

**MALAYSIAN SUSTAINABLE PALM OIL  
- ANNUAL SURVEILLANCE ASSESSMENT 2  
Public Summary Report**

<b>IOI Corporation Berhad</b>
Client company Address:  IOI Plantation Services Sdn Bhd Level 8, Two IOI Square, IOI Resort 62502 Putrajaya, Malaysia
Certification Unit: Pamol Kluang Palm Oil Mill & estates (Pamol Timur Estate, Pamol Barat Estate, Mamor Estate, Unijaya Estate, Kahang Estate, Swee Lam Estate)  Location of Certification Unit: 8 1/2 Miles, Jalan Mersing Road, 86007 Kluang Johor Darul Ta'zim, Malaysia

**Report prepared by:**  
**MUHAMAD NAQUIDDIN MAZELI** (Lead Auditor)

**Report Number: 3091779**

**Assessment Conducted by:**  
BSI Services Malaysia,  
(DSM Accreditation Number: MSPO 09112018 CB 12)  
Suite 29.01 Level 29 The Gardens North Tower,  
Mid Valley City Lingkaran Syed Putra,  
59200 Kuala Lumpur, Malaysia  
Tel +60392129638 Fax +60392129639  
[www.bsigroup.com](http://www.bsigroup.com)

<b>TABLE OF CONTENTS</b>	<b>Page No</b>
Section 1: Executive Summary .....	3
1.1 Organizational Information and Contact Person .....	3
1.2 Certification Information.....	3
1.3 Location of Certification Unit.....	4
1.4 Certified Area .....	5
1.5 Plantings & Cycle .....	6
1.6 Certified Tonnage of FFB .....	6
1.7 Uncertified Tonnage of FFB.....	6
1.8 Certified Tonnage .....	7
1.9 Actual Sold Volume (CPO).....	7
1.10 Actual Sold Volume (PK).....	7
Section 2: Assessment Process .....	8
2.1 BSI Assessment Team .....	9
2.2 Assessment Plan .....	10
Section 3: Assessment Findings .....	13
3.1 Details of audit results .....	13
3.2 Details of Nonconformities and Opportunity for improvement.....	13
3.3 Status of Nonconformities Previously Identified and OFI .....	17
3.4 Summary of the Nonconformities and Status.....	20
3.5 Issues Raised by Stakeholders .....	20
Section 4: Assessment Conclusion and Recommendation .....	24
Appendix A: Summary of the findings by Principles and Criteria.....	25
Appendix B: List of Stakeholders Contacted .....	107
Appendix C: Smallholder Member Details.....	108
Appendix D: Location and Field Map.....	109
Appendix E: List of Abbreviations.....	110

## Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	IOI Corporation Berhad - IOI Plantation Services Sdn Bhd		
Mill/Estate	MPOB License No.	Expiry Date	
	Pamol Kluang POM: 500040104000	(Valid until 31/3/2021)	
	Pamol Timur Estate: 504178602000	(Valid until 31/5/2021)	
	Pamol Barat Estate: 504177802000	(Valid until 31/5/2021)	
	Mamor Estate: 511691002000	(Valid until 31/3/2021)	
	Unijaya Estate: 504524202000	(Valid until 31/7/2021)	
	Kahang Estate: 502165302000	(Valid until 31/1/2021)	
	Swee Lam Estate: 617329002000	(Valid until 30/4/2021)	
Address	8 1/2 Miles, Jalan Mersing Road, 86007 Kluang, Johor Darul Ta'zim, Malaysia		
Certification Unit	Pamol Kluang Palm Oil Mill		
Contact Person Name	Chai Tian Siang		
Website	www.ioigroup.com	E-mail	pmm@ioigroup.com
Telephone	+603-89478888 +607-787 5100	Facsimile	+607-7875179

1.2 Certification Information			
Certificate Number	Pamol Kluang Palm Oil Mill : MSPO 700801 Pamol Kluang Estates : MSPO 700802		
Issue Date	31/12/2018	Expiry date	30/12/2023
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 MSPO Part 3: General principles for oil palm plantations and organized smallholders MS 2530-4:2013 MSPO Part 4: General principles for palm oil mills		
Stage 1 Date	N/A		
Stage 2 / Initial Assessment Visit Date (IAV)	26-29/11/2018		
Continuous Assessment Visit Date (CAV) 1	25-28/11/2019		
Continuous Assessment Visit Date (CAV) 2	24-27/11/2020		
Continuous Assessment Visit Date (CAV) 3	-		
Continuous Assessment Visit Date (CAV) 4	-		
Other Certifications			

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 547027	RSPO Principles & Criteria for Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019; with Identity Preserved Supply Chain Module	BSI Services Malaysia Sdn Bhd	15/03/2025
MSPO 720913	MSPO Supply Chain Certification Standard, dated 1 October 2018	BSI Services Malaysia Sdn Bhd	22/12/2024

**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
Pamol Kluang Palm Oil Mill	Pamol Kluang Palm Oil Mill, 8 1/2 Miles, Jalan Mersing Road, 86007 Kluang, Johor, Malaysia	103.392313	2.11098
Pamol Timur Estate	Pamol Timur Estate, Jalan Kluang-Mersing, 86000 Kluang, Johor Kluang, Johor, Malaysia	103.392292	2.110969
Pamol Barat Estate	Pamol Barat Estate, Jalan Kluang-Paloh, 86000 Kluang, Johor, Malaysia	103.343887	2.113028
Mamor Estate	Mamor Estate, Jalan Kluang-Paloh, 86000 Kluang, Johor, Malaysia	103.305961	2.145317
Unijaya Estate	Unijaya Estate, Batu 5, Sri Lalang, Jalan Batu Pahat, K.B. 511, 86009 Kluang, Johor, Malaysia	103.278187	1.940579
Kahang Estate	Kahang Estate, Peti Surat 14, 86700 Kahang, Johor, Malaysia	103.497731	2.332147
Swee Lam Estate	Swee Lam Estate, K.B. 107, 81000 Kulai, Johor, Malaysia	103.653768	1.674721

<b>1.4 Certified Area</b>					
<b>Estate</b>	<b>Total Planted (Mature + Immature) (ha)</b>	<b>HCV (ha)</b>	<b>Infrastructure &amp; Other (ha)</b>	<b>Total Area (ha)</b>	<b>% of Planted</b>
Pamol Timur Estate	2094	6.78	195.33	2296.11	90.92
Pamol Barat Estate	2124	7.19	179.13	2310.32	91.94
Mamor Estate	2074	46.04	105.44	2225.48	93.19
Unijaya Estate	1166	1.97	92.53	1260.50	92.49
Kahang Estate	2278	4.11	137.79	2419.90	94.14
Swee Lam Estate	1098	2.16	60.8	1160.96	94.58
<b>TOTAL</b>	<b>10834</b>	<b>68.25</b>	<b>771.02</b>	<b>11673.27</b>	

Note:

1) Total planted

Pamol Timur Estate - Increase 1 ha of planted area

1. Reduce 12 ha for replanting area in field ex-PM01A(1ha) & ex-PM01B (11ha)
2. Reduce 1ha for land acquisition by Ibusawat Telekom Malaysia
3. Reduce 2 ha due to newly river and river riparian reserve in PM16B, PM16C & PM16E
4. Increase 4 ha due the boundary of housing and palm oil mill realigned in field PM09C
5. Increase 12 ha for replanting for the year 2020.

Pamol Barat Estate – Reduced 31ha of planted area

1. Reduce 31ha for replanting for the year 2020

2) HCV

There are some changes of HCV areas from previous year in the estates due to the re-demarcation program by GIS

Pamol Timur Estate - Increase 1.47 ha HCV:

1. 2.3 ha newly declared as steep area/bukit dyne
2. Increase 0.16 ha of river declared in estates
3. Variance 0.99 ha due to realigned pond boundary based on UAV Imagery

Pamol Barat Estate - Increase 4.86 ha HCV:

1. Variance of 0.07 ha river due to rounding adjustment
2. 4.35 ha newly declared as pond
3. 0.58 ha newly declared as cemetery

Unijaya Estate - Increase 0.15 ha HCV:

1. Increase 0.15ha river declared in estates

**MSP0 Public Summary Report**  
**Revision 1 (Feb 2020)**

Kahang Estate - Increase 0.32 ha HCV:  
 1. Increase 0.32ha river declared in estates

**1.5 Plantings & Cycle**

Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Pamol Timur Estate	12	1367	615	100	0	2082	12
Pamol Barat Estate	772	1148	204	0	0	1352	772
Mamor Estate	0	4	1334	736	0	2074	0
Unijaya Estate	252	534	316	64	0	914	252
Kahang Estate	0	0	2278	0	0	2278	0
Swee Lam Estate	0	497	432	0	169	1098	0
<b>Total (ha)</b>	1036	3550	5179	900	169	9798	1036

**1.6 Certified Tonnage of FFB**

Estate	Tonnage / year		
	Estimated (Nov 19-Oct 20)	Actual (Nov 19-Oct 20)	Forecast (Nov 20- Oct 21)
Pamol Timur Estate	44393.00	32349.59	47881
Pamol Barat Estate	26223.00	19785.17	30288
Mamor Estate	60964.00	36556.63	53672
Unijaya Estate	25342.00	17827.45	24370
Kahang Estate	62637.00	49077.99	61510
Swee Lam Estate	26950.00	19433.66	28310
<b>Total</b>	246,509.00	175030.49	246031

**1.7 Uncertified Tonnage of FFB**

Estate	Tonnage / year		
	Estimated (Nov 19-Oct 20)	Actual (Nov 19-Oct 20)	Forecast (Nov 20- Oct 21)
N/A			
<b>Total</b>			

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

<b>1.8 Certified Tonnage</b>			
	<b>Estimated (Nov 19-Oct 20)</b>	<b>Actual (Nov 19-Oct 20)</b>	<b>Forecast (Nov 20- Oct 21)</b>
<b>Mill Capacity: 60 MT/hr</b>	<b>FFB</b>	<b>FFB</b>	<b>FFB</b>
	246509	175030.49	246031
<b>SCC Model: SG/MB</b>	<b>CPO (OER: 23.50%)</b>	<b>CPO (OER: 23.6%)</b>	<b>CPO (OER: 23.5%)</b>
	57929.62	41230.03	57817.29
	<b>PK (KER: 4.75%)</b>	<b>PK (KER: 4.66%)</b>	<b>PK (KER: 4.75 %)</b>
	11709.18	8155.58	11686.47

<b>1.9 Actual Sold Volume (CPO)</b>					
<b>CPO (MT)</b>	<b>MSPO Certified</b>	<b>Other Schemes Certified</b>		<b>Conventional</b>	<b>Total</b>
		<b>ISCC</b>	<b>RSPO</b>		
(Nov 2019-March 2020)	-	-	12,489.13	44.65	12,533.78
(Apr 2020-Oct 2020)	-	-	26,435.66	-	26,435.66

<b>1.10 Actual Sold Volume (PK)</b>					
<b>PK (MT)</b>	<b>MSPO Certified</b>	<b>Other Schemes Certified</b>		<b>Conventional</b>	<b>Total</b>
		<b>ISCC</b>	<b>RSPO</b>		
(Nov 2019-March 2020)	-	-	2,992.02	-	2,992.02
(Apr 2020-Oct 2020)	-	-	5028.96	-	5,028.96

## 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 24-27/11/2020. The audit programme is included as Section 2.3. The approach to the audit was to treat the IOI Pamol Kluang Palm Oil Mill & supply bases 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.



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

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

<b>Assessment Program</b>					
<b>Name (Mill / Plantation / Group smallholders)</b>	<b>Year 1 (Certification)</b>	<b>Year 2 (ASA 1)</b>	<b>Year 3 (ASA 2)</b>	<b>Year 4 (ASA 3)</b>	<b>Year 5 (ASA 4)</b>
Pamol Kluang Palm Oil Mill	√	√	√	√	√
Pamol Timur Estate	√		√		√
Pamol Barat Estate	√		√		√
Mamor Estate		√		√	
Unijaya Estate	√		√		√
Kahang Estate		√		√	
Swee Lam Estate		√		√	

**Tentative Date of Next Visit: November 22, 2021 - November 26, 2021**

**Total No. of Mandays: 8 Mandays**

**2.1 BSI Assessment Team**

<b>Team Member Name</b>	<b>Role</b> <i>(Team Leader or Team member)</i>	<b>Qualifications</b> <i>(Short description of the team members)</i>
Muhamad Naquiuddin Mazeli	Team Leader	He graduated with Bachelor of Science Horticulture at University Putra Malaysia. He started his career in 2009 as Researcher at Sime Darby Research Seed Centre and manage for Quality control for seed production for paddy, chilli and corn with collaboration with Malaysian Agricultural Research and Development Institute (MARDI) for 4 years. During the period, he was also involved with Nestle project on Red Rice production. He later joins the Sime Darby Plantation Berhad Sustainability Team in 2013 as Sustainability Executive. Joining the sustainability team, he managed, implemented and monitored the RSPO, ISCC, MSPO and ISO 9001 and ISO 18001 certification requirements for the estates, mills, refineries and Smallholder scheme. He also support in providing training and internal audits related to RSPO, MSPO and other certifications where applicable to the operations within Sime Darby Plantation. He is a trained Safety Officer and he managed the Occupation Safety and Health of Northern Region Sime Darby Plantation Berhad operations. During this assessment, he assessed on the aspects of Occupational, Health & Safety and estate best practises. He is fluent in Bahasa Malaysia and English languages.

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Rahayu Zulkifli	Team Member	Rahayu graduated with a Law Degree from John Moores University, Liverpool, United Kingdom in 1988. She was a practising lawyer before she joined several public listed companies as Head of Legal Department. In 2003 she joined an environmental NGO as a turtle conservationist, and in 2014 joined RSPO as Dispute Settlement Facility Manager. Rahayu is now a freelance auditor specializing in social aspects of the RSPO and MSPO standards, with audit experiences in Malaysia, Indonesia and Ghana. Rahayu successfully attended the RSPO-endorsed Lead Auditor course in 2014, ISO 14001 Lead Auditor course in 2016, the MSPO Awareness Training in 2016, and RSPO-endorsed Lead Auditor Refresher course in 2018. Additionally, Rahayu also assists in HCV assessments (in particular HCV 5 & 6), as well as carry out Social Impact Assessments. Rahayu is also a trained and certified Mediator. During this assessment, she assessed on the aspects of legal, social and stakeholder engagement. Able to communicate in Bahasa Malaysia and English.
-----------------	-------------	---

**2.2 Assessment Plan**

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

Date	Time	Subjects	MNM	RHZ
Monday 23/11/2020		RHZ & MNM travel from KUL to Kluang and check in at Anika hotel in Kluang.	√	√
Tuesday 24/11/2020	0800-0830 0830-0900	Opening Meeting MSPO: <ul style="list-style-type: none"> <li>Opening Presentation by Audit team leader.</li> </ul> Confirmation of assessment scope and finalize Audit plan.	√	√
	0900-1230	<b>Pamol Timur Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	1230-1330	Lunch	√	√
	1330-1630	Document review (MS:2530 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	√	√
	1630-1700	Interim Closing briefing	√	√

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Date	Time	Subjects	MNM	RHZ
Wednesday 25/11/2020	0830-1230	<b>IOI Pamol Kluang POM</b> Inspection: FFB receiving, warehouse, workshop, waste management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√
	1000-1100	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.)		√
	1230-1330	Lunch	√	√
	1330-1630	Document review (MS:2530 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.	√	√
	1630-1700	Interim Closing briefing	√	√
Thursday 26/11/2020	0830-1230	<b>Pamol Barat Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	1230-1330	Lunch	√	√
	1330-1630	Document review (MS:2530 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	√	√
	1630-1700	Interim Closing briefing	√	√
Friday 27/11/2020	0830-1230	<b>Unijaya Estate</b> Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	1230-1415	Lunch and break	√	√

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Date	Time	Subjects	MNM	RHZ
	1415-1600	Document review (MS:2530 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	√	√
	1600-1700	Interim Closing briefing and Finalization of audit findings and report preparation.	√	√
	1700-1730	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 three (3) Major & One (1) Minor nonconformities raised. The IOI Pamol Kluang Palm Oil Mill & supply bases Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The implementation of the Corrective Actions for the Major Non-conformity(ies) has been verified for its effectiveness and closed accordingly.

Major/Minor Nonconformities:		
Ref: 1992729-202011-M1	Area/Process: Pamol POM	Clause: 4.6.1.1
	Issue Date: 27/11/2020	Close date: 14/01/2021
Requirements:	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	
Statement of Nonconformity:	The standard operating procedure Confined space procedure Rev: 2 dated 1/8/2018 inadequately implemented	
Objective Evidence:	The Permit to work was available with approval from AESP (Mr Chua Seng Wei) HQ/19/AGTES/01/03181 dated 26/10/2020 however the Medical check up from OHD record was not available for all entrant in confined space and the entrant person was not competent (No AESP) to enter (Kejau Thu Soe & Amirul).	
Corrections:	The Safe Operating Procedure for working safely in confined spaces shall be revised to include strict checking of entries in Permit to Work in Confined Spaces and visual inspection of Health Fitness Certificate for the purposes of permission to work in confined space and Declaration of Health Status by Authorised Entrant of persons entering confined spaces by management.	
Root cause analysis:	Though, the management is aware that only AEs with health fitness certificate from OHD are permitted to enter confined spaces, they unfortunately had to send two workers to work in a boiler furnace for short a period as the mill had a shortage of AE because some of Authorized Entrants (AE) have returned to their home countries.	
Corrective Actions:	The revised Safe Operating Procedure for working safely in Confined Spaces shall be distributed to all operating centers. O.Cs will also be reminded to strictly comply with	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

	all the procedures. An AESP training is also scheduled to be carried out in Pamol Kluang Mill on 14th and 15th December 2020 to increase the number of AE.
Assessment Conclusion:	As per document verification, Audit team have reviewed the evidence submitted on 7/1/2021 and the major NC is satisfactorily closed on 14/01/2021. Continuous implementation of corrective action taken will be further verified in the next assessment visit. Document reviewed as per below:- <ol style="list-style-type: none"> <li>1. New SOP (<i>BEKERJA DENGAN SELAMAT DI DALAM RUANG TERKURUNG</i>) Rev: 3 dated 15/12/2020</li> <li>2. Email record from Sustainability, Safety &amp; Health Department to all operation dated 15/12/2020 regarding AESP training</li> </ol>

Major/Minor Nonconformities:		
<b>Ref: 1992729-202011-M2</b>	<b>Area/Process: Pamol Barat Estate</b>	<b>Clause: 4.6.3.2</b>
	<b>Issue Date: 27/11/2020</b>	<b>Close date: 14/01/2021</b>
Requirements:	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.	
Statement of Nonconformity:	The contract between IOI Pamol Plantations Sdn Bhd (the Company) and Ah Teng Earthwork Construction Sdn Bhd (the Contractor) for land preparation and replanting works is not fair, legal and transparent, and agreed payment was not made in a timely manner.	
Objective Evidence:	<p>The contract signed between Pamol Plantations Sdn Bhd (the Company) and Ah Teng Earthwork Construction Sdn Bhd (the Contractor) for land preparation and replanting works was undated.</p> <p>a. This contract does not contain fair terms because:</p> <ul style="list-style-type: none"> <li>• Only the Company has the right to terminate the contract. This right is not extended to the Contractor.</li> <li>• The contract also details out all the obligations of the Contractor, but contains none of the Company's obligations such as obligation to pay upon satisfactory completion of work, compliance with all applicable laws and regulations, including sustainability requirements.</li> <li>• There is no clear contract duration.</li> <li>• There is no provision for extension of work period in the event of adverse weather conditions or force majeure.</li> </ul> <p>b. There is no transparency on when the Company should make payments to the Contractor.</p> <p>c. Invoice No IV-2008-0004 dated 21 August 2020 for the sum of RM116,822.52 contains a 30-day term of payment. However, this amount remains unpaid as of the date of audit.</p>	
Corrections:	<p>A draft contract containing corrections as mentioned in the NCR (fair, legal and transparent and agreed payments shall be made in timely manner) has been sent to IOI HQ to inform them to include fair terms in all future contracts.</p> <p>c. The estate has highlighted this issue to Top Management and they are expediting the payment process. The pending payment is expected to be made by xxxx.</p>	
Root cause analysis:	Contracts issued by operating centres (which is different from the contracts issued by HQ) are mostly fair, legal, transparent and includes time frame for payment. This is	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

