200 kgs (Loose fruits) ii. FFB Consignment Note# 7172 dated 18/7/2020; Field No.: 2000A; Vehicle No.: JSH 8288; Weight: 10,500 kgs (FFB) <p><u>Lambak Estate:</u></p> <ul style="list-style-type: none"> i. W/B Ticket# 9183 dated 15/7/2020; Field No.: 2007C; Vehicle No.: JSU 8288; Weight: 12,260 kgs (FFB) ii. W/B Ticket# 9177 dated 15/7/2020; Field No.: 2006B; Vehicle No.: JQH 8183; Weight: 11,700 kgs (FFB) 	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU22. GSQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>a) Refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4:</p> <p>b) Procedure for Legal and Other Requirements dated 10 December 2008.</p> <p>The following compliance to the legislative requirement necessary for both estates among others are;</p> <p>Bukit Benut Estate</p> <ol style="list-style-type: none"> 1. Permit Barang Kawalan Berjadual (Diesel & Petrol); Reference Number: BPGK JH (KLU) 0624 SK; Valid from 21 July 2020 till 20 July 2021 2. MPOB License; License Number: 522307002000; License Valid from 01.08.2019 till 31.07.2020 3. Air Compressor License; Registration Number: JH PMT 22514; License Valid till 17.11.2020. <p>Lambak Estate</p> <ol style="list-style-type: none"> 1. MPOB License; License Number: 518641002000; License Number from 01.03.2020 till 28.02.2021. 2. Air Compressor License; Registration Number: JH PMT 11573; Valid till 02.01.2021 3. Air Compressor License; Registration Number: JH PMT 13852; Valid till 02.01.2021 4. Permit Barang Kawalan Berjadual; Reference Number: BPGK JH (KLU) 0031 SK 	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Bukit Benut Estate has obtained approval from Jabatan Tenaga Kerja to make deduction of the wages of workers as below:</p> <ul style="list-style-type: none"> i. S/N: PP3/29/0191 for temple fund which effective from 1/3/1999 ii. Blanket approvals for exemption under Section 24 of Employment Act – Ref. No.: BHG.PU/9/108/1(2) dated 1/6/2018 for ASN, YPEIM, zakat, ASB, Tabung Haji and etc. 	
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Documented Procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.</p> <p>All legal requirements were documented in Legal and Other Requirement Register available at the estates.</p> <p>Bukit Benut Estate</p> <p>All legal requirements were documented in Legal and Other Requirement Register (LORR). The latest evaluation was conducted on 01.07.2020 undersigned by the Manager.</p> <p>Lambak Estate</p> <p>All legal requirements were documented in Legal and Other Requirement Register (LORR). The latest evaluation was conducted on 17.07.2020 undersigned by the Assistant Manager.</p>	Yes

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.3.1.3</p> <p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>Documented procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.</p> <p>All legal requirement was documented in Legal and Other Requirement Register. Compliance to each applicable law and regulation is monitored by the operating units. The legal register at all sites were reviewed/updated on a yearly basis / as and when needed for new updates/licenses. Sighted the document 'Summary of Compliance' available at the estates undersigned by the Top Management. The document lists the latest applicable laws and amendments, revision dates and acknowledgement by the management.</p> <p>All the legal and other requirements were registered accordingly and documented in the legal requirement register including new updates for Workers Minimum Standards of Housing and Amenities (Amendment) Act 2019, Minimum Wages Order 2020 and Auxiliary Police Regulations 1970 (Amendment), Movement Control Order 2020 & Akta Pencegahan & Pengawalan Penyakit Berjangkit 1988.</p>	<p>Yes</p>
<p>4.3.1.4</p> <p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office.</p> <p>On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law is well implemented.</p> <p>Bukit Benut Estate</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>The management has appointed the Medical Assistant, En. Ja'farus Shoodiq Bin Amir Hamzah on 15.11.2019 as the PIC to monitor any changes on the LORR and update as and when necessary as stated in the job functions as the PIC for Environment/ Quality Management Systems.</p> <p>Lambak Estate</p> <p>The management has appointed the Senior Assistant Manager, on 15.01.2020 as the PIC to monitor any changes on the LORR and update as and when necessary as stated in the job functions as the PIC for Environment/ Quality Management Systems.</p>	
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>The was no evidence to show that oil palm cultivation activities Bukit Benut Estate and Lambak Estate had diminished the land use rights of others. Verified documents to show legal ownership of its land.</p>	Yes
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p>- Major compliance -</p>	<p>Verified the land titles shown that the legal ownership of the company. Sample of land title as below:</p> <p><u>Bukit Benut Estate:</u></p> <p>There are total 30 land titles found in Bukit Benut Estate for total 2799.87 ha. All the land titles have been issued under the name of owner to Sime Darby Plantations Sdn Bhd.</p> <ul style="list-style-type: none"> i. Land Title No.: 98998; Lot No.: 873; Area Lot: 195.969 ha ii. Land Title No.: 21382; Lot No.: 875; Area Lot: 45.2741 ha iii. Land Title No.: 120742; Lot No.: 1087; Area Lot: 108.8603 ha 	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p><u>Lambak Estate:</u></p> <p>There are total 20 land titles found in Lambak Estate for total 3740.1405 ha. All the land titles have been issued under the name of owner to Sime Darby Plantations Sdn Bhd.</p> <ul style="list-style-type: none"> i. Land Title No.: 134839; Lot No.: 2983; Area Lot: 505.8563 ha ii. Land Title No.: 101013; Lot No.: 526; Area Lot: 397.725 ha iii. Land Title No.: 83323; Lot No.: 2686; Area Lot: 522.0444 ha 	
4.3.2.3	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>It was noted during the visit, that the legal boundaries are clearly demarcated and visibly maintained. Boundaries with smallholders, estates and villages demarcated with boundary pegs/poles and physical trenches and security fences.</p> <p>Bukit Benut Estate Estate Boundary was clearly demarcated with red and white poles. Sighted the boundary marker number 94390/738 (Boundary with IOI Plantation Estate) and 918086 (Boundary with small holder – Field 11B). Security trenches were constructed along the boundary as a clear demarcation of the area.</p> <p>Lambak Estate Estate Boundary was clearly demarcated with red poles. The management has budgeted for a land survey to be conducted for the year 2020 to reassess the boundary of the estate. Sighted boundary markers adjacent to Sungai Kluang Estate (001° 59' 10" N 103° 21' 41"E). Also sighted security trenches were constructed along the boundary as a clear demarcation of the area.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There is no land dispute in the Bukit Benut Estate and Lambak Estate at the time of audit. The land belongs to Sime Darby Plantation Berhad and land ownership documents verified.	Yes
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There is no customary land or negotiated agreements within the Bukit Benut Estate and Lambak Estate land area.	Yes
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. - Minor compliance -	There is no customary land or negotiated agreements within the Bukit Benut Estate and Lambak Estate land area.	Yes
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	There is no customary land or negotiated agreements within the Bukit Benut Estate and Lambak Estate land area.	Yes
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	Sustainability Strategy Unit, PSQM Department has conducted Social Impact Assessment (SIA) on 16 – 19 May 2016 for SOU 22 Bukit Benut. There is no new SIA was conducted since last assessment. A	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<p>prevention plan for Covid-19 was developed on 13/4/2020 and briefed to the workers on the preventive actions for Covid-19 in Bukit Benut Estate. The management has acted such as taking temperature for all the workers during morning muster and recorded in Temperature and Health Examination Covid-19 on daily basis.</p> <p>Lambak Estate has developed Action Plan FY2020 on 4/5/2020 which has included the Covid-19 impact. The issues raised during stakeholder meeting and gender committee meeting was incorporated into the action plan as well.</p>	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>The company has developed a documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The procedure has detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.</p> <p>Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2018 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
		completion of the investigation for communication requiring investigation.	
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	Bukit Benut Estate has implemented Complaint Form and Lambak Estate has implemented External Complaint Book and Housing Defect Complaint Form to record complaints and requests reported by the stakeholders. The complaints or grievances were resolved within the time frame. Most of the complaints were related to housing repair. The complaint form has recorded the name of complainant, date of completion and acknowledgement from the complainant after action taken. The management to ensure all the complaints received are resolve in an effective, timely and appropriate manner. Thus, an OFI was raised.	OFI
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	Bukit Benut Estate has implemented Complaint Form and Lambak Estate has implemented External Complaint Book and Housing Defect Complaint Form to record complaints and requests reported by the stakeholders. Sampled of the complaints as below: i. House No.: 159B dated 10/5/2020 (Bukit Benut Estate) Issue: Roof broken. Action: The carpenter has repaired the roof on 10/5/2020 and seen the photo evident of repair. The complainant has acknowledged on 12/5/2020 for the repair done. ii. House No.: 16B dated 16/6/2020 (Lambak Estate) Issue: Florescent lights were malfunction and toilet door was broken.	Yes

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		Action: Seen the photo evident of repair works done and the complainant has acknowledged on 17/6/2020 after the complaint has been resolved.	
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Interviewed with the internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure and they were briefed by the management.	Yes
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	Record review found that previous complaints and requests from Year 2016 were still available.	Yes
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	The estates have offered job opportunity to the local communities by verified through the employee master list. Other contributions have been made are such as donation of daily goods to villagers in neighbouring village during fasting month on 20/5/2020 and donated Malaysia flag and Johor State flag to SK Ladang Bukit Benut and SJKT Ladang Bukit Benut on 19/12/2019.	Yes
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	Sime Darby have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 1 st June 2020. The policy has been communicated to the workers through	Yes

Criterion / Indicator		Assessment Findings	Compliance
		<p>induction training for new workers, morning briefing and displayed at various notice boards within the estates.</p> <p>The GSM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.</p> <p>The estates have established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2020. The management plan includes the ESH risk management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring, Health monitoring.</p> <p>The HSE Policy Statement has been effectively communicated to all Estate workers and staffs as below: Bukit Benut Estate: 09.06.2020 Lambak Estate: 01.07.2020</p>	
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: 	<ul style="list-style-type: none"> a) Sime Darby have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 1st June 2020. The policy have been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate. Sighted the records of the morning briefing done to all the workers and staffs as below: Bukit Benut Estate: 09.06.2020 	Yes

Criterion / Indicator	Assessment Findings	Compliance
<ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements. g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded. h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. 	<p>Lambak Estate: 01.07.2020</p> <p>b) The estates have conducted assessment for risk on all the operations and documented in Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment covers all main operations and support operations such as Harvesting, Spraying, Manuring, Grass Cutting and Office Work among others.</p> <p>Bukit Benut Estate HIRARC Review was conducted on an annual basis and as and when necessary due to accidents that occur. Sighted the latest HIRARC for COVID-19 dated 25.03.2020. Also sighted the latest HIRARC review for Travelling using Motorcycle due to an accident involving an estate worker was done on 06.06.2020 for accident that occurred on 05.06.2020.</p> <p>The medical surveillance was conducted for a total of 28 workers on 24.06.2020. The workers were tested on cholinesterase traces in the test. The results indicated all workers had normal test and were fit to work.</p> <p>CHRA was conducted on 31.07.2015 – 13.10.2015 by registered assessor JKPP/HIE 127/171-2 (363) – NM Laboratory Sdn Bhd.</p> <p>Lambak Estate The HIRARC was available for all work units and work stations that the management have identified as potential risk with the</p>	

Criterion / Indicator	Assessment Findings	Compliance				
<p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>recommendation of control measures to reduce the identified risk. Among the HIRARC sighted were Crossing Main Roads, Planting of Cover Crops, Drainage, Fertilizer Application, etc.</p> <p>Sighted the HIRARC review for the latest accident involving Harvesting and Collection Operations dated 15.05.2020. Covid 19 HIRARC was available dated 18.05.2020.</p> <p>The medical surveillance has been done on 08.10.2019 for a total of 28 workers involved in chemical handling by Klinik Rengam, Kluang (HQ/08/DOC/00/597). All the 28 workers were deemed fit to work by the registered doctor with no traces of chemical containment (Cholinesterase) in the blood.</p> <p>CHRA assessment was conducted on 02.08.2015 – 13.10.2015 by registered assessor JKKP HIE 127/171-2 (363) – NM Laboratory Sdn Bhd.</p> <p>c) The estates have established a training program for employees exposed to chemicals used at the palm oil estates to ensure continuous awareness to the employees. The training was conducted by the Manager, Asst. Manager and representative from the chemical suppliers to the supervisors and operators. Sighted the training records as follows:</p> <table border="1" data-bbox="1128 1289 1877 1383"> <thead> <tr> <th data-bbox="1128 1289 1603 1337">Training</th> <th data-bbox="1603 1289 1877 1337">Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="1128 1337 1603 1383">Premix Chemical Training</td> <td data-bbox="1603 1337 1877 1383">23.06.2020</td> </tr> </tbody> </table>	Training	Date	Premix Chemical Training	23.06.2020	
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Criterion / Indicator		Assessment Findings		Compliance						
		<table border="1"> <tr> <td>Inter 16 Pump and Control Droplet Applicator (CDA) & PPE Training.</td> <td>05.06.2020</td> </tr> <tr> <td>Briefing for Rat Baiting application using motorcycle. (Trial)</td> <td>01.02.2020</td> </tr> <tr> <td>Chemical Management Training</td> <td>03.06.2020</td> </tr> </table>	Inter 16 Pump and Control Droplet Applicator (CDA) & PPE Training.	05.06.2020	Briefing for Rat Baiting application using motorcycle. (Trial)	01.02.2020	Chemical Management Training	03.06.2020		
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Briefing for Rat Baiting application using motorcycle. (Trial)	01.02.2020									
Chemical Management Training	03.06.2020									
		<p>d) The estates have provided appropriate PPE to all workers according to the job type and requirements. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) Palm Oil Mill dated 17.03.2008.</p> <p>Sighted during site visit at the spraying gang, manuring gang and workshop, the workers were provided with leather gloves, nitrile gloves mask, earplug, respirator, safety helmet and safety shoes and others required by the operations. The workers acknowledged that they are entitled to appropriate PPE, free of charge by the management. The workers understand the importance of wearing the appropriate PPEs during work as they are regularly briefed by the management. Sighted the PPE issuance records documented in 'PPE Issuance Record' log book. The PPE issued recorded by workers and job designation.</p>								
		<p>e) Procedures of chemical handling is presented in several documents, such Document No. SD/SDP/SQM (ESH)/001-1 Sime Darby Plantation Environment, Safety, and Health Management System (ESHMS) Manual dated July 1st, 2012.</p>								

