

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

Sime Darby Plantation Berhad
Client company Address: Level 3A, Main Block, Plantation Tower No. 2, Jalan PJU 1A/7 47301 Ara Damansara, Selangor, Malaysia
Certification Unit: SOU 24 Hadapan Palm Oil Mill and Supply Base (Kulai Estate, Layang Estate, Seri Pulai Estate and CEP Rengam Estate) Location of Certification Unit: KKS Hadapan, Batu 6, Jalan Bukit Permai, Bukit Permai 81850 Layang-Layang, Johor, Malaysia

Report prepared by:
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Report Number: 3339638

Assessment Conducted by:
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Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Sime Darby Plantation Berhad		
Mill/Estate	MPOB License No.	Expiry Date	
	Hadapan POM - 510425004000	28/02/2021	
	Kulai Estate - 508443402000	31/03/2021	
	Seri Pulai Estate - 520195002000	30/04/2021	
	Layang Estate - 508443402000	31/03/2021	
	CEP Rengam Estate - 508444202000	31/03/2021	
Address	<p>Headquarters Level 3A, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7, 47301 Ara Damansara, Selangor, Malaysia</p> <p>Operating Units KKS Hadapan, Batu 6, Jalan Bukit Permai, Bukit Permai, 81850 Layang-Layang, Johor, Malaysia</p>		
Certification Unit	SOU 24 Hadapan Palm Oil Mill and Plantations: Kulai Estate, Seri Pulai Estate, Layang Estate, CEP Rengam Estate		
Contact Person Name	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM) Mr. Azhari bin M Kalam (Manager, SOU 24 Chairman)		
Website	www.simedarbyplantation.com	E-mail	shylaja.vasudevan@simedarbyplantation.com kks.hadapan@simedarbyplantation.com
Telephone	03-78484000 (Main Office) 012-7792755 (Mill)	Facsimile	012-7374182 (Mill)

1.2 Certification Information			
Certificate Number	Mill: MSPO 739513 Estate: MSPO 739514		
Issue Date	15/02/2018	Expiry date	14/02/2023
Scope of Certification	Estate: Production of Sustainable Oil Palm Fruits Mill: Production of Sustainable Palm Oil and Palm Oil Products		
Standard	MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholders MS 2530-4:2013 Part 4: General principles for palm oil mills		
Stage 1 Date	The site is RSPO certified		

Stage 2 / Initial Assessment Visit Date (IAV)	09/11/2017		
Continuous Assessment Visit Date (CAV) 1	11/02/2019 - 15/02/2019		
Continuous Assessment Visit Date (CAV) 2	16/12/2019 - 20/12/2019		
Continuous Assessment Visit Date (CAV) 3	07/12/2020 - 09/12/2020		
Continuous Assessment Visit Date (CAV) 4	N/A		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 739013	RSPO Principles & Criteria MYNI 2019	BSI Services Malaysia Sdn. Bhd.	28/03/2026
MSPO 739515	MSPO Supply Chain Certification Standard (MSPO SCCS) 1 October 2018	BSI Services Malaysia Sdn. Bhd.	23/03/2025

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
Hadapan Palm Oil Mill	KKS Hadapan, Batu 6, Jalan Bukit Permai, Bukit Permai, 81850 Layang-Layang, Johor, Malaysia	103.44817	1.76276
Kulai Estate	Batu 25, Jalan JB Air Hitam, 81000 Kulai, Johor, Malaysia	103.54196	1.66818
Layang Estate	Jalan Ladang Layang-Layang, 81850 Layang-Layang, Johor, Malaysia	103.45735	1.81034
Seri Pulai Estate	KM 9, Jalan Sawah, 81000 Kulai, Johor, Malaysia	103.50941	1.59358
CEP Rengam Estate	KM 3, Jalan Simpang Renggam, 86300, Rengam, Johor, Malaysia	103.37937	1.87306

1.4 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Kulai Estate	2603.88	0.77	418.77	3023.42	86.12
Layang Estate	2969.32	6.02	283.56	3258.90	91.11
Seri Pulai Estate	1929.65	51.17	69.05	2049.87	94.14
CEP Rengam Estate	2819.32	7.19	213.12	3039.63	92.75
TOTAL	10322.17	65.15	984.5	11371.82	

1.5 Plantings & Cycle							
Estate	Age (Years)					Mature**	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Kulai Estate	347.21	1158.63	740.49	73.18	284.37	2256.67	347.21
Layang Estate	93.25	561.25	1955.12	359.7	0.00	2876.07	93.25
Seri Pulai Estate	143.39	500.2	930.2	355.86	0.00	1786.26	143.39
CEP Rengam Estate	466.68	572.91	983.36	773.88	22.49	2352.64	466.68
Total (ha)	1050.53	2792.99	4609.17	1562.62	306.86	9271.64	1050.53

1.6 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Sep 2019 - Aug 2020)	Actual (Dec 2019 - Nov 2020)	Forecast (Sep 2020 - Aug 2021)
Kulai Estate	45,716.52	45,885.32	47420.58
Layang Estate	69,081.04	63946.29	73752.61
Seri Pulai Estate	37,110.90	30828.17	38074.38
CEP Rengam Estate	59,175.31	46027.90	54058.01
Total	211,083.77	186,687.68	213,305.58
Note: Nil			

1.7 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Sep 2019 - Aug 2020)	Actual (Dec 2019 - Nov 2020)	Forecast (Sep 2020 - Aug 2021)
OCP Supplier	45,000.00	30,575.29	40,000.00
Total	45,000.00	30,575.29	40,000.00
Note: Nil			

1.8 Certified Tonnage			
	Estimated (Sep 2019 - Aug 2020)	Actual (Dec 2019 - Nov 2020)	Forecast (Sep 2020 - Aug 2021)
	FFB	FFB	FFB

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Mill Capacity: 60 MT/hr	211,083.77	186,687.68	213,305.58
	CPO (OER: 23%)	CPO (OER: 20.40%)	CPO (OER: 20.79%)
SCC Model: MB	48,549.27	38,084.29	44,346.23
	PK (KER: 6 %)	PK (KER: 5.11%)	PK (KER: 5.50%)
	12,665.03	9,539.74	11,731.81

1.9 Actual Sold Volume (CPO)					
CPO (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
38,084.29	0.00	0.00	500.00	37,584.29	38,084.29

1.10 Actual Sold Volume (PK)					
PK (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
9,539.74	0.00	0.00	0.00	9,539.74	9,539.74

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 07 – 09/12/2020. The audit programme is included as Appendix 2.3. The approach to the audit was to treat the SOU 24 Hadapan Palm Oil Mill and Supply Base 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.

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

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

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

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

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

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

Assessment Program					
Name (Mill / Plantation / Group smallholders)	Year 1 (Certification)	Year 2 (ASA 1)	Year 3 (ASA 2)	Year 4 (ASA 3)	Year 5 (ASA 4)
Hadapan POM	X	X	X	X	X
Kulai Estate		X	X		X
Seri Pulai Estate		X	X		X
CEP Rengam Estate	X			X	
Layang Estate	X			X	

Tentative Date of Next Visit: December 6, 2021 - December 8, 2021

Total No. of Mandays: 11 Mandays

2.1 BSI Assessment Team

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Muhammad Fadzli Masran	Team Leader	He holds Bachelor Degree in Forestry Science, graduated from University Putra Malaysia. He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day to day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers' welfare, workers' occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. Fadzli had accumulated auditing experience when he was the internal auditor for ISO 9001 and ISO 14001 at Kulim Plantations. He has completed ISO IMS 9001, 14001, 45001 (OHS 18001) Lead Auditor Course in April 2018 and endorsed RSPO Lead Auditor Course in July 2018. Fluent in Bahasa Malaysia and English Language. During this assessment, he assessed on the aspects of mill and estate best practices, waste management, HCV, environmental and occupational safety & health. He is fluent in Bahasa Malaysia and English languages.
Ismadi bin Ismail	Team Member	He holds Diploma in Planting Industry Management from MARA Institute of Technology, Kuantan Pahang. 24 years of working experiences with various plantation companies and skills in Best Agriculture Practices (GAP) for plantation. Fully trained in CoP, MSPO and OSHAS. Qualified as Lead Auditor/Auditor for MSPO and CoP. Involved in MSPO assessment since 2017. Completed and certified MSPO Auditor course in

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		2017 held by SGS (M) Sdn Bhd and ISO 9001:2015 lead auditor course by TOMC. Able to speak Bahasa Malaysia and English.
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2.2 Accompanying Persons

No.	Name	Role
	N/A	

2.3 Assessment Plan

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

PRELIMINARY AGENDA (Revision 00)

Date	Time	Subjects	MFM	II
Sunday 6/12/2020	PM	Audit Team Travelling	√	√
Monday 7/12/2020 Kulai Estate	08.30 - 09.00	Opening Meeting: <ul style="list-style-type: none"> • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan 	√	√
	09.00 - 12.30	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.	√	√
	09.00 - 11.30	Stakeholder interviews		√
	12.30 - 13.30	Lunch	√	√
	13.30 - 16.30	Continue with document review Document review P1 – P6 (MSPO 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 (if any)	√	√
	16.30 - 17.00	Interim Closing briefing.	√	√

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Date	Time	Subjects	MFM	II
Tuesday 8/12/2020 Hadapan POM	08.30 - 12.30	Inspection: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√
	09.00 - 11.30	Stakeholder interviews		√
	12.30 - 13.30	Lunch	√	√
	13.30 - 16.30	Continue with document review (MSPO 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 P6 : Best practices	√	√
	16.30 - 17.00	Interim Closing briefing.	√	√
Wednesday 9/12/2020 Seri Pulai Estate	08.30 - 12.30	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.	√	√
	09.00 - 11.30	Stakeholder interviews		√
	12.30 - 13.30	Lunch	√	√
	13.30 - 16.30	Continue with document review Document review P1 – P6 (MSPO 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 (if any)	√	√
	16.30 - 17.00	Preparation of audit report	√	√
	17.00 - 17.30	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 no (0) Major & two (2) Minor nonconformities raised. The SOU 24 Hadapan Palm Oil Mill and Supply Base 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: 1997356-202012-N1	Area/Process: Hadapan Palm Oil Mill	Clause: 4.4.4.1 - Part 4
	Issue Date: 09/12/2020	Due Date: Next Assessment
Requirements:	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.	
Statement of Nonconformity:	No evidence of audiometric retest as per audiometric test report recommendation	
Objective Evidence:	Hadapan POM Latest audiometric test has been conducted on 11/11/2019 as per report ref no. HCP/AMT/191104 by registered OHD doctor with registration no. HQ/15/DOC/00/395. 94 workers were tested with 9 workers were tested with hearing impairment while 7 workers were tested to have standard threshold shift and required to be send for retest within 3 months. There is no evidence of the 7 workers has been send for retest within 3 months.	
Corrections:	The 7 workers has been sent for retest on 17/12/2020 after appointment date was confirmed by VMO/OHD.	
Root cause analysis:	Mill has received the final result report from the OHD in March 2020 and has requested follow up with VMO/OHD for retest appointment. However, due to MCO the appointment was unable to be confirmed and resulting delayed for the re-test.	
Corrective Actions:	Mill has created a dedicated file to record communication between Mill and VMO/OHD for proper monitoring and reference.	

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Assessment Conclusion:	The effectiveness implementation of the corrective action plan will be assess during next assessment.
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Major/Minor Nonconformities:

Ref: 1997356-202012-N2	Area/Process: Kulai Estate and Seri Pulai Estate	Clause: 4.4.4.2 - Part 3
	Issue Date: 09/12/2020	Due Date: Next Assessment
Requirements:	The occupational safety and health plan shall cover the following: b) The risks of all operations shall be assessed and documented. 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).	
Statement of Nonconformity:	<ol style="list-style-type: none"> The mitigation plan stated in the HIRARC report were not effectively implemented PPE was not use appropriately by workers to cover potentially hazardous operations. 	
Objective Evidence:	<p><u>Kulai Estate</u></p> <ol style="list-style-type: none"> Noted during interview with manuring workers, it was noted that the main transportation to the field were own motorcycle. For those without motorcycle were travel to worksite with the manuring tractor where the sit on the pile of fertilizer. This was against the Standard Operating procedure established which stated: 12.0 Pengangkutan; 12.4 Pengangkutan yang membawa peralatan dan bahan (kimia dan baja); d. Dilarang membawa penumpang di kenderaan ini. As per HIRARC established, the current controlled measures was follow Standard Operating procedure established. During interview with spraying workers, it was noted that the workers has been provided with safety goggle to protect their eyes during spraying. However, the workers didn't wear the goggle as instructed during circle spraying work. Further clarification, only 1 out of 6 workers brought the safety goggles to work during the audit <p><u>Seri Pulai Estate</u> Sighted 2 Mechanical Buffalo driver didn't wear provided safety helmet during site visit at field P2000.</p>	
Corrections:	<p><u>Kulai Estate</u></p> <p>Immediate briefing has been given to the said workers and the rest of manuring workers on the seriousness of risks and hazards when travelling to the field by sitting on the pile of fertilizer in the fertilizer trailer dated 8/12/2020.</p> <p>All the sprayer has been instructed to wear goggle immediately before continue the spraying work and Assistant Manager has briefed to the workers on PPE usage including goggle to be wear during all spraying activity on 7/12/2020.</p> <p><u>Seri Pulai Estate</u></p> <p>The MB drivers has been immediately wear the PPE (safety helmet) before continue their work on the same day of audit visit after instructed by staff in-charge.</p>	

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<p>Root cause analysis:</p>	<p><u>Kulai Estate</u></p> <ol style="list-style-type: none"> 1. For the current practice, all the manuring workers travel to the field using motorcycle. On the said date, 2 extra workers were added to the team but they missed out the passenger trailer trip. Due to lack of monitoring since Mandore in charge was already travel to the field, the 2 workers decided to board at the back of trailer carrying fertilizer to the field. 2. During the spraying training, trainer did emphasize on the importance of PPE usage especially goggle during herbicide spraying operation. He mentioned that among all the spraying works, P&D is the most crucial activity that needed protection for workers' eye as the spraying work is done from higher point so workers were always reminded to ensure they do not forget to bring and use safety goggle during this activity. However, misunderstanding occurs as some workers take it as safety goggle only need to be used during P&D spraying activity only. <p><u>Seri Pulai Estate</u></p> <p>The 2 MB drivers was sometime not wearing PPE (safety helmet) all the time during working due to PPE usage monitoring usually done during morning muster ground</p>
<p>Corrective Actions:</p>	<p><u>Kulai Estate</u></p> <ol style="list-style-type: none"> 1. Briefing will be given to all the drivers not to allow any workers to travel in trailer load with fertilizer or premix chemical mounted to their tractor except in passenger trailer. Staff/mandore in charge of manuring will check head counting in the morning to ensure no workers left or missed out the passenger trailer trip after morning muster. 2. Refresher training regarding PPE usage and its importance will be conducted periodically and included in the estate's training plan to ensure sprayer awareness and understanding on PPE usage is in place. Estate will schedule inspection periodically for PPE usage during working/at workplace (will be included in quarterly workplace inspection). <p><u>Seri Pulai Estate</u></p> <p>Refresher training for all MB drivers on importance of PPE wearing to be conducted periodically and included in the estate's training plan to ensure the awareness and understanding on PPE usage is in place. Estate will schedule inspection periodically for PPE usage during working/at workplace (will be included in quarterly workplace inspection).</p>
<p>Assessment Conclusion:</p>	<p>The effectiveness implementation of the corrective action plan will be assess during next assessment.</p>

<p>Opportunity For Improvement</p>		
<p>Ref:</p>	<p>Area/Process:</p>	<p>Clause:</p>
<p>Objective Evidence:</p>	<p>N/A</p>	

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Noteworthy Positive Comments	
1	Good commitment from the management
2	Good document retrieval

3.3 Status of Nonconformities Previously Identified and OFI

Not applicable. As no NC were raised during last assessment.

3.4 Summary of the Nonconformities and Status

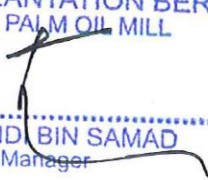

CAR Ref.	CLASS	ISSUED	STATUS
1997356-202012-N1	Minor	09/12/2020	Open. To be assess during next assessment
1997356-202012-N2	Minor	09/12/2020	Open. To be assess during next assessment

3.5 Issues Raised by Stakeholders

Stakeholders comment	
1	<p>Feedbacks: SJK Tamil Ladang Kulai Oil Palm and SJKT Ladang Layang</p> <p>They have good relationship with the Estate Management and the Management will provide assistance whenever they requested. The school hope that this good relationship will remain despite changes in the Managerial Post.</p> <p>Management Responses:</p> <p>School contribution is amongst the top priorities for the External Stakeholders.</p> <p>Audit Team Findings:</p> <p>No action requires</p>
2	<p>Feedbacks: Choon Guan Oil Palm Sdn Bhd</p> <p>She informed that the payments were made promptly without any delay. Furthermore, she has good understanding about MSP0 as well as complaint and grievance mechanism. An agreement was signed prior executing the work.</p> <p>Management Responses:</p> <p>The OCP is very cooperative and adhere to all the term and conditions prescribe by the Management.</p> <p>Audit Team Findings:</p> <p>No action requires</p>
3	<p>Feedbacks: ETP Mandore and Worker</p> <p>The workers were satisfied with the management and were treated equally among all different nationalities. The salary was paid according to Minimum Wage Order 2020. Free housing was provided to them with subsidized of water and electricity.</p>

	<p>Management Responses: To sustain the two-way communication between Employer and Employee.</p>
	<p>Audit Team Findings: No action requires</p>
<p>4</p>	<p>Feedbacks: Medical Assistant – Seri Pulai Estate She informed that all the female workers have been treated equally without any discrimination and no sexual harassment cases being reported thus far.</p>
	<p>Management Responses: To sustain the two-way communication between Employer and Gender Committee</p>
	<p>Audit Team Findings: No action requires</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
<p>Based on the findings during the assessment SOU 24 Hadapan Palm Oil Mill and Supply Base Certification Unit complies with the MS 2530-3:2013 Part 3: General principles for oil palm plantations and organized smallholder, MS 2530-4:2013 Part 4: General principles for palm oil mills. It is recommended that the certification of SOU 24 Hadapan Palm Oil Mill and Supply Base Certification Unit is approved and/or continued.</p>	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Zulaffandi bin Samad	Name: Muhammad Fadzli Masran
Company name: Sime Darby Plantation Berhad	Company name: BSI Services Malaysia Sdn. Bhd.
Title: Mill Manager	Title: Client manager
<p>Signature:</p>  <p>SIME DARBY PLANTATION BERHAD HADAPAN PALM OIL MILL</p> <p>ZULAFFANDI BIN SAMAD Mill Manager</p>	<p>Signature:</p> 
Date: 25/05/2021	Date: 20/05/2020

Appendix A: Summary of the findings by Principles and Criteria

MS 2530 Part 3: General Principles for Oil Palm Plantations and Organized Smallholders

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	<p>Sime Darby commitments towards MSPO compliance being established through Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha, Group Managing Director dated 2nd December 2019.</p> <p>MSPO Briefing has been conducted to all internal and external stakeholders through the following medium: - In view of Internal Stakeholder communication, the details as below:</p> <p>At Kulai Estate, the Policies and Procedures being communicated to 214 workers during Town Hall Session dated 9th September 2020. The meeting chaired by RSQM Team.</p> <p>In Seri Pulai Estate, the Town Hall Session being conducted on 8th September 2020 attended by 156 workers. The meeting chaired by RSQM Team.</p> <p>As for External Stakeholders, the session as following: -</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		External Stakeholders meeting was held on 23 rd November 2019 at Kulai Estate and 5 th December 2019 at Seri Pulai Estate involving 11 and 57 stakeholders respectively comprising Government Agencies, Contractors, School, Supplier and Neighbouring Communities. For the year, External Stakeholder Meeting was scheduled in March 2020, however being postponed to December 2020 due to COVID 19 pandemic outbreak.	
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The sustainability goals are in line with United Nations Sustainable Development Goals (UNSDG) 2030, which committed to: - <ol style="list-style-type: none"> 1. Promoting good governance and transparency 2. Contributing to a better society 3. Minimising environmental harm 4. Delivering sustainability quality This policy being guided by the commitments spelt out in the Company's: - <ol style="list-style-type: none"> 1. Responsible Agriculture Charter (RAC) 2. Human Rights Charter (HRC) 3. Innovation and Productivity Charter (IPC) 	Complied
Criterion 4.1.2 – Internal Audit			
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Sime Darby Plantation, Plantation Sustainability and Quality Management (PSQM), Internal Audit Procedures, Doc No: SD/SDP/PSQM/IAP Revision 2 Date 1/11/2017. The internal audit being conducted annually to implement and maintain the respective standard requirements effectively within the Group.	Complied

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		<p>The Management had drawn an Internal Audit Plan and it being carried out once a year to the Estate. The Internal audit conducted by Sustainability Unit, GSQM Department and RSQM. Sighted Internal Audit Plan and conducted as below: -</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Date Planned</th> <th>Date Audited</th> </tr> </thead> <tbody> <tr> <td>Kulai</td> <td>10TH November 2020</td> <td>10TH November 2020</td> </tr> <tr> <td>Seri Pulai</td> <td>9th November 2020</td> <td>9th November 2020</td> </tr> </tbody> </table>	Estate	Date Planned	Date Audited	Kulai	10 TH November 2020	10 TH November 2020	Seri Pulai	9 th November 2020	9 th November 2020										
Estate	Date Planned	Date Audited																			
Kulai	10 TH November 2020	10 TH November 2020																			
Seri Pulai	9 th November 2020	9 th November 2020																			
4.1.2.2	<p>The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.</p> <p>- Major compliance -</p>	<p>The Internal Audit was planned to be conducted annually. The MSPO Internal Audit was conducted by Sustainability Unit, GSQM Department and RSQM.</p> <p>The team Lead Auditor is Ms Fatini Abd Wahid and assisted by Co-Auditor, Zawawi Sahit, Umeshnath Ragupathy and Haji Suhaimi Juki.</p> <p>The NC's raised as follows: -</p> <table border="1"> <thead> <tr> <th></th> <th>Kulai Estate</th> <th>Seri Pulai Estate</th> </tr> </thead> <tbody> <tr> <td>Date report send by GSQM</td> <td>10/11/2020</td> <td>9/11/2020</td> </tr> <tr> <td>Major</td> <td>8</td> <td>5</td> </tr> <tr> <td>Minor</td> <td>1</td> <td>0</td> </tr> <tr> <td>OFI</td> <td>6</td> <td>9</td> </tr> <tr> <td>Date Response to GSQM</td> <td>24/11/2020</td> <td>19/11/2020</td> </tr> </tbody> </table> <p>All the findings were closed within stipulated timeframe of 2 weeks and the auditee has responded by including the root cause analysis and</p>		Kulai Estate	Seri Pulai Estate	Date report send by GSQM	10/11/2020	9/11/2020	Major	8	5	Minor	1	0	OFI	6	9	Date Response to GSQM	24/11/2020	19/11/2020	Complied
	Kulai Estate	Seri Pulai Estate																			
Date report send by GSQM	10/11/2020	9/11/2020																			
Major	8	5																			
Minor	1	0																			
OFI	6	9																			
Date Response to GSQM	24/11/2020	19/11/2020																			