	<p>because estates and mills include a document entitled "Additional Requirements for Contractors and Service Providers" when they issue contracts.</p> <p>However, IOI HQ uses a separate contract which does not include the fair terms and time frame payment as mentioned in the NCR when they issue contracts to contractors.</p> <p>c) As the tender award was above the estate's budgeted amount, the estate had to request Additional Vote for the non-budgeted amount. Though the request for the non-budgeted amount was sent to the Plantation Controller on 28/8/2020, there was a delay in the approval process due to the transfer of Plantation Controller to Sabah at the end of August 2020 and the General Manager only taking over about 2 weeks later. The new SAP system introduced in Pamol region also contributed in the delay of payment</p>
Corrective Actions:	<p>The amended contract with all the required fair terms shall be distributed to all operating centres and relevant departments in IOI HQ. They will be informed to use this contract and strictly abide by the terms.</p> <p>c. To avoid payment delay in future:</p> <p>a) HQ shall negotiate for a longer time frame for payment and include these terms in contracts especially for large projects;</p> <p>b) O.Cs shall try to estimate the correct amount when budgeting for all future contracts</p> <p>c) O.Cs shall immediately arrange for the difference if the tender award amount is above the estate's budgeted amount;</p> <p>d) O.Cs shall request Additional Vote for the non-budgeted amount and ensure that the payment is made within the agreed time frame</p>
Assessment Conclusion:	<p>As per document verification, Audit team have reviewed the evidence submitted on 7/1/2021 and the major NC is satisfactorily closed on 14/01/2021. Continuous implementation of corrective action taken will be further verified in the next assessment visit. Document reviewed as per below:-</p> <ol style="list-style-type: none"> <li>1. Contractor agreement</li> <li>2. Payment record 08 Jan 2021</li> <li>3. Payment process flowchart</li> </ol>

<b>Major/Minor Nonconformities:</b>		
<b>Ref: 1992729-202011-M3</b>	<b>Area/Process: Unijaya Estate</b>	<b>Clause: 4.4.5.9</b>
	<b>Issue Date: 27/11/2020</b>	<b>Close date: 14/01/2021</b>
Requirements:	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.	
Statement of Nonconformity:	Harvesting mandore at Unijaya Estate exceeded the overtime limit of 104 hours in both June and October 2020.	
Objective Evidence:	<p>The Employment (Limitation of Overtime Work) Regulations 1980 limits overtime work to 104 hours a month. Sampled payslips for Worker No. 1PPP/IOI/1115/764 showed that the total overtime hours he worked in June and October 2020 were as follows:</p> <p>No permit under Section 60A (4) (a) for exceeding overtime limit has been obtained from the Labour Department.</p>	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Corrections:	As the supervisor failed to monitor the overtime hours of the harvesting mandore, the management issued a letter to the supervisor to remind him to monitor the working and overtime hours of all his workers.
Root cause analysis:	Although the estate knows the maximum limit of 104 overtime hours they had to request the harvesting mandore to work a few extra hours in June and October 2020 as there were some extra work due to peak crop.
Corrective Actions:	The management has instructed the payroll clerk to key in details of overtime hours in the SAP system every next day. The payroll clerk is to alert supervisors/management if any worker has reached 90 overtime hours in a month. Supervisors are reminded to monitor and ensure that any extra work be offered to other workers so that no worker exceeds 104 overtime hours in a month.
Assessment Conclusion:	As per document verification, Audit team have reviewed the evidence submitted on 7/1/2021 and the major NC is satisfactorily closed on 14/01/2021. Continuous implementation of corrective action taken will be further verified in the next assessment visit. Document reviewed as per below:- 1. Reminder letter to staff 2. Memo to all workers (Awareness)

**Major/Minor Nonconformities:**

<b>Ref: 1992729-202011-N1</b>	<b>Area/Process: Pamol POM</b>	<b>Clause: 4.3.1.4</b>
	<b>Issue Date: 27/11/2020</b>	<b>Close date : Open</b>
Requirements:	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.	
Statement of Nonconformity:	The monitoring on compliance and changes was inadequate	
Objective Evidence:	Water sampling in Unijaya was done yearly sighted record water analysis dated 3/11/2020 and previously on July 2019 (ENV/WTR/UJE/175) however not followed as per Permit Kebenaran Menggunakan Bekalan Persendirian Seksyen 6(1) (a) Akta Standard – standard minimum perumahan dan Kemudahan Pekarja 1990, to ensure done water analysis 3 monthly once.	
Corrections:	Estate shall hire a new sustainability staff to assist the new Environment Liaison Officer in sustainability matters. This staff shall also assist in the monitoring and implementation of changes to the permit requirements especially the domestic water quality analysis.	
Root cause analysis:	Due to lack of experienced personnel and sustainability staff, the estate could not conduct more thorough checking and monitoring of legal requirements. This was amplified by the fact that the person in charge of monitoring the permit requirements left the estate in September 2020 without proper handover of duties to his successor. Unijaya estate also did not have a sustainability staff since October 2019. They have failed to hire a replacement due to lack of accommodation in the estate.	
Corrective Actions:	The sustainability internal audit checklist and annual sustainability program shall be revised according to the conditions stated in the permits to ensure proper implementation.	



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Assessment Conclusion:	As per corrective action plan audit team have reviewed and accepted on 11/12/2020 and continuous implementation of corrective action taken will be further verified in the next assessment visit.
------------------------	---

Noteworthy Positive Comments	
1	The communication between management and stakeholder was good
2	The cooperation between operating unit was good

**3.3 Status of Nonconformities Previously Identified and OFI**

Major/Minor Nonconformities:					
<b>Ref:</b> 1855284-201911-M1	<table border="1"> <tr> <td><b>Area/Process:</b> IOI Pamol Kluang POM &amp; Supply Bases</td> <td><b>Clause:</b> 4.3.1.1 (Part 4)</td> </tr> <tr> <td><b>Issue Date:</b> 28/11/2020</td> <td><b>Close Date:</b> 21/2/2020</td> </tr> </table>	<b>Area/Process:</b> IOI Pamol Kluang POM & Supply Bases	<b>Clause:</b> 4.3.1.1 (Part 4)	<b>Issue Date:</b> 28/11/2020	<b>Close Date:</b> 21/2/2020
<b>Area/Process:</b> IOI Pamol Kluang POM & Supply Bases	<b>Clause:</b> 4.3.1.1 (Part 4)				
<b>Issue Date:</b> 28/11/2020	<b>Close Date:</b> 21/2/2020				
Requirements:	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.				
Statement of Nonconformity:	Some of legal compliance in Kluang POM is not effectively implemented.				
Objective Evidence:	<p>In Pamol Kluang POM, it was found out that K. Sunthara Devi (Weighbridge Operator) has worked overtime after 10 pm as below:</p> <p>September 2019:</p> <ol style="list-style-type: none"> <li>17/09/2019: 6.30 AM – 10.55 PM</li> <li>22/09/2019: 6.31 AM – 10.40 PM</li> <li>27/09/2019: 6.28 AM – 11.14 PM</li> <li>30/09/2019: 6.29 AM – 12.18 AM</li> </ol> <p>June 2019:</p> <ol style="list-style-type: none"> <li>10/06/2019: 6.41 AM – 11.12 PM</li> <li>24/06/2019: 6.25 AM – 10.45 PM</li> </ol> <p>January 2019:</p> <ol style="list-style-type: none"> <li>01/01/2019: 6.41 AM – 11.09 PM</li> <li>26/01/2019: 6.48 AM – 10.57 PM</li> </ol> <p>According to JTK Permit: Pengecualian Daripada Sekatan Kerja Malam Bagi Pekerja-Pekerja Wanita Di Bawah Seksyen 34 Akta Kerja 1955, dated 15/03/2019, the management need to provide the shift allowance for the female worker and she must be given continuous 11 hours break before start to work again.</p> <p>Verification been made during interview session with K. Sunthara Devi, her pay slips for Jan, June and Sept 2019 as well as the employment contract seen, there is no evidence of the shift allowance been provided from the employer and she worked at 6.30 am on the next day (6-8 hours break only).</p> <p>It is crossed reference with the JTK Kluang Officer (Mr. Rahim) on telephone conversation on 28/11/2019, the shift allowance is applied for all types of job including shift or overtime, as long as the female worker worked at nightshift after 10 pm.</p>				
Corrections:	Not receiving 11 hours continuous rest				

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

	<p>The mill management has immediately arranged for K. Sunthara Devi to only work on day shift (7.00am to 4.00pm). Another staff who was previously working as weighbridge operator is kept on standby to take over the duties in case the afternoon shift operator suddenly takes leave on short notice. This is to ensure that K. Sunthara Devi has at least 11 hours continuous rest.</p> <p>ii) Not receiving shift allowance</p> <p>The shift allowance which was unpaid for a total of 11days (RM51.70) was paid to K. Sunthara Devi on 24<sup>th</sup> December 2019 via Petty Cash voucher No. PMM 7940 (see Appendix 1). This amount will be shown in K. Sunthara Devi’s January 2020 payslip.</p>
Root cause analysis:	<p>i) Not receiving 11 hours continuous rest</p> <p>The normal working hours for K. Sunthara Devi are from 7.00am to 4.00pm. However, she worked without 11 hours of continuous rest on the days mentioned above when the male weighbridge operator who is supposed to work from 2.00pm to end of shift suddenly takes emergency leave/medical leave. As there are no other persons to replace him, K. Sunthara Devi has to work until the end of the shift sometimes until 11.00pm (end of shift). As she reports for work at 7.00am on the next day, she only has about 8 hours continuous rest.</p> <p>ii) Not receiving shift allowance</p> <p>The employee in question was not given shift allowance because she was replacing the other weighbridge operator and the extra hours worked were calculated and paid as Overtime Work</p>
Corrective Actions:	<p>i) Not receiving 11 hours continuous rest</p> <p>Mill management is actively looking to recruit an additional employee for the weighbridge operations. With 3 employees, mill management will rotate them on shift basis to ensure that all employees get adequate rest as per JTK requirement.</p>
Assessment Conclusion:	<p>Audit team have reviewed the evidence submitted on 21/02/2020 and the major NC is satisfactorily closed on 21/02/2020. Continuous implementation of corrective action taken will be further verified in the next assessment visit.</p>
Verification Statement	<p>Based on sampled payslips, employment contracts, evidence is available that the Mill complies with applicable local, state, national and ratified international laws and regulations. This include payment of minimum wages and above under the Minimum Wages Order 2020, compliance with the Employment Act 1955 on hours of work, payment of salary, signing of employment contracts, paid annual, medical and maternity leave, etc, documented foreign workers and work permit under Immigration Act 1957/63, payment of statutory contributions under the SOCSO Act, EPF Act 1991, EIS Act 2017.</p> <p>Among those sighted and verified during the audit were:</p> <p>1. Labour Office Permit Pengecualian Daripada Sekatan Kerja Malam Bagi Pekerja-Pekerja Wanita Di Bawah Seksyen 34 Akta Kerja 1955, dated 15/03/2019 for Pamol Kluang POM.</p>

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

	<p>2. Labour Office Permit Permohonan Had Kerja Lebih Masa Di Bawah Seksyen 60A(4)(a) Akta Kerja 1955, dated 26/02/2019 for Pamol Kluang POM.</p> <p>3. Labour Office Permit: Potongan Upah Di Bawah Seksyen 24 Akta Kerja 1955 for Potongan Gaji Pekerja bagi Pembayaran Tabungan Kuil sebanyak RM 10.00 dan Masjid sebanyak Rm 10.00 seorang setiap Bulan dated 07 January 2019.</p> <p>4. Labour Office Permit: Salary deduction under Section 24 Akta Kerja 1955 for electricity and water bills dated 17 February 2019. (Ref TK (NJ) U-23.</p> <p>The Major Non-Compliance raised in the previous audit has been satisfactorily closed. Based on records sighted and interview conducted with the worker, the corrective action has been consistently implemented.</p>
--	---

Major/Minor Nonconformities:		
<b>Ref:</b> 1855284-201911-M2	<b>Area/Process:</b> IOI Pamol Kluang POM & Supply Bases	<b>Clause:</b> 4.3.1.1 (Part 3)
	<b>Issue Date:</b> 28/11/2019	<b>Close Date:</b> 21/2/2020
Requirements:	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.	
Statement of Nonconformity:	Compliance to the applicable national laws and regulations was not effectively implemented.	
Objective Evidence:	In Kahang Estate, there is no evidence of an approval from the Energy Commission for constructing or using an electric fence as per the Energy Commission issued directives and circulars on the requirements and methods of installation of electric fences on October 22, 2008 (Circular No. 3/2008).	
Corrections:	As the contractor who installed the electric fencing does not have the necessary competency, the Energy Commission has informed us that they can only approve our application if the fencing is installed by a competent electric fence contractor.  Therefore, the estate has decided to dismantle the electric fence pending appointment of a competent contractor and approval from the Energy Commission	
Root cause analysis:	Estate has misunderstanding regarding the approval of electric fencing installation. Estate management thought that low voltage of current fencing does not need any approval.	
Corrective Actions:	Estate management has confirmed with the Energy Commission on the requirements and process of obtaining approval to install electric fencing.  As they have yet to obtain approval, they have dismantled the fencing for now. They will only reinstall the electric fencing if they obtain approval from the Energy Commission. In future the estate will check on legal requirements before proceeding with any projects	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

	Please refer to: Appendix 2 – Memo on Uninstall Electric Fencing Kahang Estate Appendix 3 – Photos of Uninstallation Electric Fencing in Kahang Estate
Assessment Conclusion:	Audit team have reviewed the evidence submitted on 21/02/2020 and the major NC is satisfactorily closed on 21/02/2020. Continuous implementation of corrective action taken will be further verified in the next assessment visit. Evidence reviewed: 1. Memo on instruction for uninstallation of electric fencing in Kahang Estate. 2. Photos of uninstallation of electric fencing in Kahang Estate. 3. Mechanism for tracking the changes in law.
Verification Statement	As per site verification the electric fencing was not in used, the corrective action has been consistently implemented. Major NC remain closed accordingly.

### 3.4 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1855284-201911-M1	Major	28/11/2019	Closed on 21/2/2020
1855284-201911-M2	Major	28/11/2019	Closed on 21/2/2020
1992729-202011-M1	Major	27/11/2020	Closed on 14/1/2021
1992729-202011-M2	Major	27/11/2020	Closed on 14/1/2021
1992729-202011-M3	Major	27/11/2020	Closed on 14/1/2021
1992729-202011-N1	Minor	27/11/2020	Open

### 3.5 Issues Raised by Stakeholders

IS #	Description
1	<p><b>Issues:</b> Representative of Imago Enterprise informed that it provides three tractors for transporting FFB from estate to Mill. Imago Enterprise has four workers and they live at the workers’ housing at Ladang Pamol Timur. The workers stay there rent-free, and do not have to pay for electricity and water. The workers can also benefit from free medical treatment at the estate clinic. The workers receive piece-rated wages and receive their salaries on the 7<sup>th</sup> of every month. Minimum amount received was RM1,500 per month. The representative of Imago Enterprise also informed that IOI Pamol Kluang extend meeting invitations which either him or his supervisor would attend. The representative is aware of the complaints and grievance procedure. However, he confirmed that there are no issues with any of the units within IOI Pamol Kluang certification unit.</p> <p><b>Management Responses:</b> Comments were noted.</p> <p><b>Audit Team Findings:</b></p>



	No further issue.
	<p><b>Issues:</b></p> <p>Headmaster of Sekolah Kebangsaan Ladang Pamol. So far Ladang Pamol certification unit has extended good cooperation to the school. Among the assistance rendered to the school were:</p> <ul style="list-style-type: none"> <li>- Providing free domestic water supply to school (Pamol POM)</li> <li>- Widening of access road (Pamol Timur Estate)</li> <li>- Grass cutting (Pamol Timur Estate)</li> <li>- Deepening of drains (Pamol Timur Estate)</li> </ul> <p>The headmaster said he requested fund for school children’s welfare, and was told he would need to submit a proposal for consideration.</p> <p>Confirmed that during the stakeholder meeting held on 2 November 2020, a briefing on grievance mechanism was given.</p> <p><b>Management Responses:</b></p> <p>Comments were noted.</p> <p><b>Audit Team Findings:</b></p> <p>No further issue.</p>
<b>3</b>	<p><b>Issues:</b></p> <p>Representative of Kg Gajah informed that there has been no dispute with the Pamol Kluang unit of certification. She found out recently during stakeholder meeting on 2 November 2020 that rubbish were thrown near the estate boundary. However, she doesn’t know who threw the rubbish there. Pamol Kluang workers do come to Kg Gajah to make purchases at the nearby pasar malam and to eat at the restaurants. So far there has been no social issues involving Pamol Kluang workers. There are also several people from Kg Gajah who are employed by Pamol Kluang.</p> <p><b>Management Responses:</b></p> <p>Comments were noted.</p> <p><b>Audit Team Findings:</b></p> <p>No further issue.</p>
<b>4</b>	<p><b>Issues:</b></p> <p>Representative from Kg Seri Tambak also confirmed that there has been no adverse issues with Pamol Kluang certification unit. The village was established circa 1991 and is located about 4 kms away from the Mill. There is no issue related to pollution. The management of Pamol Kluang has been very cooperative and sometimes assist by sending clean water to be used during kenduri. The stakeholder is aware of the complaint procedure and confirmed that Pamol Kluang certification unit does provide job opportunities to the local community from Kg Seri Tambak.</p> <p><b>Management response:</b></p> <p>Comments were noted.</p> <p><b>Audit team:</b></p> <p>No further issue.</p>
<b>5</b>	<p><b>Issues:</b></p>

	<p>The Memorandum of Collective Agreement was signed between IOI Group of Companies and The National Union of Plantation Workers and is valid from 1 January 2020 and 31 December 2022. Due to the fact that harvesters are paid on a piece-rate basis, it is not the industry practice to pay overtime for harvesters who work more than eight hours a day, regardless of Section 60A Employment Act 1955.</p> <p>The NUPW officer (Mr Vannan) also said that from his observations, IOI harvesters are among those in Johor who are paid rate higher than average. Mr Vannan is of the view that the harvesters would receive more wages if earnings are based on bunches harvested, compared to overtime pay.</p> <p><b>Management response:</b> Comments were noted.</p> <p><b>Audit team:</b> Harvesters' employment contracts sampled during the audit states that worker who works exceeding 8 hours will be paid overtime. There is an incongruence between what is in the contract and what is in practice with regards to calculation of harvesters' wages.</p>
<p><b>6</b></p>	<p><b>Issues:</b> Workers' Representatives (NUPW, different nationalities) – They informed that the management is treated all the workers without any discrimination. Overtime and benefits were offered to the workers equally. They are understood on the complaint and grievance procedure. Their wages are achieved Minimum Wage Order 2020 and overtime was paid according to the legal requirements. Free housing and subsidized water &amp; electricity was provided to all the workers. For new workers, they informed that no recruitment fee being paid to the agents. They are only paid the statutory fees that allowed by the country.</p> <p><b>Management response:</b> Comments were noted.</p> <p><b>Audit team:</b> No further issue.</p>
<p><b>7</b></p>	<p><b>Issues:</b> Gender Committee representatives – They informed that no case of sexual harassment and violence reported. They are aware of the complaint procedure if there is any case reported on sexual harassment and violence. They also informed that they are consulted for the pregnancy testing. They have the freedom to give consent to the management to carry out the pregnancy testing as a monitoring measure for those who handle chemical.</p> <p><b>Management response:</b> Comments were noted.</p> <p><b>Audit team:</b> No further issue.</p>
<p><b>8</b></p>	<p><b>Issues:</b> Smallholder – He informed that no encroachment of land by the management. He accesses the estate's road for free. The smallholder used the weighbridge for weighing their FFB crop for free by the management.</p> <p><b>Management response:</b></p>

**MSP0 Public Summary Report**  
**Revision 1 (Feb 2020)**

	Comments were noted.
	<b>Audit team:</b> No further issue.