Criterion / Indicator	Assessment Findings	Compliance
	<p>f) Bukit Benut Estate The Manager, En. Rozdizam Bin Kasan was appointed to be the Chairman of OSH Committee at the estate as per letter undersigned by the Regional General Manager (Johore Central) dated 31st December 2019. Estate management has appointed Safety Committee Members consists of OSH Coordinator, Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Estate Manager.</p> <p>Lambak Estate The Manager, Mr. Kannapathey Perumal was appointed to be the Chairman of OSH Committee at the estate as per letter undersigned by the Regional General Manager (Johore Central) dated 1st January 2020. Estate management has appointed Safety Committee Members consists of OSH Coordinator, Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Estate Manager.</p> <p>g) The management conducted regular OSH committee meetings on quarterly basis and when necessary due to accident occur. In the meeting discussed issue on employees' safety, health and welfare such as mill safety and health achievement report, estate security, safety compliance by contractors, workplace inspection, legal compliance, safety and health training. Sighted the latest OSH Meeting Minutes dated as follows:</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>Bukit Benut Estate - 08.06.2020 (2/2020), 11.03.2020 (1/2020), 11.12.2019 (4/2019) & 11.10.2019 (3/2019).</p> <p>Lambak Estate 11.05.2020 (2/2020), 11.02.2020 (1/2020), 02.11.2019 (4/2019), 02.08.2019 (3/2019)</p> <p>h) Accident and emergency procedures are available in Estate Quality Management System Standard Operation manual (EQMS SOM) dated November 1st, 2008. Flowchart of emergency handling was presented in Appendix 5.5.3.3. Sighted during site visit, the workstation also equipped with fire extinguishers and first aid kits. Noted during the interview with employees shows the understanding regarding emergency and evacuation procedures.</p> <p>The estates have established Emergency Response Team lead by the Estate Managers. Sighted during site visit, the ERT chart and Fire Extinguisher Map was displayed at several notice boards around the estate complex. Sighted the trainings as below:</p> <p>Bukit benut Estate:</p> <ul style="list-style-type: none"> • First Aid, CPR and Choking Training – 24.06.2020 	

Criterion / Indicator	Assessment Findings	Compliance
	<p>Lambak Estate</p> <ul style="list-style-type: none"> • Fire Fighting Training – 25.02.2020 <p>i) First aiders were present at various work station at the estates. The first aiders were responsible for first aid box at each workstation assigned to them by the management. During the interview with the sprayers, manures and store clerk shows the awareness regarding the emergency procedure if accidents occur, person responsible of every first aid box and the location of the nearest first aid box. The first aid box was recently replenished with all stated items available in the box.</p> <p>Bukit Benut Estate The latest training conducted for the first aiders was on 24.06.2020</p> <p>Lambak Estate The latest training conducted for the first aiders was on 20.02.2020.</p> <p>j) Bukit Benut Estate The estate has reported 7 accident cases for the year 2019. All cases are recorded and updated to the HQ on a monthly basis. All cases have been reported to JKKP via the JKKP 8 Form. Sighted the JKKP 8 Form for verification. There was 1 accident case reported for the year 2020 dated 05.05.2020 involving harvesting work.</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Lambak Estate</p> <p>The estate has reported 2 cases for the year 2019. The JKPP 8 form submission was sighted in the estate for verification. For the year 2020 there were 1 case reported at the estate. The JKPP 6 Form was submitted with the submission form sighted for verification.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has established Group Sustainability & Quality Policy Statement dated 2/12/2019 by Group Managing Director where the company is respecting, upholding & no-exploitation of fundamental human rights. This policy statement is guided by the commitment spells out in the Human Rights Charter (HRC) last revised 2020. Besides, Policy on the Protection of Human Rights Defenders (HRDs) was established with effective date on 25/3/2020. Sime Darby Plantation respect and safeguard human rights, notion of democracy and its institution. They recognize that Human Rights Defenders have the role and responsibility of upholding human rights and the need for them to be able to lodge complaints that may arise from their business activities and relationship with SDP. This Policy is applied to all stakeholders affected by the business activities and relationships including directors, employees, counterparties, business partners, workers in our operations and supply chains, and communities surrounding our operations.</p> <p>The policies were communicated to the employees during induction training for new employees and morning muster. The last training was conducted on 5/2/2020 in Bukit Benut Estate.</p>	Yes

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Criterion / Indicator		Assessment Findings	Compliance
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They promote diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity union membership, political affiliation or age. The policy has been briefed to all the employees and stakeholders. The policy could be downloaded from http://www.simedarbyplantation.com/sustainability/human-rights-charter.</p>	Yes
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>There were employment contracts for staffs and workers. Pay and conditions are documented and achieved the Minimum Wage Order 2020. Sampled of employment contracts confirmed that terms and conditions are clearly outlined as per collective agreement and Employment Act 1955 which have been signed by the worker. Sampled of payslip for March 2020, April 2020 and June 2020 as below:</p> <ul style="list-style-type: none"> i. Employee No.: 157527 (BBE) ii. Employee No.: 158059 (BBE) iii. Employee No.: 117701 (BBE) iv. Employee No.: 96849 (BBE) v. Employee No.: 138546 (BBE) vi. Employee No.: 150141 (LE) vii. Employee No.: 127410 (LE) viii. Employee No.: 153779 (LE) 	Yes

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Criterion / Indicator		Assessment Findings	Compliance															
		ix. Employee No.: 157687 (LE) x. Employee No.: 18361 (LE)																
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>Reviewed the payslips for the contractors (Syarikat Sin Kim Huat)'s workers in Lambak Estate on June 2020 found that they have worked on rest day. However, no evidence to show that the workers have been paid as per Employment Act 1955, Clause 60 (3) (a) and (b). This has confirmed with the contractor that he only paid additional RM 0.20 as incentive for work on rest day on top of the ordinary rate per piece.</p> <p>The sampled workers are as below:</p> <table border="1"> <thead> <tr> <th>I/C No.:</th> <th>Date of WDR</th> <th>Type of Wages</th> </tr> </thead> <tbody> <tr> <td>740924-01-5813</td> <td>21/6/2020</td> <td>Monthly-rated</td> </tr> <tr> <td>770923-01-53XX</td> <td>7/6/2020</td> <td>Daily-rated</td> </tr> <tr> <td>621212-71-50XX</td> <td>7/6/2020 and 28/6/2020</td> <td>Daily-rated</td> </tr> <tr> <td>651011-71-55XX</td> <td>7/6/2020, 21/6/2020 and 28/6/2020</td> <td>Daily-rated</td> </tr> </tbody> </table> <p>Thus, a minor non-conformance was raised.</p>	I/C No.:	Date of WDR	Type of Wages	740924-01-5813	21/6/2020	Monthly-rated	770923-01-53XX	7/6/2020	Daily-rated	621212-71-50XX	7/6/2020 and 28/6/2020	Daily-rated	651011-71-55XX	7/6/2020, 21/6/2020 and 28/6/2020	Daily-rated	Minor Non-conformance
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4.4.5.5	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>The estates' management has registered all their workers into Employee Master Details Listing in SEMUA system where personal details such as full name, gender, date of birth, date join company, race, designation and wages were recorded. Sampled of the employee master details listing as below:</p> <p>i. Employee No.: 158059 (BBE)</p>	Yes															

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> ii. Employee No.: 117701 (BBE) iii. Employee No.: 96849 (BBE) iv. Employee No.: 138546 (BBE) v. Employee No.: 145879 (BBE) vi. Employee No.: 150141 (LE) vii. Employee No.: 127410 (LE) viii. Employee No.: 153779 (LE) ix. Employee No.: 157687 (LE) x. Employee No.: 18361 (LE) <p>Besides, contractor (Syarikat Sin Kim Huat) in Bukit Benut Estate have provided the Personal Particulars to the management to maintain.</p>	
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>The estates' management has employed local and foreign workers from Indonesia, India, Myanmar, Bangladesh and Nepal. They are all under direct employment to the estates. All of them have signed on the employment contract prior to work and extension contract where the original contract has expired. Terms and conditions were according to Collective Agreement and Employment Act 1955. Sampled of employment contracts as below:</p> <ul style="list-style-type: none"> i. Employee No.: 158059 (BBE) ii. Employee No.: 117701 (BBE) iii. Employee No.: 96849 (BBE) iv. Employee No.: 138546 (BBE) v. Employee No.: 145879 (BBE) vi. Employee No.: 121083 (LE) vii. Employee No.: 145721 (LE) viii. Employee No.: 151127 (LE) ix. Employee No.: 145728 (LE) 	Yes

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Criterion / Indicator		Assessment Findings	Compliance
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	Seen the Estate Daily Attendance Report for monthly basis where it recorded the number of days work and hours of overtime work. The data was transferred from the checkroll record book for the workers to the SAP system.	Yes
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	Interviewed with the workers confirmed that they have rest time in between of the working hours. Overtimes were paid according to the rate stated in the agreement and regulatory requirements. The overtime offered upon mutually agreement.	Yes
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Wages and overtime were paid according to the Daily Attendance Report and productivity reports. Total hours of overtime and daily attendance has recorded in the SAP system and the payslips. Refer to indicator 4.4.5.3.	Yes
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	All the workers are provided with free medical facilities. The workers are entitled with the phone allowance of RM 5 for every month. Free housing facilities were provided to all the workers and their families with free water supply. Incentives were provided to workers for special capabilities on certain jobs.	Yes
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards	The estates' management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers. Linesite inspection was carried out on weekly basis by Medical Assistant using Housing Complex/ Nest/ Community Hall	Yes

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	Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	Inspections. The last inspection for July 2020 was conducted on 16/7/2020, 9/7/2020 and 3/7/2020 in Bukit Benut Estate and 20/7/2020, 17/7/2020, 10/7/2020 and 3/7/2020 in Lambak Estate. The Medical Assistant in Bukit Benut Estate has inspected on the illegal wiring and extension of houses during the inspection. Warning letter was issued to House No.: 139B and 144B for illegal extension of houses which sighted by MA during the linesite inspection done on 14/12/2019.	
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They seek to create a working environment with zero tolerance for sexual harassment and abuse and in which violence is never used to resolve issues or conflict. Gender Committee was established in Bukit Benut Estate and Lambak Estate to monitor if there is any case of sexual harassment reported. The last meeting was carried out on 5/6/2020 in both estates respectively. Issues reported were recorded in the minutes. Interviewed with the female workers found that no sexual harassment or violence case reported so far.	Yes
4.4.5.13	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the	Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They respect the	Yes

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Criterion / Indicator		Assessment Findings	Compliance
	<p>industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>rights of their employees to form and join unions and bargain collectively.</p> <p>NUPW committee was established in Bukit Benut Estate and last meeting was conducted on 5/6/2020 between the workers' representatives and management representatives to discuss issues related to workers. Seen the meeting minutes and issues were recorded in the meeting minutes. Action plan was developed in the meeting minutes and action has been taken accordingly. For eg: Workers complained about the stray dogs in housing complex. The management has sent email to local council on 19/7/2020 to report the issue and waiting for the response from local council.</p>	
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They recognize that protecting the wellbeing of children means safeguarding them from any form of maltreatment or exploitation, including child sex tourism, child trafficking and child pornography. They are eradicating child labour in all their supply chain and not employ anyone under age of 18 years.</p> <p>No employees below the age of 18 were sighted through verified the Employee Master Listing and interviewed with the workers.</p>	Yes
Criterion 4.4.6: Training and competency			