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Criterion / Indicator		Assessment Findings	Compliance												
		corrective action plan. Evidence, all the Non – conformities submitted being verified onsite by the Lead Auditor as per date response to GSQM.													
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The internal audit report was documented and made available for management review. As evidence, all findings from internal audit was responded by all Estate’s Management within the timeframe of 2 weeks.	Complied												
Criterion 4.1.3 – Management Review															
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	<p>The procedure for Management Review, Standard Operation Manual, Sub-Section 5.6, dated: 25/5/2015 was established. The frequency for management review needs to be carried out at least once a year.</p> <p>The Management Review meeting is on Operating Unit basis. The actual meeting date as below: -</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Estate</th> <th>Date of Meeting</th> <th>No of Participants</th> <th>Venue</th> </tr> </thead> <tbody> <tr> <td>Kulai</td> <td>17/11/2020</td> <td>14</td> <td>Kulai Estate, Meeting Room</td> </tr> <tr> <td>Seri Pulai</td> <td>25/11/2020</td> <td>14</td> <td>Seri Pulai Estate, Meeting Room</td> </tr> </tbody> </table> <p>The agendas discussed in the meeting are the following: Review of last meeting and confirmation of the minutes. Review of status / issue of Input and Output</p>	Estate	Date of Meeting	No of Participants	Venue	Kulai	17/11/2020	14	Kulai Estate, Meeting Room	Seri Pulai	25/11/2020	14	Seri Pulai Estate, Meeting Room	Complied
Estate	Date of Meeting	No of Participants	Venue												
Kulai	17/11/2020	14	Kulai Estate, Meeting Room												
Seri Pulai	25/11/2020	14	Seri Pulai Estate, Meeting Room												

Criterion / Indicator		Assessment Findings	Compliance																
		Sustainability Management Resource evaluation, needs and plan Results from system audit Changes that could affect the Management Systems Recommendation for Improvement Other matters																	
Criterion 4.1.4 – Continual Improvement																			
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 -	Estate has developed Continuous Improvement Plan year 2020. The plans are: a. Kulai Estate : - <table border="1" data-bbox="1048 890 1877 1345"> <thead> <tr> <th>No</th> <th>Area/ system</th> <th>Objective</th> <th>Timeline / PIC</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>SIME card</td> <td>To identify unsafe act and condition to minimize near missed/ accident occurrences.</td> <td>On-going/ Asst Manager</td> </tr> <tr> <td>2</td> <td>SEMUA 2.0</td> <td>To keep tracks on the FFB movement from the field up to the oil mill.</td> <td>On-going/ Asst Manager</td> </tr> <tr> <td>3</td> <td>Rapid4 IT System</td> <td>Reporting on accidents, OSH Programme, alert on expiring dates for permit and licenses.</td> <td>On-going/ Asst Manager</td> </tr> </tbody> </table>	No	Area/ system	Objective	Timeline / PIC	1	SIME card	To identify unsafe act and condition to minimize near missed/ accident occurrences.	On-going/ Asst Manager	2	SEMUA 2.0	To keep tracks on the FFB movement from the field up to the oil mill.	On-going/ Asst Manager	3	Rapid4 IT System	Reporting on accidents, OSH Programme, alert on expiring dates for permit and licenses.	On-going/ Asst Manager	Complied
No	Area/ system	Objective	Timeline / PIC																
1	SIME card	To identify unsafe act and condition to minimize near missed/ accident occurrences.	On-going/ Asst Manager																
2	SEMUA 2.0	To keep tracks on the FFB movement from the field up to the oil mill.	On-going/ Asst Manager																
3	Rapid4 IT System	Reporting on accidents, OSH Programme, alert on expiring dates for permit and licenses.	On-going/ Asst Manager																

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Criterion / Indicator		Assessment Findings				Compliance
		4	Raking	To reduce raking cost by using Zenoah Blower.	On-going/ Asst Manager	
		5	Selective Weeding	To reduce selective weeding cost by implementing mechanization.	On-going/ Asst Manager	
		b. Seri Pulai Estate as below: -				
		No	Area/ system	Objective	Timeline / PIC	
		1	KPI (FFB Transporter)	To enhance and monitor the contract to more involve on safety and work compliance issue in Estate. Company has provided evaluation form on KPI transporter on monthly basis.	On-going/ Asst Manager	
2	SEMUA 2.0	To keep tracks on the FFB movement from the field up to the oil mill. Bunch counter, harvesting mandor, weighbridge operator	On-going/ Asst Manager			

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Criterion / Indicator		Assessment Findings			Compliance
				involved in the implementation. Bunch counter and harvesting mandor provided with Gadget	
		3	Rapid4 IT System	Reporting on accidents, OSH Programme, alert on expiring dates for permit and licenses. Submission of necessary data by Medical Assistant to the system for reporting purpose.	On-going/ Asst Manager
		4	Raking	To reduce raking cost by using Zenoah Blower. Estate Management is provided Zenoah blower to reduce Manpower and also cost of raking	On-going/ Asst Manager
		5	Soil Conservation	To reduce weeding cost by using farm tractor and roto slasher. Estate Management is provided rotolasher to reduce the manpower and chemical in field area	On-going/ Asst Manager

Criterion / Indicator		Assessment Findings	Compliance
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 -	The latest technology embarking at Kulai and Seri Pulai Estate is Zenoah Blower for circle raking. The objective is to reduce raking cost by less dependency on labor and higher productivity by mechanize.	Complied
4.1.4.3	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. - Major compliance -	Where new technology or system are introduced, awareness briefing is provided to the employees at all levels prior to the implementation. Evidence, training on Zenoah Blower was conducted by the Assistant Manager of Kulai Estate on 15 th October 2020 at Block 2010A. The training was attended by 8 participants.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Sime Darby has established Communication Procedure either Internal or External Stakeholders. The information was available in two (2) languages English and Malay. This document was accessible to stakeholder as sighted at Estate notice board. The information being disseminated to the Internal and External Stakeholders either through Townhall Session or External Stakeholders’ Meeting. In view of Internal Stakeholder communication, the details as below: At Kulai Estate, the Policies and Procedures being communicated to 214 workers during Town Hall Session dated 9 th September 2020. The meeting chaired by RSQM Team.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>In Seri Pulai Estate, the Town Hall Session being conducted on 8th September 2020 attended by 156 workers. The meeting chaired by RSQM Team.</p> <p>As for External Stakeholders, the session as following: -</p> <p>External Stakeholders meeting was held on 23rd November 2019 at Kulai Estate and 5th December 2019 at Seri Pulai Estate involving 11 and 57 stakeholders respectively comprising Government Agencies, Contractors, School, Supplier and Neighbouring Communities. For the year, External Stakeholder Meeting was scheduled in March 2020, however being postponed to December 2020 due to COVID 19 pandemic outbreak.</p>	
4.2.1.2	<p>Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Bhd (SDPB) has established Estate Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the company’s safety & health, social, environmental and other aspects.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Information relating to land titles, safety and health plans, pollution prevention plans was made available at all Estates. Among the documents that were made available for viewing were land titles, occupational health and safety plans, EIA reports, SIA reports, details of complaints and grievances, negotiation procedures, continuous improvement plans, and human rights policy.</p> <p>Furthermore, information regards to Sustainability Reports, sustainability policies, Human Rights Charter, practices and key initiatives which include Lean Six Sigma and Continuous Improvement, Safety and Health, Environment, Biodiversity Conservation, Environmental Conservation can be retrieve through the company's website http://www.simedarbyplantation.com/.</p> <p>Confidential documents such as financial, personal and etc. are not allowed to be shared publicly.</p> <p>The Estate Manager is responsible to address all communication and request for documentations that could be made available to public or stakeholders.</p>	
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Bhd (SDPB) has established Estate Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008.</p> <p>The procedure for Internal Stakeholders was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Internal Issues.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the company's safety & health, social, environmental and other aspects.</p> <p>The SOP also specifies the timeframe to be taken to provide feedback to the stakeholder is: -</p> <p>Within 2 weeks from the date receiving the queries.</p> <p>Within one week of the completion of the investigation for communication requiring investigation.</p> <p>The procedure for consultation and communication is also available through website address http://simedarbyplantation.com.</p>	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.	All the Estates have appointed their person in charge to monitor Consultation and communication. The list of the names as below: -	Complied

Criterion / Indicator		Assessment Findings	Compliance																					
	- Minor compliance -	<p>Kulai Estate is En. Syaiful Bahri bin Mohamed Yusof, Assistant Manager through appointment letter dated 6th November 2019 signed by En. Amir Hassan bin Shaari, Estate Manager.</p> <p>As for Seri Pulai Estate, En. Muhammad Faiz bin Roslan, Assistant Manager through appointment letter dated 14th April 2020 signed by En. Zulkifli Mohd Hashim, Estate Manager</p>																						
4.2.2.3	<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>- Major compliance -</p>	<p>The external stakeholder consultation being conducted once a year. Thus far, there were no issues being raised by the external stakeholder as per complaint and request & response book at both Estates. Sighted latest stakeholders list for both Estates updated on 7th December 2020 as follows: -</p> <table border="1" data-bbox="1099 820 1818 1177"> <thead> <tr> <th>Estate</th> <th>Kulai</th> <th>Seri Pulai</th> </tr> </thead> <tbody> <tr> <td>Neighbouring Estate & Mill</td> <td>0</td> <td>4</td> </tr> <tr> <td>Government</td> <td>29</td> <td>26</td> </tr> <tr> <td>Supplier / Vendors</td> <td>25</td> <td>7</td> </tr> <tr> <td>Local Community</td> <td>2</td> <td>7</td> </tr> <tr> <td>Contractor</td> <td>3</td> <td>5</td> </tr> <tr> <td>Total</td> <td>59</td> <td>49</td> </tr> </tbody> </table>	Estate	Kulai	Seri Pulai	Neighbouring Estate & Mill	0	4	Government	29	26	Supplier / Vendors	25	7	Local Community	2	7	Contractor	3	5	Total	59	49	Complied
Estate	Kulai	Seri Pulai																						
Neighbouring Estate & Mill	0	4																						
Government	29	26																						
Supplier / Vendors	25	7																						
Local Community	2	7																						
Contractor	3	5																						
Total	59	49																						
Criterion 4.2.3 – Traceability																								
4.2.3.1	<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>The company has established Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability version 2 Issue # 5 dated April 2019. The objective of the SOP is to provide guidelines for estates and POM to establish and ensure effective implementation on</p>	Complied																					

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Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>sustainable supply chain and traceability of certified sustainable materials (FFB, CPO & PK).</p> <p>Verified the implementation of this SOP and sufficient information is stated on the weighbridge ticket or consignment note of all FFB transactions as below:</p> <p>a. Despatch</p> <p>FFB Consignment Note : 025551</p> <p>Date : 7th December 2020</p> <p>Field No; 013A , 01</p> <p>Contract Area</p> <p>No of Bunches : 1379, 169</p> <p>Harvesting Interval : 10</p> <p>Date Harvested : 7/12/2020</p> <p>Estimated Tonnage : 8240 , 1500 = 9740 kg</p> <p>Vehicle No : JSR 9996</p> <p>Driver's Name : Baharim</p> <p>Bin / Trailer No : 93</p> <p>Seal Number : 034528</p> <p>b. Receiver / Buyer</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		Mill : KKS HADAPAN FFB Receive Ticket No : 218186 Date : 7/12/2020 Supplier : E040-E-Seri Pulai Transporter : T002 – Seri Pulai Estate Delivery Note : 025551 Vehicle No : JSR 9996 Driver Name : Baharin Seal No : 034528 First Weight : 23,310 kg Second weight : 13,580 kg Nett weight : 9,730 kg Variance : 10 kg	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	The Estate Management team holds the responsibility on regular inspection of traceability system. Periodical inspections also being conducted through Internal Audit visit, HQ Level visit or Agronomist. The effectiveness of the monitoring will evidence in the internal audit and visit report findings.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	All the Estates have appointed their person in charge to monitor Traceability System. The list of the names as below: -	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Kulai Estate is En. Syaiful Bahri bin Mohamed Yusof, Assistant Manager through appointment letter dated 6th November 2019 signed by En. Amir Hassan bin Shaari, Estate Manager.</p> <p>As for Seri Pulai Estate, En. Muhammad Faiz bin Roslan, Assistant Manager through appointment letter dated 14th April 2020 signed by En. Zulkifli Mohd Hashim, Estate Manager</p>	
4.2.3.4	<p>Records of sales, delivery or transportation of FFB shall be maintained.</p> <p>- Major compliance -</p>	<p>FFB being sell to Hadapan POM, own mill and being monitored by Marketing Department. Sighted the records of sales, delivery or transportation of FFB. This record being maintained and the documents are kept by the both Estates as well the Mill.</p>	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations are in compliance with the applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU24. SQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p> <p>Kulai Estate, the lists of permits/licenses which has to be monitored and updated periodically include;</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>MPOB License No. 50850910200 for Kulai Oil Palm Estate, untuk menjual dan mengalih FFB untuk keluasan 2,749.06 ha for a period of 01.04.2020 till 31.03.2021.</p> <p>Permit Barang Kawalan Berjadual No. Rujukan: KPDKK.J.JB/26/5A/11/107(P/D)(P3) on purchasing 8,000 liter Diesel from supplier for a period of 26.07.2020 till 25.07.2021 at Kulai Estate</p> <p>Permit Barang Kawalan Berjadual No. Rujukan: KPDKHEP.J.JB/26/5A/11/553(P/D)(P2) on purchasing 10,000 liter Diesel from supplier for a period of 30.05.2020 till 29.05.2021 at Kelan Estate</p> <p>Perakuan Kelayakan Pengandung Tekanan Tak Berapi Perihal Air Compressor Receiver Kulai Estate, No Pendaftaran: JH PMT 5096 valid until 28th January 2021</p> <p>Perakuan Kelayakan Pengandung Tekanan Tak Berapi Perihal Air Compressor Receiver Kelan Estate, No Pendaftaran: JH PMT 3252 valid until 17th March 2021</p> <p>Potongan Upah Dibawah Seksyen 24 Akta Kerja 1955 untuk bayaran pinjaman Pendidikan PTPTN dan simpanan Tabung Haji dated 30th May 2018</p> <p>Potongan Upah Dibawah Seksyen 24 Akta Kerja 1955 untuk bayaran Tabung Masjid dan Kuil tidak melebihi RM1.00 untuk agama Islam dan RM4.00 bagi agama Hindu dated 4th May 2019</p> <p>Potongan Upah Dibawah Seksyen 24 Akta Kerja 1955 untuk bayaran Skim Insurans Pelbagai Manfaat (GMBS) kepada Great Eastern Life Assurance (Malaysia) Berhad</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Potongan Upah Dibawah Seksyen 24 Akta Kerja 1955 untuk pembayaran potongan perlindungan Insurans Berkelompok bagi tujuan Kemalangan, Hospitalisasi dan Pembedahan AIG Malaysia tidak melebihi RM26.00 sebulan untuk setiap pekerja.</p> <p>Lesen Melencong atau Mengabstrak Air Sungai (Seksyen 7) Enakmen Air Johor 1921, BAKAJ/334/300/05/02/07/02 under licensed number 07/A/KJ/041 for 109m3/day valid until 31st December 2020.</p> <p>Seri Pulai Estate, the lists of permits/licenses which has to be monitored and updated periodically include;</p> <p>MPOB License No. 520195002000 for Seri Pulai Estate, untuk menjual dan mengalih FFB untuk keluasan 2,101.03 ha for a period of 01.05.2020 till 30.04.2021.</p> <p>Permit Barang Kawalan Berjadual No. Rujukan: KPDNHEP.J.JB/26/5A/11/1424(P/D)(B) on purchasing 18,000 liter Diesel from supplier for a period of 9.11.2020 till 8.11.2021 at Seri Pulai Estate</p> <p>Perakuan Kelayakan Pengandung Tekanan Tak Berapi Perihal Air Compressor Receiver Seri Pulai Estate, No Pendaftaran: JH PMT 3355 valid until 17th September 2021, 862 kilo pascal.</p> <p>Akta Bekalan Elektrik 1990, Perakuan Pendaftaran, Pemasangan No : ST(SJB)P/S/JHR/00893 For 20Kw valid till 26th April 2021</p> <p>Water Services Industry Act 2006, Water Services Industry (Licensing) Regulations 2007. The license valid from 4th June 2020 until 3rd June 2023.</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Potongan Upah Dibawah Seksyen 24 Akta Kerja 1955 untuk bayaran bil Elektrik dated 6th July 2017</p> <p>Potongan Upah Dibawah Seksyen 24 Akta Kerja 1955 untuk bayaran Skim Insurans Pelbagai Manfaat (GMBS) kepada Great Eastern Life Assurance (Malaysia) Berhad sebanyak RM10.00 sebulan.</p> <p>Lesen Melencong atau Mengabstrak Air Sungai (Seksyen 7) Enakmen Air Johor 1921, BAKAJ/334/300/05/02/07/06 under licensed number 07/A/KJ/054 for 109m3/day valid until 31st December 2020.</p>	
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>List of applicable legal and other requirements was made available during the assessment. The documented procedure has been established and implemented as per Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008.</p> <p>The list of applicable laws and regulations which consist of documents/laws that covers the requirements related to MSPO compliance at both Estate are: -</p> <p>Prevention and Control of Infectious Diseases Act 1988, Act 342</p> <p>Occupational Safety and Health Act 1994 (Act514)</p> <p>Environmental Quality Act 1974 (Act 127)</p> <p>Factories and Machinery Act with regulations 1967 (Act 139)</p> <p>Pesticides Act 1974 (Act 149)</p> <p>MPOB Act 1998 (Act 582)</p>	Complied

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	Road Transport Act 1987 (Act 333) Employees Social Security Act 1969 (Act 4) Food Act and Regulations Act 1983 (Act 281) Industrial Relations Act 1967 (Act 177) Trade Union Act 1959 (Act 262) Employees Provident Fund 1991 (Act 452) Human Rights Commission of Malaysia Act 1999 (Act 597) Control of Supplies (Act 122) Employment Act 1955 (Act 265) Electricity Supply Act 1990 (Act 447) Sales Tax Act 1972 (Act 64) Medical Assistant Registration Act (Act 180) Immigration Act 1959/1963 (Act 155) Workers' Minimum Standards of Housing and Amenities Amendment Act 2019 Workman Compensation Act 1952 (Act 273) Conservation of Environment Enactment 1996 Wetlands and Climate Chang 1999 The UN Convention on Biological Diversity Stockholm Convention on Persistent Organic Pollutants (2001)	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Rotterdam Conventions on Prior and Informed Consent Procedure for certain Hazardous Chemicals and Pesticides in International Trade (1998)</p> <p>International Labour Organization (ILO) Convention 98 (1949) Right to Organize and Collective Bargaining</p> <p>Personal data Protection Act 2010 (Act 709)</p> <p>Malaysian Anti-Corruption Commission 2009 (Act 694)</p> <p>Whistle blower Protection Act 2010 (Act 711)</p> <p>Environment Protection Enactment 2002</p> <p>Environment Protection (Prescribed Activities) Order 2005</p> <p>Environmental Impact Assessment Order 2005</p> <p>Weights and Measures Act 1972 (Act 71)</p> <p>Wetlands and Climate Change, 1999.</p> <p>Employment Insurance System (EIS) 2017 (Act 800)</p> <p>Minimum Retirement Age Act 2012 (Act 753)</p> <p>Passport Act 1966</p> <p>Children and Young Persons (Employment) Act 1966 + 2018 Amendment (Act 350)</p> <p>Minimum Wages Order 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Jangkitan) (Pelanjutan Kuat Kuasa) (No.2) 2020</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Berjangkit) (Pelanjutan Kuat Kuasa) (No. 5) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Langkat – Langkah Di Dalam Kawasan Tempatan) (No.7) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Pengkompaunan Kesalahan – Kesalahan) (Pindaan) (No.7) 2020</p>	
4.3.1.3	<p>The legal requirements register shall be updated as and when there are any new amendments or any new regulations coming into force.</p> <p>- Major compliance -</p>	<p>Changes to legal requirements are monitored and updated by company’s Group Sustainability & Quality Management (GSQM). The SOP 2.0 (Legal Compliance) has specified any changes to legal requirements are tracked by means of periodic review and evaluation on the Laws & regulations list to ensure that any new/addition as well as changes and amendment are captured and updated, through the following manner:</p> <p>Head Office Assignee to identify and register all applicable laws & regulations pertaining to estate / palm oil mill operation.</p> <p>Head Office Assignee to arrange the purchase of the applicable laws & regulations books where possible. Otherwise, downloaded/ soft copy would be used.</p> <p>The latest up-date for 2020 are; -</p> <p>Minimum Wages Order 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Jankitan) (Pelanjutan Kuat Kuasa) (No.2) 2020</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Berjangkit) (Pelanjutan Kuat Kuasa) (No. 5) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Langkat – Langkah Di Dalam Kawasan Tempatan) (No.7) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Pengkompaunan Kesalahan – Kesalahan) (Pindaan) (No.7) 2020</p> <p>Workers’ Minimum Standards of Housing and Amenities Amendment Act 2019</p>	
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>All the Estates have appointed their person in charge to monitor Legal Requirements. The list of the names as below: -</p> <p>Kulai Estate is En. Syaiful Bahri bin Mohamed Yusof, Assistant Manager through appointment letter dated 6th November 2019 signed by En. Amir Hassan bin Shaari, Estate Manager.</p> <p>As for Seri Pulai Estate, En. Muhammad Faiz bin Roslan, Assistant Manager through appointment letter dated 14th April 2020 signed by En. Zulkifli Mohd Hashim, Estate Manager</p>	Complied
Criterion 4.3.2 – Lands use rights			

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Criterion / Indicator		Assessment Findings	Compliance															
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users. - Major compliance -	The was no evidence to show that oil palm cultivation activities in both estates visited had diminished the land use rights of others. Verified documents to show legal ownership of its land.	Complied															
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	<p>Sime Darby did not acquire land from landowners, but leased it directly from the government. The quit rent payment was done accordingly as requirement from the state government.</p> <p>Sighted the sampled land title as follows:</p> <table border="1"> <thead> <tr> <th>Land Title no.</th> <th>Lot no.</th> <th>Hectare</th> </tr> </thead> <tbody> <tr> <td>326462</td> <td>2940</td> <td>370.4891</td> </tr> <tr> <td>238102</td> <td>3852</td> <td>53.6208</td> </tr> <tr> <td>326461</td> <td>7365</td> <td>1420.4444</td> </tr> <tr> <td>238097</td> <td>3850</td> <td>1.3784</td> </tr> </tbody> </table>	Land Title no.	Lot no.	Hectare	326462	2940	370.4891	238102	3852	53.6208	326461	7365	1420.4444	238097	3850	1.3784	Complied
Land Title no.	Lot no.	Hectare																
326462	2940	370.4891																
238102	3852	53.6208																
326461	7365	1420.4444																
238097	3850	1.3784																
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	<p>The legal boundary for estate visited was clearly demarcated by constructing security trenches along the boundary and it was visibly maintained.</p> <p>Kulai Estate</p> <p>The estate has clearly demarcated the legal boundary with red and colour pole and security trenches as sighted at P13A, adjacent with Kg. Seri Paya.</p> <p>Seri Pulai Estate</p>	Complied															

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Criterion / Indicator		Assessment Findings	Compliance
		The estate has clearly demarcated the legal boundary with red and colour pole and security trenches as sighted at P16C adjacent with Kg. Melayu Raya.	
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	No disputes have been recorded in all sample estates area. There is no evidence of conflict present in this estate. There is no violence on instigated violence in maintaining peace because company has clear procedures for land conflict. There is no land dispute for the estates.	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There is no customary land within or surrounding in all sample estates. There are also no land disputes or claims involving the estates. The company has proper legal land titles for the land ownership.	Complied
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights land, if any, should made available. - Minor compliance -	There is no customary land within or surrounding in all sample estates. There are also no land disputes or claims involving the estates. The company has proper legal land titles for the land ownership.	Complied
4.3.3.3	Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available. - Major compliance -	There is no customary land within or surrounding in all sample estates. There are also no land disputes or claims involving the estates. The company has proper legal land titles for the land ownership.	Complied
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones.	Sighted main template of Social Impact Assessment for SOU 24 being established on 3 rd – 7 th February 2014. The SIA Management Plan will	Complied