**Section 4: Assessment Conclusion and Recommendation**

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment <i>IOI Pamol Kluang Palm Oil Mill &amp; supply bases</i> Certification Unit complies with the <i>MS 2530-3:2013</i> and <i>MS 2530-4:2013</i> . It is recommended that the certification of <i>IOI Pamol Kluang Palm Oil Mill &amp; supply bases</i> Certification Unit is approved and/or continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: <b>RAVI TONY</b>	Name: <b>Muhamad Naquiuddin Mazeli</b>
Company name: <b>IOI PLANTATION SERVICES SDN BHD</b>	Company name: <b>BSI Service (M) Sdn Bhd</b>
Title: <b>SUSTAINABILITY, SAFETY + HEALTH MANAGER</b>	Title: <b>Client Manager</b>
Signature: 	Signature: 
Date: <b>25/1/2021</b>	Date: <b>24/1/2021</b>



**Appendix A: Summary of the findings by Principles and Criteria**

**Malaysian Sustainable Palm Oil Part 3: General principles for Plantations and Organized Smallholders**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	A policy for the implementation of MSPO shall be established. <b>- Major compliance -</b>	A Policy for the implementation of MSPO has been established in paragraph 4 of the IOI Group Sustainable Oil Palm Policy. This Policy was revised in October 2020 and signed by the Group Managing Director & Chief Executive Officer, as well as the Group Head of Sustainability. Paragraph 4 states that IOI operations in Peninsular Malaysia and Sabah are 100% RSPO and MSPO certified, and that it would commit towards sustainable production of palm oil and its continuous improvement as outlined in the MSPO guidelines.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize commitment to continual improvement. <b>- Major compliance -</b>	The IOI Group Sustainable Oil Palm Policy which was revised in October 2020 and signed by the Group Managing Director & Chief Executive Officer as well as the Group Head of Sustainability also states that it would commit towards continuous improvement as outlined in the MSPO guidelines.	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. <b>- Major compliance -</b>	Management establish standard operation procedure for MSPO Internal Audit procedure Doc No: MSPO/SOP/IA/2 Rev: 02 dated 1/11/2018. The internal audit conducted on 5 October by sustainability executive. From the report, 16 nonconformity been raised and closed on 3/11/2020 verified by Sustainability manager.	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.  - Major compliance -	The record of internal audit was available for reviewed in all sampling estate. The NCR been raised for each operating unit was already have the corrective action plan and verification by auditor by the implementation accordingly.	Complied
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The internal audit report is available during the audit and reviewed in the management review in clause 4.1.3.1.	Complied
<b>Criterion 4.1.3 – Management Review</b>			
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 management review conducted on 15/10/2020, this meeting involve manager, assistant manager, clerk, store clerk and field Supervisor. In the management review report cover result of audit, customer feedback, status of preventive and corrective action, follow up action from management reviews, changes that could affect management system and recommendation for improvement.	Complied
<b>Criterion 4.1.4 – Continual Improvement</b>			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.  - Major compliance -	All the estates have establish an action plan for its continuous improvement plan with consideration for both social and environmental impact. There are action plans to achieve it, target to be completed and person in charge appointed accordingly.	Complied
4.1.4.2	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.  - Major compliance -	No new system for improvement in all sampling estate however for continuous as per below: - <ul style="list-style-type: none"> <li>• Technology – to improve internet connection at the office to improve productive using technology.</li> <li>• Recycling bin – to increase the recycle bin for each point to ensure workers awareness regarding recycle waste.</li> </ul>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Bagworm – to planting beneficial plant for reduce bagworm infestation in field.</li> </ul>	
<b>4.1.4.3</b>	<p>An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established.</p> <p><b>- Major compliance -</b></p>	All the estates management can show the supporting documents during the audit, i.e: training, resources and progress reports on the business management plan.	Complied
<b>4.2 Principle 2: Transparency</b>			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
<b>4.2.1.1</b>	<p>The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p> <p><b>- Major compliance -</b></p>	<p>The stakeholders were informed of the documents that stakeholder can have access to during stakeholder meeting held on 2 November 2020. This stakeholder meeting was attended by 31 stakeholders and the briefing was given in Bahasa Malaysia. The meeting also informed the stakeholders how the documents can be accessed, which include the Sustainability Corner which are available at each estate and mill office.</p> <p>Stakeholders can have access to the documents using the SOP 6.11 Stakeholder Request Procedure where the stakeholder can either visit, call or write a formal letter to the estate/mill management.</p> <p>Stakeholders can also access the information from IOI website: <a href="http://www.ioigroup.com">www.ioigroup.com</a></p>	Complied
<b>4.2.1.2</b>	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social</p>	<p>Among the management documents that are publicly available include:</p> <ul style="list-style-type: none"> <li>- Whistleblowing Policy</li> <li>- Sustainability certificates, (RSPO, MSPO, ISCC),</li> </ul>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	<p>outcomes.</p> <p><b>- Major compliance -</b></p>	<ul style="list-style-type: none"> <li>- Grievance reporting procedure;</li> <li>- Negotiation procedure;</li> <li>- Grievance procedure for land owner issue;</li> <li>- Land use compensation procedure;</li> <li>- Stakeholder request procedure;</li> <li>- IOI Group Policies;</li> <li>- Environmental Impact Assessment, management Action Plan &amp; Continuous Improvement Plan;</li> <li>- Safety &amp; Health Plans;</li> <li>- Water Management Plan.</li> </ul>	
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p><b>- Major compliance -</b></p>	<p>The Company has a Stakeholder Request Procedure SOP 6.11 Appendix 10.0 Rev 1A effective 17 Jan 2017. This SOP is also accompanied by a flowchart which details out the procedure for consultation and communication. Additionally, there is also the SOP on Stakeholder Complaint Procedure SOP 6.11 Appendix 9.0 Rev 1A effective date 17 Jan 2017.</p>	Complied
<b>4.2.2.2</b>	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p> <p><b>- Minor compliance -</b></p>	<p>Management official responsible are as follows:</p> <ul style="list-style-type: none"> <li>a. Pamol Estate: Assistant Manager appointed via letter dated 24 August 2020;</li> <li>b. Unijaya Estate: Assistant Manager appointed via letter dated 14 September 2020.</li> <li>c. Pamol Barat Estate: Assistant Manager appointed via letter dated 1 Nov 2020.</li> </ul> <p>Among the responsibilities of the said management official cover welfare and social needs of stakeholders, periodic visits to</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		neighbouring stakeholders, maintenance and monitoring of grievance issues and facilitate feedback mechanism, etc.	
<b>4.2.2.3</b>	<p>List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.</p> <p><b>- Major compliance -</b></p>	<p>Sighted during the audit were list of stakeholders for the following estates:</p> <ul style="list-style-type: none"> <li>a. Pamol Timur Estate which was updated on 16 Nov 2020.</li> <li>b. Unijaya Estate which was updated on 12 October 2020.</li> <li>c. Pamol Barat Estate which was updated on 24 November 2020.</li> </ul> <p>The stakeholders comprise government bodies (e.g. Labour Department, MPOB Kluang, PERKESO Kluang, KWSP Kluang), relevant embassies (Indonesian Consulate Johor Baru, High Commission of India, Bangladesh and Nepal Embassy), NGO's (e.g. NUPW, AMESU), neighbouring estates/smallholders, neighbouring villagers (e.g. Kg Pengkalan Tereh, Kg Gajah), suppliers, contractors, transporters, worshipping areas and schools. The lists contain details of stakeholders such as their names, type of agencies or bodies, complete address, contact persons, and contact numbers.</p> <p>Records of communication and action taken were sighted between Pamol Timur Estate, Unijaya Estate and Pamol Barat Estate with their respective stakeholders. These are properly maintained and reviewed during the audit. These include letter from SJK (T) Ladang Pamol dated 13 December 2019 to Pamol Timur Estate requesting for painting and cementing school floors; letter from Member of Parliament's office dated 22 July 2020 requesting the use of estate roads to access activities with the Orang Asli of Kg Pengkalan Tereh.</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		At Unijaya Estate and request from devotees of Datuk Tay Loke Khoon Temple to enter Pamol Barat premises on 9th and 10th November 2019 for an annual ritual celebration.	
<b>Criterion 4.2.3 – Traceability</b>			
<b>4.2.3.1</b>	<p>The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).</p> <p><b>- Major compliance -</b></p>	<p>IOI have established three Traceability Procedure for Estate namely:</p> <p>Bunch Count / Grading refer to ITPLT/ SO/ MCMS/ 1718/ 0006/ 02.</p> <ul style="list-style-type: none"> <li>• Harvesters’ attendance and number of bunches harvested being recorded in Portable Data Reader (PDR).</li> <li>• Upon completion of grading at platform, print a copy of bunch chit and attached to one of the bunches at the platform with clear vision.</li> <li>• The data from Portable Data Reader (PDR) being transfer into Pinfopalm application at Office.</li> </ul> <p>FFB Evacuation Direct to Mill refer to ITPLT/ SO/ MCMS/ 1718/ 0008/01</p> <ul style="list-style-type: none"> <li>• Collect the bunch chits and load the bunches into the trailer.</li> <li>• Bunch chits being pass to mill weighbridge clerk.</li> <li>• Return with mill weighbridge tickets and bunch chit to office.</li> <li>• Scan the bunch chits and mill weighbridge ticket into Pinfopalm application by end of the day.</li> </ul> <p>FFB Evacuation to Estate Weighbridge refer to ITPLT/SO/MCMS/1718/0007/01</p> <ul style="list-style-type: none"> <li>• Collect the bunch chits and load the bunches into the trailer.</li> <li>• Bunch chits being pass to weighbridge clerk.</li> <li>• Unload the FFB at ramp</li> </ul>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>• Weigh the empty tractor, generate weighbridge ticket and attached the bunch chits</li> <li>• Scan the bunch chits and weighbridge ticket into Pinfopalm application by end of the day.</li> <li>• Transporter dispatch the FFB to mill, weight the empty lorry.</li> <li>• Load the FFB at Ramp.</li> <li>• Weight the FFB at weighbridge before dispatch to mill.</li> <li>• Mill weighbridge ticket input place in Pinfopalm.</li> </ul>	
<b>4.2.3.2</b>	<p>The management shall conduct regular inspections on compliance with the established traceability system.</p> <p><b>- Major compliance -</b></p>	<p>The traceability of the FFB, PK, CPO and PKO are inspected through the internal audit conducted as per 4.1.2.2</p>	Complied
<b>4.2.3.3</b>	<p>The management should identify and assign suitable employees to implement and maintain the traceability system.</p> <p><b>- Minor compliance -</b></p>	<p>The management already assign the traceability person in charge, sampling on Mr Anwar Ridhwan Bin Rosli dated 22/1/2019. As to ensure that all sales invoices or relevant document such as weighbridge ticket, delivery notes, and specification documentation, issued for RSPO, MSPO &amp; ISCC certified oil palm products delivered include sufficient information required in the Supply chain system.</p>	Complied
<b>4.2.3.4</b>	<p>Records of sales, delivery or transportation of FFB shall be maintained.</p> <p><b>- Major compliance -</b></p>	<p>The record of sales, delivery or transportation of FFB was available for review. Sampling on as per below detail:-</p> <p>Delivery order (DO): PM 11C            WB ticket No: RF119003694            Date: 26/9/2020            Vehicle No: WUF8995            Driver name: Mutilal            Weight: 6,260kg</p> <p>Delivery order (DO): Nil</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		WB ticket No: 278355 Date: 27/7/2018 Vehicle No: BNJ 6950 Driver name: Barsudip Weight: 5,470 kg	
<b>4.3 Principle 3: Compliance to legal requirements</b>			
<b>Criterion 4.3.1 – Regulatory requirements</b>			
<b>4.3.1.1</b>	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.  <b>- Major compliance -</b>	Based on sampled payslips, employment contracts, evidence is available that the estates comply with applicable local, state, national and ratified international laws and regulations. This include payment of minimum wages and above under the Minimum Wages Order 2020, compliance with the Employment Act 1955 on hours of work, payment of salary, signing of employment contracts, paid annual, medical and maternity leave, etc, documented foreign workers and work permit under Immigration Act 1957/63, payment of statutory contributions under the SOCSO Act, EPF Act 1991, EIS Act 2017.  Among those sighted and verified during the audit were:  a. Permit from the Labour Office for wage deduction for buffalo loan and applicable throughout all estates and subsidiary companies of IOI Corporation Berhad in Peninsular Malaysia only, valid from 12 January 2016 until revoked.  b. Permit to deduct salary for water bill Ref No. BHG. PU/9/129/12 (21) valid from 27 December 2019 until revoked for Pamol Timur Estate.	Complied



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<p>c. Permit to deduct salary for electricity bill Ref No. BHG. PU//9/129/12(20) valid from 27 December 2020 until revoked for Pamol Timur Estate.</p> <p>d. Permit to deduct salary for electricity bill Ref No. TK(NJ)U-23 dated 19 December 2017 for Unijaya Estate.</p> <p>e. Permit to deduct salary for buffalo purchase Ref No. (8) dlm NHG PU/9/129 Jld 21 dated 30 December 2015 for Unijaya Estate.</p> <p>f. Permit to deduct salary for mosque fund not exceeding RM5 a month per person (Ref: TK (NJ) U-23) dated 4 July 2019 for Pamol Barat Estate.</p> <p>g. Permit to deduct salary for electricity bill not exceeding RM10 per person (single) and RM50 (married) (Ref TK (NJ) U-23) dated 15 January 2019 for Pamol Barat Estate.</p> <p>h. Permit to deduct salary for temple fund not exceeding RM5 per month per person. (Ref: TK (NJ)U-23) dated 4 July 2019 for Pamol Barat Estate.</p> <p>Sighted also were the written requests from the workers for the salary deductions, in accordance with the permit requirements.</p>	
<b>4.3.1.2</b>	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p><b>- Major compliance -</b></p>	<p>The Legal Requirement Register was established to cover all legal Acts, Regulations and other requirement related to all the estates. The Legal Requirements Register which was reviewed on July 2020 comprises of the new legal such as Min Wages 2020 etc.</p>	Complied
<b>4.3.1.3</b>	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p>	<p>The mechanism used for tracking changes in laws/regulations are through the following;</p> <p>a) Subscription to Lexis-Nexis Malaysia</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	<p>b) News release through daily newspaper.            c) Law change tracked by book publisher (MDC Book Publications).            d) Circulars from relevant association (eg. MPOA, MPOB, MAPA)            e) Internet (e-federal gazette, www.lawnet.com.my, www.e-warta.com.my)</p> <p>The IOI Legal Department from headquarters alert all operating units on legal updates. Process flow for the Legal updating is shown in SOP reviewed dated July 2020.</p>	
<b>4.3.1.4</b>	<p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- <b>Minor compliance</b> -</p>	<p>The management already appoint person responsible to monitor compliance and to track and update the changes in regulatory requirements. They appoint Mr Muhamad Nazam Bin Abd Rahman as per memorandum from manager dated 25/9/2020.</p>	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
<b>4.3.2.1</b>	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- <b>Major compliance</b> -</p>	<p>Based on documents sighted, and interviews conducted with stakeholders, management of the certification unit was able to demonstrate that the oil palm cultivation activities do not diminish any land use rights of others.</p>	Complied
<b>4.3.2.2</b>	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p>- <b>Major compliance</b> -</p>	<p>The following land titles were sighted and verified:</p> <p><u>Pamol Timur Estate (2303.1 ha) issued to Pamol Plantations Sendirian Berhad:</u></p> <p>1. Title No. G88881 (Freehold) 4.1 ha, Lot No. 2429, Mukim Kluang, District Kluang (Mill compound).</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
	<p>2. Title No. G88885 (Freehold) 647.98 ha Lot No. 2430 Mukim Kluang, District Kluang.</p> <p>3. Title No. G90779 (Freehold) 396.79 ha Lot No. 2593 Mukim Kluang, District Kluang.</p> <p>4. Title No. G90780 (Freehold) 407.32 ha Lot No. 2594 Mukim Kluang, District Kluang.</p> <p>5. Title No. G94673 (Freehold) 839.6 ha Lot No. 2589 Mukim Kluang, District Kluang.</p> <p>6. Title No. G56272 (Freehold) 7.31 ha Lot No. 1877 Mukim Kluang, District Kluang.</p> <p>All the above land titles were issued to Pamol Plantations Sendirian Berhad.</p> <p><u>Unijaya Estate</u>: Unijaya has a total of 163 land titles. Sampled for purposes of this audit were the following:</p> <p>1. Title No. G19171 (Grant) 12.14 ha Lot No. 2782 Mukim Kluang, District Kluang.</p> <p>2. Title No. G19171 (Grant) 0.53 ha Lot No. 2783 Mukim Kluang, District Kluang.</p> <p>3. Title No. G18451 (Grant) 1.71 ha Lot No. 3040 Mukim Kluang, District Kluang.</p> <p>4. Title No. EMR1490 (Extract of Mukim Register) 4.08 ha Lot No. 2904 Mukim Kluang, District Kluang.</p>	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<p>5. Title No. EMR1609 (Extract of Mukim Register) 4.59 ha Lot No. 3044 Mukim Kluang, District Kluang.</p> <p>6. Title No. G18433 (Grant) 21.21 ha Lot No 2802 Mukim Kluang, District Kluang.</p> <p>All the above titles were issue to Pamol Plantations Sdn Bhd.</p> <p><u>Pamol Barat Estate</u></p> <p>1. Title No. HSD 790 (Hakmilik Sementara) 22.87 ha Lot No. 9227 Mukim Kluang, District Kluang.</p> <p>2. Title No. HSD 791 (Hakmilik Sementara) 67.05 ha Lot No. 9228 Mukim Kluang, District Kluang.</p> <p>3. Title No. HSD 73767 (Hakmilik Sementara) 36.09 ha Lot No. PTD 89116 Mukim Kluang, District Kluang.</p> <p>4. Title No. G 56272 (Grant) 2050.14 ha Lot No. 1877 Mukim Kluang, District Kluang.</p> <p>5. Title No. G 94673 (Grant) 859.96 ha Lot No. 2589 Mukim Kluang, District Kluang.</p> <p>6. Title No. G88885 (Grant) 808.16 ha Lot No. 2430 Mukim Kluang, District Kluang.</p>	
<b>4.3.2.3</b>	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p><b>- Major compliance -</b></p>	<p>Legal perimeter boundary marker is available. Boundary markers were installed at various points at the boundary areas. Sampling the legal perimeter in Unijaya was verified with Tan Ching Ong (no lot 933).</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.3.2.4</b>	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). <b>- Minor compliance -</b>	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not applicable
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. <b>- Major compliance -</b>	Based on documents sighted and interviews conducted with stakeholders, there was no evidence that the lands were encumbered by customary rights. Therefore, this indicator is not applicable.	Not applicable
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available. <b>- Minor compliance -</b>	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants, and therefore this indicator is not applicable.	Not applicable
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. <b>- Major compliance -</b>	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants, and therefore this indicator is not applicable.	Not applicable
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	SIA for Pamol Timur, Pamol Barat and Unijaya Estates 2020-2025 were prepared in November 2020 and reviewed annually. The SIA has identified impact assessments (positive and negative) under the following categories: existence of major foreign labour force,	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Minor compliance</b> -	coexisting neighbouring local communities, infrastructure and facilities, safety and security, local social development needs. The aspects and impacts were given a score, and mitigation actions are identified in the respective Social Management Plans.	
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	A system for dealing with complaints and grievances shall be established and documented.  - <b>Major compliance</b> -	<p>A system for dealing with complaints and grievances has been established under IOI Corporation Berhad Grievance Procedure Doc Ref: IOI/P/GP/001 Rev No. 01 dated 20 Jan 2020. The procedure states that IOI would deal with all grievances logged under the Grievance Procedure in a fair and timely manner, and would publicly disclose the results of this process.</p> <p>The grievance process include receipt and registration of potential grievance, preliminary review, dialogue, plan investigation, address grievance and reporting, investigation, development of time bound plan, implementation and monitoring of the time bound plan.</p>	Complied
<b>4.4.2.2</b>	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.  - <b>Major compliance</b> -	<p>The IOI Corporation Berhad Grievance Procedure Doc Ref: IOI/P/GP/001 Rev No. 01 dated 20 Jan 2020 has stipulated in a flowchart, the timeframe for each grievance procedure process flow.</p> <p>Based on a written complaint dated 30 October 2020 at Pamol Timur Estate, on the issue of burst pipe at the church which was brought up during the Joint Consultative Committee Meeting on 30 October 2020, evidence was available that the pipe was repaired on 31 October 2020. Another example was a written complaint dated 22 Jan 2020 where</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<p>septic tank was blocked. Records show that this was rectified by calling Indah Water Konsortium and finished by 24 Jan 2020.</p> <p>At Pamol Barat Estate, a complaint received from a worker on 13 Nov 2020 regarding defective light bulb was rectified on 16 Nov 2020. A complaint on leaking roof received on 5 November 2020 was rectified on 13 November 2020.</p> <p>Based on the above, the system is able to resolve disputes in an affective, timely and appropriate manner.</p>	
<b>4.4.2.3</b>	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p><b>- Minor compliance -</b></p>	<p>Workers and stakeholders have several channels to lodge a complaint. These include:</p> <p>a. Employee Consultative Committee (ECC) and Joint Consultative Committee (JCC) complaints/suggestion/proposal forms which the workers are given prior to ECC meeting.</p> <p>b. Complaint/Grievance Book (Green Book) is available at the respective estate or mill offices.</p> <p>House Defects form which is also available at the respective estate and mill offices.</p>	Complied
<b>4.4.2.4</b>	<p>Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.</p> <p><b>- Minor compliance -</b></p>	<p>Employees and surrounding communities are aware that complaints or suggestions can be made at any time. The stakeholders were informed of this during the stakeholder meeting held on 2 November 2020, as evidenced by the minutes of stakeholder meeting and copy of the presentation given during the meeting. Workers are informed of these various complaint channels during trainings.</p> <p>For example, at Unijaya Estate, training was given to the workers on 2 November 2020, and at Pamol Barat Estate, interview with workers</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		confirmed that they are aware that complaints and suggestions can be made at any time.	
<b>4.4.2.5</b>	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request.  - <b>Major compliance</b> -	Complaints and resolutions for the past 24 months are being documented as evidenced by complaint records in the Green Book at Pamol Timur, Pamol Barat and Unijaya Estates. This Green Book is available at the estate/mill offices and is accessible by stakeholders.	Complied
<b>Criterion 4.4.3: Commitment to contribute to local sustainable development</b>			
<b>4.4.3.1</b>	Growers should contribute to local development in consultation with the local communities.  - <b>Minor compliance</b> -	Evidence is available that contribution to local development was done in consultation with the local communities. This was demonstrated via the following letters sighted at Pamol Timur Estate:  1. Letter from SJK (T) Ladang Pamol dated 13 December 2019 requesting for painting and cementing school floors; 2. Letter from Member of Parliament's office dated 22 July 2020 requesting the use of estate roads to access activities with the Orang Asli of Kg Pengkalan Tereh.  At Unijaya Estate: 1. The smallholders are allowed to weigh their FFB at the estate weighbridge for free, as confirmed during stakeholder consultation; 2. Smallholders can use the estate access road to evacuate their FFB, as evidenced from stakeholder consultation;	Complied