Criterion / Indicator		Assessment Findings	Compliance																
<p>4.4.6.1</p>	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Estates visited have established a training program for all workers based on the training need analysis conducted on a yearly basis.</p> <p>Covid-19 training and briefings were sighted at the estates. Interview with the workers and staff indicated that they were aware on the SOP during the RMCO such as social distancing, regular sanitization and use of PPE (Face Mask).</p> <p>Records of trainings were maintained by the estates as below: -</p> <p>Bukit Benut Estate</p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Cantas & Pruning Training</td> <td>20.06.2020</td> </tr> <tr> <td>Zenoah Blower Backpack Air Blower Training</td> <td>19.06.2020</td> </tr> <tr> <td>Preparedness and Response Guidelines of Covid-19</td> <td>13.04.2020</td> </tr> <tr> <td>Safety Training for Drivers and Loaders.</td> <td>07.01.2020</td> </tr> <tr> <td>PPE Management Training</td> <td>03.06.2020</td> </tr> </tbody> </table> <p>Lambak Estate</p> <table border="1"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Training	Date	Cantas & Pruning Training	20.06.2020	Zenoah Blower Backpack Air Blower Training	19.06.2020	Preparedness and Response Guidelines of Covid-19	13.04.2020	Safety Training for Drivers and Loaders.	07.01.2020	PPE Management Training	03.06.2020	Training	Date			<p>Yes</p>
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Criterion / Indicator		Assessment Findings		Compliance
		Manuring Training	14.07.2020	
		Briefing for Circle Spraying	11.07.2020	
		Nursery Training	07.07.2020	
		Chemical Mixing & Disposing Chemical Container	25.06.2020	
		Spraying Training	06.05.2020	
		Inter Pump Maintenance	15.04.2020	
		Covid-19 Briefing	21.03.2020	
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>The estates visited has conducted training need analysis for all employees, management and contractors. The training need analysis was conducted based on the job designation and training required by the job type. Sighted the Training Need Analysis for the year 2020 for both estates.</p>		Yes
4.4.6.3	<p>A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>A training programme has been developed and available in the Training Requirement for Operating Units (Estate) 2020. The trainings were sighted to have also included Gender Specific Training and involves staffs, workers and contractors.</p>		Yes

Criterion / Indicator	Assessment Findings	Compliance	
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 1st June 2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate.</p> <p>The policy has been briefed to all workers on: Bukit Benut Estate: 09.06.2020 Lambak Estate: 01.07.2020</p>	<p>Yes</p>
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ol style="list-style-type: none"> An environmental policy and objectives; The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>The Environment Policy is available in the HSE Policy as specified in 4.5.1.1 above. The objectives, target and duration are shown in the Environmental Management program (EMP) incorporating the action plan to be initiated by the estates. The EMP for both estates was sighted. Details of the objectives were also mentioned in 4.5.4.1. The estates identified the aspects and impacts analysis of its operations. Areas are activities at;</p> <ul style="list-style-type: none"> main entrance/compound/dispensary/store/workshop scheduled waste/workshop/weeding/spraying FFB transportation/manuring/harvesting and collection. <p>Findings were discussed in the HSE meetings. The EAI and EIE are reviewed yearly with changes done if deemed necessary.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance															
		<ul style="list-style-type: none"> Bukit Benut Estate reviewed the EAI and EIE with changes to Cantas. Pruning and Cutting activity for the year 2020. Lambak Estate reviewed the EAI and EIE with no changes made for the year 2020. 																
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>The environmental improvement combined with the pollution prevention plans 2020 were sighted. Both the estates identified the following activities and areas for Improvement plan;</p> <table border="1"> <thead> <tr> <th>No</th> <th>Environmental Issues</th> <th>Mitigation Methods</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Leakage of pesticide during chemical mixing & washing</td> <td>To recollect water use and recycled during next pre mixing.</td> </tr> <tr> <td>2</td> <td>Leakage of lubricant/ oil from servicing/ parking of vehicles.</td> <td>To use oil tray to contain leakages.</td> </tr> <tr> <td>3</td> <td>Reduce water usage</td> <td>Practice water conservation</td> </tr> <tr> <td>4</td> <td>Reduce diesel usage</td> <td>PMV planned maintenance records</td> </tr> </tbody> </table>	No	Environmental Issues	Mitigation Methods	1	Leakage of pesticide during chemical mixing & washing	To recollect water use and recycled during next pre mixing.	2	Leakage of lubricant/ oil from servicing/ parking of vehicles.	To use oil tray to contain leakages.	3	Reduce water usage	Practice water conservation	4	Reduce diesel usage	PMV planned maintenance records	Yes
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3	Reduce water usage	Practice water conservation																
4	Reduce diesel usage	PMV planned maintenance records																
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	Based on the Standard Operation Manual; subsection 5.4; Planning and Appendix 5.4.1b: Environmental aspect/impacts evaluation procedure, Estates carried out the annual review of environmental impacts documented in Registration of Environmental Aspects and	Yes															

Criterion / Indicator		Assessment Findings	Compliance										
		Impacts. The continual improvement plans had programs to promote the positive impacts. For example, to reduce any run-off pesticides to land, to eliminate traces of oil spillage at the workshop/tractor parking bay, to reduce massive land contamination at the landfill area and etc.											
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives.</p> <p>- Major compliance -</p>	<p>Training program is available in the SOU 22 Training Program updated on a yearly basis or revised as per the management requirement. Included in this program are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training. Guidance was provided by the SQM prior to the approval and implementation by the estates. Trainings conducted in relation to environmental and its improvement plan are shown as follows;</p> <p>Bukit Benut Estate</p> <table border="1"> <thead> <tr> <th>Training/ Awareness</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Schedule Waste Management Training</td> <td>03.06.2020</td> </tr> </tbody> </table> <p>Lambak Estate</p> <table border="1"> <thead> <tr> <th>Training/ Awareness</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>HCV Training</td> <td>24.02.2020</td> </tr> <tr> <td>IPM Training</td> <td>31.05.2020</td> </tr> </tbody> </table>	Training/ Awareness	Date	Schedule Waste Management Training	03.06.2020	Training/ Awareness	Date	HCV Training	24.02.2020	IPM Training	31.05.2020	Yes
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HCV Training	24.02.2020												
IPM Training	31.05.2020												
4.5.1.6	Management shall organize regular meetings with employees	The estate managements continued to have regular meetings with workers where concerns of workers and management about the	Yes										

Criterion / Indicator		Assessment Findings	Compliance																				
	where their concerns about environmental quality are discussed. - Major compliance -	environmental quality are discussed. This was discussed at the quarterly held ESH committee meetings.																					
Criterion 4.5.2: Efficiency of energy use and use of renewable energy																							
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period. - Major compliance -	<p>Bukit Benut Estate and Lambak Estate have established an Energy Management Plan which focuses on the efficiency usage of non-renewable energy and renewable energy.</p> <p>At the estates, diesel, water & electricity consumptions was also monitored on a monthly basis. It was verified that energy usage is being monitored at the operating units for better control and comparison of trends. Sighted the total water, diesel and electricity usage record for year ending 2019 as below:</p> <p>Bukit Benut Estate</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Diesel (Litres)</th> <th>Electricity (kWh)</th> <th>Water (m³)</th> </tr> </thead> <tbody> <tr> <td>Jan 19</td> <td>5355</td> <td>19850</td> <td>6489</td> </tr> <tr> <td>Feb 19</td> <td>5184</td> <td>21153</td> <td>6458</td> </tr> <tr> <td>Mar 19</td> <td>8235</td> <td>21150</td> <td>6447</td> </tr> <tr> <td>Apr 19</td> <td>6590</td> <td>19802</td> <td>6223</td> </tr> </tbody> </table>	Month	Diesel (Litres)	Electricity (kWh)	Water (m ³)	Jan 19	5355	19850	6489	Feb 19	5184	21153	6458	Mar 19	8235	21150	6447	Apr 19	6590	19802	6223	Yes
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Criterion / Indicator		Assessment Findings				Compliance		
		May 19	6480	21670	6327			
		Jun 19	5563	21666	6689			
		Jul 19	5499	25897	6575			
		Aug 19	5403	19950	6696			
		Sep 19	4549	25340	6566			
		Oct 19	5155	25821	6770			
		Nov 19	4976	25201	5600			
		Dec 19	4997	20380	6693			
		Lambak Estate						
		Month	Diesel (Litres)	Electricity (kWh)	Water (m ³)			
		Jan 19	7139	19851	7606			
		Feb 19	6505	18521	8738			
		Mar 19	6437	19950	7402			

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Criterion / Indicator		Assessment Findings				Compliance
		Apr 19	6200	19860	8019	
		May 19	6148	19865	6316	
		Jun 19	6003	19861	6582	
		Jul 19	7106	20810	9439	
		Aug 19	5487	20850	6674	
		Sep 19	5157	22190	7197	
		Oct 19	4330	19810	7150	
		Nov 19	5899	19200	7590	
		Dec 19	5933	21851	6582	
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective estate yearly budgets.				Yes
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	There was no opportunity to use renewable energy in both Estates.				Yes

Criterion / Indicator	Assessment Findings	Compliance											
Criterion 4.5.3: Waste management and disposal													
<p>4.5.3.1</p>	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>All waste and pollution are identified and documented in the Waste Management Action Plan. The compilation for Financial Year 2020 was made at SOU level. Details of waste generated from the estates operations among others are shown below;</p> <table border="1" data-bbox="1050 646 1868 1318"> <thead> <tr> <th>Type of Waste</th> <th>Location</th> </tr> </thead> <tbody> <tr> <td> Schedule Waste <ul style="list-style-type: none"> Used Lubricants Used Batteries, Tyre, Filter and Tubes. </td> <td>Workshop</td> </tr> <tr> <td> Domestic Waste <ul style="list-style-type: none"> Rubbish </td> <td>Line site, Office, Workshop, Store, Shop.</td> </tr> <tr> <td> Recycle Waste <ul style="list-style-type: none"> POME EFB Re-used Empty Container </td> <td>Estate, Store</td> </tr> <tr> <td>Clinical Waste</td> <td>Dispensary</td> </tr> </tbody> </table>	Type of Waste	Location	Schedule Waste <ul style="list-style-type: none"> Used Lubricants Used Batteries, Tyre, Filter and Tubes. 	Workshop	Domestic Waste <ul style="list-style-type: none"> Rubbish 	Line site, Office, Workshop, Store, Shop.	Recycle Waste <ul style="list-style-type: none"> POME EFB Re-used Empty Container 	Estate, Store	Clinical Waste	Dispensary	<p>Yes</p>
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Clinical Waste	Dispensary												

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Criterion / Indicator		Assessment Findings			Compliance
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p> <p>- Major compliance -</p>	The disposal/recycling of waste generated by the estates are made as follows;			Minor Non-conformance
		Type of Waste	Location	Action to Be Taken	
		Schedule Waste	Workshop	<p>Collect and record quantity.</p> <p>Store items under lock and key</p> <p>Dispose Items through registered purchaser</p>	
		Domestic Waste	<p>Linesite, Office, Workshop, Store, Shop</p>	<p>Prepared Landfill area away from water course and resident area, maintenance of landfill.</p> <p>Establish Collection Schedule and PIC</p> <p>Create awareness on hygiene</p> <p>Conduct awareness on 3R (reduce, reuse, recycle)</p> <p>Monitoring on Linesite.</p>	
Clinical Waste	Syringe/ Swab	<p>Collect & Record quantity</p> <p>Dispose off the item through registered purchaser.</p>			

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Lambak Estate – The Operational Control Procedure for Landfill Management In Estate (SD/SDP/PSQM(ESH)203-EN7) dated 13th march 2017 states under Section 6 Requirements and Procedures; Section 6.6 Landfill Prohibitions; No Scheduled Wastes.</p> <p>Sime Darby Berhad Group Sustainability Quality Management (GSQM); Waste Management Procedure; Doc No. SD/SDH/GSQM/ESH/312 (Date: 01.07.16); 5.2 Waste Segregation; Waste shall be segregated into scheduled waste and non-hazardous waste at the point of generation by the waste generator at sites.</p> <p>During the site visit to the landfill it was sighted that there were several motor oil containers (2T/4T Oil) disposed as domestic waste in the landfill. The contaminated oil containers should be treated as a scheduled waste and therefore be disposed through a licensed waste manager. The oil containers even though might not be generated by estate operations, its sources are from within the estate thus any activity within the vicinity of the estate should be identified, monitored and treated as per MSPO requirements.</p> <p>Thus, a minor non-conformance was raised.</p>	
4.5.3.3	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>Based on policy to manage used chemical containers, the estates only produce chemical containers Class 2 and above therefore they are treated as recyclable waste and not schedule waste.</p> <p>Empty pesticides containers were collected in the recyclable waste store after being triple rinsed and punctured at the bottom of the containers. The used chemical containers were sold to licensed waste managers to be recycled.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>The estate also generates Schedule Waste as stated in the Second Schedule. Among the schedule waste identified are Spent Lubricant, Clinical Waste and Spent Filter.</p> <p>Sighted the latest Consignment Note for the disposal of Schedule Waste as follows:</p> <p>Bukit Benut Estate</p> <ul style="list-style-type: none"> • Spent Lubricant (SW305); Disposed to Licensed Waste Manager Perniagaan Saudara Baru (Ref No. 20405); Dated 16.07.2020; Quantity: 70 Litres. • Clinical Waste (SW 404); Disposed to Kualiti Alam Sdn. Bhd. (Serial number: 0324150); Dated 17.02.2020; Quantity 3.70 kg. • Used Oil Filter (SW 410); Disposed to Licensed Waste Manager Perniagaan Saudara Baru (Ref No. 20406); Dated 16.07.2020; Quantity: 31 kgs. <p>Lambak Estate</p> <ul style="list-style-type: none"> • Spent Lubricant (SW 305); Disposed to Licensed Waste Manager Perniagaan Saudara Baru (Ref No. 20403); Dated 02.07.2020; Quantity: 70 Litres. • Used Oil Filter (SW410); Disposed to Licensed Waste Manager Perniagaan Saudara Baru (Ref No. 20404); Dated 02.07.2020; Quantity: 119 kgs • Clinical Waste (SW 404); Disposed to Kualiti Alam Sdn. Bhd. (Serial number: 0324149); Dated 17.02.2020; Quantity 1.50 kg. 	