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Criterion / Indicator		Assessment Findings				Compliance
	- Minor compliance -	be reviewed every year. The latest review was on 30 th November 2020 at Kulai Estate and the plan, action taken to mitigate the issues and status as listed herein: -				
		Area of Concerns	Action Plan	Status	Pic	
		Road access and conditions Bad field conditions that are potential health and safety risk	Visual checks, visits, monitor incidences of accident cause by poor road conditions. Road maintenance program	Maintenance and road repair in progress subject to availability of budget. Work focus on eliminating the big pot holes on main road.	Asst Mgr	
		Line site	Awaiting approval for CAPEX application	Pending approval from Region Office	Sr. Asst	
		Health and Safety - workers not using motorcycle helmet	Frequent roadblock in the morning by AP.	On Going	Sr. Asst	

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Criterion / Indicator		Assessment Findings				Compliance
			Sime Card issued by Executive, Staff and AP.			
		As for Seri Pulai Estate, the latest review was in December 2020 and the plan, action taken to mitigate the issues and status as listed herein: -				
		Area of Concerns	Action Plan	Status	Pic	
		Road access and conditions	Visual checks, visits, monitor incidences of accident cause by poor road conditions.	Maintenance and road repair in progress subject to availability of budget.	Asst Mgr	
		Bad field conditions that are potential health and safety risk	Road maintenance program	Work focus on eliminating the big pot holes on main road.		
		Estate fears allowing road access to communities and/or workers from surrounding estate might increase security risk	Maps of estate showing roads, village and other stakeholders Only 1 entrance point made available	The AP's also consistently patrolling the boundaries and the		

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Criterion / Indicator		Assessment Findings			Compliance
			by Estate Management	main access point gate.	
		Health and Safety – workers not using motorcycle helmet	Frequent roadblock in the morning by AP. Sime Card issued by Executive, Staff and AP.	On Going	Sr. Asst
Criterion 4.4.2: Complaints and grievances					
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	<p>Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1 Year 2008, Issue No 1 dated 1st Nov 2008.</p> <p>The procedure for handling internal social issue was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Social Issues.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties.</p>			Complied
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.	The Standard operation Manual under clause 6.3 Timeframe for External Communication has stated: -			Complied

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Criterion / Indicator	Assessment Findings	Compliance																
<p>- Major compliance -</p>	<p>Within 2 weeks of the date of receipt for communication requiring direct feedback.</p> <p>Within 1 week of the completion of the investigation for communication requiring investigation.</p> <p>The relevant management personnel may extend due to extenuating circumstances or with justifiable reasons time limit. So far, no complaint received from internal and external except for housing maintenance. Evidence, all the stakeholders are informed on the progress of their grievances. Amongst the complaint and grievances address in FY2020 are: -</p> <p>Detail of No of Complaints as below: =</p> <table border="1" data-bbox="1048 1029 1753 1259"> <thead> <tr> <th></th> <th colspan="2">Kulai Estate</th> <th>Seri Pulai Estate</th> </tr> <tr> <th></th> <th>Housing - Repairs</th> <th>Electricity</th> <th>Housing Repairs c/w Electricity</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>6</td> <td>12</td> <td>121</td> </tr> <tr> <td>2020</td> <td>33</td> <td>31</td> <td>110</td> </tr> </tbody> </table>		Kulai Estate		Seri Pulai Estate		Housing - Repairs	Electricity	Housing Repairs c/w Electricity	2019	6	12	121	2020	33	31	110	
	Kulai Estate		Seri Pulai Estate															
	Housing - Repairs	Electricity	Housing Repairs c/w Electricity															
2019	6	12	121															
2020	33	31	110															

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Sample at Kulai Estate on internal housing complaint by Kasewan No 106 dated 25th March 2020 on leaking water pipe. Seen, the complaint and action being responded within 3 working days on 28th March 2020.</p> <p>As for Electricity repair seen complaint by Puan Faizah Omar at weighbridge & Osh Room on faulty electricity supply dated 25th September 2020. The repair being conducted on the same day and acknowledge by the complainant.</p> <p>In Seri Pulai Estate, seen complaint from Puan Faizah on faulty fluorescence lamp at Hall dated 30th October 2020. The repair was solved on 31st October 2020 and acknowledge by the complainant.</p>	
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p>- Minor compliance -</p>	<p>The Estate has established 5 type of complaints medium: -</p> <ul style="list-style-type: none"> Complaint Book – Housing Repairs Complaint Book – Electricity Repairs Letter by complainant Suara Kami Whistle Blowing <p>Complaint Form can be obtained at the Estate Office. Interview with the local and foreign confirmed they are aware of the above process. Merely, complaints on Housing Maintenance being observed in all sampled Estates.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Under Group policies and authority's GPA No 85 Whistleblowing channels are established to help all stakeholders raise concerns, without fear or retaliation, on any wrongdoing that they may observe in the Sime Darby Group. The statement can be viewed through http://www.simedarbyplantation.com/</p> <p>Instead of whistle blowing, the workers have another medium to relay their complaints and grievances through SUARA KAMI – TALIAN BANTUAN PEKERJA. The complaints will be directed to Sime Darby HQ for investigation. This medium being handled by 3rd party.</p>	
<p>4.4.2.4 Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time.</p> <p>- Minor compliance -</p>	<p>Employees and the surrounding communities were communicated through: -</p> <p>In view of Internal Stakeholder communication, the details as below:</p> <p>At Kulai Estate, the Policies and Procedures being communicated to 214 workers during Town Hall Session dated 9th September 2020. The meeting chaired by RSQM Team.</p> <p>In Seri Pulai Estate, the Town Hall Session being conducted on 8th September 2020 attended by 156 workers. The meeting chaired by RSQM Team.</p> <p>The complaint and grievance mechanism being briefed to workers during morning muster</p> <p>As for External Stakeholders, the session as following: -</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
		External Stakeholders meeting was held on 23 rd November 2019 at Kulai Estate and 5 th December 2019 at Seri Pulai Estate involving 11 and 57 stakeholders respectively comprising Government Agencies, Contractors, School, Supplier and Neighbouring Communities. For the year, External Stakeholder Meeting was scheduled in March 2020, however being postponed to December 2020 due to COVID 19 pandemic outbreak.	
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	Sighted all internal complaints filled, responded and the records being maintained for the last 24 months.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Growers should contribute to local development in consultation with the local communities. - Minor compliance -	Estate is committed and have contributed to local development. The contribution made to the internal. As evidence, the followings: - Kulai Estate To supply essential items to local workers during MCO dated 18 th May 2020 in order to reduce their burden. The cost incurred approximately RM496.00. Seri Pulai Estate Donation to Asnaf to facilitate expense for Hari Raya Aidilfitri dated May 2020 amounting RM500.00	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Sport Day Carnival with workers in order to build up good relationship between employer and employee dated 16th September 2020 amounting RM2,655.00</p> <p>Bacaan Yaasin and Sholat Hajat with workers in order to build up good relationship between employer and employee dated 5th November 2020 amounting RM200.00</p>	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has established environmental policy Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.</p> <p>In the Policy Statement stated as follows:</p> <p>“Upstream Malaysia is committed to providing safe and healthy workplaces and operating in an environmentally responsible manner at all our operations in Malaysia.”</p> <p>The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate.</p> <p>The GSQM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.</p> <p>Estate visited has established Safety and Health Plan and reviewed on annually basis. The plan covers on OSH Legal Compliance, Emergency Response Plan, OSH Management System and Risk Management, HIRADC, training, OSH committee meeting, workplace inspection, medical surveillance and etc.</p>	Complied

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		<p>Sighted the implementation of the management plan FY 2020 as follows:</p> <p>Kulai Estate</p> <p>The estate conducted workplace inspection on quarterly basis prior to environmental, safety and health committee meeting. The result of the inspection were discussed in the meeting.</p> <p>Latest CHRA was conducted on 29/6/2020 by registered assessor with reg. no. HQ/15/ASS/00/363. The CHRA report no. HQ/15/ASS/00/363-2020-155 and action plan were available for review.</p> <p>Seri Pulai Estate:</p> <p>Latest CHRA was conducted on on 29/6/2020 by registered assessor with reg. no. HQ/15/ASS/00/363. The CHRA report no. HQ/15/ASS/00/363-2020-156 and action plan were available for review.</p>	
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <p>A safety and health policy, which is communicated and implemented.</p> <p>The risks of all operations shall be assessed and documented.</p> <p>An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <p>all employees involved shall be adequately trained on safe working practices</p> <p>all precautions attached to products shall be properly observed and applied</p>	<p>Sime Darby has established the Group Policy on Health and Safety signed by the Managing Director on Jan 2015. The policy has been communicated to the workers through induction training for new workers, morning briefing, iCARE Safety and Health Townhall meeting, and displayed at various notice board within the estate.</p> <p>The estates visited has conducted assessment for risk on all the operations and documented in Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment cover all main operations and support operations such as harvesting, weeding, manuring, office operation, security, pest and disease and other support operation. The HIRARC was reviewed at minimum once a year, if accident occur or changes on the operation.</p>	Minor NC

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Criterion / Indicator	Assessment Findings	Compliance
<p>The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>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.</p> <p>The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>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>Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>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>Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Kulai Estate</p> <p>Latest HIRARC review was on 17/11/2020 due to accident records in harvesting operation.</p> <p>Noted during interview with manuring workers, it was noted that the main transportation to the field were own motorcycle. For those without motorcycle were travel to worksite with the manuring tractor where they sit on the pile of fertilizer.</p> <p>This was against the Standard Operating procedure established which stated: 12.0 Pengangkutan; 12.4 Pengangkutan yang membawa peralatan dan bahan (kimia dan baja); d. Dilarang membawa penumpang di kenderaan ini.</p> <p>As per HIRARC established, the current controlled measures were follow Standard Operating procedure established.</p> <p>Seri Pulai Estate</p> <p>Latest HIRARC review was on 6/11/2020 due to accident records in harvesting operation.</p> <p>The estate has established training program for employees exposed to chemicals used at the estate to ensure the continuous awareness to the employee. The training was conducted by the Executives, Medical Assistant and representative from the chemical suppliers to the supervisors and operators. Sighted the sampled training records as follows:</p> <p>Kulai Estate</p> <p>Pest and Disease training dated 24/8/2020</p> <p>Chemical, scheduled waste, USECHH training dated 23/9/2020</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Palmprom harvesting training dated 17/8/2020</p> <p>Interpump maintenance and spraying training dated 17/2/2020</p> <p>Seri Pulai</p> <p>The estates visited provided appropriate PPE to all workers according to the job type. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) dated 17/3/2008. Sighted during site visit, the sprayers were provided with wellington boots, apron, nitrile gloves and half face respirator. The PPE issuance records were available for review.</p> <p>Kulai Estate</p> <p>During interview with spraying workers, it was noted that the workers has been provided with safety goggle to protect their eyes during spraying. However, the workers didn't wear the goggle as instructed during circle spraying work. Further clarification, only 1 out of 6 workers brought the safety goggles to work during the audit</p> <p>Seri Pulai Estate</p> <p>Sighted 2 Mechanical Buffalo driver didn't wear provided safety helmet during site visit at field P2000.</p> <p>Procedures of chemical handling is presented in several documents, such Document No. SD/SDP/SQM (ESH)/001-1Sime Darby Plantation Environment, Safety, and Health Management System (ESHMS) Manual dated July 1st, 2012.</p> <p>The Estate Manager has been appointed as Person Responsible / Chairman for Safety and Health in the estate as per appointment letter dated 1/1/2020 signed by the Regional CEO. The Estate Manager has appointed the Sr. Assistant Manager as person responsible for Safety</p>	

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	<p>and health issue in the estate as per appointment letter dated 1/12/2019.</p> <p>The estate management has established Safety Committee Member consist of Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Mill Manager. The OSH committee discussed regarding the safety and health of the workers on quarterly basis during the OSH committee meeting. In the meeting discussed on the matters arising from the previous meetings, accident and incident report, workplace inspection, and training. Sighted the minutes meeting records as follows:</p> <table border="1" data-bbox="1048 770 1563 1018"> <tbody> <tr> <td>Sri Pulai Estate</td> <td>Kulai Estate</td> </tr> <tr> <td>02/01/2020</td> <td>10/02/2020</td> </tr> <tr> <td>NA (Due to MCO)</td> <td>09/05/2020</td> </tr> <tr> <td>01/07/2020</td> <td>14/08/2020</td> </tr> <tr> <td>07/10/2020</td> <td>13/11/2020</td> </tr> </tbody> </table> <p>The OHS Chairman and Secretary are in coordination with RSQM Head Quarter Officer for any update national regulations and collective agreements.</p> <p>Accident of emergency procedure is presented in Mill Quality Management System Standard Operation manual (MQMS SOM) dated November 1st, 2008. Flowchart of emergency handling was presented in Appendix 5.5.3.3.</p> <p>Noted during interview with workers show the satisfactory understanding on the emergency procedure established. Training was conducted as follows:</p>	Sri Pulai Estate	Kulai Estate	02/01/2020	10/02/2020	NA (Due to MCO)	09/05/2020	01/07/2020	14/08/2020	07/10/2020	13/11/2020	
Sri Pulai Estate	Kulai Estate											
02/01/2020	10/02/2020											
NA (Due to MCO)	09/05/2020											
01/07/2020	14/08/2020											
07/10/2020	13/11/2020											

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		<p>Kulai Estate</p> <p>First aid training dated 18/9/2020</p> <p>Firefighting training dated 29/6/2020</p> <p>Safety program collaboration with Fire Department dated 5/3/2020</p> <p>Seri Pulai Estate</p> <p>Mistblower Training dated 09/10/2020</p> <p>Herbicides & Spraying Training dated 14/02/2020</p> <p>Chemical Handling Management (MyCROP) dated 23/01/2020</p> <p>First aider present at various work station at the estates visited. The mandore was appointed as responsible for first aid box at each workstation as per appointment letter dated 17/12/2019</p> <p>Noted during site visit, the mandore understanding on the basic first aid treatment was satisfactory. Sighted the latest training was conducted on 18/9/2020.</p> <p>The estates maintain the records of accident cases and reported to HQ using the Rapid 4 System. The accident occurred was reviewed on quarterly basis during OSH committee meeting.</p> <p>Both estates visited submit the JKKP 8 form on annually basis to DOSH through MyKKP website.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The	Sime Darby has established Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha; Group Managing Director dated 2nd December 2019.	Complied

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<p>policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>Human rights element being spelt out under the followings: -</p> <p>Human Rights Charter – Clause 3.2, We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> Providing equal opportunities Respecting freedom of association Eradicating any form of exploitation Ensuring favourable working conditions Enhancing safety and health Respecting community rights and the rights of indigenous people Protecting the Rights of vulnerable people Protecting the rights of children Eliminating violence and sexual harassment <p>Responsible Agriculture Charter – Human Rights and Social Development Commitments Clause 2.1, Respect Human Rights & empower communities and Clause 2.2 Protect Labor standards and enhance employment conditions.</p> <p>iii. Sime Darby Plantation Group, Vendor COBC dated 30th May 2018 under Clause 5, Labor and Human Rights.</p> <p>Communication of all the policies to workforce is through Town hall, training and during muster call.</p>	

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.5.2 The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Sime Darby has established Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha; Group Managing Director dated 2nd December 2019.</p> <p>Human rights element on discriminatory practices and equal opportunity being spelt out under the followings: -</p> <p>Human Rights Charter</p> <p>Responsible Agriculture Charter</p> <p>Responsible Agriculture Charter</p> <p>Sime Darby Plantation Berhad, Non-Discrimination And Equal Opportunity Policy stated in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights, 3.2.5 Promoting diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p> <p>Based on worker employment master record, there are mixed of India, Nepal, Bangladesh and Indonesia foreign workers lives and work with local employees. Interview with office staff and general workers whom mentioned their job selection process was fair and transparent.</p> <p>This policy is available in English and Malay displayed at the estate office wall and notice boards.</p> <p>No evidence of discrimination based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation was found in both Estates.</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance																																				
<p>4.4.5.3 Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>Pay and conditions are documented in the workers' Contract Agreement and wage payment records / pay slip.</p> <p>The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2020 (Act 732) Malaysian minimum salary is RM1200.00 as stated in the guidelines.</p> <p>Rate of pay is based on MAPA / NUPW Agreement Salary Scale as seen in the Contract Agreement and pay-slip. All the workers are under Estate pay-roll system. Sample taken on the workers below: -</p> <p>a. Kulai Estate.</p> <table border="1" data-bbox="1167 802 1626 1394"> <thead> <tr> <th>No</th> <th>Employee No</th> <th>Nationality</th> </tr> </thead> <tbody> <tr><td>1</td><td>110618</td><td>Bangladeshi</td></tr> <tr><td>2</td><td>120048</td><td>Nepalese</td></tr> <tr><td>3</td><td>100189</td><td>Indonesian</td></tr> <tr><td>4</td><td>141468</td><td>Indian</td></tr> <tr><td>5</td><td>121536</td><td>Nepalese</td></tr> <tr><td>6</td><td>143680</td><td>Indonesian</td></tr> <tr><td>7</td><td>116267</td><td>Indonesian</td></tr> <tr><td>8</td><td>106356</td><td>Indonesian</td></tr> <tr><td>9</td><td>118186</td><td>Bangladeshi</td></tr> <tr><td>10</td><td>154008</td><td>Indian</td></tr> <tr><td>11</td><td>145793</td><td>Indonesian</td></tr> </tbody> </table>	No	Employee No	Nationality	1	110618	Bangladeshi	2	120048	Nepalese	3	100189	Indonesian	4	141468	Indian	5	121536	Nepalese	6	143680	Indonesian	7	116267	Indonesian	8	106356	Indonesian	9	118186	Bangladeshi	10	154008	Indian	11	145793	Indonesian	<p>Complied</p>
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Criterion / Indicator		Assessment Findings			Compliance
		12	16897	Malaysia	
		13	37812	Malaysia	
		14	78790	Malaysia	
		15	16979	Malaysia	
		16	160056	Malaysia	
		17	16973	Malaysia	
		<p>Evidence of workers salary as listed herein:</p> <p>a. Rahaman Mohammed Mothiur</p> <p>Passport Number : BM 0570970</p> <p>Payslip October 2020</p> <p>Piece rate Wages (9 days) = RM 671.35</p> <p>Piece rate Wages (14 days) = RM 646.10</p> <p>Price Bonus = RM49.50</p> <p>Outturn Incentive = RM 6.92</p> <p>Holiday Pay = RM 57.03</p> <p>SGP Normal Days = RM69.21</p> <p>Monthly Earnings = RM 1,443.08</p> <p>Phone reimbursement – RM5.00</p> <p>Insurance Reimbursement – RM3.00</p>			

Criterion / Indicator	Assessment Findings	Compliance																																	
	<p>Total gross Salary – RM1,451.08</p> <p>Deduction</p> <p>NUPW – RM11.00</p> <p>Advance – RM300.00</p> <p>Net salary = RM 1,140.08</p> <p>b. Seri Pulai Estate</p> <table border="1" data-bbox="1167 850 1626 1396"> <thead> <tr> <th>No</th> <th>Employee No</th> <th>Nationality</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>88800</td> <td>Indonesian</td> </tr> <tr> <td>2</td> <td>92225</td> <td>Indonesian</td> </tr> <tr> <td>3</td> <td>112910</td> <td>Nepal</td> </tr> <tr> <td>4</td> <td>117430</td> <td>Bangladeshi</td> </tr> <tr> <td>5</td> <td>117823</td> <td>Bangladesh</td> </tr> <tr> <td>6</td> <td>121008</td> <td>Indonesian</td> </tr> <tr> <td>7</td> <td>127099</td> <td>India</td> </tr> <tr> <td>8</td> <td>136100</td> <td>India</td> </tr> <tr> <td>9</td> <td>136665</td> <td>Indonesian</td> </tr> <tr> <td>10</td> <td>144710</td> <td>Indonesian</td> </tr> </tbody> </table>	No	Employee No	Nationality	1	88800	Indonesian	2	92225	Indonesian	3	112910	Nepal	4	117430	Bangladeshi	5	117823	Bangladesh	6	121008	Indonesian	7	127099	India	8	136100	India	9	136665	Indonesian	10	144710	Indonesian	
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Criterion / Indicator		Assessment Findings			Compliance
		11	152433	Indonesian	
		12	16731	Malaysian	
		13	16741	Malaysian	
		14	160204	Malaysian	
		15	152783	Malaysian	
		<p>Evidence of workers salary as listed herein:</p> <p>a. Hasni binti Abdul Rahman</p> <p>I/C No : 660905-01-5850</p> <p>Payslip October 2020</p> <p>Daily rate Wages (26 days) = RM 1,199.90</p> <p>Afternoon Casual Work = RM 300.00</p> <p>Phone Reimbursement = RM 5.00</p> <p>Insurance Reimbursement = RM13.00</p> <p>Monthly Earnings = RM 1,517.90</p> <p>Deduction</p> <p>NUPW – RM11.00</p> <p>Advance – RM150.00</p> <p>Employees EPF : RM135.00</p> <p>Employees SOCSO = RM7.25</p>			

Criterion / Indicator	Assessment Findings	Compliance
	<p>Electricity Deduction = RM48.55</p> <p>Great Eastern Insurance = RM20.00</p> <p>Employee SIP = RM 2.90</p> <p>Net salary = RM 1,143.20</p> <p>All the salary being paid through bank.</p>	
<p>4.4.5.4</p>	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p> <p>All the Estates did engage Contractors in the Estate as listed herein: -</p> <p>a. Kulai Estate</p> <p>Three contractors being engaged in the Estate namely: -</p> <ol style="list-style-type: none"> 1. Pengangkutan Sutra Jaya on transporting of Fresh Fruit Bunches and Empty Fruit Bunches. 2. Banli Construction Enterprise – Hiring Excavator 3. RAPS Earthwork & Construction – Hiring Backhoe <p>Sample taken on Pengangkutan Sutra Jaya workers on transporting of Fresh Fruit Bunches and Empty Fruit Bunches. The agreement between The Estate and Pengangkutan Sutra Jaya valid from 1st October 2020 until 31st March 2021. The sampled workers are:-</p> <ol style="list-style-type: none"> 1. Muhammad Haffizul bin Masikon – 970126-01-5337 2. Chin Hann Hong – 781013-01-6015 	<p>Complied</p>