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<p>3. Repair of access road to smallholder plantation as evidenced from invoice No. C2009162 dated 30 September 2020 for delivery of crusher run.</p> <p>At Pamol Barat Estate:</p> <ol style="list-style-type: none"> <li>1. Approved the request from devotees of Datuk Tay Loke Khoon Temple to enter Pamol Barat premises on 9<sup>th</sup> and 10<sup>th</sup> November 2019 for an annual ritual celebration.</li> <li>2. Approved the request by a nearby cow herd dated 21 Oct 2020 to use estate roads to feed his cows.</li> <li>3. Provided grass cutting services on 26 September 2020 to Kg Pengkalan Tereh pursuant to their written request dated 25 September 2020.</li> <li>4. Approved the request of Dewa Sri Subramaniam Swami Alayam temple devotees dated 25 September 2020 to enter the estate premises for worshipping activities every Friday.</li> </ol>	
<b>Criterion 4.4.4: Employees safety and health</b>			
<b>4.4.4.1</b>	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>Briefings to employees on safety policy dated April 2019 are made through training and briefing forums. In addition, there were also briefings at muster ground being as refresher program for the employees. Safety procedures adherence are emphasised to the employees as part of the work culture. Content includes among others to prioritise safety, execute work safely, and adhere all safety rules and regulations and to target zero accident. Safety policy and targets were available on display board printed in both English &amp; Bahasa Malaysia.</p>	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p><b>4.4.4.2</b> The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> <li>a) A safety and health policy, which is communicated and implemented.</li> <li>b) The risks of all operations shall be assessed and documented.</li> <li>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:               <ul style="list-style-type: none"> <li>i. all employees involved shall be adequately trained on safe working practices</li> <li>ii. all precautions attached to products shall be properly observed and applied</li> </ul> </li> <li>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).</li> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>a) Safety and health policy dated April 2019 been communicated to workers during morning briefing and training. Latest training on policy conducted on 22/9/2020 at office compound, attend by all workers. From the evaluation of training record all</li> <li>b) The risk in Pamol Timur estate been assess and updated under HIRARC record dated 6/11/2020. The highest record of incident was on thorn prick under harvesting process. For chemical hazard, the assessment done by ENV consultancy &amp; Monitoring Services Sdn Bhd (Ref No: HQ/04/ASS/00/193-2019/012) dated 22/3/2019. The documented was available for review.</li> <li>c) The estate has established training program for employees exposed to pesticides used in the estate to ensure the continuous awareness to the employee. The training was conducted by the Estate Manager, Asst. Manager, and other competent person on the training subject to the supervisors and operators. The training can refer in indicator 4.4.6.2</li> <li>d) The management provide appropriate PPE to the employee's base on the job type. The PPE given as per HIRARC and Standard Operating Procedure. PPE issuance was recorded in PPE Issue Form by individual basis. Sampling on PPE issuance record for harvester and carrier dated August 2020.</li> <li>e) IOI Plantations has established Standard Operating Procedure for handlings of chemicals and documented in Occupational Safety and Health Management System as follows: Safety Work Procedure Storage and Management Chemical Store. Refer document no. IOI-OSH 3.2.2 rev. no. 1, Appendix 6(8-A) dated 1/8/2012 and Safety Work Procedure Pesticides Spraying. Refer document no. IOI-OSH 3.2.2 rev. no. 1, Appendix 6(9) dated 1/8/2012.</li> <li>f) Appointment letter for OSH responsible person(s) for workers' safety and health, dated 1/9/2020 to Mr Anwar Ridhwan B. Rosli</li> </ul>	<p>Complied</p>

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	<p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee’s health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<p>g) OSH meeting was done periodically 3 month once, latest conducted on 22/10/2020 and previous meeting was held on 28/8/2020. In Pamol Barat estate, osh meeting conduct quarterly and latest record sighted record 23 June 2020, 25 August 2020 ad 15 oct 2020.</p> <p>h) IOI Plantations has established flow chart Emergency Response Plan documented in Safety and health Plan under Emergency Response Plan. The ERP covers as follows, Accident for plantations tractor and lorry driver, Physical Injury, Fire outbreak, Flood, Chemical spillage at storage/premix area and Chemical spillage in the field CPO, Diesel and lubricant spillage.</p> <p>i) The management conducted the First aid training to First aider in estate, the record 29/1/2020 and from record the first aid all available at all filed operation as per First aid checklist. In Unijaya estate, first aid training conducted on 2/11/2020 handle by Norfadzillah binti Abd Rahman (HA). For Pamol Barat estate last First aid inspection was on 23/11/2020 for all 12 first aid in operation, the inspection done by monthly check. Verified as pe document record.</p> <p>j) Accident record was kept accordingly, JKPP 8 (JKKP8/40081/2019) dated 10/1/2020 was available for reviewed. From the record LTA was 179.25. The previous year only have 2 record of JKPP 6 with total 24 day MC and 6 day MC. In Pamol Barat estate, JKPP 8/333684/2019 dated 3/1/2020.</p>	
<b>Criterion 4.4.5: Employment conditions</b>			
<b>4.4.5.1</b>	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.	Human Rights Policy is contained IOI Group Sustainable Palm Oil Policy signed by its Chief Executive Officer and Group Head of Sustainability (Revised May 2020). It states the Company’s commitment to respect human rights of all workers in accordance with the Universal	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	Declaration of Human Rights, and United Nation’s Guiding Principles on Business and Human Rights.	
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>- <b>Major compliance</b> -</p>	<p>Sighed during audit was the IOI Group Sustainable Palm Oil Policy signed by its Chief Executive Officer and Group Head of Sustainability (Revised May 2020). Paragraph 4 of the Policy states that the Company would provide fair and equal opportunities for all employees, regardless of race, nationality, religion and gender. This Policy is available and displayed at the main notice boards and at the workers’ housing, and can be downloaded from the IOI website at <a href="http://www.ioigroup.com">www.ioigroup.com</a></p> <p>Interviews with the workers also confirmed that there has been no discriminatory practices within any of the units of certification.</p>	Complied
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>- <b>Major compliance</b> -</p>	<p>The Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020 and valid until 31 December 2022. Four-month payslips sighted also demonstrate that employees’ pay and conditions meet Collective Agreement terms, legal or industry minimum standards, and comply with their employment contracts.</p> <p>The following workers’ employment contracts and payslips were reviewed and verified:</p> <p><u>Pamol Timur Estate:</u></p> <ul style="list-style-type: none"> <li>➢ Worker No. 1PPP/IOI/0819/3668, employment contract dated 4 August 2019</li> <li>➢ Worker No. 1PPP/IOI/1019/3743 employment contract dated 30 Sept 2019</li> </ul>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>➤ Worker No. 1PPP/IOI/0320/11742 employment contract dated 19 March 2020</li> <li>➤ Worker No. 1PPP/IOI/0484/434 employment contract dated 1 Jan 2013 renewed on 8 March 2019</li> <li>➤ Worker No. 1PPP/IOI/1112/443 employment contract dated 1 Jan 2013 renewed on 1 Feb 2020</li> </ul> <p><u>Unijaya Estate:</u></p> <ul style="list-style-type: none"> <li>➤ Worker No. UJE1008 letter of offer dated 1 Jan 2019;</li> <li>➤ Worker No. UJE 1031 employment contract dated 1 Jan 2019;</li> <li>➤ Worker No. UJE1061 employment contract dated 2 March 2019 and renewed on 1 Feb 2020;</li> <li>➤ Worker No. 1218 employment contract dated 22 Aug 2017 and renewed on 1 Feb 2020;</li> <li>➤ Worker No. UJE 1054 employment contract dated 23 November 2018 and renewed on 1 Feb 2020</li> </ul> <p><u>Pamol Barat Estate:</u></p> <ul style="list-style-type: none"> <li>➤ Worker No. 1PPP/IOI/1018/3680 employment contract dated 30 October 2018 renewed on 7 Feb 2020</li> <li>➤ Worker No. 1PPP/IOI/0816/234 employment contract dated 21 August 2018, renewed on 7 Jan 2019 and 7 Feb 2020.</li> <li>➤ Worker No. 1PPP/IOI/0414/360 employment contract dated 1 July 2016, renewed on 1 July 7 Jan 2019 and 7 Feb 2020.</li> </ul>	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>➤ Worker No. 1PPP/IOI/1117/366 employment contract dated 11 Nov 2017, renewed on 7 Jan 2019 and 12 Nov 2020.</li> </ul>	
<b>4.4.5.4</b>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>Evidence is available that Unijaya Estate and Pamol Barat Estates ensured employees of contractors are paid based on legal or minimum standards. Contractors are required by the estate management to extend copies of their workers' employment contracts and payslips for review. Sighted during the audit were the payslips of Ah Teng Earthwork Construction Sdn Bhd's and Mido Enterprise's workers. The payslips demonstrates that the workers were paid more than the statutory minimum wages, and SOCSO, EPF and EIS contributions made by both the workers and contractors.</p>	Complied
<b>4.4.5.5</b>	<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><b>- Major compliance -</b></p>	<p>Records of all employees are available at Pamol Timur Estate, Unijaya Estate and Pamol Barat Estate. The records contain full names, NRIC number, passport number, gender, date of birth, age, date joined, service period, and job description.</p>	Complied
<b>4.4.5.6</b>	<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><b>- Major compliance -</b></p>	<p>Estates within the Pamol Kluang certification unit are able to demonstrate that all employees have been issued with employment contracts. These contracts were prepared in either Bahasa Malaysia (for Malaysians and Indonesians) and in dual language (English and either Nepali, Hindi, Bengali) for workers from India, Nepal or Bangladesh. Workers were given a copy for their safekeeping. The following workers' employment contracts were sampled:</p> <p><u>Pamol Timur Estate:</u></p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> <li>➤ Worker No. 1PPP/IOI/0819/3668, employment contract dated 4 August 2019</li> <li>➤ Worker No. 1PPP/IOI/1019/3743 employment contract dated 30 Sept 2019</li> <li>➤ Worker No. 1PPP/IOI/0320/11742 employment contract dated 19 March 2020</li> <li>➤ Worker No. 1PPP/IOI/0484/434 employment contract dated 1 Jan 2013 renewed on 8 March 2019</li> <li>➤ Worker No. 1PPP/IOI/1112/443 employment contract dated 1 Jan 2013 renewed on 1 Feb 2020</li> </ul> <p><u>Unijaya Estate:</u></p> <ul style="list-style-type: none"> <li>➤ Worker No. UJE1008 letter of offer dated 1 Jan 2019;</li> <li>➤ Worker No. UJE 1031 employment contract dated 1 Jan 2019;</li> <li>➤ Worker No. UJE1061 employment contract dated 2 March 2019 and renewed on 1 Feb 2020;</li> <li>➤ Worker No. 1218 employment contract dated 22 Aug 2017 and renewed on 1 Feb 2020;</li> <li>➤ Worker No. UJE 1054 employment contract dated 23 November 2018 and renewed on 1 Feb 2020</li> </ul> <p><u>Pamol Barat Estate:</u></p> <ul style="list-style-type: none"> <li>➤ Worker No. 1PPP/IOI/1018/3680 employment contract dated 30 October 2018 renewed on 7 Feb 2020</li> </ul>	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> <li>➤ Worker No. 1PPP/IOI/0816/234 employment contract dated 21 August 2018, renewed on 7 Jan 2019 and 7 Feb 2020.</li> <li>➤ Worker No. 1PPP/IOI/0414/360 employment contract dated 1 July 2016, renewed on 1 July 7 Jan 2019 and 7 Feb 2020.</li> <li>➤ Worker No. 1PPP/IOI/1117/366 employment contract dated 11 Nov 2017, renewed on 7 Jan 2019 and 12 Nov 2020.</li> </ul>	
<p><b>4.4.5.7</b></p>	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p><b>- Major compliance -</b></p>	<p>A time recording system has been established which makes working hours and overtime transparent. Sighted were the following: recording system:</p> <p>Unijaya Estate:</p> <ul style="list-style-type: none"> <li>a. <u>Auxiliary Police for Nov 2020 which shows the overtime hours from:</u> <ul style="list-style-type: none"> <li>○ 2.00PM to 16.00PM (4 hours) on 2 Nov 2020</li> <li>○ 2.00PM to 6.00PM (4 hours) on 13 Nov 2020</li> <li>○ 2.00PM to 6.00PM (4 hours) on 20 Nov 2020</li> <li>○ 2.00PM to 6.00PM (4 hours) on 23 Nov 2020</li> </ul> </li> <li>b. <u>Overtime report of field workers on 18 November 2020</u> <ul style="list-style-type: none"> <li>○ Upkeep of beneficial plant from 2.30PM to 6.30PM (4 hrs)</li> <li>○ Supervision of harvesters from 3.00PM to 7.00PM (4 hrs)</li> <li>○ Selective weeding from 3.30PM to 5.30PM (3 hrs)</li> <li>○ Watchman from 2.00PM to 6.00PM (4 hrs)</li> <li>○ Barn owl box census from 2.30PM to 6.30PM (4 hrs)</li> </ul> </li> </ul>	<p>Complied</p>



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance				
		<ul style="list-style-type: none"> <li>c. <u>Overtime records at Pamol Barat Estate chief clerk in October 2020</u> <ul style="list-style-type: none"> <li>o 6 hours of overtime</li> </ul> </li> </ul>					
<b>4.4.5.8</b>	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p><b>- Major compliance -</b></p>	<p>Based on the payslips and overtime records reviewed during the audit, Pamol Timur, Pamol Barat and Unijaya Estates were able to demonstrate that time records comply with legal regulations and Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020 and valid until 31 December 2022.</p> <p>Verified was the authorisation for 6 hours overtime for employee No. 1PPP/IOI/0703/378 for October 2020. The employee's payslip for October 2020 reflects this amount accordingly.</p>	Complied				
<b>4.4.5.9</b>	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p><b>- Major compliance -</b></p>	<p>Generally, wages and overtime payment are in line with legal regulations and Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020.</p> <p>However, at Unijaya Estate, a harvesting mandore worked more than 104 hours in June and October 2020.</p> <p>The Employment (Limitation of Overtime Work) Regulations 1980 limits overtime work to 104 hours a month. Sampled payslips for Worker No. 1PPP/IOI/1115/764 showed that the total overtime hours he worked in June and October 2020 were as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Month</th> <th>Overtime hours</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Month	Overtime hours			Not comply
Month	Overtime hours						

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings		Compliance				
		<table border="1"> <tr> <td>June 2020</td> <td>112.5</td> </tr> <tr> <td>October 2020</td> <td>109</td> </tr> </table>	June 2020	112.5	October 2020	109		
June 2020	112.5							
October 2020	109							
		<p>No permit under Section 60A (4) (a) for exceeding overtime limit has been obtained from the Labour Department.</p> <p>Therefore, a Major Non-Compliance was raised.</p>						
<b>4.4.5.10</b>	<p>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.</p> <p><b>- Minor compliance -</b></p>	<p>The unit of certification provides for its employees, free houses, subsidised water and electricity, free medical treatment and facilities, worshipping facilities such as mosque, Hindu and Buddhist temples, chapel, futsal court, volleyball court, transport allowance for field checkers, mandores, and auxillary police.</p>		Complied				
<b>4.4.5.11</b>	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.</p> <p><b>- Major compliance -</b></p>	<p>Based on visits to the linesite and interviews conducted with the workers, the unit of certification was able to demonstrate that on-site living quarters provided to all employees are habitable and comply with the Employees' Minimum Standard of Housing and Accommodation and Amenities Act 1990.</p>		Complied				
<b>4.4.5.12</b>	<p>The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p><b>- Major compliance -</b></p>	<p>Policy to prevent sexual and other forms of harassment and violence are contained in IOI Group Sustainable Palm Oil Policy (Revised May 2020) and Policy on Harassment at Workplace dated June 2018. The Policy sets out the Company's commitment to promote a safe and healthy working environment, and zero tolerance for any form of harassment at workplace. The Policy serves as a guidance on handling</p>		Complied				

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		matters related to harassment, and is being displayed at all the main notice boards.	
<b>4.4.5.13</b>	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p><b>- Major compliance -</b></p>	<p>The published statement recognising freedom of association is available in the IOI Group Sustainable Oil Palm Policy signed by Chief Executive Officer and Group Head of Sustainability (revised May 2020). This Policy is available in English and Bahasa Malaysia.</p> <p>Paragraph 4 of the Policy states that the Company would uphold the right to freedom of association and recognise the right to collective bargaining and allow trade unions to have access to the workers.</p> <p>This Policy is displayed on all main notice boards throughout.</p> <p>Sighted also was the Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020 and valid until 31 December 2022.</p> <p>Interview held with union representative also confirmed that management does not discriminate or retaliate against union members.</p>	Complied
<b>4.4.5.14</b>	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not expose to hazardous working conditions.</p> <p><b>- Major compliance -</b></p>	<p>A formal policy for the protection of children exists in IOI Group Sustainable Oil Palm Policy signed by Chief Executive Officer and Group Head of Sustainability (revised May 2020). Paragraph 4 of the Policy states that the Company would eliminate all forms of child labour. Based on records reviewed and observations made, there was no evidence of any children or young persons employed or exploited.</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance														
<b>Criterion 4.4.6: Training and competency</b>																	
<b>4.4.6.1</b>	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p><b>- Major compliance -</b></p>	<p>All employees and contractors /vendors were provided with training by the management. The training among other covers all aspects of the MSPO requirements. There were also additional subjects including the estates operating procedures, parameters of FFB qualities vehicles maintenance etc.</p> <p>The training program also specified the target group of employees to be trained under the allocated subjects. The subjects for the training are issued and assisted by the Sustainability Unit.</p>	Complied														
<b>4.4.6.2</b>	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p><b>- Major compliance -</b></p>	<p>The training program specified the target group of employees to be trained for the identified subjects. In addition to the Good Mill /Agricultural Practice training, that is, Process stations / field SOP related to trade/job skills, the following topics, among others, were included in the 2020 annual training program;</p> <table border="1"> <thead> <tr> <th>Operating Unit</th> <th>Date</th> <th>Training</th> </tr> </thead> <tbody> <tr> <td rowspan="5">Pamol Barat Estate</td> <td>3/11/2020</td> <td>Oil Trap maintainance Training</td> </tr> <tr> <td>22/9/2020</td> <td>Waste segregation Training</td> </tr> <tr> <td>2/11/2020</td> <td>Traceability training</td> </tr> <tr> <td>22/9/2020</td> <td>High Conservation value Training</td> </tr> <tr> <td>4/11/2020</td> <td>Water Quality</td> </tr> </tbody> </table>	Operating Unit	Date	Training	Pamol Barat Estate	3/11/2020	Oil Trap maintainance Training	22/9/2020	Waste segregation Training	2/11/2020	Traceability training	22/9/2020	High Conservation value Training	4/11/2020	Water Quality	Complied
Operating Unit	Date	Training															
Pamol Barat Estate	3/11/2020	Oil Trap maintainance Training															
	22/9/2020	Waste segregation Training															
	2/11/2020	Traceability training															
	22/9/2020	High Conservation value Training															
	4/11/2020	Water Quality															

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings			Compliance
				Index and sampling training	
			5/11/2020	IPM Training	
		Pamol Barat	20/9/2020	Fire drill & emergency procedure training	
			20/9/2020	First aid training	
			29/5/2020	High Conservation Value training	
			4/11/2020	Scheduled waste training	
			15/10/2020	Chemical spillage and store management	
			2/9/2020	Chemical spraying training	
			19/5/2020	Rat Baiting training	
			23/5/2020	Buffalo harvesting training	
<b>4.4.6.3</b>	A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.  <b>- Minor compliance -</b>	Training details are planned and summarised in the Estate Safety And Health Program for the year 2019 and the Sustainability Program. Training program are made on annual basis. In addition it is subject for a review during the financial year should need arises. These training are made to ensure employees are trained in their job and on to update on current development adopted by the organisation.			Complied