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Under the operational control procedure established as given in 4.5.3.3 above the guideline and practice for handling empty pesticides containers are as follows;</p> <ol style="list-style-type: none"> 1. All class 2 and above containers are tripled rinsed and holes punctured at the bottom only if the waste generator is to dispose as non-scheduled waste. 2. Containers to be disposed as scheduled waste need not go through the triple rinsing and hole punctured process. <p>These guidelines are based on Department of Agriculture ref 91/120/038/014 dated 7/11/2002. During the site visit this has been adhered mainly containers are tripled rinsed and holes punctured at the container base.</p> <p>Lambak Estate has disposed the contaminated empty chemical containers on 12.05.2020 to SS Setia Teknologi Enterprise; Quantity: 45 Chemical Containers (20 Litres), 50 Ally Containers and 5 Chemical Drums (200 Litres).</p>	Yes
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Both the estates used the facility of landfill areas located in respective estate;</p> <ol style="list-style-type: none"> 1. Bukit Benut Estate located in Field P00C1 (Opened on 19.07.2020) 2. Lambak Estate located in Field 04A 9 (Opened on 17.07.2020) <p>The signboards were available with dates of close and open. Site was visited and verified.</p>	Yes
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid</p>	<p>Estates visited have conducted assessment of all polluting activities in the Environmental Aspect Impact Identification and Environmental</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
	wastes and effluent. - Major compliance -	Impact Evaluation. The assessment was reviewed on an annual basis which includes GHG, Schedule Waste, Recycle Waste and Domestic Waste.	
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	For the estate, GHG emissions identified including CO ₂ , SO ₂ and NO ₂ from various sources including fossil fuel, chemical, peat oxidation, sinks, crop sequestration, fertilizer consumptions and sequestration in conservation area.	Yes
Criterion 4.5.5: Natural water resources			
4.5.5.1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a. Assessment of water usage and sources of supply.</p> <p>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p> <p>c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate.</p>	<p>The Water Management Plan for the estates have been established. This is compiled on Group basis and amended to meet demands of specific issue in operating units. It is reviewed on annual basis for the Financial Year 2020 plan. Included therein are inspection of reservoir, water treatment, monitoring of processed water, water leakages/overflow, run-off and ETP monitoring. The estate management has provided contingency plans 2020. Steps/options to be adopted taken are;</p> <p>Contingency Plans in Event of Water Crisis</p> <ul style="list-style-type: none"> To purchase water from Syarikat Air Johor. To train workers/staffs to conserve water. To revise demand and supply volume/conditions. To monitor water supply. <p>Contingency Plans in Event of Water Pollution</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance														
<p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>	<ul style="list-style-type: none"> To purchase water from Syarikat Air Johor. To perform treatment of water of polluted water. To reuse, recycle and ration. <p>Water Reduction Plan</p> <ul style="list-style-type: none"> To place a large container for rainwater collection at workshop. The rainwater shall be recycled for workshop activities. Daily monitoring on the water piping system. To ensure no leakage in the piping system. Water saving initiative in nursery. At 8mm of rainfall recorded, watering is ceased in nursery. <p>Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the River Reserve Management (Management of River Reserve in Sime Darby Plantation dated April 2014). The buffer zones established are as following:</p> <table border="1" data-bbox="1048 1110 1868 1345"> <thead> <tr> <th>River Width</th> <th>Buffer Zone</th> </tr> </thead> <tbody> <tr> <td>> 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>< 5 meters</td> <td>5 meters</td> </tr> <tr> <td>* > 3 meters</td> <td>20 meters</td> </tr> </tbody> </table>	River Width	Buffer Zone	> 40 meters	50 meters	20 to 40 meters	40 meters	10 to 20 meters	20 meters	5 to 10 meters	10 meters	< 5 meters	5 meters	* > 3 meters	20 meters	
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Criterion / Indicator		Assessment Findings	Compliance
		<p>Monitoring based on Sustainable Plantation Management System Appendix 7 Standard Operation Procedure (SOP) for taking water samples from streams/rivers, version 1, year 2008, issue no. 1, dated 01/11/2008.</p> <p>The quality of out-going water into rivers was monitored quarterly by conducting water analysis. River water sampling for analysis was done for upstream, midstream and downstream. Sighted the water analysis records as follows:</p> <p>Bukit Benut Estate</p> <ul style="list-style-type: none"> • Pesticide Analysis Test Report; Test report number: PL1325/2020; date 23.01.2020; The test results indicated that no pesticides were detected in the sampled water. • Water Analysis test Report; Test Report Number: IE385/2020; Sample Date: 24.04.2020; the test results showed that all the parameters were within the standard quality. 	
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	No bunds, weirs or dams were sighted across main rivers and waterways in all estates.	Yes
4.5.5.3	<p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p> <p>- Minor compliance -</p>	The practice water harvesting of water from road-side drains being directed and stored in conservation road side pits was observed in all estates.	Yes

Criterion / Indicator	Assessment Findings	Compliance																			
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value																					
<p>4.5.6.1</p>	<p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <ul style="list-style-type: none"> a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities. <p>- Major compliance -</p>	<p>The high biodiversity value is included in the HCV re-assessment report dated December 2015.</p> <p>Several bird Species were recorded during the survey. The common bird species recorded were <i>Aerodramus fuciphagus</i> (edible-nest swiftlet), <i>Halcyon smyrnensis</i> (White-throated Kingfisher), and <i>Acridotheres tristis</i> (Common Myna).</p> <p>The list of HCV areas presence within the boundary of the estates were summarized as below:</p> <p>Lambak Estate</p> <table border="1" data-bbox="1050 906 1868 1038"> <thead> <tr> <th>Assessment Area</th> <th>Ha</th> <th>Present HCV</th> </tr> </thead> <tbody> <tr> <td>Pond</td> <td>0.3</td> <td>HCV 4</td> </tr> <tr> <td>Natural Pond</td> <td>1.97</td> <td>HCV 4</td> </tr> <tr> <td>Water Catchment Area</td> <td>0.38</td> <td>HCV 4</td> </tr> </tbody> </table> <p>Bukit Benut Estate</p> <table border="1" data-bbox="1050 1107 1868 1171"> <thead> <tr> <th>Assessment Area</th> <th>Ha</th> <th>Present HCV</th> </tr> </thead> <tbody> <tr> <td>River Reserve (Sungai Melantai)</td> <td>15.0</td> <td>HCV 4</td> </tr> </tbody> </table> <p>The established management plan has been incorporated the action plan for those identified animals (IUCN and WCA 2010) for proper monitoring.</p>	Assessment Area	Ha	Present HCV	Pond	0.3	HCV 4	Natural Pond	1.97	HCV 4	Water Catchment Area	0.38	HCV 4	Assessment Area	Ha	Present HCV	River Reserve (Sungai Melantai)	15.0	HCV 4	<p>Yes</p>
Assessment Area	Ha	Present HCV																			
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Assessment Area	Ha	Present HCV																			
River Reserve (Sungai Melantai)	15.0	HCV 4																			
<p>4.5.6.2</p>	<p>If rare, threatened or endangered species, or high</p>	<p>There is not RTE recorded. Evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities were</p>	<p>Yes</p>																		

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Criterion / Indicator		Assessment Findings	Compliance
	<p>biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>maintained and implemented. Signage as well as routine patrolling activities were utilized as part of creating awareness among employees and maintain HCVs.</p> <p>The estates had established a HCV action plan for FY2020 such as briefing/training to workers on protection of water catchment that encroachment and hunting are not allowed.</p>	
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>All operating units have developed Management Plan for the HCV and conservation area to protect from any encroachment. Habitat protection includes prevention of disturbance by workers through awareness campaigns and regular patrols of the area. The estates have installed signboards at prominent areas to prohibit hunting, disturbance of protected areas and the lighting of fires. Inspection of housing areas and interview of residents confirmed workers were aware of the company policy that prohibits hunting and collecting activities. Monitoring is carried out by the security and staff in charge for the respective area. Sime Darby Plantation in addition established their own disciplinary measures if found any staff or workers found to capture, harm, collect or kill the RTE species in the estate. On-going monitoring for HCV areas for both Estates has been verified. The monitoring was conducted on monthly basis. None of the existing cemeteries and worship areas have conservation /sacred cultural values to the local communities.</p>	Yes
Criterion 4.5.7: Zero burning practices			

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Criterion / Indicator		Assessment Findings	Compliance
4.5.7.1	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice. - Major compliance -	The Group policy of "Zero open burning" is enforced since July 2008. The operating units adhered to the policy of "Zero open burning" for any replanting. From field visits and interviews with the workers there is no open burning being practiced in the estates. Both estates had replanting program spanned over the forthcoming years. Refer details in 4.6.2.2. In addition, Sime Darby Plantation assigned 1 person based in HQ being in charge to detect any open fire in the Company's fields using the Global Spot Watch.	Yes
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. - Major compliance -	No open burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Yes
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	No open burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Yes
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	No open burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Yes

Criterion / Indicator	Assessment Findings	Compliance	
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>SOP was established for the Estates. & Agricultural Manual, Sustainability Plantation Management System and EQMS (Estate Quality Management System) were distributed to all operating units as a guidance document to conduct estate operation. The SOP covers land preparation, planting material, upkeep, harvesting, FFB transportation and etc.</p> <p>Sime Darby has established mechanism to monitor the implementation of their procedure by Plantation Advisor Visit, Performance Monitoring Visit and Agronomist Visit. The visit focusing on Yield Improvement, Crop Recovery, Replanting and Immature Palms Maintenance and Mature Upkeep.</p> <p>Also sighted the latest addition of SOP Communicable Disease (Covid – 19) Prevention & Control Procedure available.</p> <p>Site inspection and interview with workers confirmed that the SOP had been implemented and they understood the requirements of the SOP, the bottom-line of which is Good Agricultural Practice and the care for their safety and health and the environment.</p>	<p>Yes</p>
4.6.1.2	<p>Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of</p>	<p>Sime Darby has established policy on slope protection and documented in Slope and River Protection Policy signed by the Managing Director in Jan 2015.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
	<p>either soil, nutrients or chemicals.</p> <p>- Major compliance -</p>	<p>The policy stated for slope more than 25 degree must be exclude from any new plantation development and replanting program. All the existing crop and vegetation shall be maintained accordingly.</p> <p>Both Bukit Benut Estate and Lambak Estate had complied with this policy to not plant on slopes above 25° and Buffer Zone.</p> <p>The policy was communicated to the employee during master briefing, townhall training and displayed in several notice board in the estate.</p>	
4.6.1.3	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>Estates visited had a visual identification/reference system for each established field/block and maps established. Field numbers and hectare were marked on palms and in some areas on concrete slaps.</p>	Yes
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p>- Major compliance -</p>	<p>Business planning to ensure long-term economic and financial viability was evident. The annual budgets for the period 2020 to 2025 were sighted. The budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO/MSPO compliance etc. The budgets included projections on yield/ha, and total cost of production per MT & per ha.</p> <p>CAPEX - capital expenditure mainly for buildings, furniture and others asset related expenses</p>	Yes
4.6.2.2	<p>Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-</p>	<p>Both estates established a replanting program spanned over a 5-year period till 2025. All programs were sighted.</p>	Yes

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Criterion / Indicator		Assessment Findings					Compliance	
	5 years. - Major compliance -	Estate	2021	2022	2023	2024	2025	
		Bukit Benut Est	nil	69.94	43.50	144.69	nil	
		Lambak Est	147.31	31.80	174.09	69.57	61.73	
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast e) e) Financial indicators : cost benefit, discounted cash flow, return on investment - Major compliance -	The business and management plans were available in the annual budget. The annual budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. The budgets included projections on yield/ha, and total cost of production per MT & per ha.					Yes	
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	The management plan was effectively implemented, and the achievement of the goals and objectives were regularly monitored, documented and reviewed through Monthly Progress Reports, Monthly Accounts Reports, Annual Financial Reports, Plantation Advisor Visit Reports and Performance Unit Report.					Yes	
Criterion 4.6.3: Transparent and fair price dealing								

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Criterion / Indicator		Assessment Findings	Compliance
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Bukit Benut Estate and Lambak Estate has engaged contractors for varieties of works such as replanting, FFB & EFB transporter and maintenance works. Sampled of the agreement between company and the contractors as below:</p> <ul style="list-style-type: none"> i. Ref. No.: 9001005551 for transportation of EFB which valid until 31/12/2020 ii. Company No.: 925990H for replanting at field 2001A1 which valid 6 months from 10/2/2020 <p>Pricing of the works/ services and mechanism were clearly stated in the appendix of the agreement and agreed by the contractors. Terms and conditions for progress payment has clearly outlined in the Appendix of the agreement signed by the contractors.</p>	Yes
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>Payment terms were clearly stated in the agreement signed by the contractors. Verified the invoice submitted and payment records printed from system as below:</p> <ul style="list-style-type: none"> i. INV# 0085 dated 1/7/2020; Payment made on 1/7/2020 ii. INV# BBE/JAN/2020 dated 31/1/2020; Payment made on 31/1/2020 iii. INV# INV 0579 dated 1/6/2020; Payment made on 16/6/2020 iv. INV# I-2005/0001 dated 31/5/2020; Payment made on 9/6/2020 <p>Besides, interviewed with contractors also confirmed that payment was made promptly.</p>	Yes
Criterion 4.6.4: Contractor			
4.6.4.1	<p>Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required</p>	<p>The contractors engaged by the estates' management has signed on a letter regarding the compliance of RSPO/ MSPO/ SCCS. All the</p>	Yes