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Criterion / Indicator	Assessment Findings	Compliance																															
	<p>3. Usman bin Samat – 580820-71-5559</p> <p>Sighted under Borang A, Kumpulan Wang Simpanan Pekerja, Employer No 017325051 and Borang 8A, Pertubuhan Keselamatan Sosial Employer No E 1100056131K all the above workers being paid the contribution to the respective Department.</p> <table border="1" data-bbox="1115 703 1877 978"> <thead> <tr> <th rowspan="2"></th> <th colspan="3">EPF (Dec 2020)</th> </tr> <tr> <th>Employer</th> <th>Employee</th> <th>Employee</th> </tr> </thead> <tbody> <tr> <td>Muhammad Haffizul bin Masikon</td> <td>156.00</td> <td>84.00</td> <td>23.60</td> </tr> <tr> <td>Chin Hann Hong</td> <td>195.00</td> <td>105.00</td> <td>32.60</td> </tr> <tr> <td>Usman bin Samat</td> <td>156.00</td> <td>84.00</td> <td>13.10</td> </tr> </tbody> </table> <p>b. Seri Pulai Estate</p> <p>Four Contractors being engaged in the Estate namely; -</p> <table border="1" data-bbox="1055 1166 1877 1337"> <thead> <tr> <th>No</th> <th>Name</th> <th>Type of Work</th> <th>Validity</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Berwang Enterprise</td> <td>Hiring machinery – 3Mt lorry</td> <td>1/1/2020 - 31/12/2020</td> </tr> <tr> <td>2</td> <td>Jaffar Mohd Sah</td> <td>Grass Cutting</td> <td></td> </tr> </tbody> </table>		EPF (Dec 2020)			Employer	Employee	Employee	Muhammad Haffizul bin Masikon	156.00	84.00	23.60	Chin Hann Hong	195.00	105.00	32.60	Usman bin Samat	156.00	84.00	13.10	No	Name	Type of Work	Validity	1	Berwang Enterprise	Hiring machinery – 3Mt lorry	1/1/2020 - 31/12/2020	2	Jaffar Mohd Sah	Grass Cutting		
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Criterion / Indicator		Assessment Findings			Compliance						
		3	Tan You Chai	Hiring Machinery - Backhoe							
		4	Banli Construction Enterprise	Hiring Machinery - Excavator							
All the contractors work for themselves and no workers being engaged in the Company.											
4.4.5.5	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	Sime darby has established Check-roll Employee Listing system for all data of their workers. Sighted at Kulai and Seri Pulai Estate the Personal Particulars data for all the workers in The Check-roll Employee Listing. The report stated the Offered Position, Personal Details, Date Employed, Educational background and Family Data			Complied						
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records. - Major compliance -	Employment contract stated the offered position, wages implied, working hours, OT, allowances, rest day, working on holiday etc. The contract is in their origin country languages or English. as it is easy to be understood by workers. This contract is signed by both employee and employer and accompanied with respective witnesses. Workers employed consisted of Malaysian, Bangladeshi, Indian, Nepal and Indonesian. Sample taken on the following workers for Kulai Estate sample on the following workers: -			Complied						
		<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>No</th> <th>Employee No</th> <th>Nationality</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>110618</td> <td>Bangladeshi</td> </tr> </tbody> </table>			No	Employee No	Nationality	1	110618	Bangladeshi	
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Criterion / Indicator		Assessment Findings				Compliance
		2	120048	Nepalese		
		3	100189	Indonesian		
		4	141468	Indian		
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		6	143680	Indonesian		
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		15	16979	Malaysia		
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		As for Seri Pulai Estate, the sample as follows: -				
		No	Employee No	Nationality		

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Criterion / Indicator		Assessment Findings				Compliance
		1	88800	Indonesian		
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		12	16731	Malaysian		
		13	16741	Malaysian		
		14	160204	Malaysian		
		15	152783	Malaysian		
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	<p>Working hours is 8 hours. From Monday to Saturday. The overtime maximum is 104 hours according to Malaysian Law.</p> <p>Seen the working hours being displayed at the notice board. The office will be working from 8.00 am to 5.00pm and break time at 1.00 pm to 3.00 pm. The workers are from 6.30 am to 2.30pm.</p>				Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Estate has used pocket check roll as a working time recording system.	
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	The working hour and break time has been clearly stated in the Employment Contract. Sighted in the Contract Agreement the rate of overtime which agreed by both parties. There is no complaint received regarding payment or are forced to work overtime during site interview	Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made. Documented pay slip was distributed to individual workers on the day of payment.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	All workers have been provided with medical and accident insurance. With regards to local and foreign workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations. All workers are provided with housing facilities at workers line site. Medical Assistant is responsible to carry out the monitoring at workers quarters.	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 in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	<u>Kulai Estate</u> All workers are provided with housing facilities at workers linesite. Water is provided free and electricity is borne by workers. Domestic waste is manage by Majlis Perbandaran Kulai at Kulai Division and own landfill at Block 2006B at Kilan Estate	Complied

Criterion / Indicator	Assessment Findings	Compliance
	<p>Welfare Amenities: Surau, School, Temple, Football Field, Clinic and Community Hall</p> <p><u>Seri Pulai Estate</u></p> <p>All workers are provided with housing facilities at workers linesite. Water is provided free and electricity is borne by workers. Domestic waste is managed by Estate at own landfill at Field 2000</p> <p>Welfare Amenities: Surau, Football Field, Clinic and Community Hall</p>	
<p>4.4.5.12 The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>Sighted in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights clause: -</p> <ul style="list-style-type: none"> - 3.2.5 We will facilitate opportunities for advancement for our employees, especially women, by removing barriers to progress and respecting reproductive and maternal rights. - 3.2.6 Creating a working environment with zero tolerance for sexual harassment and abuse, and in which violence is never used to resolve issues or conflict. <p>All the Estates have formed Gender Committee. Sighted the Gender Committee Handbook (First Edition) in English details out specifically on establishing & managing gender committee and complaints and grievance procedures to address gender-based issues.</p> <p>There is also a specific procedure (in the form of a flowchart) in both English and Malay namely Sexual Harassment Procedure which outlines the basic framework for handling of sexual harassment complaints.</p> <p>There is no sexual harassment case reported through interview and document reviewed in Estate.</p> <p>Evidence at Seri Pulai Estate: -</p>	<p>Complied</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>Chairwoman – Puan K. Sujata</p> <p>Secretary - Puan Faizah Paiman</p> <p>Committee member – 5 representatives</p> <p>The last meeting was on 4th September 2020 and the meeting discussed on the followings:</p> <p>Committee’s issues</p> <p>Monitoring on gender cases, reproductive right and others related issues.</p> <p>Committee’s activities</p> <p>Health and safety</p> <p>Covid 19 Pandemic Outbreak</p>	
<p>4.4.5.13</p>	<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>- Major compliance -</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance																
		<p>The audit team observed that in general all employees are a member to NUPW which is the organization that representing the workers.</p> <p>The NUPW is also a mechanism for the workers to voice their concerns pertaining to the working conditions and welfare.</p>																	
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>Based on the employee's record compiled in Check-roll Employee Listing, sighted that there is no child labour employed by the Estate</p>	Complied																
Criterion 4.4.6: Training and competency																			
4.4.6.1	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>The estate visited has established training plan base on the training need analysis conducted. The training plan covers all job designation including the contractors.</p> <p>Sighted the sample training records as follows:</p> <p>Kulai Estate</p> <table border="1"> <thead> <tr> <th>No</th> <th>Training</th> <th>Date of Training</th> <th>Status</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental, Safety & health policy</td> <td>September 2020</td> <td>Completed</td> </tr> <tr> <td>2</td> <td>Use & Standard Exposure of chemical hazardous to health (USECHH) 2000</td> <td>September 2020</td> <td>Completed</td> </tr> <tr> <td>3</td> <td>Harvesting induction training</td> <td>July 2020</td> <td>Completed</td> </tr> </tbody> </table>	No	Training	Date of Training	Status	1	Environmental, Safety & health policy	September 2020	Completed	2	Use & Standard Exposure of chemical hazardous to health (USECHH) 2000	September 2020	Completed	3	Harvesting induction training	July 2020	Completed	Complied
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Criterion / Indicator		Assessment Findings				Compliance		
		4	Chemical & Spraying safe operating procedures	February 2020	Completed			
		5	First aid training	September 2020	Completed			
		6	Safe driving technique	September 2020	Completed			
		7	Schedule wastes management - Inventory, labelling, disposal and handling.	September 2020	Completed			
		8	What is MSDS / CSDS	September 2020	Completed			
		9	Fire fighting	June 2020	Completed			
		10	Reproductive right / Gender committee	September 2020	Completed			
		11	Waste management 3R program – Reduce, Reuse and Recycle.	June 2020	Completed			
		Seri Pulai						
				No	Training		Date of Training	Status
				1	Tractor / MB Training		February 2020	Completed
		2	Environmental, Safety & Health Campaign	February 2020	Completed			
		3	Understanding of Group Policy & Authority (GPA B4) & Whistleblowing	January 2020	Completed			

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Criterion / Indicator		Assessment Findings				Compliance
		4	Chemical training	February 2020	Completed	
		5	HIRARC	June 2020	Completed	
		6	Notification of Accidents and Dangerous Occurrence	November 2020	Completed	
		7	OSH Committee function & Responsibility	January 2020 July 2020 October 2020	Completed	
		8	OSH Coordinator function & Responsibility	January 2020 July 2020 October 2020	Completed	
		9	Foreign workers induction program	January 2020	Completed	
		10	Harvesting induction training	November 2020	Completed	
		11	Accident investigation technique	November 2020	Completed	
		12	Chemical & Spraying safe operating procedures	February 2020	Completed	
		13	First aid training	September 2020	Completed	
		14	Guidelines (highly toxic pesticides) Reg 1996	February 2020	Completed	
		15	Emergency response plan (e.g. chemical spill, poisoning, fire and lighting)	September 2020	Completed	

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Criterion / Indicator		Assessment Findings				Compliance
		16	Fire fighting	February 2020	Completed	
		17	Effective workplace inspection/audit	June 2020	Completed	
		18	RSPO / MSPO training	November 2020	Completed	
		19	Maintenance of spray equipment & calibration	February 2020	Completed	
		20	Preventive maintenance vehicle training	November 2020	Completed	
		21	RB Spraying method	February 2020	Completed	
		22	Human rights & reproductive right policy training	November 2020	Completed	
4.4.6.2	<p>Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description.</p> <p>- Major compliance -</p>	<p>The estates visited has conducted training need analysis for all employee, management and contractors. The need analysis was conducted base on the job designation and training required by the job type.</p> <p>21 training was identified for management, employee and contractors and programmed throughout FY 2020.</p>				Complied
4.4.6.3	<p>A continuous training programme should be planned and implemented to ensure that all employees are well trained in their job function and responsibility, in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>The estates visited has training program which updated annually. The annual internal audit by GSQM and management review does review the effectiveness of the training plan and its execution.</p>				Complied

Criterion / Indicator	Assessment Findings	Compliance
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Criterion 4.5.1: Environmental Management Plan		
4.5.1.1	<p>An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented.</p> <p>- Major compliance -</p> <p>Sime Darby Plantation has established environmental policy documented in Group Sustainability and Quality Statement signed by Group Managing Director dated 2/12/2019 and Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.</p> <p>In the Policy stated as follows:</p> <p>Group Sustainability and Quality Statement:</p> <p>Minimizing Environmental Harm:</p> <ul style="list-style-type: none"> i. Protecting and enhancing biodiversity and ecosystem ii. No deforestation and No new development on peat land iii. Enhancing resilience against climate change impact iv. Adopting responsible consumption and production <p>Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement</p> <p>Environment</p> <ul style="list-style-type: none"> i. Comply to emission and effluent standard ii. efficient use of water and energy iii. Minimize waste iv. Protect the ecosystem and biodiversity 	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
4.5.1.2	<p>The environmental management plan shall cover the following: An environmental policy and objectives; The aspects and impacts analysis of all operations.</p> <p>- Major compliance -</p>	<p>The estate visited has established environmental management plan base on aspect and impacts analysis conducted.</p> <p>The environmental management plan was established base on Environmental Aspect Impact Identification and Environmental Impact Evaluation conducted and documented in Pollution Prevention Plan. The EAI/EIE was reviewed by the estate management team.</p> <p>The EAI/EIE and management plan was reviewed on annually basis. Latest review was conducted on 31/10/2019 for Kulai Estate and 15/1/2020 for Seri Pulai Estate</p> <p>The management plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated Environmental Issue, Mitigation Measures and Person Responsible.</p>	Complied
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>The estate has established Environmental Management Plan FY 2020. The plan was reviewed on annually basis. Sighted the implementation of the management plan as follows:</p> <p>Kulai Estate</p> <p>Sighted during site visit at chemical premixing area, the waste water from chemical mixing was collected in collection sump, pump and reused back in chemical mixing process.</p> <p>Sighted during site visit P20A and P14A, beneficial plant such as <i>Cassia sp.</i>, <i>Tunera sp.</i>, and <i>Antigonan sp.</i> were planted along the main road.</p> <p>Seri Pulai Estate</p> <p>Sighted the planting of legume cover crop, <i>Mucuna bracteata</i> P19A and P17B to avoid soil erosion.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Sighted during site visit at chemical premixing area, the waste water from chemical mixing was collected in collection sump, pump and reused back in chemical mixing process.	
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Program to promote positive impact was documented in Pollution Prevention Plan. Among the the promote positive impact as follows: Labelling of re-use empty container with 'poison' and 'skull' symbol To plant cover crops such as <i>Mucuna bracteata</i> at the edge of the oath to reduce the soil erosion. To purify <i>Neprolepis bisserata</i> at the edge of terrace as it will uphold the soil surface	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. - Major compliance -	The estates visited continuously provide training to the workers to create awareness regarding the environmental policy and management plan established. Sighted the training records as stated in criteria 4.4.6.1.	Complied
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	The estates visited discussed the issues on environmental concern during Environmental, Safety and Health committee meeting conducted on quarterly basis.	Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy	The estates visited has established energy management plan to optimize the consumption of non-renewable energy. sighted the management plan as follows:	Complied

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Criterion / Indicator		Assessment Findings				Compliance																																																																					
	including fossil fuel, electricity and energy efficiency in the operations over the base period. - Major compliance -	The estate monitor the service maintenance for each vehicle and conducted accordingly as per scheduled. Sighted the vehicle service schedule and vehicle daily monitoring at the workshop board. The estates monitor the diesel consumption for non-renewable energy as follows:																																																																									
		<table border="1"> <thead> <tr> <th rowspan="2">Month</th> <th colspan="2">Kulai Estate</th> <th colspan="2">Seri Pulai Estate</th> </tr> <tr> <th>2019</th> <th>2020</th> <th>2019</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>1.55</td> <td>2.24</td> <td>1.18</td> <td>1.74</td> </tr> <tr> <td>Feb</td> <td>1.73</td> <td>1.99</td> <td>1.08</td> <td>1.60</td> </tr> <tr> <td>Mar</td> <td>1.91</td> <td>1.53</td> <td>1.35</td> <td>1.75</td> </tr> <tr> <td>Apr</td> <td>1.96</td> <td>1.61</td> <td>1.19</td> <td>1.21</td> </tr> <tr> <td>May</td> <td>1.68</td> <td>1.44</td> <td>1.56</td> <td>1.33</td> </tr> <tr> <td>Jun</td> <td>1.75</td> <td>1.40</td> <td>1.89</td> <td>1.35</td> </tr> <tr> <td>Jul</td> <td>1.50</td> <td>1.48</td> <td>1.68</td> <td>1.26</td> </tr> <tr> <td>Aug</td> <td>1.31</td> <td>1.40</td> <td>1.58</td> <td>1,12</td> </tr> <tr> <td>Sep</td> <td>1.27</td> <td>1.59</td> <td>1.48</td> <td>1.03</td> </tr> <tr> <td>Oct</td> <td>1.63</td> <td>1.69</td> <td>1.86</td> <td>1.12</td> </tr> <tr> <td>Nov</td> <td>1.73</td> <td></td> <td>1.52</td> <td>1.57</td> </tr> <tr> <td>Dec</td> <td>2.15</td> <td></td> <td>1.59</td> <td></td> </tr> </tbody> </table>				Month	Kulai Estate		Seri Pulai Estate		2019	2020	2019	2020	Jan	1.55	2.24	1.18	1.74	Feb	1.73	1.99	1.08	1.60	Mar	1.91	1.53	1.35	1.75	Apr	1.96	1.61	1.19	1.21	May	1.68	1.44	1.56	1.33	Jun	1.75	1.40	1.89	1.35	Jul	1.50	1.48	1.68	1.26	Aug	1.31	1.40	1.58	1,12	Sep	1.27	1.59	1.48	1.03	Oct	1.63	1.69	1.86	1.12	Nov	1.73		1.52	1.57	Dec	2.15		1.59		
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Criterion / Indicator		Assessment Findings	Compliance																
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estates visited has established the direct usage of non-renewable energy such as diesel and electricity base on the consumption of previous year.	Complied																
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	No possible usage of renewable energy at the estate	Complied																
Criterion 4.5.3: Waste management and disposal																			
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	<p>The OUs have identified the waste products and source pollution generated in the estates and mill. The waste are categorized as follows:</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Item Description</th> <th>Location</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Scheduled Waste</td> <td>Used lubricant, used hydraulic oil, batteries, rags</td> <td>Workshop</td> </tr> <tr> <td>Clinical Waste</td> <td>Clinic</td> </tr> <tr> <td rowspan="2">Domestic waste</td> <td>Rubbish</td> <td rowspan="2">Workers housing complex, office, workshop, store</td> </tr> <tr> <td>Sewage</td> </tr> <tr> <td rowspan="2">Industrial Waste</td> <td>Tyre and Tubes</td> <td rowspan="2">Workshop</td> </tr> <tr> <td>Scrap Iron</td> </tr> </tbody> </table>	Type	Item Description	Location	Scheduled Waste	Used lubricant, used hydraulic oil, batteries, rags	Workshop	Clinical Waste	Clinic	Domestic waste	Rubbish	Workers housing complex, office, workshop, store	Sewage	Industrial Waste	Tyre and Tubes	Workshop	Scrap Iron	Complied
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Criterion / Indicator		Assessment Findings			Compliance
		Recycle waste	Empty Pesticide container	Main store	
			EFB	Estate	
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <ul style="list-style-type: none"> Identifying and monitoring sources of waste and pollution Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products <p>- Major compliance -</p>	<p>Estate 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 type of waste, description, source of pollution, action to be taken and person responsible.</p> <p>Sighted the implementation as follows:</p> <p>Kulai Estate</p> <p>The estate maintain the inventory records of scheduled waste and empty pesticide container in Scheduled Waste Inventory form. Sighted the inventory form for SW 305, SW 410 and SW 404 for the month of June – December 2020.</p> <p>The estate collect domestic waste at the housing area 2 times a week and disposed it through estate landfill (Kelan Division) or municipal landfill (Main Division). Sighted the collection records dated 2/12/2020, 6/12/2020, 1/11/2020, 4/11/2020, and 8/11/2020.</p> <p>Seri Pulai Estate</p> <p>The estate maintain the inventory records of scheduled waste and empty pesticide container in Scheduled Waste Inventory form. Sighted the inventory form for SW 305, and SW 410 for the month of January–December 2020.</p>			Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Domestic waste were collected 3 times a week. Sighted the collection records for the month of September, October and November 2020.	
4.5.3.3	<p>The management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal.</p> <p>- Major compliance -</p>	<p>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. Proper disposal of waste material are carried out as per the company procedures.</p> <p>Both estate visited also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected at both estate visited.</p> <p>Sighted the latest disposal records as follows:</p> <p>Kulai Estate</p> <p>SW 404, C/N no. 0383280 dated 2/10/2020</p> <p>SW 410, C/N no. 2240 and 2239 dated 5/12/2020</p> <p>SW 305, C/N no. 2238 dated 5/12/2020</p> <p>Seri Pulai Estate</p> <p>SW 404, C/N no. 201683-001-0004 dated 7/9/2020</p> <p>SW 305, C/N no. 19457 dated 2/11/2020</p>	Complied
4.5.3.4	<p>Empty pesticide containers shall be punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. The disposal instructions on manufacturer's labels should be adhered to. Reference should be made to the national programme on recycling of used HDPE pesticide containers.</p>	<p>Empty pesticides container were identified as recycle waste. All empty pesticides containers were triple rinse, puncture and stored at designated stored before disposed to licensed contractors, SS Setia Technology Enterprise. Refer approval letter from DOE no AS (B) J 91/110/619/069 Jld 3(37) dated 24/10/2018. Sighted the implementation of the triple rinse during site visit at the storage area.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>Kulai Estate</p> <p>Sighted the empty container inventory records for the month of August 2020 to December 2020. Latest empty containers disposal records as per invoice no 1783 dated 4/12/2020.</p> <p>Seri Pulai</p> <p>Sighted the empty container disposal records as per invoice no 1755 dated 5/11/2020 and 1757 dated 6/11/2020.</p>	
4.5.3.5	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses.</p> <p>- Minor compliance -</p>	<p>Kulai Estate</p> <p>The domestic waste were disposed in designated landfill for Kelan Division located in field 2006B while for Main Division, the domestic waste were disposed at municipal landfill</p> <p>Seri Pulai Estate</p> <p>The domestic waste were disposed in designated landfill located in field P00A-3. Sighted that only domestic waste were disposed in the landfill.</p>	Complied
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>The estates visited has conducted the assessment of all polluting activities during Environmental Aspects identification, Environmental Impact Evaluation.</p>	Complied
4.5.4.2	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>The action plan to reduce the identified significant impact has been documented in Pollution Prevention Plan and Waste Management Plan.</p>	Complied
Criterion 4.5.5: Natural water resources			

Criterion / Indicator	Assessment Findings	Compliance														
<p>4.5.5.1 The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>Assessment of water usage and sources of supply.</p> <p>Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p> <p>Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>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>Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>	<p>Documented in Sime Darby Slope and River Protection Policy dated 15/1/2015 signed by the Managing Director stated that buffer zone shall be maintained on both side of the river banks.</p> <table border="1" data-bbox="1050 528 1599 954"> <thead> <tr> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>> 40 meters</td> <td>50 meters</td> </tr> <tr> <td>20 to 40 meters</td> <td>40 meters</td> </tr> <tr> <td>10 to 20 meters</td> <td>20 meters</td> </tr> <tr> <td>5 to 10 meters</td> <td>10 meters</td> </tr> <tr> <td>< 5 meters</td> <td>5 meters</td> </tr> <tr> <td>* > 3 meters</td> <td>20 meters</td> </tr> </tbody> </table> <p>Monitoring based on Sustainable Plantation Management System Appendix 7 Standard Operation Procedure (SOP) for taking water samples from streams/ rivers, version 1, year 2008, issue no. 1, dated 01/11/2008.</p> <p>The estate has established water management plan focusing on contingency water management action plan. Sighted the implementation of the management plan as follows:</p> <p>The estate monitor the natural water quality on quarterly basis. Sighted the test report reference no. IE572/2020 dated 10/8/2020.</p> <p>Kulai estate provided the clean and treated water to their workers by own water treatment plant and from Syarikat Air Johor. For treated water, the estate monitor the water quality on quarterly basis. Sighted</p>	River width	Buffer zone	> 40 meters	50 meters	20 to 40 meters	40 meters	10 to 20 meters	20 meters	5 to 10 meters	10 meters	< 5 meters	5 meters	* > 3 meters	20 meters	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance												
		<p>the water sampling records reference no. ML252/2020 dated 30/7/2020.</p> <p>Sighted the river bufferzone for Sg. Air Hitam in field P17 B-4. The vegetation were well maintained and no sign of chemical application along the bufferzone.</p>													
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	Sighted no construction of bund, weirs and dams across waterways passing through the Seri Pulai Estate	Complied												
4.5.5.3	<p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p> <p>- Minor compliance -</p>	The practice water harvesting of water from road-side drains being directed and stored in conservation road side pits was observed in estate visited.	Complied												
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value															
4.5.6.1	<p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <p>Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>	<p>As per Addendum Report to HCV Re-Assessment for Strategic Operating Unit (SOU) 24 Hadapan, June 2014 by Plantation Sustainability Quality Management (PSQM) Department, dated January 2020.</p> <p>4 HCV were identified as per report reviewed under HCV 4 category been identified in SOU 24 as follows:</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Area</th> <th>Ha</th> <th>HCV Status</th> </tr> </thead> <tbody> <tr> <td>Seri Pulai</td> <td>25° Slope</td> <td>51.17</td> <td>4</td> </tr> <tr> <td>Kulai</td> <td>Water Catchment</td> <td>0.77</td> <td>4</td> </tr> </tbody> </table>	Estate	Area	Ha	HCV Status	Seri Pulai	25° Slope	51.17	4	Kulai	Water Catchment	0.77	4	Complied
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Criterion / Indicator		Assessment Findings				Compliance
		Layang	Mill Pond	6.02	4	
		CEP Rengam	Water Catchemet	7.19	4	
4.5.6.2	<p>If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>No RTE species were identified in the assessment conducted as per Addendum Report to HCV Re-Assessment for Strategic Operating Unit (SOU) 24 Hadapan, June 2014 by Plantation Sustainability Quality Management (PSQM) Department, dated January 2020.</p> <p>The estate has established HCV/Biodiversity Management Plan base on the HCV identified in the report.</p> <p>Among the plan established:</p> <p>Kulai Estate</p> <p>To ensure all the signage is maintain at site and retrieval on map</p> <p>To ensure no open burning, no fishing activities, spraying and pollution.</p> <p>To maintain the fencing around the area</p> <p>Seri Pulau Estate</p> <p>To minimize soil erosion and sedimentation into reservoir</p> <p>To avoid pollution/damage to downstream water quality</p> <p>To ensure environmental awareness for ll level employee</p>				Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>The estate has established HCV/Biodiversity Management Plan base on the HCV identified in the report. Sighted the implementation of the management plan as follows:</p> <p>Kulai Estate</p> <p>Monitoring of HCV area was conducted twice a month and recorded in Monitoring of present and potential HCV Areas East Estate logbook. The monitoring focusing on encroachment/sign of trespassing, wildlife issue/conflicts/sighting, pollution/erosion issue and other observation. Sighted the monitoring records dated 20/3/2020, 16/6/2020 and 19/9/2020. No issue were recorded in the report.</p> <p>Signage of prohibition on no fishing, no hunting and no swimming was erected at designated area along the HCV area.</p> <p>Seri Pulai</p> <p>The estate monitor the HCV area twice a month. The monitoring was conducted on encroachment, wildlife sightings, pollution/issues and others. Sighted the monitoring records for FY 2020.</p>	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>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.</p> <p>- Major compliance -</p>	<p>Zero open burning policy as per SOP Section B2 - Felling/Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian environmental law –EQA and Regulations 1974.</p>	Complied
4.5.7.2	<p>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.</p>	<p>No open burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws. - Major compliance -	No controlled burning noted based on the records on the land clearing and felling for the replanting at visited estates. Method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction	Complied
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Noted based on the records on the land clearing and felling for the replanting at visited estates, method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	SOP was established for the Estates. Sime Darby SOP issued 2/1/2008 and Agricultural Reference Manual, Sustainability Plantation Management System and EQMS (Estate Quality Management System) were distributed to all operating units under SOU 24 as a guidance document to conduct estate operation. The SOP covers land preparation, planting material, upkeep, harvesting, FFB transportation and etc. Sime Darby has established mechanism to monitor the implementation of their procedure by Plantation Advisor Visit, Performance Monitoring Visit and Agronomist Visit. The visit focusing on Yield Improvement, Crop Recovery, Replanting and Immature Palms Maintenance and Mature Upkeep.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
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 -	<p>Sime Darby has established policy on slope protection and documented in Slope and River Protection Policy signed by the Managing Director in Jan 2015.</p> <p>The policy stated for slope more than 25 degree must be exclude from any new plantation development and replanting program. All the existing crop and vegetation shall be maintain accordingly.</p> <p>Landscapes of both estates visited are mostly flat. Sime Darby has established policy on slope protection and documented in Slope and River Protection Policy signed by the Managing Director in Jan 2015. The policy stated for slope more than 25 degree must be exclude from any new plantation development and replanting program. All the existing crop and vegetation shall be maintain accordingly.</p> <p>The policy was communicated to the employee during master briefing, townhall training and displayed in several notice board in the estate.</p>	Complied
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Both Estates visited had a visual identification/reference system for each established field/block and maps established. Field numbers and hectare were marked on palms and in some areas on concrete slaps.	Complied
Criterion 4.6.2: 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. - Major compliance -	SOU 24 has continued its commitment to long term sustainability and improvements through a capital expenditure program. The management has forecasted 5 years business plan from FY 2019 – 2024.	Complied
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be	SOU 24 have long range replanting program until FY 2025. Replanting planned for the palm older than 25 years, non-performance field (yield)	Complied