Criterion / Indicator	Assessment Findings	Compliance	
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>			
<b>Criterion 4.5.1: Environmental Management Plan</b>			
<b>4.5.1.1</b>	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.  <b>- Major compliance -</b>	The IOI Plantations "Sustainability Policy" was established with included environment. The policy was signed by Dato' Lee Yeow Chor, Group Managing Director & CEO on Oct 2020. The sampling estate (Pamol Timur, Unijaya and Pamol Barat) environmental improvement and management plan has been established to monitor the identified significant activities that give impacts on environment. The Assistant Manager has been appointed to do the monitoring to ensure the plan is effectively implemented.	Complied
<b>4.5.1.2</b>	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations.  <b>- Major compliance -</b>	An environmental improvement plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Last reviewed was done on 1/11/2020 for aspect and impact for environmental management plan	Complied
<b>4.5.1.3</b>	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.  <b>- Major compliance -</b>	All the estates documented a similar environmental improvement plan being having similar operations and work method throughout the region. The continual improvements plans are aimed to; a) prevent and reduce pollutant, b) prevent and reduce waste products release c) reduce chemicals comprising pesticides or fertilizer.  The monitoring is made through the daily supervision and visits by the higher management.	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance						
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. <b>- Minor compliance -</b>	From the programme in the action plan, the positive impact also available to ensure the continual improvement such as reduce water Usage reduce diesel usage and reduce herbicide also pesticide usage. The action plan still same as per previous audit due to continues to improvement the reduction.	Complied						
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. <b>- Major compliance -</b>	The awareness and training programme were established and implemented to ensure that all employee understand the policy and objective of the environmental, safety and health. Details of the training held as shown in 4.4.6.3.	Complied						
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. <b>- Major compliance -</b>	Environmental related matters were discussed during environment meeting conducted quarterly a year. The meeting conducted on 28/8/2020 and previously 11/6/2020 in Pamol Timur estate. The estate has appointed Environmental Liaison Officer. Any issue regarding environmental can be reported through the officer appointed.	Complied						
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>									
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. <b>- Major compliance -</b>	<p>The estates consistently monitor the following and tabulate the data monthly. Direct usage of diesel for the estate's operations are recorded. The quantity in mt is divided over the mt FFB produced (ratio) during the month. The performance is measured by this ratio to indicate the level of performance. The data is compiled for comparison and control for future improvement with aim of gradual reduction of diesel. Diesel usage record as per below: -</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Estate</th> <th style="width: 35%;">2019</th> <th style="width: 35%;">2020</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Estate	2019	2020				Complied
Estate	2019	2020							

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings		Compliance										
			<table border="1"> <tr> <td>Total (Liter) / diesel usage per FFB produce</td> <td>Total (Liter) / diesel usage per FFB produce</td> </tr> <tr> <td>Pamol Timur</td> <td>42,750.42 / 0.75</td> </tr> <tr> <td>Unijaya</td> <td>25,526.81/ 0.80</td> </tr> <tr> <td>Pamol Barat</td> <td>40,235.6/1.49</td> </tr> <tr> <td></td> <td>35,820.42/1.64</td> </tr> </table>	Total (Liter) / diesel usage per FFB produce	Total (Liter) / diesel usage per FFB produce	Pamol Timur	42,750.42 / 0.75	Unijaya	25,526.81/ 0.80	Pamol Barat	40,235.6/1.49		35,820.42/1.64	
Total (Liter) / diesel usage per FFB produce	Total (Liter) / diesel usage per FFB produce													
Pamol Timur	42,750.42 / 0.75													
Unijaya	25,526.81/ 0.80													
Pamol Barat	40,235.6/1.49													
	35,820.42/1.64													
<b>4.5.2.2</b>	<p>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.</p> <p><b>- Major compliance -</b></p>	<p>The monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Consumption of electricity is also recorded mainly reading from the meters. Diesel utilisation is recorded at ratio vs the mt FFB. Graph is tabulated to see the trend of performance. The annual diesel and electricity estimates is provided in the annual budget.</p>		Complied										
<b>4.5.2.3</b>	<p>The use of renewable energy should be applied where possible.</p> <p><b>- Minor compliance -</b></p>	<p>There is no opportunity for the estates to capitalize the utilization of fibre/shell as part of their energy production in replacement of fossil fuel with the current technology limitation.</p>		Complied										
<b>Criterion 4.5.3: Waste management and disposal</b>														
<b>4.5.3.1</b>	<p>All waste products and sources of pollution shall be identified and documented.</p> <p><b>- Major compliance -</b></p>	<p>All waste and pollution are identified and documented in the Waste Management Plan 2020 its included scheduled waste, recycle waste, Domestic waste, industrial waste, sewage, and etc. This identified based on the operation activity with environmental aspect and impact verification.</p>		Complied										
<b>4.5.3.2</b>	<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>The details of the waste management plan is described below; -</p> <ul style="list-style-type: none"> <li>Domestic waste such as Rubbish from workers housing will have Collection/disposal min 2x /week and management will create awareness on hygiene for workers and monitoring of line site</li> </ul>		Complied										



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products  <b>- Major compliance -</b>	<ul style="list-style-type: none"> <li>Industrial waste such as fertiliser bag will be reuse for Loose Fruit collection as a bag and also sell to appointed contractor</li> <li>Scheduled Waste such as empty chemical container will be collect and record the inventory and will be disposed at license contractor.</li> </ul>	
<b>4.5.3.3</b>	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.  <b>- Major compliance -</b>	The management already establish Scheduled waste procedure under title Competency and training (IOI-OSH 3.2.2) dated 22 May 2020 Rev: 01. Thus SOP cover list of SW, Notification of SW, SW labelling, Inventory and etc. On verification implementation of SW, in Pamol Barat estate, Inventory of SW available refer File ref; AS(B)J11/123/000/095. Sampling on disposal of SW 109 (Consg. Note; 2020072010F106DE) dated 2/7/2020 at Kualiti Alam Sdn Bhd. And previously 202002241283RKBX dated 24/2/2020 at Kualiti Alam Sdn Bhd.	Complied
<b>4.5.3.4</b>	Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.  <b>- Major compliance -</b>	IOI Plantations has established Standard Operating Procedure for empty pesticides container handling documented in Safety Work Procedure Empty Chemical Container Management document no. IOI-OSH 3.2.2 rev. no. 1, Appendix 6(31) dated 1/8/2012. However, the empty pesticide container declared as scheduled waste SW 409. Latest disposal was on 4/11/2020 at PLST Petro-Chemical Sdn Bhd as per consignment note 2020111117BN8ZDA with total 0.02 mt.	Complied
<b>4.5.3.5</b>	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.  <b>- Minor compliance -</b>	Domestic waste – by MIDO Recycle sampling latest disposal was on 7/10/2020 with total 2120 kg. This disposal been done 2 weekly once.	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.5.4:</b> Reduction of pollution and emission			
<b>4.5.4.1</b>	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. <b>- Major compliance -</b>	The assessment already been conducted by management to identify the pollution activity and impact of the activity in estate including greenhouse gases emissions, scheduled waste, domestic waste and gardening waste. This verification also been done under environmental aspect and impact.	Complied
<b>4.5.4.2</b>	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. <b>- Major compliance -</b>	To verification the action plan pertaining to pollution reduction in estate, sampling on scheduled waste implementation of SW, in Pamol Barat estate, Inventory of SW available refer File ref; AS(B)J11/123/000/095. Sampling on disposal of SW 109 (Consg. Note; 2020072010F1O6DE) dated 2/7/2020 at Kualiti Alam Sdn Bhd. And previously 202002241283RKBX dated 24/2/2020 at Kualiti Alam Sdn Bhd. The record was available for reviewed in estate.	Complied
<b>Criterion 4.5.5:</b> Natural water resources			
<b>4.5.5.1</b>	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: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application,	The water management plan available for reviewed dated 8/7/2020 to maintain the quality and availability of natural water resources (surface and ground water). The water management plan include;- i. A single water source been declared from water government (SAJ) in Pamol Timur estate. In Unijaya Estate, water supply was from pond, latest result was on July 2019 (ENV/WTR/UJE/175) by ENV Consultancy & Monitoring Services. ii. The monitoring of outgoing water been once a year, latest record was on December 2020 (PTE/13/12/2019) by IOI Research Centre Gemenceh. In Unijaya estate the monitoring on small stream done 18/12/2019. From the monitoring Pamol Timur estate have 10 inlet and one outlet. The result showed inclined with INWQS(National Water Quality Standards). For this year the	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	<p>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>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><b>- Major compliance -</b></p>	<p>Research centre already take water sampling in 12/11/2020 and result still pending.</p> <p>iii. To optimize the water and nutrient usage to reduce wastage, management to monitoring the pipe leakage in residential area, ensure no leakage of spraying pumps and educate the workers regarding to promotes water conservation.</p> <p>iv. For protection of water courses, site visit at area P05 sighted no chemical activity trace in bufferzone area.</p> <p>v. No trace of natural vegetation in riparian areas has been removed. All in good condition.</p> <p>vi. No bore well is being use for water supply Pamol Timur estate using Ranhill SAJ (Syarikat Air Johor) as water supply. In Unijaya estate, water treatment been used to provide water for Domestic used.</p>	
<b>4.5.5.2</b>	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p><b>- Minor compliance -</b></p>	<p>There is no construction of bunds, weirs and dams across main rivers or waterways passing through Pamol Timur estate and Pamol Barat estate.</p>	Complied
<b>4.5.5.3</b>	<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><b>- Minor compliance -</b></p>	<p>Water harvesting practices was implemented. It was used for washing compound at estate office.</p>	Complied
<p><b>Criterion 4.5.6:</b> Status of rare, threatened, or endangered species and high biodiversity value</p>			

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
<p><b>4.5.6.1</b> Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <ul style="list-style-type: none"> <li>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</li> <li>b) Conservation status (<i>e.g.</i> 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.</li> </ul> <p><b>- Major compliance -</b></p>	<p>The Inventory of HCV Sites within Pamol Estates conducted on Sept 2014 and reviewed back on 11/11/2010 by Tinesh Rajasegaran.</p> <ul style="list-style-type: none"> <li>• Identification of HCV in Pamol Timur estate have 2 HCV;- HCV 4.2( Steep sites and bufferzone ) and HCV 5 (Stream) with total 10.5 Ha however the detail of hectare area was not available. In Unijaya estate, HCV 4 with total 7.58 ha for Buffer zone and Pond with 0.13Ha (PM16A).</li> </ul> <p>In the Biodiversity assessment or HCV assessment already included to identify RTE species surrounding the estate and ensure the status of species identified, to develop action plan to maintain/enhance the species and educate workforce to ensure no individual capture the RTE.</p>	<p>Complied</p>
<p><b>4.5.6.2</b> If rare, threatened or endangered species or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <ul style="list-style-type: none"> <li>a) Ensuring that any legal requirements relating to the protection of the species are met.</li> <li>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</li> </ul> <p><b>- Major compliance -</b></p>	<p>As per verification, there is no RTE species in the area as per assessment. The monitoring record available for review dated 10/4/2020. The signage discouraging any illegal or inappropriate hunting, fishing or collecting activities available verified during site visit. The management also conducted programme to educate the workers regarding RTE and HCV in estate.</p>	<p>Complied</p>
<p><b>4.5.6.3</b> A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p><b>- Major compliance -</b></p>	<p>The Environment Improvement &amp; Management plan dated 16/3/2020 on the protection of HCV areas is available. The monitoring also available for reviewed latest record was on Oct 2020.</p>	<p>Complied</p>

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
<b>Criterion 4.5.7: Zero burning practices</b>			
<b>4.5.7.1</b>	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice. <b>- Major compliance -</b>	The Zero burning policy (May 2018) been mention and revise under IOI Sustainable Palm Oil Policy dated Oct 2020 approved by Dato' Lee Yeow Chor Group Managing Director 7 Chief Executive Officer and Dr Surina Ismail (Group Head of Sustainability).	Complied
<b>4.5.7.2</b>	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. <b>- Major compliance -</b>	The management maintained zero open burning and opted for other option in case of potential significant risk of disease spread for the continuation of other crop. Hence this requirement is not used in the estate practices.	Complied
<b>4.5.7.3</b>	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. <b>- Major compliance -</b>	The management maintained zero open burning and opted for other option in case of potential significant risk of disease spread for the continuation of other crop. Hence this requirement is not used in the estate practices	Complied
<b>4.5.7.4</b>	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. <b>- Minor compliance -</b>	This is in practice whenever the estate commences land preparation for its replanting works. Sampling in PR19 in Pamol Timur estate and PR 20A in Unijaya estate, no sighted any pen burning been done in this replanting area.	Complied
<b>4.6 Principle 6: Best Practices</b>			
<b>Criterion 4.6.1: Site Management</b>			
<b>4.6.1.1</b>	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.	The management already establish Standard Operating procedure for all operation activity, sampling on standard operating procedure in Pamol Barat estate for empty fruit bunch (EFB) Mulching (Doc Ref:	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance														
	- Major compliance -	IOI/SOP/A/13 Issue dated: 2007 reviewed on March 2020). Verification on site at Block 19 A and 19D completed on April 2020, all efb apply Sigle layer on either side of the palm within canopy drip. Total for each palm was around 150 – 300 kg. The total implementation of EFB in field 19A was 208 MT															
4.6.1.2	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 either soil, nutrients or chemicals.  - Major compliance -	Landscapes of are mostly Pamol barat was undulating, flat, rolling and hilly. No replanting within areas more than 25 degrees in Pamol Barat. The topography map detail as per below:- <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Slope classes</th> <th>Area/Percentage</th> </tr> </thead> <tbody> <tr> <td>0-2</td> <td>24.29%</td> </tr> <tr> <td>2-6</td> <td>63.22%</td> </tr> <tr> <td>6-12</td> <td>12.25%</td> </tr> <tr> <td>12-15</td> <td>0.19%</td> </tr> <tr> <td>15-25</td> <td>0.05%</td> </tr> <tr> <td>&gt;25</td> <td>Nil</td> </tr> </tbody> </table>	Slope classes	Area/Percentage	0-2	24.29%	2-6	63.22%	6-12	12.25%	12-15	0.19%	15-25	0.05%	>25	Nil	Complied
Slope classes	Area/Percentage																
0-2	24.29%																
2-6	63.22%																
6-12	12.25%																
12-15	0.19%																
15-25	0.05%																
>25	Nil																
4.6.1.3	A visual identification or reference system shall be established for each field.  - Major compliance -	The visual identification system was available verified during site visit in Field PR15 in Unijaya Estate.	Complied														
<b>Criterion 4.6.2: Economic and financial viability plan</b>																	
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning.  - Major compliance -	All the estates audited possessed a similar budget format. Inclusive there is also a 5-year budget/forecast financial plan 2020/21-2024/25 allocating categories among others; a) Area statement. - Year of planting - Total mature areas - Total immature areas. b) Crop FFB monthly breakdown	Complied														

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance																								
		c) 10 years replanting program d) Summary replanting program by field e) Detail replanting program by field f) Executives/staff/workers requirement g) Mature oil palm costing statement - Upkeep & cultivation																									
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years.  <b>- Major compliance -</b>	All the estates in the Pamol Kluang complex maintained records of replanting for a horizon minimum of 5 years. Annual replanting programme for all sampling estate:- <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Year/estate</th> <th>19/20</th> <th>21/22</th> <th>22/23</th> <th>23/24</th> <th>24/25</th> </tr> </thead> <tbody> <tr> <td>Unijaya</td> <td>131</td> <td>0</td> <td>0</td> <td>64</td> <td>0</td> </tr> <tr> <td>Pamol Timur</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>100</td> </tr> <tr> <td>Pamol Barat</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Year/estate	19/20	21/22	22/23	23/24	24/25	Unijaya	131	0	0	64	0	Pamol Timur	0	0	0	0	100	Pamol Barat	0	0	0	0	0	Complied
Year/estate	19/20	21/22	22/23	23/24	24/25																						
Unijaya	131	0	0	64	0																						
Pamol Timur	0	0	0	0	100																						
Pamol Barat	0	0	0	0	0																						
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) Financial indicators: cost benefit, discounted cash flow, return on investment  <b>- Major compliance -</b>	This requirement i.e. crop material, crop projection, yield, production cost is available. It is provided in the business management plan shown in item 4.6.2.1 above. The estates had a format and guideline to calculate the returns on the field operations i.e. Income=sale of FFB (with award of CPO/CPK from the mill) less the expenditure (fixed and direct cost). The main document is handled by the higher management based in Head Office.	Complied																								

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p><b>- Major compliance -</b></p>	<p>The estates performance is recorded in the monthly progress report. Details on the actual vs budget i.e. crop production, fixed and direct cost are shown therein. The management also provides variance report on the performance and reviewed monthly.</p> <p>The supervisory personnel maintained a daily cost for the field operations.</p> <p>The regional meetings involving the Managers sit monthly with the Plantation Controller for the performance review.</p>	Complied
<b>Criterion 4.6.3: Transparent and fair price dealing</b>			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p><b>- Major compliance -</b></p>	<p>Pricing mechanisms for services are documented and effectively implemented. Sighted during the audit were the following contracts:</p> <p>a. Between Pamol Plantations Sdn Bhd and Rama Plantation and Transportation dated 1 July 2020 (Contract No. PBE/002-20/21) for transport and manual loading FFB from Pamol Barat Estate to the Pamol Mill; valid from 1 July 2020 until 30 June 2021.</p> <p>b. Between Pamol Plantations Sdn Bhd and Mido Enterprise (Contract No. PBE/006-20/21) for collection of domestic waste valid from 1 July 2020 until 30 June 2021.</p> <p>Both contracts have clear expiry dates and contains clear price mechanisms and payment terms of 30 days.</p>	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p><b>- Major compliance -</b></p>	<p>Contracts sighted at Pamol Barat Estate (see 4.6.3.1 above) are fair, legal and transparent. The contract contains a mutual termination clause, clear payment terms of 30 days of invoice date or completion of work to the company's satisfaction, and has a fixed duration.</p>	Not Comply



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
	<p>However, the contract signed between Pamol Plantations Sdn Bhd (the Company) and Ah Teng Earthwork Construction Sdn Bhd (the Contractor) for land preparation and replanting works was undated.</p> <p>a. This contract does not contain fair terms because:</p> <ul style="list-style-type: none"> <li>- Only the Company has the right to terminate the contract. This right is not extended to the Contractor.</li> <li>- The contract also details out all the obligations of the Contractor, but contains none of the Company's obligations such as obligation to pay upon satisfactory completion of work, compliance with all applicable laws and regulations, including sustainability requirements.</li> <li>- There is no clear contract duration.</li> <li>- There is no provision for extension of work period in the event of adverse weather conditions or force majeure.</li> </ul> <p>b. There is no transparency on when the Company should make payments to the Contractor.</p> <p>c. Invoice No IV-2008-0004 dated 21 August 2020 for the sum of RM116,822.52 contains a 30-day term of payment. However, this amount remains unpaid as of the date of audit.</p> <p>Therefore, a Major Non-Compliance was raised.</p>	
<p><b>Criterion 4.6.4: Contractor</b></p>		

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. <b>- Major compliance -</b>	Contractors engaged by the unit of certification are given Additional Requirements for Contractors and Service Providers. In this document, contractors, among others, confirmed their awareness and compliance with MSPO requirements, and they also acknowledged that IOI and its certification bodies have the right to audit the contractors. Sampled were documents signed by Mido Enterprise and Rama Plantation And Transportation.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	Management was able to provide evidence of agreed contracts as follows:  1. Between Pamol Plantations Sdn Bhd and Rama Plantation and Transportation dated 1 July 2020 (Contract No. PBE/002-20/21) for transport and manual loading FFB from Pamol Barat Estate to the Pamol Mill; valid from 1 July 2020 until 30 June 2021.  2. Between Pamol Plantations Sdn Bhd and Ms Mido Enterprise (Contract No. PBE/006-20/21) for collection of domestic waste valid from 1 July 2020 until 30 June 2021.  Between Pamol Plantations Sdn Bhd and Ah Teng Earthwork Construction Sdn Bhd for replanting activities.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. <b>- Minor compliance -</b>	Contractors engaged by the Estates are given Additional Requirements for Contractors and Service Providers. In this document, contractors, among others, confirmed their awareness and compliance with MSPO requirements, and they also acknowledged that IOI and its certification bodies have the right to audit the contractors.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor,	Evidence was available that checking and assessing of each task contracted was carried out by estate management team. This was carried out to ensure tasks were performed by the contractors. Sighted	Complied

Criterion / Indicator		Assessment Findings	Compliance
	by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	were the confirmation of tasks performed by Ah Teng Earthwork Construction Sdn Bhd related to felling works.	
<b>4.7 Principle 7: Development of new planting (No new planting)</b>			