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Criterion / Indicator		Assessment Findings	Compliance
	documentation and information. - Major compliance -	contractors need to follow the RSPO/ MSPO/ SCCS requirements in accordance with Sime Darby Plantation Berhad management system. Briefing of RSPO & MSPO was given to the contractors for SOU 22 on 3/7/2020. Seen the training attendance list and training materials. Interviewed with the contractors confirmed that they were provided with training and have signed on the letter.	
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Bukit Benut Estate and Lambak Estate has engaged contractors for varieties of works such as replanting, FFB & EFB transporter and maintenance works. Sampled of the agreement between company and the contractors as below: i. Ref. No.: 9001005551 for transportation of EFB which valid until 31/12/2020 ii. Company No.: 925990H for replanting at field 2001A1 which valid 6 months from 10/2/2020	Yes
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	Contractors have signed on the letter on RSPO/ MSPO/ SCCS requirements in accordance with Sime Darby Plantation Berhad management system which mentioned all contractors shall ensure to reserve the right of the certification bodies (CBs) to audit the activities when it is announce in advance. Sampled the letters signed by contractors on 14/1/2020 in Bukit Benut Estate and 27/6/2019 in Lambak Estate.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.4	<p>The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.</p> <p>- Major compliance -</p>	All works performed at the estates are checked and verified by the estate’s personnel. Projects where tenders are issued by HQ are checked by representatives from HQ usually from the Engineering Department.	Yes
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	<p>Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation.</p> <p>- Major compliance -</p>	There is no development of new planting at both visited estates.	Yes
4.7.1.2	<p>No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia’s National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required.</p> <p>- Major compliance -</p>	There is no development of new planting at both visited estates.	Yes
Criterion 4.7.2: Peat Land			

Criterion / Indicator		Assessment Findings	Compliance
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	There is no development of new planting at both visited estates.	Yes
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be	There is no development of new planting at both visited estates.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -		
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	There is no development of new planting at both visited estates.	Yes
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.	There is no development of new planting at both visited estates.	Yes

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	There is no development of new planting at both visited estates.	Yes
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	There is no development of new planting at both visited estates.	Yes
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - Major compliance -	There is no development of new planting at both visited estates.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	There is no development of new planting at both visited estates.	Yes
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	There is no development of new planting at both visited estates.	Yes

MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mill

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	Sime Darby Plantation Berhad has issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation by Head, Global Sustainability Operations, Mr. Tang Men Kon. Sime Darby Plantation Berhad is committed to comply and implement the MSPO certification to demonstrate our commitment towards the production of certified sustainable palm oil products.	Yes
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - Major compliance -	Sime Darby Plantation Berhad has clearly emphasized to achieve commitment towards a systematic approach in ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.	Yes
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	RSPO + MSPO Internal Audit for SOU 22 Bukit Benut was carried out on 12/6/2020 in Bukit Benut POM by GSQM & RSQM. The audit was carried out based on the reference of MS 2530-4:2013. Total 5 major, 2 minor non-conformity and 3 Opportunity for Improvement raised.	Yes

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		Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.	
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action. - Major compliance -	Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 1/9/2017. The frequency of the internal audit shall be carried out at least once a year and when is required. Total 5 major, 2 minor non-conformity and 3 Opportunity for Improvement raised. Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.	Yes
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The internal audit report has distributed to the mill's management. The Management Representative has acknowledged on the acceptance of the Internal Audit Report on 12/6/2020 in Bukit Benut POM. Management review meeting was conducted to review the findings of the internal audit.	Yes
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	The latest management review meeting was carried out on 18/7/2020 in Bukit Benut POM where the agenda that discussed as below: 1. Previous Meeting Minutes Review 2. Matters Arising from Previous Minutes of Meeting 3. Objective/ Management Program 4. Training Plan 5. Results from Internal Audits: RSPO & MSPO	Yes

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		6. Nonconformity, Corrective and Preventive Actions 7. Customers/ Stakeholders Feedback/ Complaints 8. Resource Needs 9. Changes that could affect the management systems 10. Recommendations for Improvement 11. Other matters	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company. - Major compliance -	Bukit Benut POM have plans of continual improvement for the year 2020 among others as follows: <ul style="list-style-type: none"> • Reduce TNB usage that it can increase steam flow, lower the fuel usage and can plan for increase shell sales. • Reduce chemical usage by reducing test requirement to reduce SW generation. • Store SW at specific are that mill have prepared. Mill to give support if workers need to do festival celebration event. (Provide canopy, transport, fund, etc)	Yes
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	This is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings. Dissemination of information by the Regional CEO and Regional GM are transacted during the monthly Managers meetings and emails. The management continuously reviewed the estates performance and work method for a continual improvement to achieve better results.	Yes

4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. - Major compliance -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/11/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation. Manager is responsible for address the communication and requests.	Yes
4.2.1.2	The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	The management has disseminated the information of the documents that made publicly available such as management plan, OSH plan, audit reports and land titles upon request during the stakeholder meetings. Besides, internal and external stakeholders could access to the company's website (http://www.simedarbyplantation.com/Sustainability.aspx) to obtain information such as policies, annual report and complaint procedures.	Yes
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/11/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. Timeframe for external communication to provide feedback within two weeks of the date of	Yes

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		<p>receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation.</p> <p>Besides, the company has developed a documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The procedure has detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.</p>	
4.2.2.2	<p>The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i>.</p> <p>- Minor compliance -</p>	<p>Mill Manager of the Bukit Benut POM has been appointed as Social Officer to handle any issue related to social in the mill. Seen the appointment letter dated 22/1/2020 issued by the Regional General Manager.</p>	Yes
4.2.2.3	<p>A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.</p> <p>- Major compliance -</p>	<p>A combine stakeholder meeting for Bukit Benut POM, Bukit Benut Estate and Lambak Estate was conducted on 11/3/2020 in Bukit Benut Estate. Stakeholders such as contractors, suppliers, school's representatives, sundry shops' owner, smallholders, government authorities and MAPA representative were attended the meeting. Issues raised by stakeholders were recorded in the minutes and responded by the management accordingly.</p>	Yes
Criterion 4.2.3 – Traceability			
4.2.3.1	<p>The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Plantation Quality Management System – Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: Appendix 15, Version 2 dated April 2019. The objective of the procedure is to provide guideline for estates to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB).</p>	Yes

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		Procedure of incoming of FFB and outgoing of CPO was explained in the procedure.	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	According to the Plantation Quality Management System – Standard Operating Procedure for Sustainable Supply Chain and Traceability, Doc. No.: Appendix 15, Version 2 dated April 2019, mill shall verify the information on supply estates based on the Table 2: Information for Verification. Supply chain contamination risk points were identified. The mill is using Sime Weigh System to trace the supply chain.	Yes
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	The Head of Operating Unit has the overall responsibility for the implementation of the Standard Operating Procedure for Sustainable Supply Chain and Traceability which is the Mill Manager. Besides, the Mill Manager has appointed Assistant Engineer as the person-in-charge for RSPO/ MSPO/ SCCS representative. Role and responsibilities have clearly stated in the appointment letter.	Yes
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	The records of incoming of FFB and outgoing of CPO and PK sales has been verified. The despatch of the CPO is determined by HQ Sales & Marketing and will be entered into the Sime Weigh System. The weighbridge operator will check the system before releasing the despatch. Bukit Benut POM has received FFB from own supplying estates (Bukir Benut Estate, Lambak Estate and CEP Nyior Estate) and diversion FFB from certified suppliers under same company. Sampled of the weighbridge tickets/ FFB Consignment Note from own supply estates with information as below: i. Estate: Bukit Benut Estate dated 21/7/2020 C/N No.: 7211 Field: 97A	Yes

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		<p>Weight: 8,390 kgs</p> <p>ii. Estate: Lambak Estate dated 21/7/2020 W/B Ticket No.: 9238 Field: 2007A and 2008C Weight: 12,480 kgs</p> <p>iii. Estate: Pekan Estate dated 19/10/2019 W/B Ticket No.: 47972 Field: 1998C1, 2003C2 and 2002D Weight: 12,780 kgs</p> <p>iv. Estate: Ulu Remis Estate dated 24/9/2019 W/B Ticket No.: 18009 Field: 2004B and 2010A Weight: 11,070 kgs</p> <p>Sampled of the despatch weighbridge ticket as below:</p> <p><u>CPO:</u></p> <p>i. Despatch Ticket No.: 008959 dated 3/7/2020 Nett Weight: 39,460 kgs Customer: SDOPKR – Sime Darby Plantation Berhad</p> <p>ii. Despatch Ticket No.: 008978 dated 13/7/2020 Nett Weight: 39,780 kgs Customer: SDOPKR – Sime Darby Plantation Berhad</p> <p><u>PK:</u></p> <p>i. Despatch Ticket No.: 008954 dated 1/7/2020</p>	
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		<p>Nett Weight: 15,680 kgs Customer: Hok Huat Oil Mill Sdn Bhd</p> <p>ii. Despatch Ticket No.: 008980 dated 13/7/2020 Nett Weight: 39,270 kgs Customer: SDP Nuri KCP</p>	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>Bukit Benut Palm Oil Mill continued to comply with legal requirements as per indicator. Compliance to each applicable law and regulation is monitored by the operating units and SQM sustainability team. The Mill had obtained and renewed license and permits as required by the law. The licenses/permit viewed among others were:</p> <ol style="list-style-type: none"> 1. Sterilizer No.1; Registration Number: JH PMT 1959; Valid till 28.10.2020 2. MPOB License: License Number 528154004000; Valid till 31.03.2021 3. Sterilizer No.2; Registration Number: JH PMT 1960; Valid till 31.12.2020 4. Jadual Pematuhan (DOE); Reference Number: 0747; Valid till 30.03.2021 5. Air Compressor; Registration Number: PMT 149190; Valid till 28.10.2020 <p>Steam Boiler; Registration Number: JH PMD 940; Valid till 28.10.2020</p> <p>Sime Darby Plantation Sdn Bhd has obtained approval from Jabatan Tenaga Kerja to make deduction of the wages of workers as below:</p>	Yes

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		<p>iii. Ref. No.: BHG.PU/9/129 JLD 33(53) dated 6/7/2017 for electricity bill</p> <p>iv. Ref. No.: BHG.PU/9/134 JLD 9(11) dated 27/3/2017 for maximum overtime limit to 130 hours</p>	
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Documented Procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.</p> <p>All legal requirements were documented in Legal and Other Requirement Register available at the mill.</p> <p>The latest evaluation was conducted on 09.06.2020 undersigned by the Mill Manager.</p>	Yes
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>Documented procedures have been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.</p> <p>All legal requirement was documented in Legal and Other Requirement Register. Compliance to each applicable law and regulation is monitored by the operating units. The legal register at all sites were reviewed/updated on a yearly basis / as and when needed for new updates/licenses. Sighted the document 'Summary of Compliance' available at the estates undersigned by the Top Management. The document lists the latest applicable laws and amendments, revision dates and acknowledgement by the management.</p> <p>All the legal and other requirements were register accordingly and documented in the legal requirement register including new updates for Workers Minimum Standards of Housing and Amenities</p>	Yes

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		(Amendment) Act 2019, Minimum Wages Order 2020 and Auxiliary Police Regulations 1970, Movement Control Order 2020 & Akta Pencegahan & Pengawalan Penyakit Berjangkit 1988.	
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law been well implemented. The POM management has appointed the Assistant Manager, as the PIC to monitor any changes on the LORR and update as and when necessary as stated in the job functions as the PIC for Environment/ Quality Management Systems.	Yes
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	Bukit Benut POM is located inside of the land of Bukit Benut Estate. The land is belonging to Sime Darby Plantation Sdn Bhd. Sighted the copy of the land title. There is no issue on land use claims evidence during the audit.	Yes
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. - Major compliance -	Bukit Benut POM is located inside of the land of Bukit Benut Estate. The land is belonging to Sime Darby Plantation Sdn Bhd. Sighted the copy of the land title. There is no issue on land use claims evidence during the audit.	Yes
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where	The mill is located in the premise of Bukit Benut Estate under Grant No: 90182 (Lot Number 1708).	Yes

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	practicable. - Major compliance -	Fencing parameters established around the mill building complex to separate the management boundary of estate and the mill. The housing and other recreational facilities are located within the same vicinity for ease of employees' management.	
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There is no land dispute in the Bukit Benut POM at the time of audit. The land belongs to Sime Darby Plantation Berhad and land ownership documents verified.	Yes
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There is no customary land or negotiated agreements within the Bukit Benut POM land area.	Yes
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	The right to use the land is not disputed and there was no customary land within the Bukit Benut POM.	Yes
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	There is no land dispute or customary rights issues in the mill.	Yes
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			

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<p>4.4.1.1</p>	<p>Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.</p> <p>- Minor compliance -</p>	<p>Sustainability Strategy Unit, PSQM Department has conducted Social Impact Assessment (SIA) on 16 – 19 May 2016 for SOU 22 Bukit Benut. There is no new SIA was conducted since last assessment. A Management Plan on Social Impact Assessment was developed on 25/4/2020 which has included the issues raised during stakeholder meeting. The management has included aspect of Covid-19 into the management plan to carry out the SOP. The management has carried out temperature monitoring on daily basis for workers and visitors by Auxiliary Police. Seen the records of the monitoring.</p>	<p>Yes</p>
<p>Criterion 4.4.2: Complaints and grievances</p>			
<p>4.4.2.1</p>	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>The company has developed a documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The procedure has detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner.</p> <p>Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2018 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation.</p>	<p>Yes</p>
<p>4.4.2.2</p>	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p>	<p>Bukit Benut POM has implemented Internal Complaint Book and External Complaint/ Request Log Book. There is no external complaint received since June 2019. Reviewed the Internal Complaint Book found</p>	<p>Yes</p>