Criterion / Indicator		Assessment Findings	Compliance																		
	<p>established and review annually, where applicable every 3-5 years.</p> <p>- Major compliance -</p>	<p>and ganoderma infected palm. Observed the replanting program for the next financial year as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> </tr> </thead> <tbody> <tr> <td>Kulai</td> <td>0.00</td> <td>0.00</td> <td>73.62</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Seri Pulai</td> <td>111.27</td> <td>69.65</td> <td>73.37</td> <td>0.00</td> <td>0.00</td> </tr> </tbody> </table>		2021	2022	2023	2024	2025	Kulai	0.00	0.00	73.62	0.00	0.00	Seri Pulai	111.27	69.65	73.37	0.00	0.00	
	2021	2022	2023	2024	2025																
Kulai	0.00	0.00	73.62	0.00	0.00																
Seri Pulai	111.27	69.65	73.37	0.00	0.00																
4.6.2.3	<p>The business or management plan may contain:</p> <p>Attention to quality of planting materials and FFB</p> <p>Crop projection: site yield potential, age profile, FFB yield trends</p> <p>Cost of production : cost per tonne of FFB</p> <p>Price forecast</p> <p>e) Financial indicators : cost benefit, discounted cash flow, return on investment</p> <p>- Major compliance -</p>	<p>All relevant information contained in the annual budget plan for as sighted in annual budget FY2020 such as:</p> <ul style="list-style-type: none"> i. Total crop projection and yield potential ii. Activity direct cost <ul style="list-style-type: none"> a. Mature upkeep b. Manuring c. Harvesting and collection d. Transportation e. Nursery iii. Estate administration <ul style="list-style-type: none"> a. Admin Cost iv. Labour overhead v. Road and bridges vi. Cost of production. 	Complied																		

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.2.4 The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	<p>The budget plan was reviewed annually with both actual and forecasted amount for 5 years (up to 2024) and well documented upon request.</p>	<p>Complied</p>
<p>Criterion 4.6.3: Transparent and fair price dealing</p>		
<p>4.6.3.1 Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Pricing mechanisms for the products and other services being documented and effectively implemented in the Estate. All the pricing will be based on HQ approval.</p> <p>Kulai Estate</p> <p>Three contractors being engaged in the Estate namely: -</p> <ol style="list-style-type: none"> 1. Pengangkutan Sutra Jaya on transporting of Fresh Fruit Bunches and Empty Fruit Bunches. 2. Banli Construction Enterprise – Hiring Excavator 3. RAPS Earthwork & Construction – Hiring Backhoe <p>Sample taken on Pengangkutan Sutra Jaya on transporting of Fresh Fruit Bunches and Empty Fruit Bunches. The agreement between The Estate and Pengangkutan Sutra Jaya valid from 1st October 2020 until 31st March 2021.</p> <p>The FFB being sell to own mill, Hadapan Palm Oil Mill and pricing base on the latest diesel price announced by the Malaysian Government if any variation from the Base Diesel Price. The method / formula is agreed by both parties.</p> <p>Seri Pulai Estate</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance																						
		<p>Four Contractors being engaged in the Estate and the rate is agreed by both parties as per Contract Agreement. The details as below; -</p> <table border="1"> <thead> <tr> <th>No</th> <th>Name</th> <th>Type of Work</th> <th>Rate (RM)</th> <th>Validity</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Berwang Enterprise</td> <td>Hiring machinery – 3Mt lorry</td> <td>RM30.00 / hr</td> <td rowspan="4">1/1/2020 - 31/12/2020</td> </tr> <tr> <td>2</td> <td>Jaffar Mohd Sah</td> <td>Grass Cutting</td> <td>3,160.00</td> </tr> <tr> <td>3</td> <td>Tan You Chai</td> <td>Hiring Machinery - Backhoe</td> <td>RM30.00 / hr</td> </tr> <tr> <td>4</td> <td>Banli Construction Enterprise</td> <td>Hiring Machinery - Excavator</td> <td>RM30.00 / hr</td> </tr> </tbody> </table>	No	Name	Type of Work	Rate (RM)	Validity	1	Berwang Enterprise	Hiring machinery – 3Mt lorry	RM30.00 / hr	1/1/2020 - 31/12/2020	2	Jaffar Mohd Sah	Grass Cutting	3,160.00	3	Tan You Chai	Hiring Machinery - Backhoe	RM30.00 / hr	4	Banli Construction Enterprise	Hiring Machinery - Excavator	RM30.00 / hr	
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4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	<p>All the Contractors have signed a Contract Agreement with the Management and agreed by both parties on the term and condition. Sample taken on the following contractors: -</p> <p>a. Kulai Estate</p> <p>Sighted an Agreement between Sime Darby Plantation Berhad and Pengangkutan Sutra Jaya dated 1st October 2020 until 31st March 2021 on Transporting FFB at Kulai Estate.</p> <p>Purchase Order No: 4300519775 for October 2020. The value of work done was RM95,853.96. The work order being certified on 1st November 2020. The payment being made on 9th November 2020 amounting RM95,853.95.</p>	Complied																						

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Sighted in the Agreement under clause Payment that payment shall be made 30 days upon receipt of complete invoice and confirmation of the quantity of the Product delivered to its destination.</p> <p>b. Seri Pulai Estate</p> <p>Sighted an Agreement between Sime Darby Plantation Berhad and Tan You Chai dated 1st January 2020 until 31st December 2020 on Hiring Excavator.</p> <p>Seen, Purchase Order No: 4300525103 and Tax Invoice No; SPE 037 dated 30th November 2020. The value of work done was RM 21,297.27. The work order being certified on 30th November 2020. The payment being made on 8th December 2020 amounting RM21,297.27</p> <p>Payments were all made in timely manner and no complaint from the contractor so far. Payments are processed and made by HQ through system named MEX upon approval or verification by the Estate Personnel.</p>	
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The contractor has been informed that the estate is under the MSPO certification. The contractor has agreed to adhere and comply with the MSPO standard requirements as stated in the Vendor Integrity Pledge.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Awarded contractors are provided with Letter of Offer (contract agreement) which spelt out the conditions such as commencement, service contract, bank guarantee, insurance policies, failure to provide	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		service, responsibility and indemnity, termination, governing laws, transportation rate and rate adjustment mechanism.	
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	The Estate Management accepted the audit by BSI Services Malaysia Sdn Bhd as per the audit plan dated MSPO auditor on 2 nd December 2020. All the auditors are qualified MSPO auditor. As per agreed, the Estate accept the BSI MSPO Auditors to verify through a physical inspection if required for audit purposed.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	All works performed at the estates are checked and verified by the estate's personnel. Projects where tenders are issued by HQ are checked by representative from HQ usually from the Engineering Dept. Payment will only be made upon approval by the Management and satisfactory work by the contractor	Complied
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
	requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance -		
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
	<p>how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed.</p> <p>- Minor compliance -</p>		
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	<p>Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation.</p> <p>- Major compliance -</p>	<p>There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.</p>	Not Applicable
4.7.4.2	<p>Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure.</p> <p>- Major compliance -</p>	<p>There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.</p>	Not Applicable
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	<p>Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws.</p> <p>- Major compliance -</p>	<p>There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.</p>	Not Applicable
4.7.5.2	<p>Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation.</p> <p>- Major compliance -</p>	<p>There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.</p>	Not Applicable
4.7.5.3	<p>Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion.</p>	<p>There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.</p>	Not Applicable

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable

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Criterion / Indicator		Assessment Findings	Compliance
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	There were no new plantings involving recognized customary land. Thus, it is not applicable for all estates.	Not Applicable

MS 2530 Part 4: General Principles for Palm Oil Mills

Criterion / Indicator	Assessment Findings	Compliance	
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	Policy for the implementation of MSPO shall be established. - Major compliance -	<p>Sime Darby commitments towards MSPO compliance being established through Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha, Group Managing Director dated 2nd December 2019.</p> <p>In view of Internal Stakeholder communication, the details as below:</p> <p>MSPO briefing being communicated to 12 Management Staffs dated 3rd December 2020 at KKS Hadapan Meeting Room. The meeting conducted by Mrs Fatini Abd Wahid, RSQM.</p> <p>Townhall Session to 106 workers was conducted on 7th September 2020 by RSQM AT Mill Workshop.</p> <p>As for External Stakeholders, the session as following: -</p> <p>External Stakeholders meeting was held on 5th December 2019 involving 57 stakeholders comprising Government Agencies, Contractors, School, Supplier and Neighbouring Communities. For the year, External Stakeholder Meeting was scheduled in March 2020, however being postponed to December 2020 due to COVID 19 pandemic outbreak.</p>	Complied
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation.	The sustainability goals are in line with United Nations Sustainable Development Goals (UNSDG) 2030, which committed to: -	Complied

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Criterion / Indicator		Assessment Findings	Compliance						
	- Major compliance -	1. Promoting good governance and transparency 2. Contributing to a better society 3. Minimising environmental harm 4. Delivering sustainability quality This policy being guided by the commitments spelt out in the Company's: - 1. Responsible Agriculture Charter (RAC) 2. Human Rights Charter (HRC) 3. Innovation and Productivity Charter (IPC)							
Criterion 4.1.2 – Internal Audit									
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Sime Darby Plantation, Plantation Sustainability and Quality Management (PSQM), Internal Audit Procedures, Doc No: SD/SDP/PSQM/IAP Revision 2 Date 1/11/2017. The internal audit being conducted annually to implement and maintain the respective standard requirements effectively within the Group. The Management had drawn an Internal Audit Plan and it being carried out once a year to the Mill. The Internal audit conducted by Sustainability Unit, GSQM Department and RSQM. Sighted Internal Audit Plan and conducted as below: - <table border="1" data-bbox="1086 1311 1877 1361"> <thead> <tr> <th>Mill</th> <th>Date Planned</th> <th>Date Audited</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Mill	Date Planned	Date Audited				Complied
Mill	Date Planned	Date Audited							

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Criterion / Indicator		Assessment Findings			Compliance												
		Hadapan POM	13 th November 2020	13 TH November 2020													
4.1.2.2	<p>The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.</p> <p>- Major compliance -</p>	<p>The Internal Audit was planned to be conducted annually. The MSPO Internal Audit for Hadapan POM was conducted on 13th November 2020 by Sustainability Unit, GSQM Department and RSQM.</p> <p>The team Lead Auditor is Mrs Fatini Abd Wahid and assisted by Co-Auditor, Zawawi Sahit and Haji Suhaimi Juki.</p> <p>The NC's raised as follows: -</p> <table border="1"> <tr> <td></td> <td>Hadapan POM</td> </tr> <tr> <td>Date report send by GSQM</td> <td>13/11/2020</td> </tr> <tr> <td>Major</td> <td>8</td> </tr> <tr> <td>Minor</td> <td>1</td> </tr> <tr> <td>OFI</td> <td>2</td> </tr> <tr> <td>Date Response to GSQM</td> <td>20/11/2020</td> </tr> </table> <p>All the findings were closed within stipulated timeframe of 2 weeks and the auditee has responded by including the root cause analysis and corrective action plan. Evidence, all the Non – conformities submitted being verified onsite by the Lead Auditor as per date response to GSQM.</p>				Hadapan POM	Date report send by GSQM	13/11/2020	Major	8	Minor	1	OFI	2	Date Response to GSQM	20/11/2020	Complied
	Hadapan POM																
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4.1.2.3	<p>Reports shall be made available to the management for their review.</p> <p>- Major compliance -</p>	<p>The internal audit report was documented and made available for management review. As evidence, all findings from internal audit was responded by Mill Management within the acceptable timeframe.</p>			Complied												

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Criterion / Indicator	Assessment Findings	Compliance								
Criterion 4.1.3 – Management Review										
<p>4.1.3.1</p>	<p>The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.</p> <p>- Major compliance -</p>	<p>The procedure for Management Review, Standard Operation Manual, Sub-Section 5.6, dated: 25/5/2015 was established. The frequency for management review needs to be carried out at least once a year.</p> <p>The Management Review meeting is on Operating Unit basis. The actual meeting date as below: -</p> <table border="1" data-bbox="1088 695 1865 858"> <thead> <tr> <th>Mill</th> <th>Date of Meeting</th> <th>No of Participants</th> <th>Venue</th> </tr> </thead> <tbody> <tr> <td>Hadapan</td> <td>20/11/2020</td> <td>7</td> <td>Hadapan Mill, Meeting Room</td> </tr> </tbody> </table> <p>The agendas discussed in the meeting are the following:</p> <ul style="list-style-type: none"> Review of last meeting and confirmation of the minutes. Review of status / issue of Input and Output Sustainability Management Resource evaluation, needs and plan Results from system audit Changes that could affect the Management Systems Recommendation for Improvement Other matters 	Mill	Date of Meeting	No of Participants	Venue	Hadapan	20/11/2020	7	Hadapan Mill, Meeting Room
Mill	Date of Meeting	No of Participants	Venue							
Hadapan	20/11/2020	7	Hadapan Mill, Meeting Room							
Criterion 4.1.4 – Continual Improvement										

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Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Major compliance -</p>	<p>The mill has emphasized on Continual Improvement Plan and amongst the projects in 2020 are: -</p> <p>Loose fruit sieving To eliminate contamination and trash in LF & FFB consignment. Increase sterilization time to 100 minutes To further condition mesocarp for maximum oil extraction. MPD was observed to become more properly sterilize after the sterilization time is increased. Sterilization time recently revert back to original setting at 90 minutes in order for Mill to achieve higher throughput to accommodate fuel for boiler operation.</p> <p>CFB Return Conveyor To ensure consistency of FFB feeding into CS. To prevent from frequent CFB conveyor failure due to choke.</p> <p>Trash Removal System To strain and remove trash in FFB and LF prior from entering Mill System to improve machinery lifespan, To continue monitor and record trash volume.</p> <p>Steam Injection at Shaftless Elevator To further condition mesocarp for maximum oil extraction to the actual potential.</p>	<p>Complied</p>

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		Installation completed at Shaftless No 1.	
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	Where new technology or system are introduced, awareness briefing is provided to the employees at all levels prior to the implementation. Evidence, training on Loose fruit Sievers was conducted by the Assistant Manager of Hadapan POM on 20 th January 2020 at Mill. The training was attended by 18 participants comprising Executives and Staffs of SOU 24.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. - Major compliance -	<p>Sime Darby has established Communication Procedure either Internal or External Stakeholders. The information was available in two (2) languages English and Malay. This document was accessible to stakeholder as sighted at Mill notice board. The information being disseminated to the Internal and External Stakeholders either through Townhall Session or External Stakeholders' Meeting.</p> <p>In view of Internal Stakeholder communication, the details as below:</p> <p>MSPO briefing being communicated to 12 Management Staffs dated 3rd December 2020 at KKS Hadapan Meeting Room. The meeting conducted by Mrs Fatini Abd Wahid, RSQM.</p> <p>Townhall Session to 106 workers was conducted on 7th September 2020 by RSQM AT Mill Workshop.</p> <p>As for External Stakeholders, the session as following: -</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		External Stakeholders meeting was held on 5th December 2019 involving 57 stakeholders comprising Government Agencies, Contractors, School, Supplier and Neighbouring Communities. For the year, External Stakeholder Meeting was scheduled in March 2020, however being postponed to December 2020 due to COVID 19 pandemic outbreak.	
4.2.1.2	<p>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.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Bhd (SDPB) has established Mill Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the company's safety & health, social, environmental and other aspects.</p> <p>Information relating to land titles, safety and health plans, pollution prevention plans was made available at all Mill. Among the documents that were made available for viewing were land titles, occupational health and safety plans, EIA reports, SIA reports, details of complaints and grievances, negotiation procedures, continuous improvement plans, and human rights policy.</p> <p>Furthermore, information regards to Sustainability Reports, sustainability policies, Human Rights Charter, practices and key initiatives which include Lean Six Sigma and Continuous Improvement, Safety and Health, Environment, Biodiversity</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Conservation, Environmental Conservation can be retrieve through the company's website http://www.simedarbyplantation.com/.</p> <p>Confidential documents such as financial, personal and etc. are not allowed to be shared publicly.</p> <p>The Mill Manager is responsible to address all communication and request for documentations that could be made available to public or stakeholders</p>	
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Bhd (SDPB) has established Mill Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008.</p> <p>The procedure for Internal Stakeholders was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Internal Issues.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the company's safety & health, social, environmental and other aspects.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance								
		<p>The SOP also specifies the timeframe to be taken to provide feedback to the stakeholder is: -</p> <ul style="list-style-type: none"> a. Within 2 weeks from the date receiving the queries. b. Within one week of the completion of the investigation for communication requiring investigation. <p>The procedure for consultation and communication is also available through website address http://simeidarbyplantation.com.</p>									
4.2.2.2	<p>The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i>.</p> <p>- Minor compliance -</p>	<p>The mill has appointed their person in charge to monitor Consultation and communication namely En. Mohd Fakurrazi Al Mansor bin Mohd Daud, Assistant Manager through appointment letter dated 1st January 2020 signed by En. Zulaffandi bin Samad, Mill Manager.</p>	Complied								
4.2.2.3	<p>A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.</p> <p>- Major compliance -</p>	<p>The external stakeholder consultation being conducted once a year. Thus far, there were no issues being raised by the external stakeholder as per complaint and request & response book at the Mill. Sighted latest stakeholders list for Mill updated on 7th December 2020 as follows: -</p> <table border="1" data-bbox="1196 1177 1765 1361"> <thead> <tr> <th></th> <th>Hadapan POM</th> </tr> </thead> <tbody> <tr> <td>Neighbouring Estate & Mill</td> <td>6</td> </tr> <tr> <td>OCP Suppliers</td> <td>14</td> </tr> <tr> <td>Government</td> <td>20</td> </tr> </tbody> </table>		Hadapan POM	Neighbouring Estate & Mill	6	OCP Suppliers	14	Government	20	Complied
	Hadapan POM										
Neighbouring Estate & Mill	6										
OCP Suppliers	14										
Government	20										

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Criterion / Indicator		Assessment Findings		Compliance
		Supplier / Vendor	19	
		Local Community	6	
		Contractor	16	
		Total	81	
Criterion 4.2.3 – Traceability				
4.2.3.1	<p>The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability.</p> <p>- Major compliance -</p>	<p>The company has established Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability version 2 Issue # 5 dated April 2019. The objective of the SOP is to provide guidelines for estates and POM to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB, CPO & PK).</p> <p>Verified the implementation of this SOP and sufficient information is stated on the weighbridge ticket or consignment note of all FFB, CPO & PK transactions as sample below:</p> <p>a. FFB Supplier</p> <p>FFB Delivery Ticket</p> <p>Supplier : Bukit Siput Resources Sdn Bhd,</p> <p>Ticket No : 30778</p> <p>Vehicle Registration : JRY 4766</p> <p>Year of Planting : 2005</p>		Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Weighbridge Ticket : 218074 Supplier : Bukit Siput – Bukit Siput Resources Sdn Bhd Delivery Order No : 30778 Date : 4/12/2020 Vehicle No : JRY 4766 Driver : Shahmin bin Emi Driver i/c : 620219-71-5551 1st Weight : 41,900 kg 2nd weight : 13,990 kg Nett weight : 27,910 kg Supplier Weight : 27,940 kg Variance : 30 kg</p> <p>b. KERNEL Despatch Mill Weighbridge Ticket : 020362 Supplier : Hadapan POM Transporter : SSH – Sin Huat Hin Product – 0008 Palm Kernel Vehicle No : JSJ 8836 Driver : Fadeli bin Sulaiman Driver i/c : 651212-10-6931 Date : 5/12/2020 1st Weight : 18,160 kg</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>2nd weight : 55,480 kg</p> <p>Nett weight : 37,320 kg</p> <p>Seal No : 207370, 207371, 207372, 307373, 207374, 207375, 207376,207377</p> <p>Contract No : S/PSD/2011/PKO203</p> <p>Collection Order</p> <p>Ticket No : 74840</p> <p>Buyer : Kilang Isi Sawit Sin Huat Hin Sdn Bhd</p> <p>Date : 5/12/2020</p> <p>Commodity : Palm Kernel</p> <p>No weighing ticket at Kilang Isi Sawit Sin Huat Hin Sdn Bhd as the Contract base on Ex – Mill Hadapan POM Weight.</p> <p>c. CPO Despatch</p> <p>Mill Weighbridge Ticket : 020349</p> <p>Supplier : Hadapan POM</p> <p>Transporter : Sing Rubber & Transport Sdn Bhd</p> <p>Product – 0007 Crude Palm Oil</p> <p>Vehicle No : NCP 4284</p> <p>Driver : Mohd Fazrin bin Alias</p>	