**Malaysian Sustainable Palm Oil Part 4: General Principles for Palm Oil Mills.**

Criterion / Indicator		Assessment Findings	Compliance
<b>4.1 Principle 1: Management commitment &amp; responsibility</b>			
<b>Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy</b>			
<b>4.1.1.1</b>	Policy for the implementation of MSPO shall be established. <b>- Major compliance -</b>	A Policy for the implementation of MSPO has been established in paragraph 4 of the IOI Group Sustainable Oil Palm Policy. This Policy was revised in October 2020 and signed by the Group Managing Director & Chief Executive Officer, as well as the Group Head of Sustainability. Paragraph 4 states that IOI operations in Peninsular Malaysia and Sabah are 100% RSPO and MSPO certified, and that it would commit towards sustainable production of palm oil and its continuous improvement as outlined in the MSPO guidelines.	Complied
<b>4.1.1.2</b>	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. <b>- Major compliance -</b>	The IOI Group Sustainable Oil Palm Policy which was revised in October 2020 and signed by the Group Managing Director & Chief Executive Officer as well as the Group Head of Sustainability also states that it would commit towards continuous improvement as outlined in the MSPO guidelines.	Complied
<b>Criterion 4.1.2 – Internal Audit</b>			
<b>4.1.2.1</b>	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. <b>- Major compliance -</b>	Management establish standard operation procedure for MSPO Internal Audit procedure Doc No: MSPO/SOP/IA/2 Rev: 02 dated 1/11/2018. The internal audit conducted on 23/9/2020 by sustainability executive. From the report, 11 nonconformity been raised and closed on 27/10/2020 verified by Sustainability manager and internal auditor.	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
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 -	Management establish standard operation procedure for MSPO Internal Audit procedure Doc No: MSPO/SOP/IA/2 Rev: 02 dated 1/11/2018. The evaluation been done by sustainability manager on 27/10/2020. Verification on implementation of internal audit NCR closure on Worker home inventory survey already implement by management dated 13 Nov 2020.	Complied
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The internal audit report was available for reviewed in Pamol POM. The management already review the internal audit outcome and verification been done accordingly dated 22/10/2020.	Complied
<b>Criterion 4.1.3 – Management Review</b>			
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 management review meeting conducted on 22/10/2020, This meeting discuss regarding to outcome of internal audit, customer feedback, process performance and CAP, follow up action, recommendation for improvement, compliant and grievances and others.	Complied
<b>Criterion 4.1.4 – Continual Improvement</b>			
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 -	The continuous improvement plan covered Environmental, Safety and Social. Sampling on environmental continuous action plan was available under Environmental aspect and impact sampling on main activity Spillage of oil to monsoon drain, this will cause water pollution. Continuous improvement plan was available and maintained at all assessed sites. Sampled the following as examples: The Pamol Kluang POM CIP on environmental are:  1) to reduce black smoke emission from boiler by installing boiler emission control system and comply with Ringlemann Chart 1;	Complied

Criterion / Indicator		Assessment Findings	Compliance
		2) to reduce the fuel usage (fibre & shell) at Biogas plant by installing new gas burner directly link to boiler for combustion purpose] 3) to reduce the chloride content to meet MPOB requirement by installing new CPO Washing Plant at Oil Room. 4) As prevention or action plan, management conducted oil trap monitoring 2 weekly once. Implementation record available for reviewed dated 21/11/2020.	
<b>4.1.4.2</b>	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.  <b>- Major compliance -</b>	No new information or system in Pamol POM during assessment. The system all updated accordingly.	Complied
<b>4.2 Principle 2: Transparency</b>			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
<b>4.2.1.1</b>	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms.  <b>- Major compliance -</b>	The stakeholders were informed of the documents that stakeholder can have access to during stakeholder meeting held on 2 November 2020. This stakeholder meeting was attended by 31 stakeholders and the briefing was given in Bahasa Malaysia. The meeting also informed the stakeholders how the documents can be accessed, which include the Sustainability Corner which are available at each estate and mill office.  Stakeholders can have access to the documents using the SOP 6.11 Stakeholder Request Procedure where the stakeholder can either visit, call or write a formal letter to the estate/mill management.	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		Stakeholders can also access the information from IOI website: <a href="http://www.ioigroup.com">www.ioigroup.com</a>	
<b>4.2.1.2</b>	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.  - <b>Major compliance</b> -	Among the management documents that are publicly available include:  <ul style="list-style-type: none"> <li>- Whistleblowing Policy</li> <li>- Sustainability certificates, (RSPO, MSPO, ISCC),</li> <li>- Grievance reporting procedure;</li> <li>- Negotiation procedure;</li> <li>- Grievance procedure for land owner issue;</li> <li>- Land use compensation procedure;</li> <li>- Stakeholder request procedure;</li> <li>- IOI Group Policies;</li> <li>- Environmental Impact Assessment, management Action Plan &amp; Continuous Improvement Plan;</li> <li>- Safety &amp; Health Plans;</li> <li>- Water Management Plan.</li> </ul>	Complied
<b>Criterion 4.2.2 – Transparent method of communication and consultation</b>			
<b>4.2.2.1</b>	Procedures shall be established for consultation and communication with the relevant stakeholders.  - <b>Major compliance</b> -	The Company has a Stakeholder Request Procedure SOP 6.11 Appendix 10.0 Rev 1A effective 17 Jan 2017. This SOP is also accompanied by a flowchart which details out the procedure for consultation and communication. Additionally, there is also the SOP on Stakeholder Complaint Procedure SOP 6.11 Appendix 9.0 Rev 1A effective date 17 Jan 2017.	Complied
<b>4.2.2.2</b>	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> .  - <b>Minor compliance</b> -	Management has appointed Mr. Amiruddin bin Mustafa Kamal Iskandar, Assistant Manager as the Social Liaison Officer as per appointment letter dated 6 July 2020. His responsibility covers welfare and social needs of stakeholders, periodic visits to	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		neighbouring stakeholders, maintenance and monitoring of grievance issues and facilitate feedback mechanism, etc.	
<b>4.2.2.3</b>	<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><b>- Major compliance -</b></p>	<p>Sighted during the audit were list of stakeholders for the Mill. The stakeholder list was updated on 29 September 2020. The stakeholders comprise government bodies (e.g. Labour Department, MPOB Kluang, JAKOA Kluang, PERKESO Kluang, KWSP Kluang), relevant embassies (Indonesian Consulate Johor Baru, High Commission of India, Bangladesh and Nepal Embassy), NGO's (e.g. NUPW, AMESU), neighbouring estates/smallholders, neighbouring villagers (e.g. Kg Pengkalan Tereh, Kg Sri Tambak, Kg Gajah), suppliers, contractors, transporters, worshipping areas and schools. The lists contain details of stakeholders such as their names, type of agencies or bodies, complete address, contact persons, and contact numbers.</p> <p>The latest stakeholder minutes meeting was available dated 2 November 2020. All positive and negative issues captured in the SIA management plan.</p>	Complied
<b>Criterion 4.2.3 – Traceability</b>			
<b>4.2.3.1</b>	<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><b>- Major compliance -</b></p>	<p>Pamol Palm Oil Mill and Estate implemented the supply chain program based on Standard Operation Procedure under Title: MSPO Supply Chain – Oil Mill: Segregation (SG) Doc No: MSPOSC/SOP/SG/1 Rev: 00 Dated 1/12/2018. The procedure was prepared by to cover the implementation of all supply chain requirements for both POM and estate.</p>	Complied
<b>4.2.3.2</b>	<p>The management shall conduct regular inspections on compliance with the established traceability system.</p>	<p>The management already conduct the inspection to traceability system during internal audit dated 23/9/2020 by team sustainability team.</p>	Complied



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -		
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system.  - <b>Minor compliance</b> -	The procedure also specified that the assistant manager and staff appointed shall have the overall responsibility for the implementation of the procedure with assignment of relevant personnel from various departments to assist in the implementation. Sighted the Letter of Appointment for assistant manager dated Mr Chua Seng Wei (Assistant Manager) dated 10 November 2017.	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained.  - <b>Major compliance</b> -	Records of sales, delivery/transportation maintained as per following samples:  Input: Sampled the weighbridge ticket as below: Weighbridge ticket: 271507 Supplier: Pamol Timur estate Transporter: MIS 4 Product: Fresh Fruit Bunch Contract: - Nett weight: 7,630 kg Date: 9/1/2018  Weighbridge ticket: FB19013750 Supplier: Unijaya estate Transporter: TAS 3454 Product: Fresh Fruit Bunch Contract: - Nett weight: 23,900 kg Date: 13/7/2020  Output:	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		Weighbridge Ticket: CP19001455 Product: CPO Customer: XXXX Vehicle No: NAM 2136 Sale order no: C19016 Nett weight: 32,550 kg Date: 20/11/2020	
<b>4.3 Principle 3: Compliance to legal requirements</b>			
<b>Criterion 4.3.1 – Regulatory requirements</b>			
<b>4.3.1.1</b>	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.  <b>- Major compliance -</b>	<p>Pamol Kluang Region Certification Unit (CU) had identified and documented forty nine sets of legal requirements as applicable to its business. Latest update include Employees Minimum Standard of Housing, Accommodation and Amenities (Accommodation and Centralized Accommodation) Regulations 2020.</p> <p>At estates and mill assessed, sighted among others the lists of business licences, equipment and machinery permits, competent persons and review of documentations to verify implementation of legal requirements. Generally, the auditors found they were in order.</p> <p>Sample among the above named documents as follows:</p> <p><b><u>Pamol Kluang POM</u></b></p> <ol style="list-style-type: none"> <li>1) Energy commission license serial #005983/2017, installation #ST (SJB) P/S/JHR/00128 for 3400 kW valid until 10/08/2021.</li> <li>2) MPOB license 500040104000 dated 01/04/2020 until</li> </ol>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance																								
	<p>31/03/2021 for total of 288,000 mt FFB.</p> <p>3) Weighbridge SN B444206682 Mettler Toledo – IND 780, 80 tonnes Sijil Penentuan B1501279 inspected on 29.07.2020</p> <p>4) Fire Certificate No. 17/2019 valid through 21.01.2022</p> <p>5) Diesel license ref #BPGK/JH (KLU)0273 SK for 18,000 liter valid from 27/02/2020 until 26/02/2021.</p> <p>6) Energy Commission License for Private Installation of 3400kw electricity supply expiry date 9.8.2021.</p> <p>7) Competent Persons</p> <p>a. Authorised Gas tester and Entry Supervisor (AGTES) For Confine Space</p> <table border="1" data-bbox="1167 794 1865 944"> <thead> <tr> <th>Position</th> <th>Expiry date</th> <th>Certificate No.</th> </tr> </thead> <tbody> <tr> <td>Mill Manager</td> <td>8.4.2021</td> <td>NW-HQ-AE-1610-P</td> </tr> <tr> <td>Asst. Mill Manager</td> <td>16.7.2021</td> <td>HQ/19/AGTES/01/03181</td> </tr> </tbody> </table> <p>b. Authorised Gas tester and Entry Supervisor (AGTES) For Confine Space</p> <table border="1" data-bbox="1167 1059 1865 1305"> <thead> <tr> <th>Position</th> <th>Expiry date</th> <th>Certificate No.</th> </tr> </thead> <tbody> <tr> <td>Fitter</td> <td>15.4.2021</td> <td>NW-NJHR-AE-2425-R</td> </tr> <tr> <td>Boilerman</td> <td>15.4.2021</td> <td>NW-NJHR-AE-2421-R</td> </tr> <tr> <td>Biogas Operator</td> <td>15.4.2021</td> <td>NW-NJHR-AE-2423-R</td> </tr> <tr> <td>Lab Technician</td> <td>15.4.2021</td> <td>NW-NJHR-AE-2424-R</td> </tr> </tbody> </table>	Position	Expiry date	Certificate No.	Mill Manager	8.4.2021	NW-HQ-AE-1610-P	Asst. Mill Manager	16.7.2021	HQ/19/AGTES/01/03181	Position	Expiry date	Certificate No.	Fitter	15.4.2021	NW-NJHR-AE-2425-R	Boilerman	15.4.2021	NW-NJHR-AE-2421-R	Biogas Operator	15.4.2021	NW-NJHR-AE-2423-R	Lab Technician	15.4.2021	NW-NJHR-AE-2424-R	
Position	Expiry date	Certificate No.																								
Mill Manager	8.4.2021	NW-HQ-AE-1610-P																								
Asst. Mill Manager	16.7.2021	HQ/19/AGTES/01/03181																								
Position	Expiry date	Certificate No.																								
Fitter	15.4.2021	NW-NJHR-AE-2425-R																								
Boilerman	15.4.2021	NW-NJHR-AE-2421-R																								
Biogas Operator	15.4.2021	NW-NJHR-AE-2423-R																								
Lab Technician	15.4.2021	NW-NJHR-AE-2424-R																								

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
	<p>8) Full time Yellow Book Safety Supervisor Certificate No. SL/20/OSHC/02/00671</p> <p>9) CePPOME, Mill Manager bearing Certificate No. CePPOME/00032</p> <p>10) CePSWaM, Asst. Mill Manager bearing Certificate No. CePSWaM/03617</p> <p>11) Steam Engineer, Mill Manager, Grade 1</p> <p>12) 1 A4 Chargeman I/C No. 630219-08-5587 and 1 A0 Chargeman I/C No. 880515-05-5085</p> <p>13) 4 Boilerman Grade 2</p> <p><b><u>Pamol Timur Estate</u></b></p> <p>1) MPOB-licence no 504178602000 to sell and move FFB validity period 1.6.2020 – 31.5.2021</p> <p>2) Firearm License KLG/1566 effective 28.11.2020</p> <p><b><u>Unijaya Estate</u></b></p> <p>1) Animals Act 1953 – Veterinar Vaccination EMD P2 on 8.10.2020 given to 21 buffaloes (pregnant), Deworming, blood sample, Vitamin and Tagging on 7.9.2020 for 22 heads.</p> <p>2) MPOB-licence no 504524202000 to sell and move FFB validity period 1.8.2020 – 31.9.2021</p> <p>3) River water extraction (BAKAJ) license no.: 07/A/KLG/091 (validity period until 31/12/2020) by Director of Water Resources Johor for usage quantity of 50m3/day</p>	

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
	<p>Based on sampled payslips, employment contracts, evidence is available that the Mill complies with applicable local, state, national and ratified international laws and regulations. This include payment of minimum wages and above under the Minimum Wages Order 2020, compliance with the Employment Act 1955 on hours of work, payment of salary, signing of employment contracts, paid annual, medical and maternity leave, etc, documented foreign workers and work permit under Immigration Act 1957/63, payment of statutory contributions under the SOCSO Act, EPF Act 1991, EIS Act 2017.</p> <p>Among those sighted and verified during the audit were:</p> <ol style="list-style-type: none"> <li>1. Labour Office Permit Pengecualian Daripada Sekatan Kerja Malam Bagi Pekerja-Pekerja Wanita Di Bawah Seksyen 34 Akta Kerja 1955, dated 15/03/2019 for Pamol Kluang POM.</li> <li>2. Labour Office Permit Permohonan Had Kerja Lebih Masa Di Bawah Seksyen 60A(4)(a) Akta Kerja 1955, dated 26/02/2019 for Pamol Kluang POM.</li> <li>3. Labour Office Permit: Potongan Upah Di Bawah Seksyen 24 Akta Kerja 1955 for Potongan Gaji Pekerja bagi Pembayaran Tabungan Kuil sebanyak RM 10.00 dan Masjid sebanyak RM 10.00 seorang setiap Bulan dated 07 January 2019.</li> <li>4. Labour Office Permit: Salary deduction under Section 24 Akta Kerja 1955 for electricity and water bills dated 17 February 2019. (Ref TK (NJ) U-23.</li> </ol> <p>The Major Non-Compliance raised in the previous audit has been satisfactorily closed. Based on records sighted and interview conducted with the worker, the corrective action has been consistently implemented.</p>	

Criterion / Indicator		Assessment Findings	Compliance
4.3.1.2	The management shall list all relevant laws related to their operations in a legal requirements register. <b>- Major compliance -</b>	The Legal Requirement Register was established to cover all legal Acts, Regulations and other requirement related to Pamol Kluang POM. Applicable legal requirements listed as Register of Laws and List of Relevant Act, Laws and Regulations such Min wages 2020 and Min Housing amenities.	Complied
4.3.1.3	The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force. <b>- Major compliance -</b>	The Sustainability Department (SD), based Head Office was responsible to track changes in the law and the information was disseminated to all of its plantations and mills. In addition, the SVP Processing (Malaysia) & Downstream Manufacturing also played a role in disseminating new Acts & Regulations to all the mills in the Group. a) This was made via communication with the publisher of the documents. b) This mechanism was outlined in its procedure. c) The updating of the legal register is made on a periodical basis.	Complied
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. <b>- Minor compliance -</b>	Management assigned either Mill Engineers or Chief Clerks as person responsible to monitor compliance and tracking/updating changes in legal requirements.	Complied
<b>Criterion 4.3.2 – Lands use rights</b>			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. <b>- Major compliance -</b>	Based on documents sighted, and interviews conducted with stakeholders, management of the certification unit was able to demonstrate that the oil palm cultivation activities do not diminish any land use rights of others.	Complied
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.	Pamol Kluang POM operates within the land title of Pamol Plantations Sendirian Berhad. It is situated on 4.1 ha of land within	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	Title No. G88881 (Freehold) Lot No. 2429, Mukim Kluang, District Kluang (Mill compound). Registered on 30 November 2002.	
<b>4.3.2.3</b>	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.  - <b>Major compliance</b> -	The mills visited were located in the sister estate. Mill boundary were demarcated with fences.	Complied
<b>4.3.2.4</b>	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC).  - <b>Minor compliance</b> -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants. Therefore, this indicator is not applicable.	Not applicable
<b>Criterion 4.3.3 – Customary rights</b>			
<b>4.3.3.1</b>	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.  - <b>Major compliance</b> -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence that the lands were encumbered by customary rights. Therefore, this indicator is not applicable.	Not applicable
<b>4.3.3.2</b>	Maps of an appropriate scale showing extent of recognized customary rights shall be made available.  - <b>Minor compliance</b> -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants, and therefore this indicator is not applicable.	Not applicable
<b>4.3.3.3</b>	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available.  - <b>Major compliance</b> -	Based on documents sighted and interviews conducted with stakeholders, there was no evidence of any dispute with any previous owner or occupants, and therefore this indicator is not applicable.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
<b>4.4 Principle 4: Social responsibility, health, safety and employment condition</b>			
<b>Criterion 4.4.1: Social Impact Assessment (SIA)</b>			
<b>4.4.1.1</b>	<p>Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones.</p> <p><b>- Minor compliance -</b></p>	<p>SIA for Pamol Timur, Pamol Barat and Unijaya Estates 2020-2025 were prepared in November 2020 and reviewed annually. The SIA has identified impact assessments (positive and negative) under the following categories: existence of major foreign labour force, coexisting neighbouring local communities, infrastructure and facilities, safety and security, local social development needs. The aspects and impacts were given a score, and mitigation actions are identified in the respective Social Management Plans.</p>	Complied
<b>Criterion 4.4.2: Complaints and grievances</b>			
<b>4.4.2.1</b>	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p><b>- Major compliance -</b></p>	<p>A system for dealing with complaints and grievances has been established under IOI Corporation Berhad Grievance Procedure Doc Ref: IOI/P/GP/001 Rev No. 01 dated 20 Jan 2020. The procedure states that IOI would deal with all grievances logged under the Grievance Procedure in a fair and timely manner, and would publicly disclose the results of this process.</p> <p>The grievance process include receipt and registration of potential grievance, preliminary review, dialogue, plan investigation, address grievance and reporting, investigation, development of time bound plan, implementation and monitoring of the time bound plan.</p>	Complied
<b>4.4.2.2</b>	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p>	<p>The IOI Corporation Berhad Grievance Procedure Doc Ref: IOI/P/GP/001 Rev No. 01 dated 20 Jan 2020 has stipulated in a</p>	Complied



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Major compliance</b> -	<p>flowchart, the timeframe for each grievance procedure process flow.</p> <p>Evidence is available that grievance was resolved in an effective, timely and appropriate manner. A request made on 9 June 2020 by a worker who requested that the squatting toilet at his house be changed to a sitting toilet due his father’s physical inability. The new toilet installation was completed on 23 June 2020. Similarly, a complaint received on 15 May 2020 of broken toilet was replaced on 17 May 2020.</p> <p>The company is able to demonstrate that the system is able to resolve disputes in an effective, timely and appropriate manner.</p>	
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints.</p> <p>- <b>Minor compliance</b> -</p>	<p>Workers and stakeholders have several channels to lodge a complaint. These include:</p> <ul style="list-style-type: none"> <li>a. Employee Consultative Committee (ECC) and Joint Consultative Committee (JCC) complaints/suggestion/proposal forms which the workers are given prior to ECC meeting.</li> <li>b. Complaint/Grievance Book (Green Book) is available at the respective estate or mill offices.</li> </ul> <p>House Defects form which is also available at the respective estate and mill offices.</p>	Complied
4.4.2.4	<p>Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.</p>	<p>Employees and surrounding communities are aware that complaints or suggestions can be made at any time. The stakeholders were informed of this during the stakeholder meeting held on 2 November 2020, as evidenced by the minutes of stakeholder meeting and copy of the presentation given during the</p>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
	- <b>Minor compliance</b> -	meeting. Workers are informed of these various complaint channels during trainings.  Interview with workers and stakeholders confirmed that they are aware that complaints and suggestions can be made at any time.	
<b>4.4.2.5</b>	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.  - <b>Major compliance</b> -	Complaints and resolutions for the past 24 months are being documented as evidenced by complaint records in the Green Book.  This Green Book is available at the Kluang Pamol Palm Oil Mill office and is one of the documents which is accessible by third parties.	Complied
<b>Criterion 4.4.3:</b> Commitment to contribute to local sustainable development			
<b>4.4.3.1</b>	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation.  - <b>Minor compliance</b> -	Evidence is available that contribution to local development was done in consultation with the local communities. This was demonstrated via the following letters sighted at Pamol Palm Oil Mill:  a. Donation to SK Ladang Pamol following letter received from the school dated 30 Jan 2020 requesting for donation for annual sports;  b. Provided 5 blue tanks to SK (T) Ladang Pamol as requested via letter from the school dated 19 October 2020;  c. Provide job opportunity to 20 local communities.	Complied
<b>Criterion 4.4.4:</b> Employees safety and health			

