

**MALAYSIAN SUSTAINABLE PALM OIL
4th ANNUAL SURVEILLANCE ASSESSMENT
Public Summary Report**

Sime Darby Plantation Berhad
Client company Address: Level 3A, Main Block Plantation Tower No. 2, Jalan P.J.U 1A/7, 47301 Ara Damansara Selangor, Malaysia
Certification Unit: Strategic Operating Unit (SOU 11) - Kerdau Palm Oil Mill & Kerdau Estate, Chenor Estate, Mentakab Estate, and Sg Mai Estate Location of Certification Unit: Lot 575 HS(D) 5401, Ladang Kerdau 28010 Temerloh, Pahang, Malaysia

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

Report Number: 3404920

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

TABLE of CONTENTS	Page No
Section 1: Executive Summary	3
1.1 Organizational Information and Contact Person	3
1.2 Certification Information	3
1.3 Location of Certification Unit	4
1.4 Certified Area	4
1.5 Plantings & Cycle	5
1.6 Certified Tonnage of FFB	5
1.7 Uncertified Tonnage of FFB	5
1.8 Certified Tonnage	6
1.9 Actual Sold Volume (CPO)	6
1.10 Actual Sold Volume (PK)	6
Section 2: Assessment Process	7
2.1 BSI Assessment Team	8
2.2 Accompanying Persons	9
2.3 Assessment Plan	10
Section 3: Assessment Findings	13
3.1 Details of audit results	13
3.2 Details of Nonconformities and Opportunity for improvement	13
3.3 Status of Nonconformities Previously Identified and OFI	20
3.4 Summary of the Nonconformities and Status	21
3.5 Issues Raised by Stakeholders	22
Section 4: Assessment Conclusion and Recommendation	24
Appendix A: Summary of the findings by Principles and Criteria	25
Appendix B: List of Stakeholders Contacted	132
Appendix C: Smallholder Member Details	132
Appendix D: Location and Field Map	133
Appendix E: List of Abbreviations	136

Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Sime Darby Plantation Berhad		
Mill/Estate	MPOB License No.	Expiry Date	
	Kerdau POM: 540761004000	30/06/2021	
	Kerdau Estate: 524696002000	31/10/2021	
	Chenor Estate: 524796002000	30/11/2021	
	Mentakab Estate: 522397002000	31/07/2021	
	Sg Mai Estate: 524697002000	31/10/2021	
Address	Head Office: Level 3A, Main Block Plantation Tower, No. 2, Jalan P.J.U 1A/7, 47301 Ara Damansara, Selangor, Malaysia Operating Units: Kerdau Palm Oil Mill, Lot 575 HS(D) 5401, Ladang Kerdau, 28010 Temerloh, Pahang, Malaysia		
Certification Unit	Strategic Operating Unit (SOU 11) - Kerdau Palm Oil Mill		
Contact Person Name	Mdm Shylaja Devi Vasudevan Nair (Head Sustainability Unit SQM) Azri bin Lahman		
Website	www.simedarbyplantation.com	E-mail	shylaja.vasudevan@simedarbyplantation.com
Telephone	+(603) 78484379	Facsimile	+(603) 78484379

1.2 Certification Information			
Certificate Number	Palm Oil Mill: MSPO 745400 Plantations: MSPO 745401		
Issue Date	21/12/2017	Expiry Date	20/12/2022
Scope of Certification	Palm Oil Mill: Production of Sustainable Palm Oil and Palm Oil Products Plantations: Production of Sustainable Oil Palm Fruits		
Standard	i. MS 2530-3:2013 Malaysian Sustainable Palm Oil (MSPO) Part 3: General principles for Oil Palm Plantations and Organized Smallholders ii. MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) Part 4: General principles for Palm Oil Mills		
Stage 1 Date	Transfer Cert from CARE Certification		
Stage 2 / Initial Assessment Visit Date (IAV)	Transfer Cert from CARE Certification		
Continuous Assessment Visit Date (CAV) 1	Transfer Cert from CARE Certification		
Continuous Assessment Visit Date (CAV) 2	Transfer Cert from CARE Certification		

MSPO Public Summary Report

Revision 1 (Feb 2020)

Continuous Assessment Visit Date (CAV) 3	Transfer Cert from CARE Certification		
Continuous Assessment Visit Date (CAV) 4	05-08/04/2021		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 745399	RSPO P&C	BSI Services Malaysia Sdn. Bhd.	06/07/2021
MSPO 745402	MSPO SCCS	BSI Services Malaysia Sdn. Bhd.	24/10/2024

1.3 Location of Certification Unit			
Name of the Certification Unit (Palm Oil Mill/ Estate/ Smallholder/ Independent Smallholder)	Site Address	GPS Reference of the site office	
		Latitude	Longitude
Kerdau Palm Oil Mill	Lot 575 HS(D) 5401, Ladang Kerdau, 28010 Temerloh, Pahang, Malaysia	3.57028211	102.28020335
Kerdau Estate	Ladang Kerdau, PT 575 Mukim Kerdau, 28010 Temerloh, Pahang, Malaysia	3.57008510	102.30988629
Mentakab Estate	Ladang Mentakab, c/o Lanchang Division, 28500 Lanchang, Pahang, Malaysia	3.47764359	102.18250468
Chenor Estate	Ladang Chenor (KT), Sungai Jerik, 26400 Bandar Pusat Jengka, Pahang, Malaysia	3.78713416	102.64130519
Sg Mai Estate	Ladang Sungai Mai, 27000 Jerantut, Pahang, Malaysia	3.8084892	102.3566925