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Driver i/c : 860317-23-5407</p> <p>DO Number : 57151 PO Number : E 671746</p> <p>Date : 2/12/2020</p> <p>1st Weight : 18,990 kg</p> <p>2nd weight : 59,560 kg</p> <p>Nett weight : 40,570 kg</p> <p>Seal No : 207266,207267,207268,207269,207270,207271,207272,207273</p> <p>Contract No : S/PSD/2011/CPO0077</p> <p>Collection Order from Buyer</p> <p>Ticket No : 57151</p> <p>Buyer : Sing Rubber & Transport Sdn Bhd</p> <p>Date : 2/12/2020</p> <p>Vehicle Number : NCP 4284 Trailer No: T/N 8033</p> <p>Driver : Mohd Fazrin bin Alias</p> <p>Driver i/c : 860317-23-5407</p> <p>Refinery Weighbridge Ticket</p> <p>Weighbridge Ticket : SKGR022560</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		Supplier : Sime Darby Oils Trading Sdn Bhd Mill Ticket No : M085P00020349 Buyer : Sime Darby Oils Pasir Gudang Refinery Sdn Bhd Product – Crude Palm Oil Vehicle No : NCP 4284 Driver : Mohd Fazrin bin Alias Driver i/c : 860317-23-5407 DO Number : 57151 Date : 2/12/2020 1 st Weight : 59,540 kg 2 nd weight : 19,010 kg Nett weight : 40,530 kg	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	The Mill Management team holds the responsibility on regular inspection of traceability system. Periodical inspections also being conducted through Internal Audit visit, HQ Level visit or Mill Advisor. The effectiveness of the monitoring will evidence in the internal audit and visit report findings.	Complied
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	The mill has appointed their person in charge to monitor Traceability namely En. Mohd Fakrurrazi Al Mansor bin Mohd Daud, Assistant Manager through appointment letter dated 1 st January 2020 signed by En. Zulaffandi bin Samad, Mill Manager.	Complied

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Criterion / Indicator		Assessment Findings	Compliance
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	Stock of CSPO & CSPK was recorded in Mass Balancing Records for Oil Mill. Production records were maintained in "Daily production summary". The information about stock balance, sales and delivery is recorded in the format on daily basis. Production of MSPO certified CPO have been started since MSPO certificate is granted	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations. - Major compliance -	<p>A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual distributed to all operating units under SOU24. SQM Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.</p> <p>Hadapan POM, the lists of permits/licenses which has to be monitored and updated periodically include;</p> <p>MPOB License No. 510425004000 for Hadapan Palm Oil Mill, untuk menjual dan mengalih PK, CPO,SPO, membeli dan mengalih FFB, menyimpan PK, CPO,SPO dan mengilang FFB for a period of 01.03.2020 till 28.02.2021.</p> <p>Laporan Pemeriksaan Alat Timbang dan Sukat Di Bawah Peraturan – peraturan Timbang dan Sukat , 1981 Weighbridge 60 Mt , Certificate Number B 1500733 valid until 13/7/2021.</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Permit to Purchase, Store and Use of Sodium Hydroxide, Poison Ordinance 1952 to purchase 4000 liquid of Sodium Hydroxide valid until 1st January 2021 under license No 007442.</p> <p>Lesen Melencong atau Mengabstrak Air Sungai (Seksyen 7) Enakmen Air Johor 1921, BAKAJ/334/300/05/02/08/03 under licensed number 08/A/KJ/043 for 1,000m3/day valid until 31st December 2020.</p> <p>Perakuan Pendaftaran, Akta Bekalan Elektrik 1990, Pemasangan No : ST(SJB)P/S/JHR/01516 FOR 2000Kw valid until 14/9/2021</p> <p>Akta Kualiti Alam Sekeliling 1974Peraturan – peraturan Kualiti Alam Sekeliling (Udara Bersih) 2014- P.U(A) 151 – Jadual Pematuhan No 005374 valid from 6th June 2020 until 31st December 2020</p> <p>Akta Kualiti Alam Sekeliling 1974, Seksyen 22(1) untuk mengeluarkan dan melepaskan apa-apa benda berbahaya kepa alam sekeliling, pencemar atau buangan ke dalam udara dengan melanggar syarat-syarta yang boleh diterima yang ditentukan di bawah Seksyen 21 under license no 005374.</p> <p>Akta Kualiti Alam Sekeliling 1974, Seksyen 18(1) untuk menduduki dan menggunakan premis yang ditetapkan under license no 003865.</p> <p>Syarat -syarat Lesen, Premis Minyak Kelapa Sawit Mentah – Jadual Pematuhan No 003865 valid from 1st July 2020 until 30th June 2021</p> <p>Had kerja lebih masa di bawah Seksyen 60A (4)(a) Akta Kerja 1955 – 130 jam</p> <p>Permit Potongan Daripada GAJI Pekerja (Seksyen 24, Akta Kerja 1955) tambang bas sekolah.</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		Permohonan Potongan Upah di Bawah Seksyen 24, Akta Kerja 1955 BAGI BAYARAN BIL ELEKTRIK.	
4.3.1.2	The management shall list all relevant laws related to their operations in a legal requirements register. - Major compliance -	The list of applicable laws and regulations which consist of documents/ laws that covers the requirements related to MSPO compliance include: Prevention and Control of Infectious Diseases Act 1988, Act 342 Occupational Safety and Health Act 1994 (Act514) Environmental Quality Act 1974 (Act 127) Factories and Machinery Act with regulations 1967 (Act 139) Pesticides Act 1974 (Act 149) MPOB Act 1998 (Act 582) Road Transport Act 1987 (Act 333) Employees Social Security Act 1969 (Act 4) Food Act and Regulations Act 1983 (Act 281) Industrial Relations Act 1967 (Act 177) Trade Union Act 1959 (Act 262) Employees Provident Fund 1991 (Act 452) Human Rights Commission of Malaysia Act 1999 (Act 597) Control of Supplies (Act 122) Employment Act 1955 (Act 265) Electricity Supply Act 1990 (Act 447)	Complied

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Sales Tax Act 1972 (Act 64)</p> <p>Medical Assistant Registration Act (Act 180)</p> <p>Immigration Act 1959/1963 (Act 155)</p> <p>Workers' Minimum Standards of Housing and Amenities Amendment Act 2019</p> <p>Workman Compensation Act 1952 (Act 273)</p> <p>Conservation of Environment Enactment 1996</p> <p>Wetlands and Climate Chang 1999</p> <p>The UN Convention on Biological Diversity</p> <p>Stockholm Convention on Persistent Organic Pollutants (2001)</p> <p>Rotterdam Conventions on Prior and Informed Consent Procedure for certain Hazardous Chemicals and Pesticides in International Trade (1998)</p> <p>International Labour Organization (ILO) Convention 98 (1949) Right to Organize and Collective Bargaining</p> <p>Personal data Protection Act 2010 (Act 709)</p> <p>Malaysian Anti-Corruption Commission 2009 (Act 694)</p> <p>Whistle blower Protection Act 2010 (Act 711)</p> <p>Environment Protection Enactment 2002</p> <p>Environment Protection (Prescribed Activities) Order 2005</p> <p>Environmental Impact Assessment Order 2005</p>	

Criterion / Indicator		Assessment Findings	Compliance
		<p>Weights and Measures Act 1972 (Act 71)</p> <p>Wetlands and Climate Change, 1999.</p> <p>Employment Insurance System (EIS) 2017 (Act 800)</p> <p>Minimum Retirement Age Act 2012 (Act 753)</p> <p>Passport Act 1966</p> <p>Children and Young Persons (Employment) Act 1966 + 2018 Amendment (Act 350)</p> <p>Minimum Wages Order 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Jangkitan) (Pelanjutan Kuat Kuasa) (No.2) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Berjangkit) (Pelanjutan Kuat Kuasa) (No. 5) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Langkat – Langkah Di Dalam Kawasan Tempatan) (No.7) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Pengkompaunan Kesalahan – Kesalahan) (Pindaan) (No.7) 2020</p>	
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.	Changes to legal requirements are monitored and updated by company's Group Sustainability & Quality Management (GSQM). The SOP 2.0 (Legal Compliance) has specified any changes to legal	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>requirements are tracked by means of periodic review and evaluation on the Laws & regulations list to ensure that any new/addition as well as changes and amendment are captured and updated, through the following manner:</p> <p>Head Office Assignee to identify and register all applicable laws & regulations pertaining to estate / palm oil mill operation.</p> <p>Head Office Assignee to arrange the purchase of the applicable laws & regulations books where possible. Otherwise, downloaded/ soft copy would be used.</p> <p>The latest up-date for 2020 are; -</p> <p>Minimum Wages Order 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Jangkitan) (Pelanjutan Kuat Kuasa) (No.2) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit (Pengisytiharan Kawasan Tempatan Berjangkit) (Pelanjutan Kuat Kuasa) (No. 5) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Langkat – Langkah Di Dalam Kawasan Tempatan) (No.7) 2020</p> <p>Perintah Pencegahan dan Pengawalan Penyakit Berjangkit Peraturan – Peraturan Pencegahan dan Pengawalan Penyakit Berjangkit (Pengkompaunan Kesalahan – Kesalahan) (Pindaan) (No.7) 2020</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		Workers' Minimum Standards of Housing and Amenities Amendment Act 2019	
4.3.1.4	The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements. - Minor compliance -	The mill has appointed their person in charge to monitor Legal Requirement namely En. Mohd Fakrurrazi Al Mansor bin Mohd Daud, Assistant Manager through appointment letter dated 1 st January 2020 signed by En. Zulaffandi bin Samad, Mill Manager.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	Sime Darby did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes.	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. - Major compliance -	The mill located in Layang Estate, Hadapan Division under land title no. 08 HS (D) 00039413, lot no. 07 MLO 00006529. A copy of the land title were available at the office for review.	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	The mill located in the sister estate. The land title was under Layang Estate. The mill boundary was clearly demarcated with fences.	Complied
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	No disputes have been recorded in the mill. There is no evidence of conflict present in this mill. There is no violence on instigated violence in maintaining peace because company has clear procedures for land conflict. There is no land dispute for the mill.	Complied
Criterion 4.3.3 – Customary rights			

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Criterion / Indicator		Assessment Findings	Compliance								
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There is no customary land within or surrounding in the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.	Complied								
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	There is no customary land within or surrounding in the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.	Complied								
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	There is no customary land within or surrounding in the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.	Complied								
4.4 Principle 4: Social responsibility, health, safety and employment condition											
Criterion 4.4.1: Social Impact Assessment (SIA)											
4.4.1.1	Social impacts should be identified and plans should be implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	Sighted main template of Social Impact Assessment for SOU 24 being established on 3 rd – 7 th February 2014. The SIA Management Plan will be reviewed every year. The latest review was on 30 th November 2020 at Hadapan POM and the plan, action taken to mitigate the issues and status as listed herein: - <table border="1" data-bbox="1086 1121 1870 1318"> <thead> <tr> <th>Area of Concerns</th> <th>Action Plan</th> <th>Status</th> <th>Pic</th> </tr> </thead> <tbody> <tr> <td>Engagement with stakeholders</td> <td>Organize meeting</td> <td>Once a year</td> <td>Asst Mgr</td> </tr> </tbody> </table>	Area of Concerns	Action Plan	Status	Pic	Engagement with stakeholders	Organize meeting	Once a year	Asst Mgr	Complied
Area of Concerns	Action Plan	Status	Pic								
Engagement with stakeholders	Organize meeting	Once a year	Asst Mgr								

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Criterion / Indicator		Assessment Findings				Compliance
		To maintain housing and facilities provided to workers	Attend to worker's complaint and other facilities on timely manner	On Going	Sr. Asst	
		Monitoring of pay and agreement of workers and contractor workers	Monitor the pay and Agreement monthly in compliance with Legal Requirement and Collective Agreement	On Going	Sr. Asst	
Criterion 4.4.2: Complaints and grievances						
4.4.2.1	A system for dealing with complaints and grievances shall be established and documented. - Major compliance -	<p>Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1 Year 2008, Issue No 1 dated 1st Nov 2008.</p> <p>The procedure for handling internal social issue was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Social Issues.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties.</p> <p>Under Group policies and authority's GPA No 85 Whistleblowing channels are established to help all stakeholders raise concerns, without fear or retaliation, on any wrongdoing that they may</p>				Complied

Criterion / Indicator		Assessment Findings	Compliance								
		<p>observe in the Sime Darby Group. The statement can be viewed through http://www.simedarbyplantation.com/</p> <p>Complaint Form can be obtained at the Mill Office. Interview with the local and foreign confirmed they are aware of the above process. Merely, complaints on Housing Maintenance being observed in the Mill.</p>									
4.4.2.2	<p>The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties.</p> <p>- Major compliance -</p>	<p>The Standard operation Manual under clause 6.3 Timeframe for External Communication has stated: -</p> <p>Within 2 weeks of the date of receipt for communication requiring direct feedback.</p> <p>Within 1 week of the completion of the investigation for communication requiring investigation.</p> <p>The Mill has established 3 type of complaints medium: -</p> <p>Complaint Book – Housing & Electricity Repairs</p> <p>Letter by complainant</p> <p>Detail of No of Complaints as below: -</p> <table border="1"> <tr> <td colspan="2">Hadapan POM</td> </tr> <tr> <td></td> <td>Housing – Repairs & Electricity</td> </tr> <tr> <td>2019</td> <td>14</td> </tr> <tr> <td>2020</td> <td>18</td> </tr> </table>	Hadapan POM			Housing – Repairs & Electricity	2019	14	2020	18	Complied
Hadapan POM											
	Housing – Repairs & Electricity										
2019	14										
2020	18										

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Criterion / Indicator		Assessment Findings	Compliance
		Sample taken on internal housing complaint by House No 32 dated 18 th November 2020 on leaking water tank. Seen, the complaint and action being responded on the same day.	
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	<p>The Mill has established 4 type of complaints medium: -</p> <p>Complaint Book – Housing & Electricity Repairs</p> <p>Letter by complainant</p> <p>Suara Kami</p> <p>Whistle blowing</p> <p>Complaint Form can be obtained at the Mill Office. Interview with the local and foreign confirmed they are aware of the above process. Merely, complaints on Housing Maintenance being observed at the Mill</p> <p>Under Group policies and authority’s GPA No 85 Whistleblowing channels are established to help all stakeholders raise concerns, without fear or retaliation, on any wrongdoing that they may observe in the Sime Darby Group. The statement can be viewed through http://www.simedarbyplantation.com/</p> <p>Instead of whistle blowing, the workers have another medium to relay their complaints and grievances through SUARA KAMI – TALIAN BANTUAN PEKERJA. The complaints will be directed to Sime Darby HQ for investigation. This medium being handled by 3rd party.</p>	Complied
4.4.2.4	Employees and surrounding communities should be made aware of its existence and that complaints or suggestions may be made at any time.	Employees and the surrounding communities were communicated through: -	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<p>In view of Internal Stakeholder communication, the details as below:</p> <p>MSPO briefing being communicated to 12 Management Staffs dated 3rd December 2020 at KKS Hadapan Meeting Room. The meeting conducted by Mrs Fatini Abd Wahid, RSQM.</p> <p>Townhall Session to 106 workers was conducted on 7th September 2020 by RSQM AT Mill Workshop.</p> <p>As for External Stakeholders, the session as following: -</p> <p>External Stakeholders meeting was held on 5th December 2019 involving 57 stakeholders comprising Government Agencies, Contractors, School, Supplier and Neighbouring Communities. For the year, External Stakeholder Meeting was scheduled in March 2020, however being postponed to December 2020 due to COVID 19 pandemic outbreak.</p>	
4.4.2.5	<p>Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request.</p> <p>- Major compliance -</p>	Sighted all internal complaints filled, responded and the records being maintained for the last 24 months.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			
4.4.3.1	Palm oil miller should contribute to local development in consultation with the local communities. Where the mill is an integral part of	Mill is committed and have contributed to local development. The contribution made to the internal. As evidence, the followings: -	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - Minor compliance -	To supply essential items to local workers during MCO in April 2020 in order to reduce their burden. Majlis Maulidur Rasul with all the workers and Management in November 2020.	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	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. - Major compliance -	<p>Sime Darby Plantation has established Safety and health policy as per Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.</p> <p>In the Policy Statement stated as follows: "Upstream Malaysia is committed to providing safe and healthy workplaces and operating in an environmentally responsible manner at all our operations in Malaysia."</p> <p>The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate.</p> <p>The GSQM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.</p> <p>Estate visited has established Safety and Health Plan and reviewed on annually basis. The plan covers on OSH Legal Compliance, Emergency Response Plan, OSH Management System and Risk Management, HIRADC, training, OSH committee meeting, workplace inspection, medical surveillance and etc.</p>	Minor NC

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Sighted the implementation of the management plan FY 2020 as follows:</p> <p>The mill sent the workers involved in chemical handling and welding works for medical surveillance on annually basis. Latest annual medical surveillance was conducted on 9 – 10/11/2020. 15 workers were sent for surveillance and the report was yet to be received by the mill.</p> <p>The mill conducted workplace inspection on quarterly basis prior to the Safety and Health committee meeting. The findings were discussed in the Safety and Health committee meeting and brief to the workers during morning briefing. Sighted the workplace inspection records for the month of April and October 2020.</p> <p>Latest audiometric test has been conducted on 11/9/2019 as per report ref no. HCP/AMT/191104 by registered OHD doctor with registration no. HQ/15/DOC/00/395. 94 workers were tested with 9 workers were tested with hearing impairment while 7 workers were tested to have standard threshold shift and required to be send for retest within 3 months. There is no evidence of the 7 workers has been send for retest within 3 months.</p>	
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <p>A safety and health policy, which is communicated and implemented.</p> <p>The risk of all operations shall be assessed and documented.</p> <p>An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill:</p>	<p>Sime Darby Plantation has established Safety and health policy as per Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.</p> <p>The policy is written in Bahasa and English language that can be easily understood by all levels of its employees.</p> <p>The policy has been communicated to the workers through induction training for new workers, morning briefing, iCARE Safety</p>	Complied

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Criterion / Indicator	Assessment Findings	Compliance
<p>All employees involved are adequately trained on safe working practices;</p> <p>All precautions attached to products should be properly observed and applied;</p> <p>The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>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>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>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>Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p>	<p>and Health Townhall meeting, and displayed at various notice board within the estate.</p> <p>The mill has conducted assessment for risk on all the operations and documented in Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment cover all main operations and support operations such as boiler station, FFB ramp, fruit handling station, Sterilizer station, office operation, security, pest and disease and other support operation. The HIRARC was reviewed at minimum once a year, if accident occur or changes on the operation.</p> <p>Latest HIRARC review was on 17/11/2020 with due to changes in mill operation with additional HIRARC for dewatering system and COVID 19.</p> <p>The mill has established training program for employees exposed to chemicals used at the palm oil mill to ensure the continuous awareness to the employee. The training was conducted by the Manager, Asst. Manager and representative from the chemical suppliers to the supervisors and operators. Sighted the sampled training records as follows:</p> <p>Chemical handling and Scheduled Waste training dated 28/9/2020</p> <p>The mill provided appropriate PPE to all workers according to the job type. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) dated 17/3/2008.</p> <p>PPE issuance was recorded in PPE Issue logbook and store BIN Card. The records in the logbook was done by workers basis for monitoring purpose.</p>	

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Criterion / Indicator	Assessment Findings	Compliance
<p>Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>Procedures of chemical handling is presented in several documents, such Document No. SD/SDP/SQM (ESH)/001-1Sime Darby Plantation Environment, Safety, and Health Management System (ESHMS) Manual dated July 1st, 2012.</p> <p>The Mill Manager has been appointed as Person Responsible / Chairman for Safety and Health in the estate as per appointment letter signed by the Regional CEO.</p> <p>Mill management has appointed Safety Committee Member consist of Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Mill Manager. The OSH committee discussed regarding the safety and health of the workers on quarterly basis during the OSH committee meeting. In the meeting discussed on the, accident and incident report, OSHA compliance, PPE issue, first aid kit monitoring, PPE monitoring, workplace inspection, firefighting equipment monitoring and training. Sighted the minutes meeting dated 14/8/2020.</p> <p>Accident of emergency procedure is presented in Mill Quality Management System Standard Operation manual (MQMS SOM) dated November 1st, 2008. Flowchart of emergency handling was presented in Appendix 5.5.3.3.</p> <p>Noted during interview with workers show the satisfactory understanding on the emergency procedure established. Training was conducted as follows:</p> <p>i. ERP, Fire Fighting training dated 10/2/2020</p> <p>First aider present at various work station at the mill with appointed responsible person. Latest training was conducted om 23/10/2020. Noted during site visit and interview with workers noted that</p>	

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Criterion / Indicator		Assessment Findings	Compliance
		<p>workers aware regarding the location of the nearest first aid kit from their work station. Sighted the first aid monitoring records and first aid items used records FY 2020.</p> <p>The mill maintain the records of accident cases and documented in the "Laporan dan Siasatan Kemalangan" log and reported to HQ using the PSQM-ESH Monthly update form. The accident occurred was reviewed on quarterly basis during OSH committee meeting.</p> <p>The mill submit the JKPP 8 form on annually basis to DOSH through MyKKP website.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby has established Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha; Group Managing Director dated 2nd December 2019.</p> <p>Human rights element being spelt out under the followings: -</p> <p>Human Rights Charter – Clause 3.2, We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <p>Providing equal opportunities</p> <p>Respecting freedom of association</p> <p>Eradicating any form of exploitation</p> <p>Ensuring favourable working conditions</p> <p>Enhancing safety and health</p> <p>Respecting community rights and the rights of indigenous people</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>Protecting the Rights of vulnerable people</p> <p>Protecting the rights of children</p> <p>Eliminating violence and sexual harassment</p> <p>Responsible Agriculture Charter – Human Rights and Social Development Commitments Clause 2.1, Respect Human Rights & empower communities and Clause 2.2 Protect Labor standards and enhance employment conditions.</p> <p>iii. Sime Darby Plantation Group, Vendor COBC dated 30th May 2018 under Clause 5, Labor and Human Rights.</p> <p>Communication of all the policies to workforce is through Town hall, training and during muster call.</p>	
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Sime Darby has established Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha; Group Managing Director dated 2nd December 2019.</p> <p>Human rights element on discriminatory practices and equal opportunity being spelt out under the followings: -</p> <p>Human Rights Charter</p> <p>Responsible Agriculture Charter</p> <p>Responsible Agriculture Charter</p> <p>Sime Darby Plantation Berhad, Non-Discrimination And Equal Opportunity Policy stated in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights, 3.2.5 Promoting diversity and inclusion by providing equal opportunities</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance			
		<p>and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p> <p>Based on worker employment master record, there are mixed of India, Nepal, Bangladesh and Indonesia foreign workers lives and work with local employees. Interview with office staff and general workers whom mentioned their job selection process was fair and transparent.</p> <p>This policy is available in English and Malay displayed at the Mill office wall and notice boards.</p> <p>No evidence of discrimination based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation was found in the Mill.</p>				
4.4.5.3	<p>Management shall ensure that employees’ pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>Pay and conditions are documented in the workers’ Contract Agreement and wage payment records / pay slip.</p> <p>The salary is according to ‘Guidelines on the Implementation on the Minimum Wages’. National Wages Consultative Council Act 2020 (Act 732) Malaysian minimum salary is RM1100.00 as stated in the guidelines.</p> <p>Rate of pay is based on MAPA / NUPW Agreement Salary Scale as seen in the Contract Agreement and pay-slip. All the workers are under Mill pay-roll system. Sample taken on the workers below: -</p> <p>a. Hadapan POM</p> <table border="1" data-bbox="1205 1321 1664 1369"> <tr> <td>No</td> <td>Employee No</td> <td>Nationality</td> </tr> </table>	No	Employee No	Nationality	Complied
No	Employee No	Nationality				