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	- Major compliance -	that most of the complaints related to housing repair. The complainants have acknowledged on the complaint book after actions have been taken to rectify the issue.	
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	Bukit Benut POM has implemented Internal Complaint Book and External Complaint/ Request Log Book to record complaints and requests reported by the stakeholders. Sampled of the complaints as below: i. House No.: 170A dated 6/3/2020 Issue: Overhead tank broken Action: Seen the repair work sheet dated 8/3/2020 and the defect has been replaced on 13/3/2020. The complainant has acknowledged after action taken.	Yes
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time. - Minor compliance -	Interviewed with the internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure and they were briefed by the management.	Yes
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance -	Record review found that previous complaints and requests from Year 2009 were still available.	Yes
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community	The mill management has offered majority job opportunity to the local communities by verified through employee master listing. The mill has provided free meals to the workers at night shift during fasting month	Yes

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	<p>development may be regarded as a joint effort by the mill and the plantation.</p> <p>- Minor compliance -</p>	<p>as seen the memo issued on 1/5/2020. Besides, the management has provided 10 kgs of rice every 2 months to the workers.</p>	
<p>Criterion 4.4.4: Employees safety and health</p>			
<p>4.4.4.1</p>	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Sime Darby have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 1st June 2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice boards within mill.</p> <p>The GSM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.</p> <p>The mill has established Safety and Health Management Plan and documented in Environment, Safety and Health Plan FY 2020. The management plan includes the ESH risk management, Emergency Response Procedure, Chemical Safety Management, Noise Boundary Monitoring, Health monitoring.</p> <p>The HSE Policy Statement has been effectively communicated to all Mill workers and staffs on 18.07.2020</p>	<p>Yes</p>
<p>4.4.4.2</p>	<p>The occupational safety and health plan should cover the following:</p>	<p>a) Sime Darby have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 1st June 2020. The policy has been communicated to the workers through induction training for new workers,</p>	<p>Yes</p>

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<ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ul style="list-style-type: none"> i. All employees involved are adequately trained on safe working practices; ii. All precautions attached to products should be properly observed and applied; d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements. g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such 	<p>morning briefing and displayed at notice boards within the mill. Sighted the records of the morning briefing done to all the workers and staffs on 18.07.2020</p> <ul style="list-style-type: none"> b) The mill has conducted assessment for risk on all the operations and documented in Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment covers all main operations and support operations such as Security, Office, Weighbridge, Boiler Station, etc. <p>HIRARC Review was conducted on an annual basis and as and when necessary due to accidents that occur. Sighted the latest HIRARC for COVID-19 dated 16.05.2020. Also sighted the latest HIRARC review for Electro Static Precipitator as a new inclusion to the HIRARC dated 13.12.2019.</p> <p>The medical surveillance was conducted for a total of 14 workers on 30.07.2019. The workers were tested on cholinesterase and manganese traces. The results indicated all workers had normal test results and were fit to work by Klink Rengam, Kluang.</p> <p>Annual & Baseline Audiometric Testing was done for 79 workers by Procoma Environmental (M) Sdn Bhd on 23rd September 2019. A total of 29 workers produced abnormal audiogram results. As per the report, the workers were recommended to do a proper medical examination by OH Doctor. The workers were examined by an OH Doctor. Email dated 26.02.2020 stated the OH Doctor was not able to produce a report as per the audiometry regulation June 2019.</p>	
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	<p>meeting shall be kept ant the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>CHRA was conducted on 02.02.2019 by registered assessor JKPP/HIE 127/171-2 (166) – Teh Teong Beng (ENV & IH Services). Reference Number JKPP/HIE 127/171-2 (166) – 2019/002</p> <p>c) The mill has established a training program for employees exposed to chemicals used at the palm oil estates to ensure continuous awareness to the employees. The training was conducted by the Manager, Asst. Manager and representative form the chemical suppliers to the supervisors and operators. Sighted the training records as follows:</p> <ul style="list-style-type: none"> • Chemical Hazards and Safe Handling – 10.07.2019 • CHRA Training – 13.04.2019 • PPE & Fitting Test Training – 08.07.2019 <p>d) The mill has provided appropriate PPE to all workers according to the job type and requirements. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) Palm Oil Mill dated 17.03.2008. During the site visit to the mill it was sighted that all workers were wearing appropriate PPEs based on the job risk and job location.</p> <p>e) Procedures of chemical handling is presented in several documents, such Document No. SD/SDP/SQM (ESH)/001-1 Sime Darby Plantation Environment, Safety, and Health Management System (ESHMS) Manual dated July 1st, 2012.</p> <p>f) The Manager, En. Hj. Anuar Bin Hj. Zakaria was appointed to be the Chairman of OSH Committee at the mill as per letter undersigned by the Regional General Manager (Johore Central) dated 1st April 2019. Mill management has appointed</p>	
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		<p>Safety Committee Members consists of OSH Coordinator, Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Mill Manager.</p> <p>g) The management conducted regular OSH committee meetings on quarterly basis and when necessary due to accident occur. In the meeting discussed issue on employees' safety, health and welfare such as mill safety and health achievement report, mill security, safety compliance by contractors, workplace audit report, legal compliance, safety and health training. Sighted the latest OSH Meeting Minutes dated as follows:</p> <p>12.03.2020 (2/2020), 30.01.2020 (1.2020), 25.09.2019 (4/2019), 25.06.2019 (3/2019)</p> <p>h) Accident and emergency procedures are available in Mill Quality Management System Standard Operation Manual dated November 1st, 2008. Flowchart of emergency handling was presented in Appendix 5.5.3.3. Sighted during site visit, the workstation also equipped with fire extinguishers and first aid kits. Noted during the interview with employees shows the understanding regarding emergency and evacuation procedures.</p> <p>The Mill has established Emergency Response Team lead by the Mill Manager. Sighted during site visit, the ERT chart and Fire Extinguisher Map was displayed at several notice board around the Mill complex. Sighted the trainings as below</p> <ul style="list-style-type: none"> • Fire Drill Training – 02.05.2019 	
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		<ul style="list-style-type: none"> • Fire Fighting Training – 09.07.2019 <p>i) First aiders were present at various work station at mill. The first aiders were responsible for first aid box at each workstation assigned to them by the management. During the interview with the workshop fitter, boiler man and ramp attendant, shows the awareness regarding the emergency procedure if accident occur, person responsible of every first aid box and the location of the nearest first aid box. The first aid box was recently replenished with all stated items available in the box.</p> <p>The latest training conducted for the first aiders was on 09.07.2019</p> <p>The mill has reported 2 accident cases for the year 2019. The JKPP 8 form was submitted to JKPP with the form available for verification. There were no accident cases reported for the year 2020.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has established Group Sustainability & Quality Policy Statement dated 2/12/2019 by Group Managing Director where the company is respecting, upholding & no-exploitation of fundamental human rights. This policy statement is guided by the commitment spells out in the Human Rights Charter (HRC) last revised 2020. Besides, Policy on the Protection of Human Rights Defenders (HRDs) was established with effective date on 25/3/2020. Sime Darby Plantation respect and safeguard human rights, notion of democracy and its institution. They recognize that Human Rights Defenders have the role and responsibility of upholding human rights and the need for them to be able to lodge complaints that may arise from their business</p>	Yes

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		<p>activities and relationship with SDP. This Policy is applied to all stakeholders affected by the business activities and relationships including directors, employees, counterparties, business partners, workers in our operations and supply chains, and communities surrounding our operations.</p> <p>The policies were communicated to the employees during induction training for new employees and morning muster. The last training was conducted on 18/7/2020 in Bukit Benut POM.</p>	
<p>4.4.5.2</p>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They promote diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity union membership, political affiliation or age. The policy has been briefed to all the employees and stakeholders. The policy could be downloaded from http://www.simedarbyplantation.com/sustainability/human-rights-charter.</p>	<p>Yes</p>
<p>4.4.5.3</p>	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>There were employment contracts for staffs and workers. Pay and conditions are documented and achieved the Minimum Wage Order 2020. Sampled of employment contracts confirmed that terms and conditions are clearly outlined as per collective agreement and Employment Act 1955 which have been signed by the worker. Sampled of payslip for March 2020, April 2020 and June 2020 as below:</p> <p>i. Employee No.: 44813 (BBPOM)</p>	<p>Yes</p>

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		<ul style="list-style-type: none"> ii. Employee No.: 79704 (BBPOM) iii. Employee No.: 145923 (BBPOM) iv. Employee No.: 104242 (BBPOM) v. Employee No.: 124552 (BBPOM) 	
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>Reviewed the payslips and employment contract for contractor's workers found that the workers were paid accordingly.</p>	Yes
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>The mill management has registered all their workers into Employee Master Details Listing in SEMUA system where personal details such as full name, gender, date of birth, date join company, race, designation and wages were recorded. Sampled of the employee master details listing as below:</p> <ul style="list-style-type: none"> i. Employee No.: 44813 (BBPOM) ii. Employee No.: 79704 (BBPOM) iii. Employee No.: 145923 (BBPOM) iv. Employee No.: 104242 (BBPOM) v. Employee No.: 124552 (BBPOM) 	Yes
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>The mill management has employed local and foreign workers from Indonesia. They are all under direct employment to the mill. All of them have signed on the employment contract prior to work and extension contract where the original contract has expired. Terms and conditions were according to Collective Agreement and Employment Act 1955. Sampled of employment contracts as below:</p> <ul style="list-style-type: none"> i. Employee No.: 81217 (BBPOM) ii. Employee No.: 127679 (BBPOM) 	Yes

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		<ul style="list-style-type: none"> iii. Employee No.: 157560 (BBPOM) iv. Employee No.: 104242 (BBPOM) v. Employee No.: 124552 (BBPOM) 	
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers.</p> <p>- Major compliance -</p>	<p>Seen the Mill Daily Attendance Report for monthly basis where it recorded the number of days work and hours of overtime work. The data was transferred from punch card into the SAP system.</p>	Yes
4.4.5.8	<p>The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable.</p> <p>- Major compliance -</p>	<p>Interviewed with the workers confirmed that they have rest time in between of the working hours. Overtimes were paid according to the rate stated in the agreement and regulatory requirements. The overtime offered upon mutually agreement.</p>	Yes
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p>- Major compliance -</p>	<p>Wages and overtime were paid according to the Mill Daily Attendance Report. Total hours of overtime and daily attendance has recorded in the SAP system and the payslips.</p>	Yes
4.4.5.10	<p>Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings.</p> <p>- Minor compliance -</p>	<p>All the workers are provided with free medical facilities. The workers are entitled with the phone allowance of RM 5 for every month. Free housing facilities were provided to all the workers and their families with subsidized water supply. 10kg of rice was supplied to all the workers once every 2 months and confirmed through interviewed with the workers.</p>	Yes
4.4.5.11	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.</p>	<p>The mill's management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers. The mill workers are using SAJ water. Linesite</p>	Yes

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	<p>- Major compliance -</p>	<p>inspection was carried out on weekly basis by Medical Assistant using Housing Complex/ Nest/ Community Hall Inspections. The last inspection for July 2020 was conducted on 16/7/2020, 9/7/2020 and 3/7/2020 in Bukit Benut POM.</p>	
<p>4.4.5.12</p>	<p>The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They seek to create a working environment with zero tolerance for sexual harassment and abuse and in which violence is never used to resolve issues or conflict.</p> <p>Gender Committee was established in Bukit Benut POM to monitor if there is any case of sexual harassment reported. The last meeting was carried out on 4/7/2020. Issues reported were recorded in the minutes. Interviewed with the female workers found that no sexual harassment or violence case reported so far.</p>	<p>Yes</p>
<p>4.4.5.13</p>	<p>The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They respect the rights of their employees to form and join unions and bargain collectively.</p> <p>NUPW committee was established in Bukit Benut POM and last meeting was conducted on 4/7/2020 between the workers' representatives and management representatives to discuss issues related to workers. Seen the meeting minutes and issues were recorded in the meeting minutes.</p>	<p>Yes</p>

<p>4.4.5.14</p>	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They recognize that protecting the wellbeing of children means safeguarding them from any form of maltreatment or exploitation, including child sex tourism, child trafficking and child pornography. They are eradicating child labour in all their supply chain and not employ anyone under age of 18 years.</p> <p>No employees below the age of 18 were sighted through verified the Employee Master Listing and interviewed with the workers.</p>	<p>Yes</p>						
<p>Criterion 4.4.6: Training and competency</p>									
<p>4.4.6.1</p>	<p>All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.</p> <p>- Major compliance -</p>	<p>The mill has established a training program for all workers based on the training need analysis conducted on a yearly basis.</p> <p>Covid-19 training and briefings were sighted at the mill and estates. Interview with the workers and staff indicated that they were aware on the SOP during the RMCO such as social distancing, regular sanitization and use of PPE (Face Mask).</p> <p>Records of trainings were maintained by the mill as below: -</p> <table border="1" data-bbox="1048 1161 1680 1385"> <thead> <tr> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>MSPO SCCS Training</td> <td>29.06.2019</td> </tr> <tr> <td>MSPO & RSPO Briefing for Contractors</td> <td>03.07.2020</td> </tr> </tbody> </table>	Training	Date	MSPO SCCS Training	29.06.2019	MSPO & RSPO Briefing for Contractors	03.07.2020	<p>Yes</p>
Training	Date								
MSPO SCCS Training	29.06.2019								
MSPO & RSPO Briefing for Contractors	03.07.2020								