Criterion / Indicator		Assessment Findings	Compliance
4.4.4.1	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p><b>- Major compliance -</b></p>	<p>An Occupational Safety, Health and Hygiene Policy has been established and signed by the Plantation Director. It is available in Bahasa Malaysia and English language. The policy has been communicated to all employees through briefings and hardcopy of policies were seen displayed at the estates notice boards.</p> <p>OSH plan was available dated January 2020 prepared by HSE manager. The plan was including the training needs, OSH meeting, Workplace inspection, medical surveillance and others.</p> <p>In Mill, chemical register been updated on 30 Oct 2019. This updated cover chemical water, maintenance, Boiler, lab, store, workshop and others</p>	Complied
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <ul style="list-style-type: none"> <li>a) A safety and health policy, which is communicated and implemented.</li> <li>b) The risk of all operations shall be assessed and documented.</li> <li>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"> <li>i. All employees involved are adequately trained on safe working practices;</li> <li>ii. All precautions attached to products should be properly observed and applied;</li> </ul> </li> <li>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).</li> </ul>	<p>Briefings to employees on safety policy are made through training and briefing forums. In addition there were also briefings at muster ground being as refresher program for the employees. Safety procedures adherence are emphasised to the employees as part of the work culture. Content includes among others to prioritise safety, execute work safely, and adhere all safety rules and regulations and to target zero accident. Safety policy and targets were available on display board printed in both English &amp; Bahasa Malaysia.</p> <ul style="list-style-type: none"> <li>a) IOI already established Safety and Health Policy. The policy was communicated through tool box meeting, morning muster briefing and displayed at several designated notice board in the mill. Noted during interview with the workers shows the understanding on the Safety and Health Policy among the workers.</li> <li>b) The Operating Units assessed continued to use the established HIRARC procedure and update its HIRAC</li> </ul>	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
<p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept and the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p><b>- Major compliance -</b></p>	<p>Register. POM HIRARC Register was updated on 8.8.2020, Pamol Timur Estate on 6.11.2020 and Unijaya Estate on 22.9.2020.</p> <p>c) The awareness training program for employee exposed to chemicals has been included in the training program established. Training on SOP for individual workstation are not just classroom training but include field/workplace demonstration to ensure workers:</p> <ul style="list-style-type: none"> <li>• wear PPE correctly;</li> <li>• understand the hazards and risk their work activities posed; and hence the need to follow the recommended mitigation measures; and</li> <li>• recognize any deviations from the stipulated operating criteria may lead to accident to self and fellow workers.</li> </ul> <p>d) Pamol POM has provided all PPE to all the workers base on job type and designation following the HIRARC and the Occupational Safety and Health Manual for Plantation Workers.</p> <p>e) Pamol POM has established SOP for chemical handling and documented in and the Occupational Safety and Health Manual for Plantation Workers.</p> <p>f) Pamol POM Manager has appointed OSH committee PIC as per detail below.</p> <p>g) The person responsible for Safety &amp; Health at each Operating Unit assessed had been identified and the 3-monthly Safety &amp; Health meeting held are as shown in the table below. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p>	

Criterion / Indicator		Assessment Findings					Compliance																								
		<table border="1"> <thead> <tr> <th rowspan="2">Operating Unit</th> <th rowspan="2">PIC</th> <th colspan="4">Meeting dates</th> </tr> <tr> <th>1st</th> <th>2nd</th> <th>3rd</th> <th>4th</th> </tr> </thead> <tbody> <tr> <td>Pamol Timur Estate</td> <td>Anwar Ridhwan B Rosli</td> <td>27.12.2019</td> <td>11.6.2020</td> <td>28.8.2020</td> <td>22.10.2020</td> </tr> <tr> <td>Pamol Kluang POM</td> <td>Chua Seng Wei (Safety Coordinator)</td> <td>7.1.2020</td> <td>13.5.2020</td> <td>14.7.2020</td> <td>14.10.2020</td> </tr> <tr> <td>Unijaya Estate</td> <td>Muhamad Nazam</td> <td>30.1.2020</td> <td>29.4.2020</td> <td>14.7.2020</td> <td>30.10.2020</td> </tr> </tbody> </table>	Operating Unit	PIC	Meeting dates				1st	2nd	3rd	4th	Pamol Timur Estate	Anwar Ridhwan B Rosli	27.12.2019	11.6.2020	28.8.2020	22.10.2020	Pamol Kluang POM	Chua Seng Wei (Safety Coordinator)	7.1.2020	13.5.2020	14.7.2020	14.10.2020	Unijaya Estate	Muhamad Nazam	30.1.2020	29.4.2020	14.7.2020	30.10.2020	
Operating Unit	PIC	Meeting dates																													
		1st	2nd	3rd	4th																										
Pamol Timur Estate	Anwar Ridhwan B Rosli	27.12.2019	11.6.2020	28.8.2020	22.10.2020																										
Pamol Kluang POM	Chua Seng Wei (Safety Coordinator)	7.1.2020	13.5.2020	14.7.2020	14.10.2020																										
Unijaya Estate	Muhamad Nazam	30.1.2020	29.4.2020	14.7.2020	30.10.2020																										
		<p>h) Accident and emergency procedures available in English and Bahasa Malaysia were updated on 1.10.2020 in flow chart form as per OSH (NADOOPOD) Regulations 2004. The credible accident scenarios highly likely to occur have been identified as shown below. Each of them has specific Emergency Action Plan to facilitate and organize employer and employee actions during workplace emergencies and have been explained in Bahasa Malaysia to the workforce.</p> <p>i) Assigned First Aiders are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed</p> <p>j) All occupation injuries were recorded in accordance to OSH (NADOOPOD) Regulations 2004. Accident records including accident notification, accident investigation, JKKP Form 6, 7 &amp; 8 were well kept and reviewed during the OSH meeting.</p>																													

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings			Compliance													
		<table border="1"> <thead> <tr> <th rowspan="2">Operating Unit</th> <th colspan="2">JKKP 8 submitted to DOSH</th> </tr> <tr> <th>Date submitted</th> <th>Reference No.</th> </tr> </thead> <tbody> <tr> <td>Pamol Timur Estate</td> <td>10.01.2020</td> <td>JKKP8/40081/2019</td> </tr> <tr> <td>Unijaya Estate</td> <td>02.01.2020</td> <td>JKKP8/01117/2019</td> </tr> <tr> <td>Pamol Kluang POM</td> <td>18.01.2020</td> <td>JKKP8/15142/2019</td> </tr> </tbody> </table>	Operating Unit	JKKP 8 submitted to DOSH		Date submitted	Reference No.	Pamol Timur Estate	10.01.2020	JKKP8/40081/2019	Unijaya Estate	02.01.2020	JKKP8/01117/2019	Pamol Kluang POM	18.01.2020	JKKP8/15142/2019		
Operating Unit	JKKP 8 submitted to DOSH																	
	Date submitted	Reference No.																
Pamol Timur Estate	10.01.2020	JKKP8/40081/2019																
Unijaya Estate	02.01.2020	JKKP8/01117/2019																
Pamol Kluang POM	18.01.2020	JKKP8/15142/2019																
<b>Criterion 4.4.5:</b> Employment conditions																		
<b>4.4.5.1</b>	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p><b>- Major compliance -</b></p>	<p>Human Rights Policy is contained IOI Group Sustainable Palm Oil Policy signed by its Chief Executive Officer and Group Head of Sustainability (Revised May 2020). It states the Company's commitment to respect human rights of all workers in accordance with the Universal Declaration of Human Rights, and United Nation's Guiding Principles on Business and Human Rights.</p>			Complied													
<b>4.4.5.2</b>	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p><b>- Major compliance -</b></p>	<p>Sighed during audit was the IOI Group Sustainable Palm Oil Policy signed by its Chief Executive Officer and Group Head of Sustainability (Revised May 2020). Paragraph 4 of the Policy states that the Company would provide fair and equal opportunities for all employees, regardless of race, nationality, religion and gender. This Policy is available and displayed at the main notice boards and at the workers' housing, and can be downloaded from the IOI website at <a href="http://www.ioigroup.com">www.ioigroup.com</a></p>			Complied													
<b>4.4.5.3</b>	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements.</p>	<p>The Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020 and valid until 31 December 2022. Four-month payslips sighted also demonstrate that employees' pay and</p>			Complied													

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
<p>The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p><b>- Major compliance -</b></p>	<p>conditions meet Collective Agreement terms, legal or industry minimum standards, and comply with their employment contracts. The following workers' employment contracts and payslips were reviewed and verified:</p> <ul style="list-style-type: none"> <li>➤ Worker No: IPPP/IOI/0719/3920 employment contract dated 20 July 2019</li> <li>➤ Worker No: IPPP/IOI/0520/11823 letter of job offer dated 11 May 2020</li> <li>➤ Worker No: IPPP/IOI/0120/3941 letter of job offer dated 15 Jan 2019 and an amended terms of contract dated 1 Feb 2020 to incorporate the new daily rate of RM46.15.</li> <li>➤ Worker No: IPPP/IOI/0917/870 employment contract dated 23 Sept 2017 and an amended contract dated 1 Feb 2020 to incorporate a new daily rate of RM46.15.</li> </ul>	
<p><b>4.4.5.4</b> Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p><b>- Minor compliance -</b></p>	<p>Evidence is available that the Kluang Pamol Oil Palm Mill ensured employees of contractors are paid based on legal or minimum standards. Contractors are required by the estate management to extend copies of their workers' employment contracts and payslips for review. Sighted during the audit were the payslips of Sasaran Perentas's workers for May 2020, April 2020, March, Feb and January 2020. The payslips show that the workers receive more than minimum wages, and SOCSO, EPF and EIS contributions made by both the workers and contractors.</p> <p>In addition, copies of employment contracts were also sighted between Sasaran Perentas and its workers, named Pang Yoon Pan</p>	<p>Complied</p>

Criterion / Indicator		Assessment Findings	Compliance
		(lorry driver), Azhar bin Muji ((lorry driver), Muid bin Hamid (lorry driver).	
<b>4.4.5.5</b>	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.  <b>- Major compliance -</b>	A record providing an overview of all employees is available. The list contains the full names, gender, date of birth. Information on the workers' date of entry, job description and period of employment are contained in the respective employment contracts.	Complied
<b>4.4.5.6</b>	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.  <b>- Major compliance -</b>	The Kluang Palm Oil Mill was able to demonstrate that all employees have been issued with employment contracts. These contracts were prepared in either Bahasa Malaysia (for Malaysians and Indonesians) and in dual language (English and either Nepali, Hindi, Bengali) for workers from India, Nepal or Bangladesh. Workers were given a copy for their safekeeping. The following workers' employment contracts were sampled: <ul style="list-style-type: none"> <li>➤ Worker No: IPPP/IOI/0719/3920 employment contract dated 20 July 2019</li> <li>➤ Worker No: IPPP/IOI/0520/11823 letter of job offer dated 11 May 2020</li> <li>➤ Worker No: IPPP/IOI/0120/3941 letter of job offer dated 15 Jan 2019 and an amended terms of contract dated 1 Feb 2020 to incorporate the new daily rate of RM46.15.</li> <li>➤ Worker No: IPPP/IOI/0917/870 employment contract dated 23 Sept 2017 and an amended contract dated 1 Feb 2020 to incorporate a new daily rate of RM46.15.</li> </ul>	Complied



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

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 the employees and employers. <b>- Major compliance -</b>	The management of Kluang Palm Oil Mill has established a time recording system which makes working hours and overtime transparent. Reviewed during the audit was the time recording system for Worker No: PMM11823 (weighbridge) for September 2020. It shows the Date, Time in, Time out, Hours of overtime.	Complied
4.4.5.8	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. <b>- Major compliance -</b>	Based on the payslips and overtime records reviewed during the audit, Pamol Kluang Palm Oil Mill was able to demonstrate that time records comply with legal regulations and Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020 and valid until 31 December 2022.	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. <b>- Major compliance -</b>	It was verified based on payslips and overtime cards, that wages and overtime payment are in line with legal regulations and Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. <b>- Minor compliance -</b>	The Pamol Kluang Palm Oil Mill provides for its employees, free houses, subsidised water and electricity, free medical treatment and facilities, worshipping facilities such as mosque, Hindu and Buddhist temples, chapel, futsal court, volleyball court, transport allowance for field checkers, mandores, and auxillary police.  Additionally, workers were given beras, coffee, cooking oil, sugar, bath soap, instant noodles and biscuits on 15 May 2020.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. <b>- Major compliance -</b>	Based on visits to the linesite and interviews conducted with the workers, the unit of certification was able to demonstrate that on-site living quarters provided to all employees are habitable have basic amenities such as subsidised water and electricity, free	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		medical treatment and facilities, worshipping facilities such as mosque, Hindu and Buddhist temples, chapel, futsal court, and volleyball court.	
<b>4.4.5.12</b>	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.  - <b>Major compliance</b> -	Policy to prevent sexual and other forms of harassment and violence are contained in IOI Group Sustainable Palm Oil Policy (Revised May 2020) and Policy on Harassment at Workplace dated June 2018. The Policy sets out the Company's commitment to promote a safe and healthy working environment, and zero tolerance for any form of harassment at workplace. The Policy serves as a guidance on handling matters related to harassment, and is being displayed at all the main notice boards.	Complied
<b>4.4.5.13</b>	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.  - <b>Major compliance</b> -	The published statement recognising freedom of association is available in the IOI Group Sustainable Oil Palm Policy signed by Chief Executive Officer and Group Head of Sustainability (revised May 2020). This Policy is available in English and Bahasa Malaysia. Paragraph 4 of the Policy states that the Company would uphold the right to freedom of association and recognise the right to collective bargaining and allow trade unions to have access to the workers. This Policy is displayed on all main notice boards throughout.  Sighted also was the Collective Agreement signed between IOI Group of Companies and the National Union of Plantation Workers came into force on 1 January 2020 and valid until 31 December 2022.	Complied
<b>4.4.5.14</b>	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.	A formal policy for the protection of children exists in IOI Group Sustainable Oil Palm Policy signed by Chief Executive Officer and Group Head of Sustainability (revised May 2020). Paragraph 4 of	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance									
	- Major compliance -	the Policy states that the Company would eliminate all forms of child labour. Based on records reviewed and observations made, there was no evidence of any children or young persons employed or exploited.										
<b>Criterion 4.4.6: Training and competency</b>												
<b>4.4.6.1</b>	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	The mill has established the training program and documented in Safety and Health Program FY 2020: Mill under section training.  The training program was done based on the training need analysis conducted and reviewed on annually basis.	Complied									
<b>4.4.6.2</b>	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance -	The mill has conducted the training need analysis to determine the training requirement for the management, employee and contractors and documented in Training Need Analysis, Plan and Implementation 2020. The analysis was conducted on annually basis.	Complied									
<b>4.4.6.3</b>	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. - Minor compliance -	The estates visited has established training program which reviewed and updated on annually basis and documented in SOP training program and Safety and Health Program FY 2020: Field. Training record:-  <table border="1" data-bbox="1086 1181 1863 1377"> <thead> <tr> <th></th> <th>Program</th> <th>Date conducted</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Pamol Kluang POM</b></td> </tr> <tr> <td>1</td> <td>Confined Space Entry - yearly and repeated before entering confine space</td> <td>18.8.2020</td> </tr> </tbody> </table>		Program	Date conducted	<b>Pamol Kluang POM</b>			1	Confined Space Entry - yearly and repeated before entering confine space	18.8.2020	Complied
	Program	Date conducted										
<b>Pamol Kluang POM</b>												
1	Confined Space Entry - yearly and repeated before entering confine space	18.8.2020										

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings		Compliance		
		2	Working at height - yearly and repeated before commencement of work	2.9.2020		
		3	Lockout Tagout - yearly	2.3.2020		
		4	Hearing Conservation - yearly	22.1 and 4.9.2020		
		5	PPE training - yearly	3.7.2020		
		6	Emergency / Fire Drill - yearly	10.11.2020		
		7	SOP Loading Ramp - yearly	13.3 and 29.9.2020		
		8	SOP Lab, Effluent, WTP, Biogas - yearly	8.9.2020		
		9	SOP Boiler / Engine driver - yearly	5.3 and 15.9.2020		
		10	SOP Electrical - yearly	29.2 and 25.8.2020		
		11	SOP - Sterilizer / Capstan - yearly	20.2 and 13.8.2020		
		12	SOP - Nut & Kernel - yearly	20.2 and 20.8.2020		
		<b>Pamol Timur Estate</b>				
		13	IPM - Rat census & baiting, Barn owl management and Beneficial plant	27.10.2020		
		14	Contractor and Sub-Contractor training on Sustainability Matters	27.9.2020		
		15	Company policies, Grievance/Complaint Procedure, Sexual Harassment Reporting Procedure	22.7 & 23.9.2020		

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings			Compliance
		16	Disposal of Scheduled Waste	2.2 and 28.7.2020	
		17	RSPO, MSPO & ISCC Training	25.2.2020	
		<b>Unijaya Estate</b>			
		18	First Aid Training	12.8.2020	
		19	SOP Premixing chemicals and SDS	25.6.2020	
		20	SOP - Buffalo Assisted Harvesting	26.6 and 2.11.2020	
		21	SOP - Chemical Sprayers	7.3.2020	
		22	SOP - FFB Harvesting	6.11.2020	
		23	SOP - Manuring	21.10.2020	
		24	SOP - Tractor driving & Transport	2.3. and 1.10.2020	
<b>4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services</b>					
<b>Criterion 4.5.1: Environmental Management Plan</b>					
<b>4.5.1.1</b>	An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.  - <b>Major compliance</b> -	<p>IOI Group has established Environmental Policy and documented in Sustainable Palm Oil Policy signed by the group CEO and group Head of Sustainability in Feb 2017.</p> <p>The policy was communicated to the employee through training, muster briefing and displayed at several notice board in the Mill. The environmental management plan establish and reviewed on 12 November 2020.</p>			Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator	Assessment Findings	Compliance
<p><b>4.5.1.2</b> The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations</p> <p><b>- Major compliance -</b></p>	<p>The mill has conducted the aspects and impacts analysis of all operations and documented in the Environmental Aspect Impact Assessment Guidance for IOI Pamol Palm Oil Mill. The mill has established environmental management plan base on the aspect and impact analysis conducted. The management plan was reviewed on annually basis. Latest review was conducted on 12/11/2020. Sighted the implementation of the management plan as follows:</p> <ol style="list-style-type: none"> <li>1. Online environmental report (OER) AS(B)J31/152/000/048 was been done periodically report to DOE. Latest record was available for 1 July 2020 – 8 September 2020 dated 23/10/2020. The POME that release to the land application (Furrow system) was according to DOE recommendation.</li> <li>2. The mill monitored the stack emission twice a year by Eurofins NM Laboratory Sdn Bhd. Sighted the sampled report as follows:               <ul style="list-style-type: none"> <li>• 1<sup>st</sup> half of 2020</li> <li>• Report no.: Boiler- Chimney No.2 (S1)-1<sup>ST</sup> HALF</li> <li>• Results: Verified the average Dust Emission Load (average Particulate, PM) for Boiler No.2 (S1) @ 65.31 mg/Nm<sup>3</sup> was within permissible limit of 150.0mg/Nm<sup>3</sup> corrected at 12% CO<sub>2</sub>.</li> <li>• Report no.: Generator Chimney No.2</li> <li>• Date conducted: 28/6/2020</li> <li>• Results: Verified the total particulate matter value was 34.41 mg/m<sup>3</sup> was within permissible limit of 50 mg/m<sup>3</sup>. Comply with Second scheduled reg 13, EQA (Clean Air Reg. 2014).</li> </ul> </li> <li>3. The mill monitor the water quality for upstream and downstream of nearest river from the mill, Sg. Sembrong on</li> </ol>	<p>Complied</p>