Criterion / Indicator		Assessment Findings			Compliance
		1	156318	Indonesia	
		2	17630	Malaysia	
		3	80376	Indian	
		4	116283	Malaysia	
		5	131444	Indonesia	
		6	138177	Malaysia	
		7	146109	Indian	
		8	150347	Indonesia	
		9	160236	Malaysia	
		10	146105	Malaysia	
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>One contractor being engaged in the Mill on Supplying Labours (General Maintenance and Repair Works) under Maju Mech Engineering Sdn Bhd. The agreement valid from 1st January 2019 until 30th December 2023. Sample taken on Maju Mech Engineering Sdn Bhd and their workers agreement.</p> <ol style="list-style-type: none"> 1. Md Abdul Aowal – BW 0505021 – 16TH April 2019 2. Md Ismail Hossain – BW 0463748 – 6th May 2019 3. Md Rohim Sheikh – BQ 0202352 – 25th January 2019 <p>Evidence, through Form 8A, Employer No B3402056705A month of October 2020, the employer contribute the SOCSO for the workers.</p>			Complied

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Criterion / Indicator		Assessment Findings	Compliance															
		1. Md Abdul Aowal – BW 0505021 – RM 46.90 2. Md Ismail Hossain – BW 0463748 – RM 49.40 3. Md Rohim Sheikh – BQ 0202352 – RM 38.10																
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>Sime darby has established Check-roll Employee Listing system for all data of their workers.</p> <p>Sighted at Hadapan POM the Personal Particulars data for all the workers in The Check-roll Employee Listing. The report stated the Offered Position, Personal Details, Date Employed, Educational background and Family Data</p>	Complied															
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>Employment contract stated the offered position, wages implied, working hours, OT, allowances, rest day, working on holiday etc. The contract is in their origin country languages or English. as it is easy to be understood by workers.</p> <p>This contract is signed by both employee and employer and accompanied with respective witnesses. Workers employed consisted of Malaysian, Indian and Indonesian. Sample taken on the following workers for Hadapan POM sample on the following workers:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>No</th> <th>Employee No</th> <th>Nationality</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>156318</td> <td>Indonesia</td> </tr> <tr> <td>2</td> <td>17630</td> <td>Malaysia</td> </tr> <tr> <td>3</td> <td>80376</td> <td>Indian</td> </tr> <tr> <td>4</td> <td>116283</td> <td>Malaysia</td> </tr> </tbody> </table>	No	Employee No	Nationality	1	156318	Indonesia	2	17630	Malaysia	3	80376	Indian	4	116283	Malaysia	Complied
No	Employee No	Nationality																
1	156318	Indonesia																
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Criterion / Indicator		Assessment Findings				Compliance
			5	131444	Indonesia	
			6	138177	Malaysia	
			7	146109	Indian	
			8	150347	Indonesia	
			9	160236	Malaysia	
			10	146105	Malaysia	
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. - Major compliance -	Working hours is 8 hours. From Monday to Saturday. The overtime maximum is 104 hours according to Malaysian Law. Seen the working hours being displayed at the notice board. The office will be working from 8.00 am to 5.00pm and break time at 1.00 pm to 3.00 pm. The workers are from 8.00 am to 4.00pm.				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. - Major compliance -	The working hour and break time has been clearly stated in the Employment Contract. Sighted in the Contract Agreement the rate of overtime which agreed by both parties. There is no complaint received regarding payment or are forced to work overtime during site interview				Complied
4.4.5.9	Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements. - Major compliance -	Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made. Documented pay slip was distributed to individual workers on the day of payment.				Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Minor compliance -</p>	<p>All workers have been provided with medical and accident insurance.</p> <p>With regards to local and foreign workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations.</p> <p>All workers are provided with housing facilities at workers line site. Medical Assistant is responsible to carry out the monitoring at workers quarters.</p>	<p>Complied</p>
<p>4.4.5.11 In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities.</p> <p>- Major compliance -</p>	<p>All workers are provided with housing facilities at workers linesite. Water is provided free and electricity is borne by workers. Domestic waste is manage by Hadapan Estate</p> <p>Welfare Amenities: Surau and Football Field</p>	<p>Complied</p>
<p>4.4.5.12 The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>Sighted in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights clause: -</p> <ul style="list-style-type: none"> - 3.2.5 We will facilitate opportunities for advancement for our employees, especially women, by removing barriers to progress and respecting reproductive and maternal rights. - 3.2.6 Creating a working environment with zero tolerance for sexual harassment and abuse, and in which violence is never used to resolve issues or conflict. <p>The Mill have formed Gender Committee. Sighted the Gender Committee Handbook (First Edition) in English details out specifically on establishing & managing gender committee and complaints and grievance procedures to address gender-based issues.</p> <p>There is also a specific procedure (in the form of a flowchart) in both English and Malay namely Sexual Harassment Procedure which</p>	<p>Complied</p>

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Criterion / Indicator		Assessment Findings	Compliance
		<p>outlines the basic framework for handling of sexual harassment complaints.</p> <p>There is no sexual harassment case reported through interview and document reviewed at Mill</p> <p>Evidence at Hadapan POM: -</p> <p>Chairwoman – Puan Nur Alia Nazira bt Mohd Yusop</p> <p>Secretary - Puan Nor Idawati bin Maulud</p> <p>Committee member – 7 representatives</p> <p>The last meeting was on 15th September 2020 and the meeting discussed on the followings:</p> <p>Committee’s issues</p> <p>Monitoring on gender cases, reproductive right and others related issues.</p> <p>Committee’s activities</p> <p>Health and safety</p> <p>Covid 19 Pandemic Outbreak</p>	
4.4.5.13	<p>The management shall respect the right of all employees to form and join trade union and allow workers’ own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p>	<p>Sighted in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights clause: -</p> <p>3.2.4 Respecting Freedom of Association by respecting the rights of employees to form and join unions and bargain collectively. In jurisdictions where this right is limited, we will provide alternative means of employee engagement and grievance redressal.</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>Workers interview found they are aware on their rights to voice out any issues and they are allowed to join the Union.</p> <p>The policy being briefed to all workers during Town Hall Session and Stakeholder Meeting either at Mill.</p> <p>The documented social policy as specified above outlined the company's commitment to allow the workers to join and formed union among the workers.</p> <p>The audit team observed that in general all employees are a member to NUPW which is the organization that representing the workers.</p> <p>The NUPW is also a mechanism for the workers to voice their concerns pertaining to the working conditions and welfare.</p>	
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation.</p> <p>- Major compliance -</p>	<p>Based on the employee's record compiled in Check-roll Employee Listing, sighted that there is no child labour or young person employed by the Mill</p>	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	<p>All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training.</p> <p>- Major compliance -</p>	<p>The estate visited has established training plan base on the training need analysis conducted. The training plan covers all job designation including the contractors.</p> <p>Sighted the sample training records as follows:</p> <p>OSH Act and Regulation training dated 7/9/2020</p> <p>Environmental Quality Act & Regulations 1974 training dated 7/9/2020</p> <p>Factories and Machineries Act training dated 7/9/2020</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Environmental, Safety and Health policy training 7/9/2020 Safety townhall training dated 7/9/2020 First Aid training dated 27/10/2020 Firefighting training dated 10/2/2020 Chemical handling and Scheduled Waste training dated 28/9/2020	
4.4.6.2	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 estates visited has conducted training need analysis for all employee, management and contractors. The need analysis was conducted base on the job designation and training required by the job type. 31 training was identified for management, employee and contractors and programmed throughout FY 2020.	Complied
4.4.6.3	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 mill visited has training program which updated annually. The annual internal audit by GSQM and management review does review the effectiveness of the training plan and its execution.	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	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. - Major compliance -	Sime Darby Plantation has established environmental policy documented in Group Sustainability and Quality Statement signed by Group Managing Director dated 2/12/2019 and Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>In the Policy stated as follows:</p> <p>Group Sustainability and Quality Statement:</p> <p>Minimizing Environmental Harm:</p> <ul style="list-style-type: none"> i. Protecting and enhancing biodiversity and ecosystem ii. No deforestation and No new development on peat land iii. Enhancing resilience against climate change impact iv. Adopting responsible consumption and production <p>Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement</p> <p>Environment</p> <ul style="list-style-type: none"> i. Comply to emission and effluent standard ii. efficient use of water and energy iii. Minimize waste iv. Protect the ecosystem and biodiversity 	
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <p>An environmental policy and objectives;</p> <p>The aspects and impacts analysis of all operations</p> <p>- Major compliance -</p>	<p>The estate visited has established environmental management plan base on aspect and impacts analysis conducted.</p> <p>The environmental management plan was established base on Environmental Aspect Impact Identification and Environmental Impact Evaluation conducted and documented in Pollution</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>Prevention Plan. The EAI/EIE was reviewed by the estate management team.</p> <p>The EAI/EIE and management plan was reviewed on annually basis. Latest review was conducted on 17/1/2020.</p> <p>The management plan was implemented to monitor the effectiveness of the mitigation measures. This plan incorporated Environmental Issue, Mitigation Measures and Person Responsible.</p>	
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored.</p> <p>- Major compliance -</p>	<p>The estate has established Environmental Management Plan. The plan was reviewed on annually basis. Sighted the implementation of the management plan FY 2020 as follows:</p> <p>The mill monitor the inventory of scheduled waste and reported to DOE through E-SWISS. Sighted the inventory records for the month of January – November 2020.</p> <p>Sighted the sampled if stack sampling conducted as follows:</p> <p>Report no.: E/SE/2007/25615A</p> <p>Date sampled: 14/7/2020</p> <p>Result: 16.47 mg/m3, comply to EQA (Clean Air) Regulation 2014</p>	Complied
4.5.1.4	<p>A programme to promote the positive impacts should be included in the continual improvement plan.</p> <p>- Minor compliance -</p>	<p>Program to promote positive impact was documented in continual Improvement Plan as per criteria 4.1.4.1.</p>	Complied
4.5.1.5	<p>An awareness and training programme shall be established and implemented to ensure that employees understand the policy,</p>	<p>The estate visited continue provided training to ensure the awareness regarding the environmental policy among the employee. The estates management has established annual</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance												
	objectives and management plans and are working towards achieving objectives. - Major compliance -	training program which covers the environmental awareness and compliance related trainings to the executives, staffs and workers.													
4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. - Major compliance -	The estate visited has discussed on environmental issue during Environmental Performance Monitoring Committee meeting where representative of the management and employee raised their concerns about environmental quality in the estates. Sighted the minutes meeting dated 29/6/2020 and meeting agenda for meeting conducted on 4/12/2020.	Complied												
Criterion 4.5.2: Efficiency of energy use and use of renewable energy															
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within 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 - Major compliance -	The estate visited maintains records of energy usage, which is reported monthly to head office through SAP system. The monitoring of non-renewable energy usage was conducted on monthly basis. Sighted the records as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Month</th> <th>Consumption / ton CPO</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>0.69</td> </tr> <tr> <td>Feb</td> <td>0.11</td> </tr> <tr> <td>Mar</td> <td>0.18</td> </tr> <tr> <td>Apr</td> <td>0.16</td> </tr> <tr> <td>May</td> <td>0.18</td> </tr> </tbody> </table>	Month	Consumption / ton CPO	Jan	0.69	Feb	0.11	Mar	0.18	Apr	0.16	May	0.18	Complied
Month	Consumption / ton CPO														
Jan	0.69														
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Criterion / Indicator		Assessment Findings		Compliance												
		<table border="1"> <tr><td>Jun</td><td>0.07</td></tr> <tr><td>Jul</td><td>0.08</td></tr> <tr><td>Aug</td><td>0.10</td></tr> <tr><td>Sep</td><td>0.09</td></tr> <tr><td>Oct</td><td>0.12</td></tr> <tr><td>Nov</td><td>0.74</td></tr> </table> <p>The estate has established the management plan to optimize the usage of diesel and documented in the Pollution Prevention Plan FY 2020 established.</p>	Jun	0.07	Jul	0.08	Aug	0.10	Sep	0.09	Oct	0.12	Nov	0.74		
Jun	0.07															
Jul	0.08															
Aug	0.10															
Sep	0.09															
Oct	0.12															
Nov	0.74															
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective estate yearly budgets		Complied												
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	Renewable energy used is from biofuel (shell and fiber) for boiler start-up. Sighted the records for usage of renewable energy FY 2020 as follows:	<table border="1"> <tr><td>Month</td><td>Shell and Fibre / ton CPO</td></tr> <tr><td>Jan</td><td>4.79</td></tr> <tr><td>Feb</td><td>4.91</td></tr> </table>	Month	Shell and Fibre / ton CPO	Jan	4.79	Feb	4.91	Complied						
Month	Shell and Fibre / ton CPO															
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Criterion / Indicator		Assessment Findings		Compliance
		Mar	4.75	
		Apr	4.91	
		May	4.99	
		Jun	5.06	
		Jul	5.07	
		Aug	4.96	
		Sep	5.04	
		Oct	4.80	
		Nov	4.97	
Criterion 4.5.3: Waste management and disposal				
4.5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance -	The mil has identified the waste products and source pollution and documented in Waste Management Plan. The plan was reviewed on annually basis. The waste has been identified as follows:		Complied
		Type	Item Description	
		Scheduled Waste	Used lubricant, used hydraulic oil, batteries, rags, Used lubricant container, spent chemical container	

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Criterion / Indicator		Assessment Findings		Compliance												
			<table border="1"> <tr> <td></td> <td>Clinical Waste</td> </tr> <tr> <td>Domestic waste</td> <td>Rubbish</td> </tr> <tr> <td></td> <td>Sewage</td> </tr> <tr> <td>Industrial Waste</td> <td>Scrap Iron</td> </tr> <tr> <td>Recycle waste</td> <td>POME</td> </tr> <tr> <td></td> <td>EFB</td> </tr> </table>		Clinical Waste	Domestic waste	Rubbish		Sewage	Industrial Waste	Scrap Iron	Recycle waste	POME		EFB	
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Recycle waste	POME															
	EFB															
4.5.3.2	<p>A waste management plan shall be developed and implemented, to avoid or reduce pollution. The waste management plan should include measure for:</p> <p>Identifying and monitoring sources of waste and pollution.</p> <p>Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>The mill has established waste management plan as per waste identification. The plan was reviewed on annually basis.</p> <p>The mill monitor the inventory of scheduled waste and reported to DOE through E-SWISS. Sighted the inventory records for the month of January – November 2020.</p> <p>EFB were disposed at sister estate through land application/mulching. Sighted the EFB disposal records as follows:</p> <table border="1"> <thead> <tr> <th>Month</th> <th>Ton</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>4363.33</td> </tr> <tr> <td>Feb</td> <td>4352.55</td> </tr> <tr> <td>Mar</td> <td>5038.24</td> </tr> <tr> <td>Apr</td> <td>4289</td> </tr> </tbody> </table>	Month	Ton	Jan	4363.33	Feb	4352.55	Mar	5038.24	Apr	4289	Complied			
Month	Ton															
Jan	4363.33															
Feb	4352.55															
Mar	5038.24															
Apr	4289															

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Criterion / Indicator		Assessment Findings		Compliance
		May	5292.83	
		Jun	6499.63	
		Jul	5791.57	
		Aug	13763.58	
		Sep	6613.97	
		Oct	7249.6	
4.5.3.3	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p>- Major compliance -</p>	<p>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. Proper disposal of waste material are carried out as per the company procedures. The procedures are fully understood by workers and managers.</p> <p>The mill also have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected at both estate visited and disposal was done by scheduled waste disposal company authorized and licensed by Department of Environment.</p> <p>Observed during workers interview with storekeeper shows the understanding the proper disposal for waste as all used lubricant and contaminated spill kit will be collected as Scheduled Waste and stored in designated storage area.</p>		Complied

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Criterion / Indicator		Assessment Findings	Compliance
		<p>All the records were found adequate as per required by EQ (Scheduled Waste) Regulations 2005.</p> <p>Inventory for all scheduled waste generated were recorded and reported to DOE through E-SWISS.</p>	
4.5.3.4	<p>Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse.</p> <p>- Minor compliance -</p>	Domestic waste was handled by sister estate, Layang Estate.	Complied
Criterion 4.5.4: Reduction of pollution and emission			
4.5.4.1	<p>An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>The mill has conducted assessment of all polluting activities in the Environmental Aspect Impact and Environmental Impact Evaluation. A management plan has been established based on the significant aspect and DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.</p>	Complied
4.5.4.2	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>The mill has conducted assessment of all polluting activities in the Environmental Aspect Impact and Environmental Impact Evaluation. A management plan has been established based on the significant aspect and DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling. The plan was reviewed on annual basis.</p> <p>Sighted the sampled if stack sampling conducted as follows:</p> <p>i. Report no.: E/SE/2007/25615A</p> <p>Date sampled: 14/7/2020</p>	Complied

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Criterion / Indicator		Assessment Findings	Compliance																								
		Result: 16.47 mg/m ³ , comply to EQA (Clean Air) Regulation 2014 ii. Report no.: E/SE/2001/24721A Date sampled: 8/1/2020 Result: 9.71 mg/m ³ , comply to EQA (Clean Air) Regulation 2014																									
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the respective state and national policies and regulations. - Major compliance -	Treated POME discharge was regularly monitored as prescribed under Compliance Schedule License no. 006013. Limit of Biochemical Oxygen Demand (BOD) discharge is 2500 mg/l for land application. Regular monitoring was done on monthly basis and every quarterly via Quarterly return form to DOE for compliance. Sighted the quarterly return form as follows: 2 nd quarter (report date: 14/7/2020) <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>April</th> <th>May</th> <th>June</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>8.00</td> <td>8.10</td> <td>7.80</td> </tr> <tr> <td>BOD</td> <td>67.00</td> <td>228.00</td> <td>132.00</td> </tr> </tbody> </table> 1 st quarter (report date: 8/4/2020) <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>January</th> <th>February</th> <th>March</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>7.90</td> <td>8.10</td> <td>N/A</td> </tr> <tr> <td>BOD</td> <td>319.00</td> <td>124.00</td> <td>N/A</td> </tr> </tbody> </table> The effluent analysis confirm with condition prescribed under Compliance Schedule License no. 006013.		April	May	June	pH	8.00	8.10	7.80	BOD	67.00	228.00	132.00		January	February	March	pH	7.90	8.10	N/A	BOD	319.00	124.00	N/A	Complied
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Criterion 4.5.5: Natural water resources																											

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Criterion / Indicator	Assessment Findings	Compliance																				
<p>4.5.5.1 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>Assessment of water usage and sources.</p> <p>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>Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<p>The mill has established water management Plan and documented in Identification and Management of wastewaters and Action Plan to reduce fresh water usage. In the plan stated the water source, areas of concern, monitoring, contingency plan, mitigation plan, person responsible and time frame. Sighted the implementation of the management plan as follows:</p> <p>i. The mill continue to monitor the water consumption. Sighted the records of water consumption as follows:</p> <table border="1" data-bbox="1093 707 1579 1353"> <thead> <tr> <th>Month</th> <th>L/FFB</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>2.48</td> </tr> <tr> <td>Feb</td> <td>1.90</td> </tr> <tr> <td>Mar</td> <td>1.98</td> </tr> <tr> <td>Apr</td> <td>1.81</td> </tr> <tr> <td>May</td> <td>1.61</td> </tr> <tr> <td>Jun</td> <td>1.65</td> </tr> <tr> <td>Jul</td> <td>1.89</td> </tr> <tr> <td>Aug</td> <td>1.75</td> </tr> <tr> <td>Sep</td> <td>2.08</td> </tr> </tbody> </table>	Month	L/FFB	Jan	2.48	Feb	1.90	Mar	1.98	Apr	1.81	May	1.61	Jun	1.65	Jul	1.89	Aug	1.75	Sep	2.08	<p>Complied</p>
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Criterion / Indicator		Assessment Findings	Compliance																								
<p>4.5.5.2</p> <p>Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.</p> <p>- Major compliance -</p>	<p>Treated POME discharge was regularly monitored as prescribed under Compliance Schedule License no. 006013. Limit of Biochemical Oxygen Demand (BOD) discharge is 2500 mg/l for land application. Regular monitoring was done on monthly basis and every quarterly via Quarterly return form to DOE for compliance. Sighted the quarterly return form as follows:</p> <p>2nd quarter (report date: 14/7/2020)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>April</th> <th>May</th> <th>June</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>8.00</td> <td>8.10</td> <td>7.80</td> </tr> <tr> <td>BOD</td> <td>67.00</td> <td>228.00</td> <td>132.00</td> </tr> </tbody> </table> <p>1st quarter (report date: 8/4/2020)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>January</th> <th>February</th> <th>March</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>7.90</td> <td>8.10</td> <td>N/A</td> </tr> <tr> <td>BOD</td> <td>319.00</td> <td>124.00</td> <td>N/A</td> </tr> </tbody> </table> <p>The effluent analysis confirm with condition prescribed under Compliance Schedule License no. 006013.</p>			April	May	June	pH	8.00	8.10	7.80	BOD	67.00	228.00	132.00		January	February	March	pH	7.90	8.10	N/A	BOD	319.00	124.00	N/A	<p>Complied</p>
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4.6 Principle 6: Best Practices																											
Criterion 4.6.1: Mill Management																											
<p>4.6.1.1</p> <p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>SOP available for the Palm Oil Mill and the Estates. Palm Mill holds two SOPs: sustainability Plantation Management System (MQMS/SOM/08 v.1 dated 1/11/2008) includes mill SOP and Mill Quality Management Manual v.1 2008/MQMS/QMM/08 as a guidance document to operate the mill.</p>		<p>Complied</p>																								

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Criterion / Indicator		Assessment Findings	Compliance
		Sime Darby has established a system to monitor the mill operation. The Mill advisor, Structured Oil Recovery Assessment (SORA) and Planning and Monitoring Unit visited the operating units on timely basis. Their reports covers on all aspect of operation.	
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	The monitoring of the mill process is made through the shift supervision headed by an Engineer. All process parameters are documented and summarized in a daily report. The Mill advisor, Structured Oil Recovery Assessment (SORA) and Planning and Monitoring Unit visited the operating units on timely basis. Their reports covers on all aspect of operation.	Complied
Criterion 4.6.2: 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. - Major compliance -	Annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning. Sighted the annual budget FY 2020 and business plan FY 2020 – FY 2024 In the 5 years business plan include items as follows: i. Mill intake – FFB input ii. Production of CPO iii. Production of PK iv. Total Palm Oil Extraction v. Total Palm Kernel Extraction vi. Mill cost The business plan for FY2020 contains FFB yield, CPO, OER, and KER, costs of production, milling utilization and etc. It also includes	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		environment, social (workers and staff's welfare), and health and safety component and associated capital expenditure.	
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Pricing mechanisms for the products and other services being documented and effectively implemented in the Mill. All the pricing will be based on HQ approval. Projects are tendered from the approved vendors registered with HQ. Payments are processed and made by HQ through system named MEX. This is made upon job verification by the mill personnel.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	One contractor being engaged in the Mill on Supplying Labours (General Maintenance and Repair Works) under Maju Mech Engineering Sdn Bhd. The agreement valid from 1 st January 2019 until 30 th December 2023. Vendor: 9001015422 B. Rate Of Payment – Clause 3; Payment shall be done within 90 days upon invoice submission. Sample taken on Invoices claimed from Maju Mech Engineering Sdn Bhd; - Invoice No: 11355 PO No: 4300524664 DO: 10985 Date: 30/11/2020 RM 28,024.50 Payment: 9/12/2020	Complied