		Hearing Conservation Training	10.07.2019		
		First Aid Training	09.07.2019		
		Confined Space Training	22.07.2019		
		Sexual Harassment at Work Place	24.07.2019		
		Water Sampling Training	18.07.2020		
		Covid 19 Training	28.04.2020		
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>The mill has conducted training need analysis for all employee, management and contractors. The need analysis was conducted base on the job designation and training required by the job type. Sighted the Training Need Analysis for the year 2020 for the mill workers and staffs.</p>		<p>Yes</p>	
4.4.6.3	<p>A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>A training programme has been developed and available in the Training Requirement for Operating Units (Mill). The trainings were sighted to have also included Gender Specific Training and involves staffs and workers.</p>		<p>Yes</p>	
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services					
Criterion 4.5.1: Environmental Management Plan					
4.5.1.1	<p>An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be</p>	<p>Sime Darby have established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 1st June</p>		<p>Yes</p>	

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	<p>established, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the mill.</p> <p>The policy has been briefed to all workers on 18.07.2020</p>	
<p>4.5.1.2</p>	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations</p> <p>- Major compliance -</p>	<p>The plans and impact assessments relating to environmental impacts based on documents for both estates and the mill are elaborated in the following records:</p> <ul style="list-style-type: none"> a) Appendix 5.4.1b - Environmental Aspect and Impact Evaluation Procedure, (version 1; year 2008 Issue no. 1; dated 1 April 2009 Register) b) Appendix 5.4.1c - Environmental Aspect and Impact Identification form (version 1; year 2008 Issue no. 1; dated 1 April 2009; MR- 01/EAI) c) Appendix 5.4.1d – Environmental Impacts Evaluation form (version 1; year 2008 issue no. 1; dated 1 April 2009; MR- 02/EIE) <p>The environmental aspects for the mill are tabulated in the EAI master list (EAI/MOM/2013/001—1ME to EAI/2015/MOM/020) reviewable on January 2020. Among others the EAIs are divided into the all stations in the mill processing as listed below. The newest added activities being the MDS and ETP (additional dust cyclone being installed).</p> <ul style="list-style-type: none"> • the boiler stack emission, black smoke palm oil mill effluent (POME) discharge and water contamination, • Activities related to managing of scheduled wastes and general waste. • Activities of all operations beginning from the mill entrance ending to the effluent, EFB operations. 	<p>Yes</p>

		Documents are maintained, sighted and verified.	
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. - Major compliance -	<p>The mill monitors aspects and impacts among others the following activities This plan is available and similar to the reduction of pollution and emission. Mainly the areas relating to significant impact to the environment and the effort implemented are summarised below.</p> <ol style="list-style-type: none"> 1. Water Quality <ul style="list-style-type: none"> • Action Plan – Continuous monitoring water quality at identified points at Sg. Mengkibul for detection of quality/pollution. Analysis made at certified laboratory. Action Plan – Advisory/guidance from Health Ministry • Main Location – River, Water Treatment Plant 2. Air Quality <ul style="list-style-type: none"> • Action Plan - Adherence to the legislative requirement on boiler emission. Prohibition of Open Burning. Fiber and sheel are used as fuel in the boiler furnace. Monitoring of CEMS systems. • Main Location - Boiler Operation, Mill Complex 3. Conducive EFB Yard <ul style="list-style-type: none"> • Action Plan – Control of leachate at EFB Yard. An improved site construction to include concrete. • Main Location – EFB Yard 	Yes

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		<p>4. Scheduled Waste</p> <ul style="list-style-type: none"> Action Plan - Scheduled waste are managed in accordance to regulatory requirements. <p>Main Location – Source of generation, Store.</p>	
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>Based on the Standard Operation Manual; subsection 5.4; Planning and Appendix 5.4.1b: Environmental aspect/impacts evaluation procedure, POM and Estates carried out the annual review of environmental impacts documented in Registration of Environmental Aspects and Impacts.</p> <p>The continual improvement plans had programs to promote the positive impacts. For example, to reduce any run-off pesticides to land, to eliminate traces of oil spillage at the workshop/tractor parking bay, to reduce the released exhaust emission to air, to reduce massive land contamination at the landfill area and etc.</p>	Yes
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives.</p> <p>- Major compliance -</p>	<p>Bukit Benut POM continued to conduct awareness and training programs planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p> <p>The Mill had established the annual training program that covers all MSPO requirement. Among the trainings sighted were:</p> <p>Water Sampling Training – 18.07.2020</p>	Yes
4.5.1.6	<p>The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>The management of Bukit Benut POM conduct quarterly Environment Performance Monitoring Committee Meetings. The latest meeting was done on 25.06.2020. Sighted the meeting minutes for verification.</p>	Yes

		<p>The regional SQM Conducts Environment regulatory Compliance Monitoring Committee Meetings every 6 months to discuss on the environmental performance and Jadual Pematuhan compliances and other matters.</p>																																													
<p>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</p>																																															
<p>4.5.2.1</p>	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period</p> <p>- Major compliance -</p>	<p>The mill records the diesel, water and electricity usage as below:</p> <table border="1" data-bbox="1048 611 1680 1382"> <thead> <tr> <th>Month</th> <th>Diesel Litres</th> <th>Electricity kWh</th> <th>Water m³</th> </tr> </thead> <tbody> <tr><td>Jul 19</td><td>120</td><td>72,801</td><td>17,110</td></tr> <tr><td>Aug 19</td><td>0</td><td>46,934</td><td>17,642</td></tr> <tr><td>Sept 19</td><td>0</td><td>81,892</td><td>14,397</td></tr> <tr><td>Oct 19</td><td>0</td><td>68,424</td><td>18,629</td></tr> <tr><td>Nov 19</td><td>124</td><td>104,970</td><td>17,175</td></tr> <tr><td>Dec 19</td><td>150</td><td>119,753</td><td>17, 723</td></tr> <tr><td>Jan 20</td><td>0</td><td>102,410</td><td>17,091</td></tr> <tr><td>Feb 20</td><td>0</td><td>104,396</td><td>17,501</td></tr> <tr><td>Mar 20</td><td>0</td><td>78,290</td><td>18,458</td></tr> <tr><td>Apr 20</td><td>120</td><td>79,649</td><td>16,819</td></tr> </tbody> </table>	Month	Diesel Litres	Electricity kWh	Water m³	Jul 19	120	72,801	17,110	Aug 19	0	46,934	17,642	Sept 19	0	81,892	14,397	Oct 19	0	68,424	18,629	Nov 19	124	104,970	17,175	Dec 19	150	119,753	17, 723	Jan 20	0	102,410	17,091	Feb 20	0	104,396	17,501	Mar 20	0	78,290	18,458	Apr 20	120	79,649	16,819	<p>Yes</p>
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		May 20	0	112,489	16,745		
		Jun 20	106	82,698	21,596		
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The mill records and monitors the following data and tabulated the ratio against the FFB processed to determine the efficiency of their operations; <ul style="list-style-type: none"> all the diesel used (non-renewable) for the mill operations fibre/shell (renewable)				Yes	
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Renewable energy used is from biofuel (shell and fiber) for boiler start-up.				Yes	
Criterion 4.5.3: Waste management and disposal							
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	Records showed that Bukit Benut POM had identified waste products and sources of pollution and documented them in the Waste Management Plan. Waste had been categorized into four groups: a) Domestic Waste - Rubbish and Sewage b) Industrial Waste - Scrap Metal, EFB, POME c) Scheduled Waste - used lubricant, used lubricant container, Spent Chemicals, Clinical waste. d) Recycle waste - Paper, plastics, glass and metal				Yes	
4.5.3.2	A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for: a) Identifying and monitoring sources of waste and pollution.	Bukit Benut POM have established Waste management Plan base on the identification and source of pollutions and documented in Waste Management Action Plan 2020. The action plans have been developed to ensure they comply to the legal requirements and to improve efficiency and potential recycling of byproducts wherever possible.				Yes	

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	<p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>		
<p>4.5.3.3</p>	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p>- Major compliance -</p>	<p>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1) dated 26/2/2016. Proper disposal of waste material is carried out as per the company procedures. The procedures are fully understood by Management and workers.</p> <p>The mill also has a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected at the mill and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>Observed during workers interview with storekeeper shows the understanding the proper disposal for waste as all used lubricant and contaminated spill kit will be collected as Scheduled Waste and stored in designated storage area.</p> <p>Sighted the Scheduled Waste Disposal as below:</p> <ul style="list-style-type: none"> • Waste of Non-halogenated organic solvents (SW322); Disposed to Kualiti Alam Sdn. Bhd. Consignment Number: 20200617092AVHO3; Dated 17.06.2020; Total Volume Disposed: 0.0426 Mt. • Disposed containers, bags or equipment's contaminated with chemical, pesticide, mineral oil or scheduled wastes (SW409); Disposed to Kualiti Alam Sdn Bhd.; Consignment Number: 20200617094JUQ3A; Dated 17.06.2020; Total Volume 0.6530. 	<p>Yes</p>

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		Rags, plastics, papers or filters contaminated with scheduled wastes (SW410); Consignment Number 2020061710BOSR8I; Disposed to Kualiti Alam And. Bhd. Dated 17.06.2020; Total Volume: 17.06.2020.												
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	Domestic wastes are disposed to the Bukit Benut Estate land fill site. Collection made at a centralized point in the mill 2x- 3x/week.	Yes											
Criterion 4.5.4: Reduction of pollution and emission														
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	<p>The mill has conducted assessment of all polluting activities in the Environmental Aspect Impact and Environmental Impact Evaluation. A management plan has been established based on the significant aspect and DOE license compliance schedule and documented in Pollution Prevention Plan.</p> <p>Air Emission (Stack Emission) was conducted at the boiler in Bukit Benut POM.</p> <table border="1"> <thead> <tr> <th>Boiler No.</th> <th>Parameters</th> <th>Results</th> <th>EQA/DOE Limits</th> </tr> </thead> <tbody> <tr> <td rowspan="2">EIH 1911 (164)</td> <td>Total Particulate Matter</td> <td>66</td> <td>150 mg/m³</td> </tr> <tr> <td>Carbon Monoxide</td> <td>78</td> <td>1000 mg/m³</td> </tr> </tbody> </table>	Boiler No.	Parameters	Results	EQA/DOE Limits	EIH 1911 (164)	Total Particulate Matter	66	150 mg/m ³	Carbon Monoxide	78	1000 mg/m ³	Yes
Boiler No.	Parameters	Results	EQA/DOE Limits											
EIH 1911 (164)	Total Particulate Matter	66	150 mg/m ³											
	Carbon Monoxide	78	1000 mg/m ³											

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		EIH 2001 (123)	Total Particulate Matter	52	150 mg/m ³		
			Carbon Monoxide	78	1000 mg/m ³		
		EIH 2002 (212)	Total Particulate Matter	59	150 mg/m ³		
			Carbon Monoxide	60	1000 mg/m ³		
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Bukit Benut POM has produced a continual improvement plan where they have identified waste reduction as a possible improvement. Among the improvements are; <ul style="list-style-type: none"> • Manage the schedule waste that will be disposed or every 6 months/20 metric tonne (whichever is first) and by the authorized contractor. • Improve the schedule waste record book. • Improve the store of schedule waste • Install oil trap at kernel bunker • Install strainer at FFB conveyer to debris Annual Examination and Testing Report Of Local Exhaust Ventilation; Ref No.: JKKP HIE 127/171 – 3/2 (222) – 2019/021; Conducted by Spectrum Laboratories (Johore) Sdn. Bhd. Date of Examination: 14th March 2019; Overall performance of the LEV system tested was found to be satisfactory.				Yes	

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<p>4.5.4.3</p>	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p>- Major compliance -</p>	<p>The effluent treatment plant was made in accordance and interview with operator in charge revealed that the operation was in accordance with standard operation procedure and legal requirements. No over flow was observed, and flow meter reading was recorded daily. The mill monitoring the effluent and submits to DOE through 'Borang Penyata Suku Tahunan'. The Mill DOE license was for land application and the requirement is for the BOD to be less than 100 mg/l. The results from final discharge were compliance within parameter limit.</p> <table border="1" data-bbox="1048 651 1850 1070"> <thead> <tr> <th>Parameter</th> <th>21.04.2020</th> <th>14.05.2020</th> <th>11.06.2020</th> </tr> </thead> <tbody> <tr> <td>Total Discharge over 24 Hrs</td> <td>155.02</td> <td>226.78</td> <td>249.31</td> </tr> <tr> <td>Temperature</td> <td>22°</td> <td>23°</td> <td>22°</td> </tr> <tr> <td>pH Value</td> <td>7.30</td> <td>8.00</td> <td>8.00</td> </tr> <tr> <td>BOD3 30°C</td> <td>233</td> <td>249</td> <td>142</td> </tr> </tbody> </table>	Parameter	21.04.2020	14.05.2020	11.06.2020	Total Discharge over 24 Hrs	155.02	226.78	249.31	Temperature	22°	23°	22°	pH Value	7.30	8.00	8.00	BOD3 30°C	233	249	142	<p>Yes</p>
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<p>Criterion 4.5.5: Natural water resources</p>																							
<p>4.5.5.1</p>	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p>	<p>Water Management Plan and Water Reduction Plan was established for the year 2020. The management plans had indicated the water source, areas of concern, monitoring of water usage, contingency plan, action to be taken by PIC and time frame. Among the contingency plans sighted are:</p> <ul style="list-style-type: none"> To purchase clean water supply from SAJ 	<p>Yes</p>																				