**MSPO Public Summary Report  
Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings			Compliance											
		<p>monthly basis. Sighted the sample water analysis report as follows:</p> <table border="1"> <thead> <tr> <th>Months</th> <th></th> <th>Report no.</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Nov 2020</td> <td>Upstream</td> <td>AR-20-QB-004779-01</td> <td>NWQS Class III</td> </tr> <tr> <td>Downstream</td> <td>AR-20-QB-004780-01</td> <td>NWQS Class III</td> </tr> </tbody> </table> <p>4. There is issue regarding to water pollution (Sg Sebrong) on 27/8/2020 regarding POME been pollute the water from furrow system cause by furrow was not followed as per requirement as per DOE citation J013F000034. The management already act to appoint Perunding AME Sdn Bhd to assess and deal with DOE to prevent issue occur in the future. Latest meeting DOE was on 25/11/2020 as per letter AME/PAMOL/DOE-20-01 to upgrade and extend the furrow system. The management plan and aspect and impact already been updated due to this incident and implementation still waiting for approval from DOE for proceed. Todate Mill running only 30% from total as per DOE letter. They process was in progress to comply with DOE requirement.</p>			Months		Report no.	Results	Nov 2020	Upstream	AR-20-QB-004779-01	NWQS Class III	Downstream	AR-20-QB-004780-01	NWQS Class III	
Months		Report no.	Results													
Nov 2020	Upstream	AR-20-QB-004779-01	NWQS Class III													
	Downstream	AR-20-QB-004780-01	NWQS Class III													
<b>4.5.1.3</b>	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p> <p><b>- Major compliance -</b></p>	<p>The mills visited has established the environmental plan based on the aspects and impacts analysis conducted and documented in the Environmental Aspect Impact Assessment for Estate. The management plan was established for the activity which give significant impact for the environment. The management plan were reviewed annually basis.</p>			Complied											

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan.  - <b>Minor compliance</b> -	The mill has established environmental management plan base on the aspect and impact analysis conducted include the program to promote the positive impacts as follows: i. Mulching EFB within estate ii. Disposal of boiler ash and decanter solid within estate iii. Parameter of final discharge POME within limit iv. Provide transparent information about quality of environment to stakeholder v. Shell and fibre wastes are used as fuel for steam production	Complied
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives.  - <b>Major compliance</b> -	The Mill has established the training program documented in the Safety and Health Program FY 2020 and Environmental Planner FY 2020. The training plan was reviewed on annually basis.	Complied
4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.  - <b>Major compliance</b> -	Environmental Performance Monitoring Committee (EPMC) meeting conducted on 25/9/2020. The meeting attended by management and workers representative to discuss about the environmental quality.	Complied
<b>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</b>			
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 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	The mills visited monitored the consumption of the non-renewable energy on monthly basis. The monitoring was done base on the type of the energy usage. The mills has established plan to assess the usage of non-renewable energy and documented in the Energy optimization Plan. The plan stated the issue, action plan, person responsible, timeline and status of the implementation.	Complied



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance						
	- Major compliance -	<p>Sighted the sample monitoring records for diesel usage and turbine FY 2020 as follows:</p> <p>Pamol POM Diesel usage:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Year</th> <th>Todate usage (liter)</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>59133</td> </tr> <tr> <td>2020</td> <td>46773</td> </tr> </tbody> </table>	Year	Todate usage (liter)	2019	59133	2020	46773	
Year	Todate usage (liter)								
2019	59133								
2020	46773								
4.5.2.2	<p>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.</p> <p>- Major compliance -</p>	<p>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 mill yearly budgets.</p>	Complied						
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>From the monitoring and interview with the management, the mill consumes the shell and fibre as boiler fuel.</p>	Complied						
<b>Criterion 4.5.3: Waste management and disposal</b>									
4.5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>The mill has identified all waste and source of pollution and documented in the List of Waste Identified. The list was reviewed on annually basis. The latest review was done on 25 June 2020. The waste identified as follows:</p> <ul style="list-style-type: none"> <li>i. Industrial waste – Scrap Iron</li> <li>ii. Scheduled Waste – SW110, SW 305, SW409, SW410, SW 103, SW 429, SW 103 etc.</li> </ul>	Complied						

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance				
		iii. Domestic Waste – Wet waste, kitchen waste, garden waste, sanitary waste, dry waste iv. Solid waste – EFB, Shell, Boiler Ash, Decanter Solid					
4.5.3.2	A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for: a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products. <b>- Major compliance -</b>	OUs sampled has established management Plan base on the identification and source of pollutions and the documented in Waste management Plan FY 2020 and were available for review. In the management plan stated the identification of waste products/pollutants, waste generation, action plan and monitoring, documents to be reviewed, management review, comments and time bound and person in charge. The management plan covers all the operations and works station in the mill and estates  Sighted the implementation of the management plan as follows: Pamol POM  1. The estate report the schedule waste inventory to DOE through ESWISS on monthly basis. Sighted the inventory records for the month of September, October and November 2020.  2. The mill use the the fibre and shell as renewable energy for boiler fuel. Sighted the monitoring records of fibre and shell usage FY 2020 as todate October 2020.  3. EFB were disposed through field application at sister estate. Sighted the EFB disposal records as follows:	Complied				
		<table border="1"> <thead> <tr> <th>Month</th> <th>Weight (tons)</th> </tr> </thead> <tbody> <tr> <td>July 2020</td> <td>1536.19</td> </tr> </tbody> </table>	Month	Weight (tons)	July 2020	1536.19	
Month	Weight (tons)						
July 2020	1536.19						

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings		Compliance
		September 2020	823.65	
		October 2020	1359.52	
<b>4.5.3.3</b>	<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><b>- Major compliance -</b></p>	<p>The Inventory of scheduled waste file reference no: AS(B) J31/152/000/048 for Nov 2020. From the inventory was available for SW 103,104,109,110,305,306,312,409,410 and 429 dated 24/11/2020.</p> <p>The disposal was done by Kualiti Alam Sdn Bhd. Sampling the consignment note for:- SW 429; Consignment Note: 2020072011ZY89OQ dated 20/7/2020 with total 0.0925 mt. SW 409; Consignment note : 20200720119V47H dated 20/7/2020 with total 0.0827 mt.</p> <p>The competent person CePSWam (Mr. Chua Seng Wei) - CePSWaM/03617 dated 2/7/2020.</p>		Complied
<b>4.5.3.4</b>	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p><b>- Minor compliance -</b></p>	<p>The domestic waste were collected by the estate twice a week and dump at designated area before collected by the municipal collectors. Sighted the records of rubbish collection in Estate Vehicle Work Distribution. Sighted the records of disposal for the month August and September 2020 as follows:</p> <p>Palong Timur Estate</p> <ol style="list-style-type: none"> <li>1. Weighbridge ticket no. P11648 dated 12/9/2020</li> <li>2. Weighbridge ticket no. P12680 dated 29/9/2020</li> <li>3. Weighbridge ticket no. P9887 dated 14/8/2020</li> <li>4. Weighbridge ticket no. P11119 dated 26/8/2020</li> </ol>		Complied
<b>Criterion 4.5.4:</b> Reduction of pollution and emission				

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
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 -	Significant pollutants identification and plans are documented under Pollution Environmental Management Plan FY 2020. Implementation of plan is being monitored by appointed person in charge with target of time frame for completion.  Sighted the sampled implementation of the management plan as detail under indicator 4.5.4.2	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented.  - Major compliance -	The mill conducted Stack sampling as per requirement stated in the compliance schedule for DOE license and contradiction license. Sighted the sample stack sampling as follows:  2nd Quarter 2019 Report no: AEMR(J)/19-12/17 Monitoring date: 28/6/2019 Result: 65.31 at 12% CO <sub>2</sub> , not exceed permissible limit at 150 mg/m <sup>3</sup> .  4th Quarter 2019 Report no: AEMR(J)/19-12/17 Monitoring date: 27/12/2019 Result: 45.89 at 12% CO <sub>2</sub> , not exceed permissible limit at 150 mg/m <sup>3</sup> .  1st Quarter 2020 Report no: AEMR(J)/20-02/10 Monitoring date: 14/2/2020 Result: 42.59 at 12% CO <sub>2</sub> , not exceed permissible limit at 150 mg/m <sup>3</sup> .	Complied
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality	Online environmental report (OER) AS:C31/152/000/052 was been done periodically report to DOE. Latest record was available for 1	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance																												
	<p>(Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations.</p> <p><b>- Major compliance -</b></p>	<p>July 2020 – 30 September 2020. There is issue regarding to water pollution (Sg Sebrong) on 27/8/2020 regarding POME been pollute the water from furrow system cause by furrow was not followed as per requirement as per DOE citation J013F000034. The management already act to appoint Perunding AME Sdn Bhd to assess and deal with DOE to prevent issue occur in the future. Latest meeting DOE was on 25/11/2020 as per letter AME/PAMOL/DOE-20-01 to upgrade and extend the furrow system. The management plan and aspect and impact already been updated due to this incident and implementation still waiting for approval from DOE for proceed. Todate Mill running only 30% from total as per DOE letter. They process was in progress to comply with DOE requirement.</p>																													
<b>Criterion 4.5.5: Natural water resources</b>																															
<b>4.5.5.1</b>	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p> <p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</p> <p>c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p><b>- Major compliance -</b></p>	<p>The Water Management Plan for the mill has been established. It was last reviewed on 13/10/2020 for the 2020 plan.</p> <p>The mill capitalize the source of water from river being the nearest to the complex for the processing usage.</p> <p>The domestic water for the residents are from the supply from State Government SAJ.</p> <p>a) The consumption of water for 2019 is recorded and shown below;</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Water usage</th> <th>CPO produce</th> <th>Ratio</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>20557</td> <td>5637.19</td> <td>3.64</td> </tr> <tr> <td>Feb</td> <td>17200</td> <td>4525.23</td> <td>3.8</td> </tr> <tr> <td>March</td> <td>19088</td> <td>4738.11</td> <td>4.03</td> </tr> <tr> <td>April</td> <td>17671</td> <td>4531.82</td> <td>3.9</td> </tr> <tr> <td>May</td> <td>20553</td> <td>5053.26</td> <td>4.07</td> </tr> <tr> <td>June</td> <td>18366</td> <td>4353.07</td> <td>4.22</td> </tr> </tbody> </table>	Month	Water usage	CPO produce	Ratio	Jan	20557	5637.19	3.64	Feb	17200	4525.23	3.8	March	19088	4738.11	4.03	April	17671	4531.82	3.9	May	20553	5053.26	4.07	June	18366	4353.07	4.22	Complied
Month	Water usage	CPO produce	Ratio																												
Jan	20557	5637.19	3.64																												
Feb	17200	4525.23	3.8																												
March	19088	4738.11	4.03																												
April	17671	4531.82	3.9																												
May	20553	5053.26	4.07																												
June	18366	4353.07	4.22																												

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings								Compliance																							
		July	18383	4777.26	3.84																												
		August	17001	5538.33	3.06																												
		September	18545	5520.50	3.36																												
		October	19444	5486.84	3.54																												
		November	19051	5152.53	3.69																												
		December	12876	3625.78	3.55																												
		<p>b) The mill monitors the water quality at the nearby Sg Sembrong taken at 2 sampling points upstream and downstream on a monthly basis by IOI Pamol POM.                      The results (sample taken dated 10/11/2020) AR-20-QB-004780-01 as sighted are shown below concluding no adverse impact has taken place as results of mill activities.</p> <table border="1"> <thead> <tr> <th></th> <th>pH</th> <th>BOD</th> <th>COD</th> <th>TS</th> <th>SS</th> <th>Oil &amp; G</th> <th>AN</th> </tr> </thead> <tbody> <tr> <td>Upstream</td> <td>6.7</td> <td>ND</td> <td>14</td> <td>14</td> <td>1</td> <td>ND</td> <td>8.2</td> </tr> <tr> <td>Downstream</td> <td>7.2</td> <td>ND</td> <td>9</td> <td>23</td> <td>1</td> <td>ND</td> <td>ND</td> </tr> </tbody> </table>										pH	BOD	COD	TS	SS	Oil & G	AN	Upstream	6.7	ND	14	14	1	ND	8.2	Downstream	7.2	ND	9	23	1	ND
	pH	BOD	COD	TS	SS	Oil & G	AN																										
Upstream	6.7	ND	14	14	1	ND	8.2																										
Downstream	7.2	ND	9	23	1	ND	ND																										
<b>4.5.5.2</b>	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. <b>- Major compliance -</b>	Mill effluent is treated through biological anaerobic treatment. Regular monitoring was conducted as per requirement. Monthly and quarterly report was submitted to DOE accordingly. Sighted the Quarterly Return Form to DOE FY 2020 as follows: 3 <sup>rd</sup> quarter <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Month</th> <th>Parameter</th> <th>Results</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>								Month	Parameter	Results				Complied																	
Month	Parameter	Results																															

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings				Compliance
			Jul 13/7/2020	BOD	1670	
				pH	5.10	
			Aug 5/8/2020	BOD	1740	
				pH	5.10	
			Mar 8/9/2020	BOD	6540	
				pH	7.30	
<b>4.6 Principle 6: Best Practices</b>						
<b>Criterion 4.6.1: Mill Management</b>						
<b>4.6.1.1</b>	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.  <b>- Major compliance -</b>	<p>The standard operating procedure available for reviewed. Sampling on Confined space procedure Rev: 2 dated 1/8/2018. From the implementation record, sampling on Boiler no. 2 Services for Tube and furnace area cleaning implementation.</p> <p>The Permit to work was available with approval from AESP (Mr Chua Seng Wei) HQ/19/AGTES/01/03181 dated 26/10/2020 however the Medical check-up was not available the record for all entrant in confined space and the entrant person was not competent (No AESP) to enter (Kejau Thu Soe &amp; Amirul). Last Gas Tester calibration was done on 11/5/2020.</p> <p>Therefore, a Major Non-Compliance was raised.</p>				Not Comply

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
4.6.1.2	All palm oil mills shall implement best practices. - <b>Major compliance</b> -	As per site verification and as per Chief Operating Officer report showed that the mills operation were conducted base on the SOP established.	Complied
<b>Criterion 4.6.2:</b> Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - <b>Major compliance</b> -	The mills visited have established 10 years business plan as guidance for the mill to conduct the daily operation and expenditure. The business plan was documented in 10 years production, expenditure and profit/loss projection 2019 – 2028.No changes during this audit. Items stated in the business plan as follows: i. Hectare statement ii. FFB yield/ha and Total Production by age iii. FFB Production and FFB purchase (FFB, CPO, PK, OER, KER) iv. Production cost v. Cost/ha and Cost/tons vi. Dispatch (CPO and PK) The capital expenditure was documented in Financial Year Proposed Capital Expenditure (CAPEX).	Complied
<b>Criterion 4.6.3:</b> Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - <b>Major compliance</b> -	Price mechanism is clearly stipulated in the contracts with and Lee Yee Cheng (Contract No. PMM/001-1920) and Sasaran Perentas (Contract PMM/003-20/21). Payment are to be made not later than 30 days of invoice date or completion of work to the company’s satisfaction. Details of work and payment calculation are also available in the contract.  Implementation was verified by invoice sent by Lee Yee Cheng (Invoice No. 001/07 dated 31 July 2020 for RM5,123.31. Payment	Complied



**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

Criterion / Indicator		Assessment Findings	Compliance
		for the amount was made on 12 Aug 2020 (PV No. 3400000295) i.e. within 30 days as per the agreement.	
<b>4.6.3.2</b>	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. <b>- Major compliance -</b>	<p>Contracts was sighted during audit was between Pamol Plantations Sdn Bhd and Lee Yee Cheng (Contract No. PMM/001-1920) and Sasaran Perentas (Contract PMM/003-20/21) to transport EFP from Mill to Pamol Timor Estate. The contracts were entered into on 1 July 2020 and is valid until 30 June 2021. Termination by giving 1 month notice in writing. Payment are to be made not later than 30 days of invoice date or completion fo work to the company's satisfaction. Details of work and payment calculation are also available in the contract.</p> <p>Makmur Transport Sdn Bhd invoice dated 30 June 2020. The payment would only be processed upon receipt of original invoices. The original invoices were received on 18 July 2020 and payment was made on 19 August 2020 as shown by a copy of Maybank2E Cash Management System.</p>	Complied
<b>Criterion 4.6.4: Contractor</b>			
<b>4.6.4.1</b>	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. <b>- Major compliance -</b>	Contractors engaged by the unit of certification are given Additional Requirements for Contractors and Service Providers. In this document, contractors, among others, confirmed their awareness and compliance with MSPO requirements, and they also acknowledged that IOI and its certification bodies have the right to audit the contractors. Sighted were the contracts entered into with Lee Yee Cheng and Sasaran Perentas	Complied

**MSPO Public Summary Report**  
**Revision 1 (Feb 2020)**

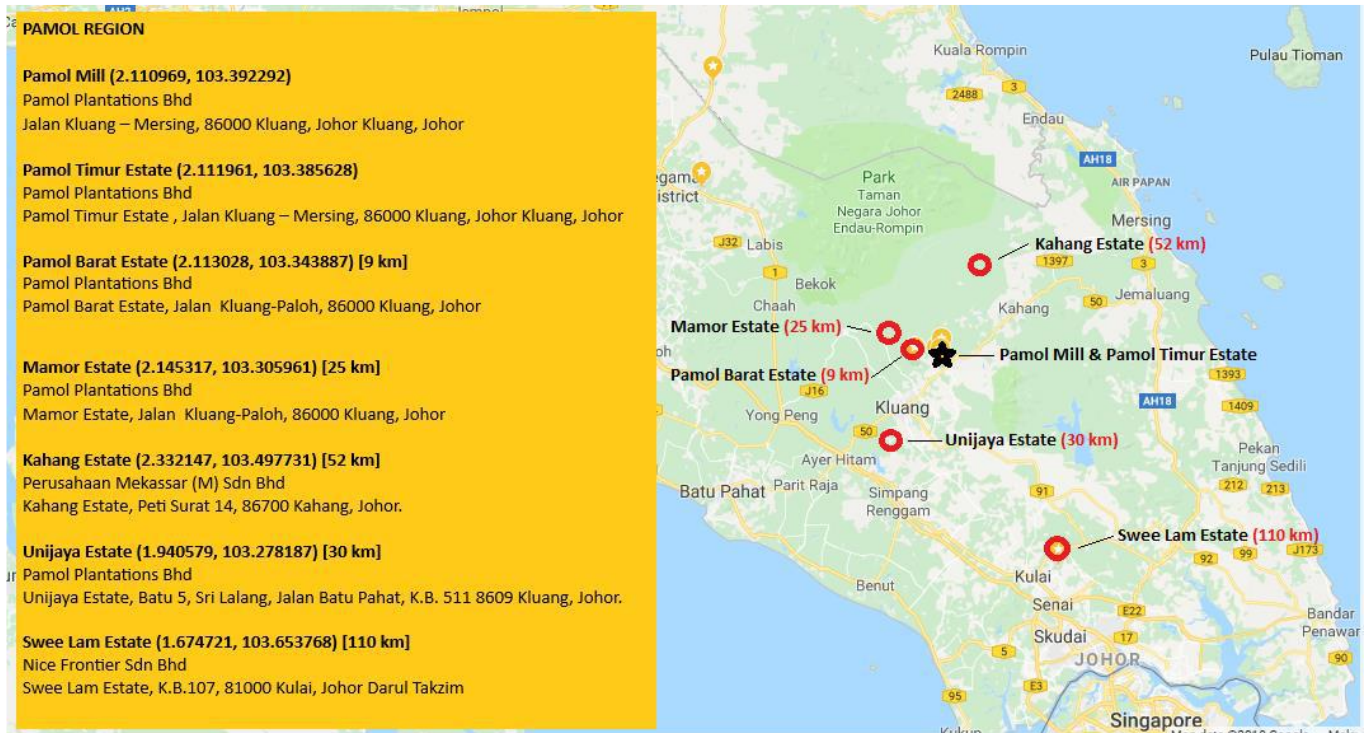
Criterion / Indicator		Assessment Findings	Compliance
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. <b>- Major compliance -</b>	Evidence of agreed contracts was available. Contracts for Mill was sighted during audit was between Pamol Plantations Sdn Bhd and Lee Yee Cheng (Contract No. PMM/001-1920) and Sasaran Perentas (Contract PMM/003-20/21) to transport EFP from Mill to Pamol Timor Estate. The contracts were entered into on 1 July 2020 and is valid until 30 June 2021.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. <b>- Minor compliance -</b>	Contractors were given Additional Requirements for Contractors and Service Providers. In this document, contractors, among others, confirmed their awareness and compliance with MSPO requirements, and they also acknowledged that IOI and its certification bodies have the right to audit the contractors.	Complied

**Appendix B: List of Stakeholders Contacted**

<p><b>Government Officer:</b> Nil</p>	<p><b>Community/neighbouring village:</b> Sekolah Kebangsaan Ladang Pamol Kg Gajah Kg Seri Tambak NUPW officer</p>
<p><b>Suppliers/Contractors/Vendors:</b> Imago Enterprise</p>	<p><b>Worker’s Representative/Gender Committee:</b> Workers Representatives (Foreign Worker) Gender Committee Representative</p>



**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