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Criterion / Indicator		Assessment Findings	Compliance
		Payments were all made in timely manner and no complaint from the contractor so far. Payments are processed and made by HQ through system named MEX upon approval or verification by the Mill Personnel.	
Criterion 4.6.4: Contractor			
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The contractor has been informed that the Mill is under the MSPO certification. The contractor has agreed to adhere and comply with the MSPO standard requirements as stated in the Vendor Integrity Pledge.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Awarded contractors are provided with Letter of Offer (contract agreement) which spelt out the conditions such as commencement, service contract, bank guarantee, insurance policies, failure to provide service, responsibility and indemnity, termination, governing laws, transportation rate and rate adjustment mechanism.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	The Mill Management accepted the audit by BSI Services Malaysia Sdn Bhd as per the audit plan dated MSPO auditor on 2 nd December 2020. All the auditors are qualified MSPO auditor. As per agreed, the Mill accept the BSI MSPO Auditors to verify through a physical inspection if required for audit purposed.	Complied

Appendix B: List of Stakeholders Contacted

<p>Government Officer: SJK Tamil Ladang Kulai Oil Palm SJK Tamil Ladang Layang</p>	<p>Community/neighbouring village: Kg. Sri Sempurna</p>
<p>Suppliers/Contractors/Vendors: Choon Guan Oil Palm S/B</p>	<p>Worker’s Representative/Gender Committee: Gender Committee Representatives NUPW Representatives Foreign & local workers</p>

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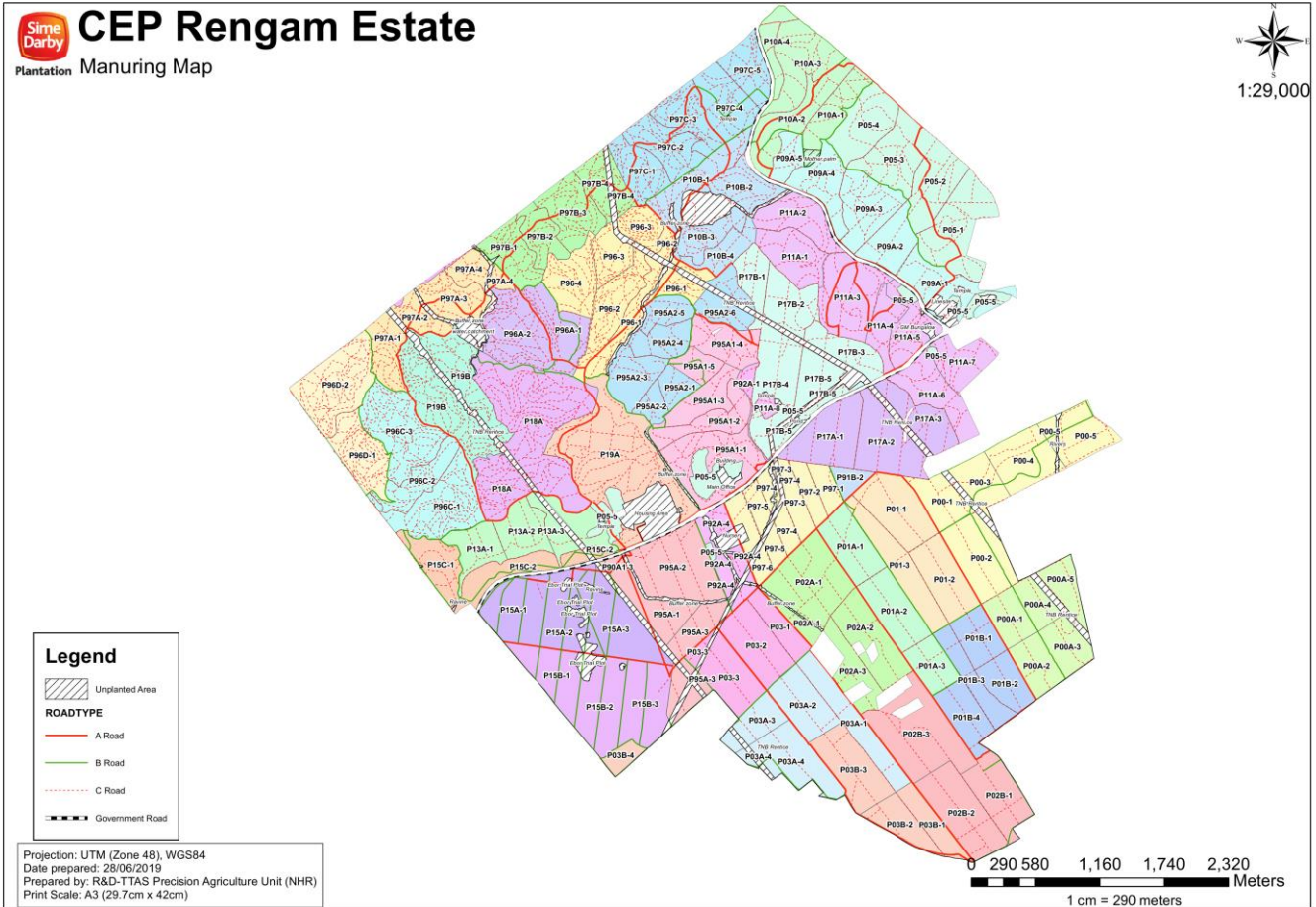
Appendix C: Smallholder Member Details

No.	Smallholder		Location of Planted Area (District)	GPS Coordinates	Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number				
	N/A					

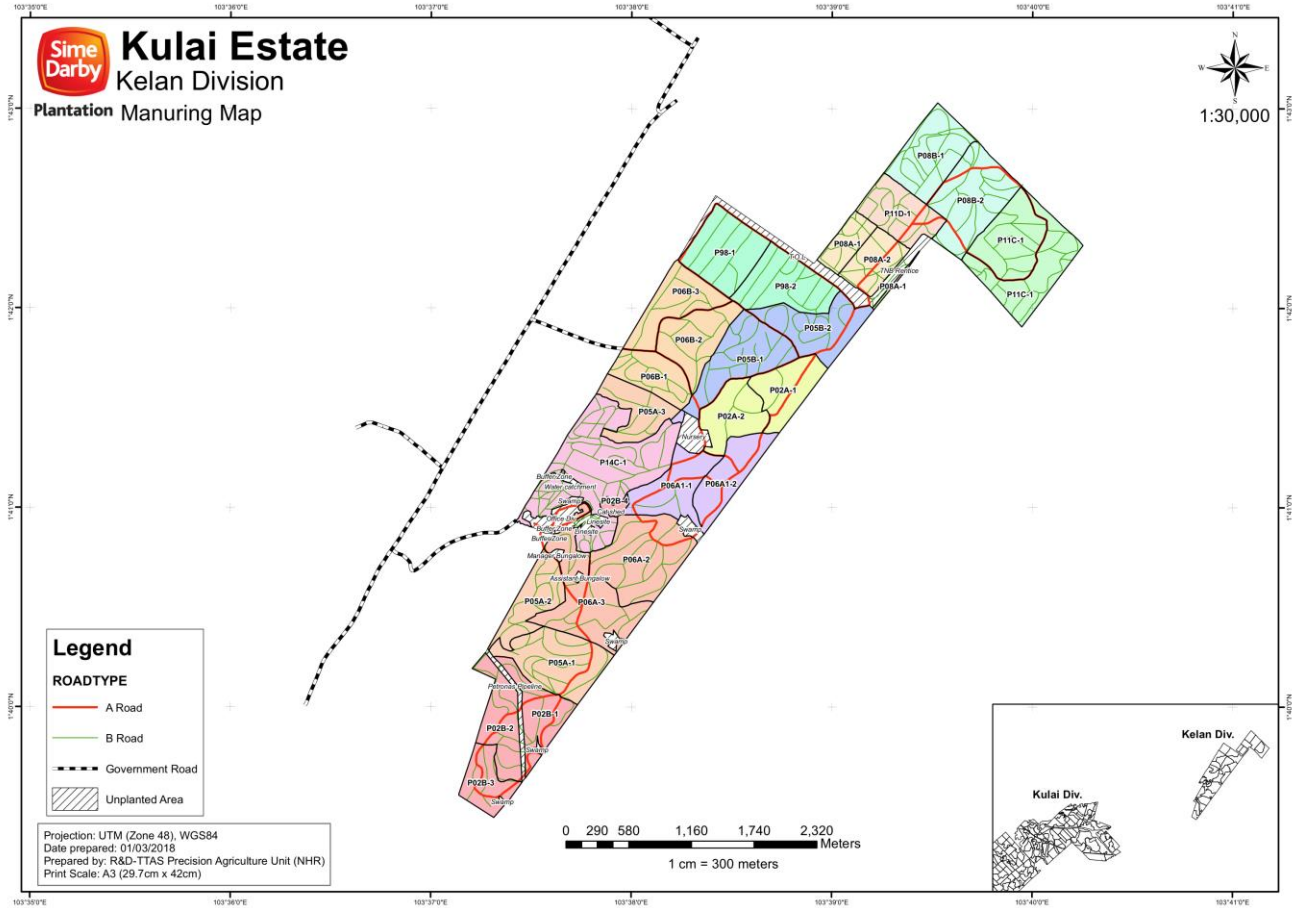
Appendix D: Location and Field Map



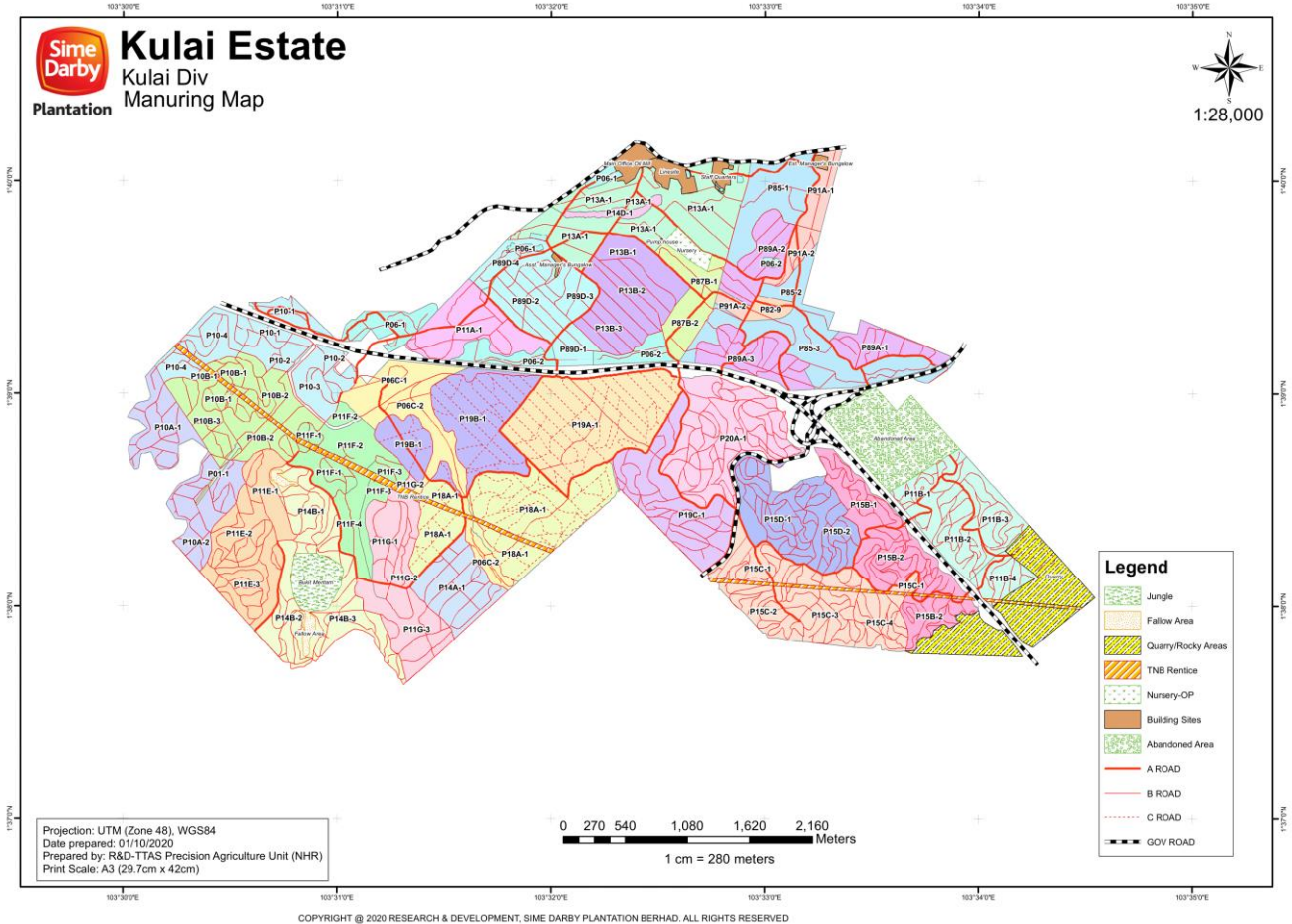
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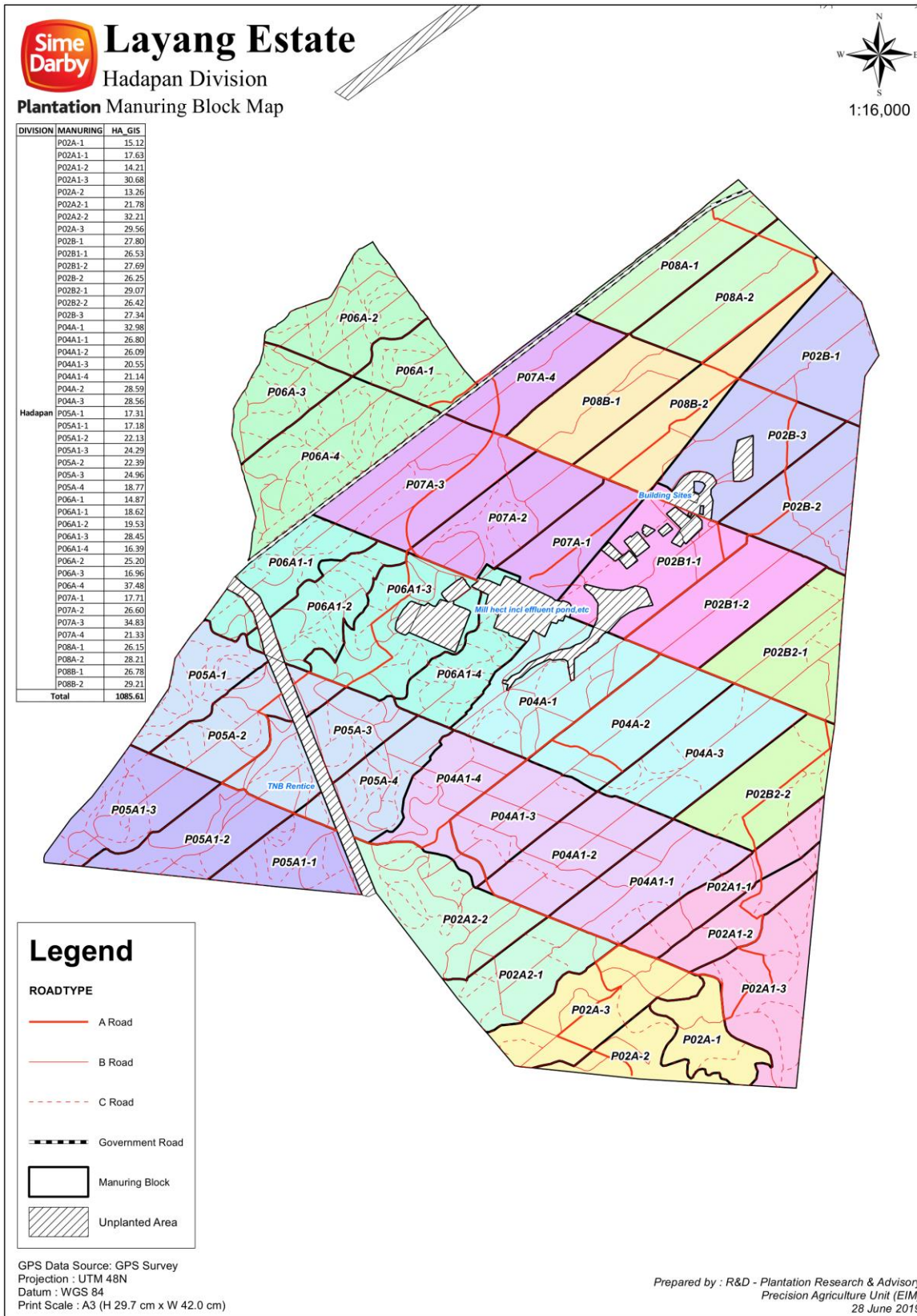


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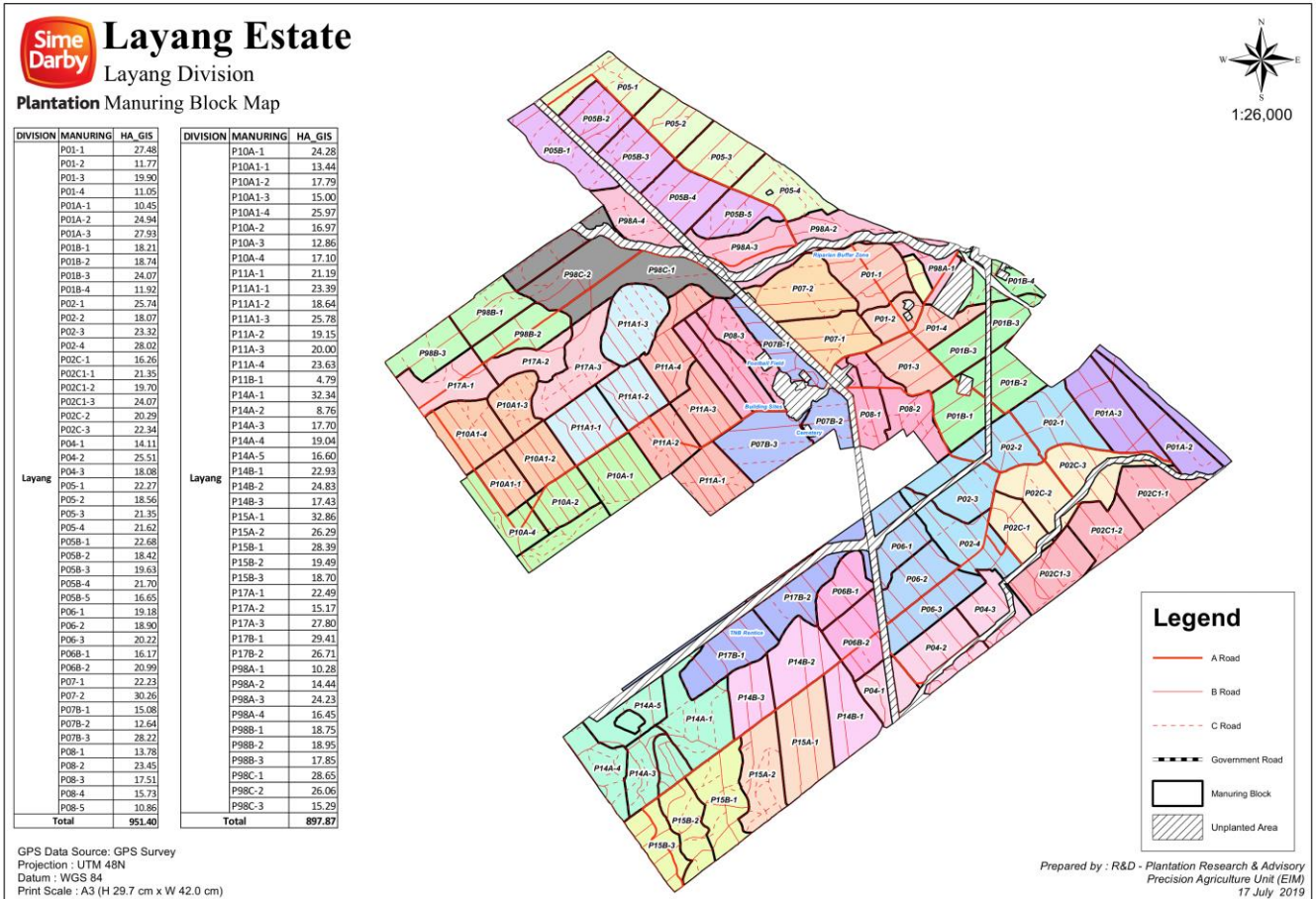


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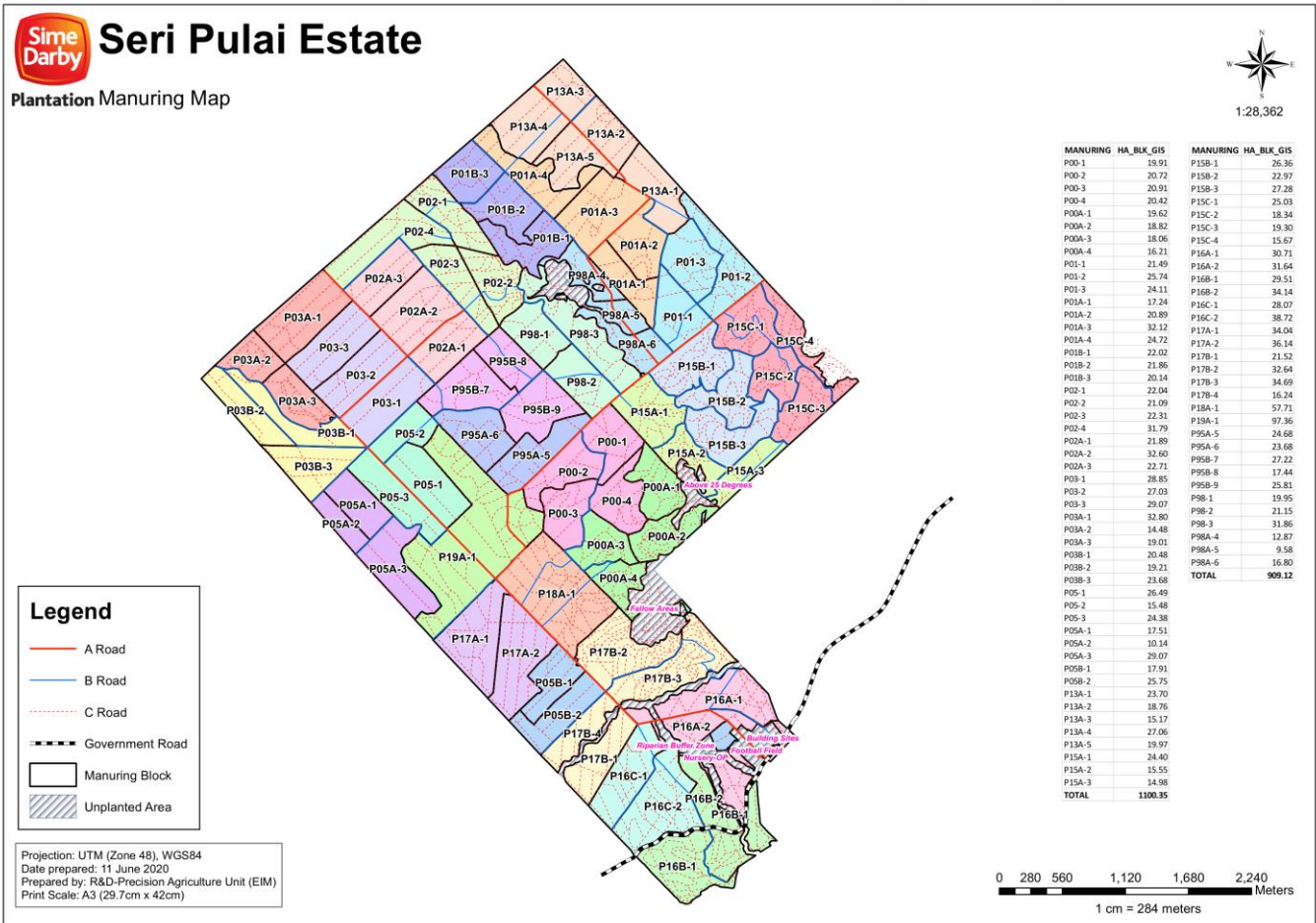




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Appendix E: List of Abbreviations

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