	<p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities.</p> <p>c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<ul style="list-style-type: none"> To conduct water sampling on mill water and initiate an action plan for the water treatment through recommendation by R&D Defects to be notified by Notification Form to the maintenance team where it will be attended as soon as possible. <p>The water reduction plan has recommended action plans as follows:</p> <ul style="list-style-type: none"> Use sterilizer condensate as dilution for processing (Re-steaming process) Plan cleaning schedule and improve all station area to eliminate any dirty source. <p>Sustain and improve steam piping system to all machine related.</p>	
<p>4.5.5.2</p>	<p>Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.</p> <p>- Major compliance -</p>	<p>The mill operates on a land application for the effluent discharge system.</p>	<p>Yes</p>
<p>4.6 Principle 6: Best Practices</p>			
<p>Criterion 4.6.1: Mill Management</p>			
<p>4.6.1.1</p>	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>The mill processing system is documented in the Sustainability Plantation Management System MQMS/SQM/08 v 1 dated 01/11/2008 which includes;</p> <p>a) The mill SOP, b) The Mill Quality Management Manual v.1 2008/MQMS/QMM/08.</p> <p>These documents provide guidelines and standards in the mill operations. The Standard Operating procedure (SOP) described details from;</p>	<p>Yes</p>

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		<p>a) the reception, sterilization, threshing, pressing, b) clarification, depericarping (nut polishing) station, c) effluent, laboratory, workshop, dispatches etc.</p> <p>Sighted the SOP Communicable Disease (Covid – 19) Prevention & Control Procedure; Document ID: SDPB/USM/HSE/001; Date 04.05.2020 available as the latest addition to the SOPs.</p> <p>In addition, there are also manuals available within the industry and MPOB that are used as guidelines.</p>	
4.6.1.2	<p>All palm oil mills shall implement best practices.</p> <p>- Major compliance -</p>	<p>The monitoring of the mill process is made through the shift supervision headed by An Engineer. All process parameters are documented and summarized in a daily report. The external monitoring is made through visits by Regional General Manager, Mill Advisor, SQM and GCAD. This is to ensure compliance to Policies, procedures in relation mill operations, financial, OSH, welfare among others.</p>	Yes
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	<p>A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.</p> <p>- Major compliance -</p>	<p>The annual business plan is available. The document is in the form of annual budget and the projection for 5 years (Budget year, PY2, PY3, PY4, PY5) prepared as guidance for future planning. The business plan contains;</p> <p>a) FFB processed production of CPO & CPK. b) Component of operating expenditure includes - process labour, - maintenance external/maintenance parts - consumable/EVIT, - admin cost/labour overhead.</p>	Yes

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		Inclusive in the business plan is also Capital Expenditure (CAPEX) among others replacement / upgrading of building/machinery, workers amenities for the mill. The M Plan for 2020 was sighted and verified. A calculation of seeking the profitability quantum was also sighted. This is a standard format provided from the Regional CEO to the Manager and treated in high confidentiality.	
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Bukit Benut POM has received and processed FFB from owned supplying estates and diversion crops from own company's certified estates only. Sampled the contract agreements for services provided as below: <ul style="list-style-type: none"> i. Company No.: JM 0359066-K for shovel FFB, EFB, boiler ash, fibre and kernel shell, trash/ ash and lifting of motors and machinery within mill compound which valid until 30/10/2021. ii. Company No.: JM 0814329-H for grass cutting which valid until 31/1/2020. Pricing of the contract was stated in the agreement and acknowledged by the contractors.	Yes
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Payment terms were clearly stated in the agreement signed by the contractors. Verified the invoice submitted and payment records as below: <ul style="list-style-type: none"> i. INV# BBOM 062020 dated 27/6/2020; Payment made on 8/7/2020 ii. INV# AVNB-JUNY20-013 dated 30/6/2020; Payment made on 8/7/2020 	Yes

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		Besides, interviewed with contractors also confirmed that payment was made promptly.	
Criterion 4.6.4: Contractor			
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The contractors engaged by the mill management has signed on a letter regarding the compliance of RSPO/ MSPO/ SCCS dated 21/7/2020. Briefing of sustainability were given to contractors on 3/7/2020. Seen the training attendance list and training materials. Interviewed with the contractors confirmed that they were provided with training and have signed on the letter.	Yes
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Mill has engaged contractors for varieties of works such as shovel rental, grass cutting and transporters. Sampled of the agreement between company and the contractors as below: i. Company No.: JM 0359066-K for shovel FFB, EFB, boiler ash, fibre and kernel shell, trash/ ash and lifting of motors and machinery within mill compound which valid until 30/10/2021. ii. Company No.: JM 0814329-H for grass cutting which valid until 31/1/2020.	Yes
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	A letter dated 21/7/2020 on RSPO/ MSPO/ SCCS awareness issued to all the contractors and suppliers in the mill. The letter has stated that all Contractors need to follow RSPO/ MSPO/ SCCS guideline in accordance with the Sime Darby Plantation of Mill Quality Management System. All contractors shall ensure to reserve the right of the certification bodies (CBs) to audit the operation if an audit is deemed necessary.	Yes

Appendix B: List of Stakeholders Contacted

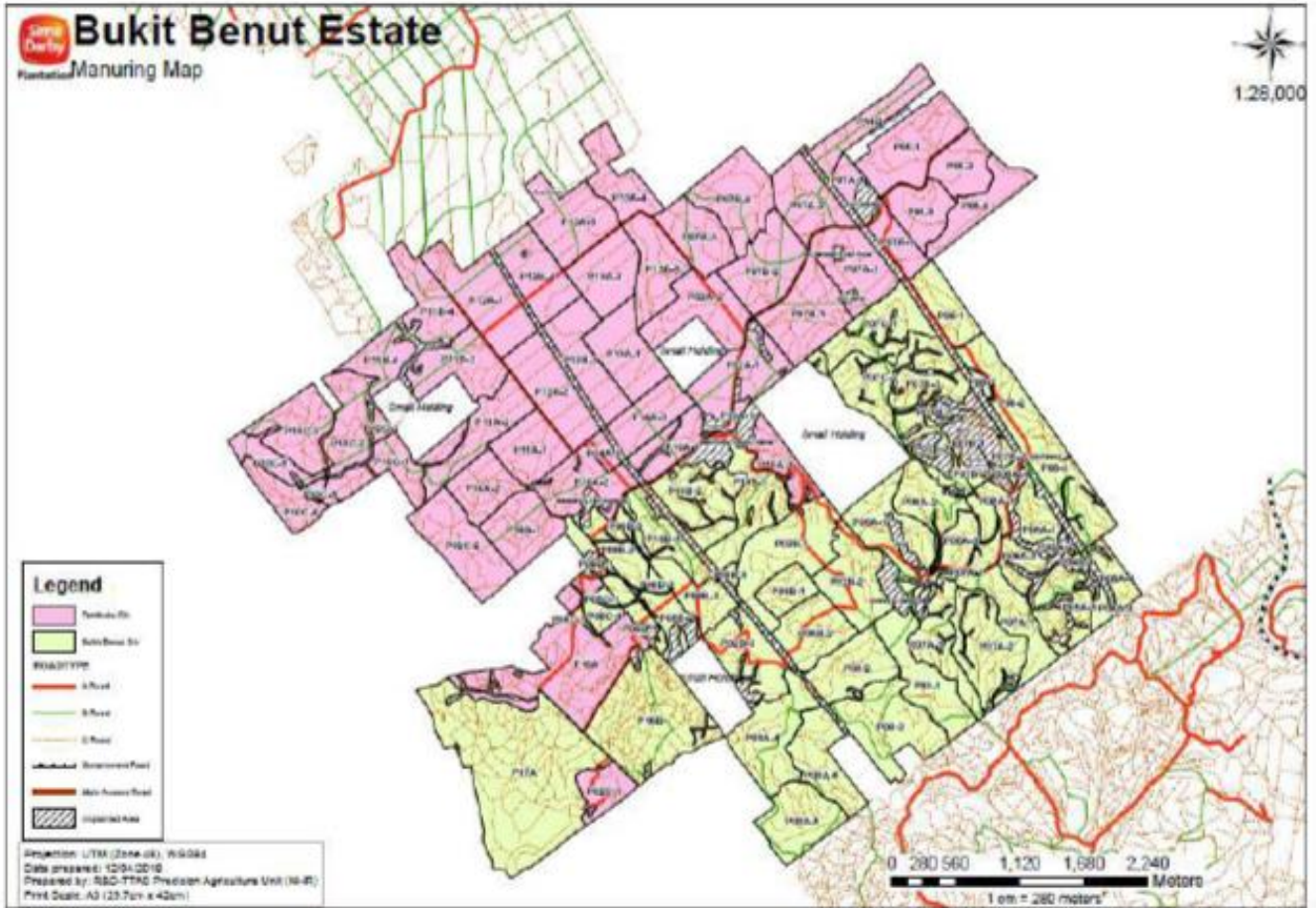
<p>Government Officer: SJK (T) Ladang Bukit Benut SJK (T) Ladang Lambak</p>	<p>Community/neighbouring village: Sundry shop's owner</p>
<p>Suppliers/Contractors/Vendors: Contractors</p>	<p>Worker's Representative/Gender Committee: Workers' Representatives Gender Committee Representatives NUPW Representative</p>

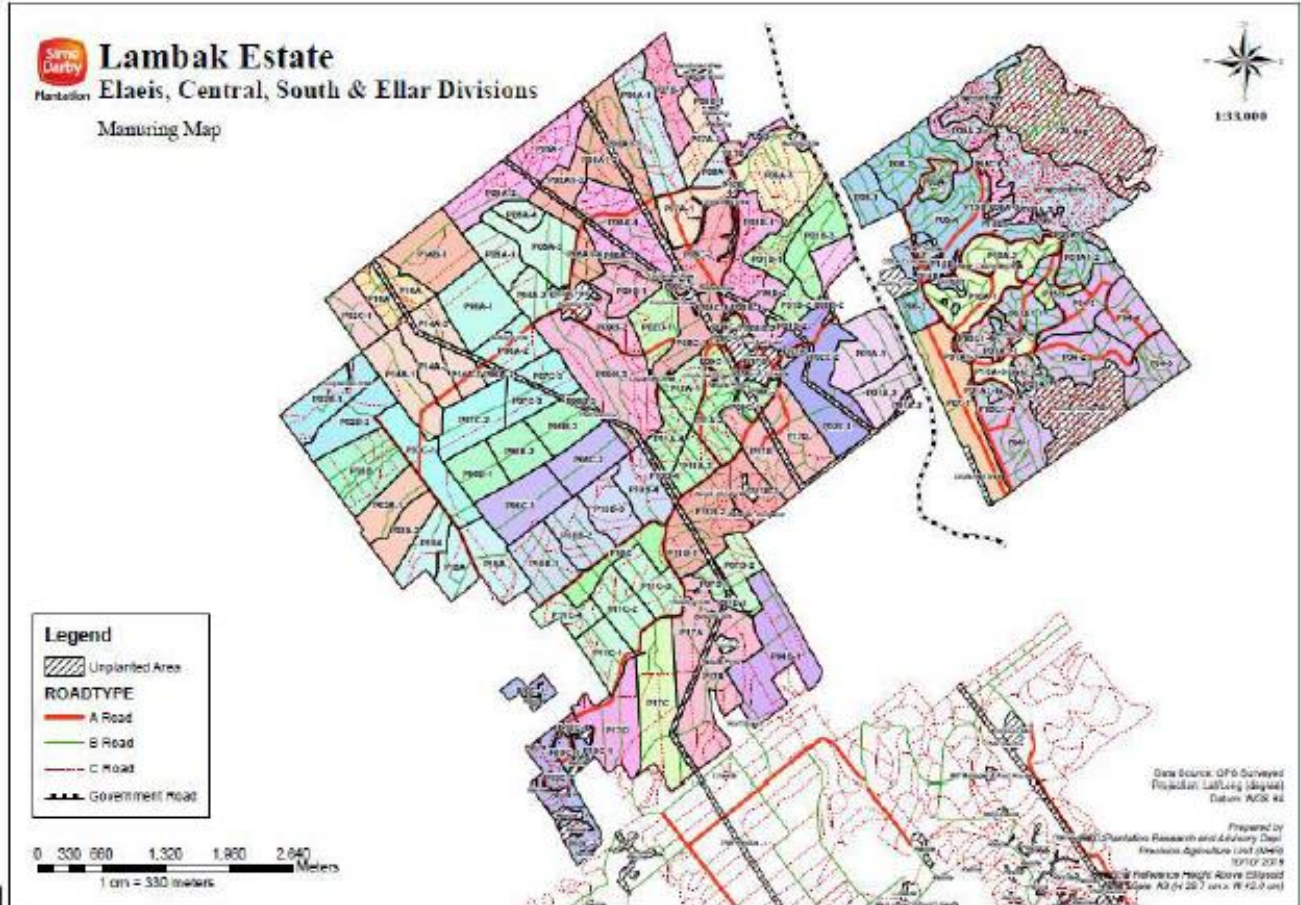
Appendix C: Smallholder Member Details

Not applicable.

Appendix D: Location and Field Map







Appendix E: List of Abbreviations

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