1.4 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Kerdau Estate	5,123.78	67.42	491.84	5,683.04	90.16%
Mentakab Estate	2,934.92	31.70	299.87	3,266.49	89.85%
Chenor Estate	1,862.69	7.82	126.48	1,996.99	93.27%
Sg Mai Estate	2596.90	50.70	187.38	2834.98	91.60%
Total (ha)	12,518.29	157.64	1,105.57	13,781.50	90.83%
Notes:					
1. Kerdau Estate and Jentar Estate have merged into a single unit estate under the name Kerdau Estate effective January 2021. Jentar Estate now serves as a division under Kerdau Estate. 2. A difference of 2.76 ha variance from Chenor Estate due to GPS survey variance in 2016 and not being updated in previous year audit information. 0.06 ha reduction from Sg Mai Estate planted hectareage due to land acquisition by government.					

MSPO Public Summary Report
Revision 1 (Feb 2020)

1.5 Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Kerdau Estate	111.06	3278.25	963.60	770.87	-	5,012.72	111.06
Mentakab Estate	328.81	1295.59	254.74	1,033.66	22.12	2,606.11	328.81
Chenor Estate	500.11	667.47	335.74	359.37	-	1362.58	500.11
Sg Mai Estate	470.45	293.52	761.07	875.57	196.29	2126.45	470.45
Total (ha)	1410.43	5534.83	2315.15	3,039.47	218.41	11,107.86	1410.43

1.6 Certified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Jan 2020 - Dec 2020)	Actual (Sept 2020 - Mar 2021)	Forecast (Dec 2021 - Nov 2022)
Kerdau Estate	46,000.00	46,298.38	95,855.84
Mentakab Estate	30,000.00	22,728.51	46,494.42
Chenor Estate	47,000.00	10,334.58	23,164.00
Sg Mai Estate	19,000.00	16,072.67	40,399.84
Bkt Puteri Estate	-	134.14	-
Jentar Estate	23,000.00	-	-
FELCRA Bhd Kerdau	-	1,812.92	-
Total (mt)	165,000.00	97,381.20	205,914.10

1.7 Uncertified Tonnage of FFB			
Estate	Tonnage / year		
	Estimated (Jan 2020 - Dec 2020)	Actual (Sept 2020 - Mar 2021)	Forecast (Dec 2021 - Nov 2022)
Ahmad Zamlus Abdul Rahman	-	5.99	-
Ambang Hijrah Sdn Bhd	-	1,486.70	-
Bakti Mas Bina Sdn Bhd	-	954.57	-
Hau Swee Liong	-	206.61	-
Ling Hwa Keong Enterprise	-	285.23	-
Marak Teguh	-	442.45	-
Mohd Noor Azhaar Bin Amir	-	574.34	-
SCL Commodities Sdn Bhd	-	2,364.97	-

MSPO Public Summary Report
Revision 1 (Feb 2020)

Sri Kerdau Commodities	-	97.40	-
Total	-	6,418.26	-

1.8 Certified Tonnage			
	Estimated (Jan 2020 - Dec 2020)	Actual (Sept 2020 - Mar 2021)	Forecast (Dec 2021 - Nov 2022)
	FFB	FFB	FFB
Mill Capacity: 60 MT/hr	165,000.00	97,381.20	205,914.10
	CPO (OER: 20.50 %)	CPO (OER:20.79 %)	CPO (OER:20.54 %)
SCC Model: MB	33,825.00	20,247.21	42,294.75
	PK (KER: 4.5 %)	PK (KER:4.79 %)	PK (KER: 4.5 %)
	7,425.00	4,673.93	9,266.13

1.9 Actual Sold Volume (CPO)					
CPO (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
20,247.21	-	-	528.88	19718.33	20,247.21

1.10 Actual Sold Volume (PK)					
PK (MT)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
4,673.93	-	-	372.82	4301.11	4673.93

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 05-08/04/2021. The audit programme is included as Section 2.3. The approach to the audit was to treat the Sime Darby SOU 11 Kerbau POM and Supply Bases as a MSPO Certification Unit. A range of environmental and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HBVs, declared conservation areas and local communities.

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

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

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

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

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

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

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

MSPO Public Summary Report
Revision 1 (Feb 2020)

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

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)
Kerdau Palm Oil Mill	√	√	√	√	√
Kerdau Estate	√	√	√	√	√
Jentar Estate	√				
Chenor Estate		√			√
Mentakab Estate			√		√
Sg Mai Estate	√			√	

*Jentar Estate combine with Kerdau Estate and be a division.

Tentative Date of Next Visit: April 4, 2022 - April 7, 2022

Total No. of Mandays: 15 manday

2.1 BSI Assessment Team

Team Member Name	Role (Team Leader or Team member)	Qualifications (Short description of the team members)
Nor Halis Abu Zar	Team Leader	He holds Bachelor of Science, Plantation Technology and Management, graduated from Universiti Teknologi Mara. 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, Halis had accumulated more than 6 years of sustainability implementation experience including workers' welfare, workers' occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. He is a qualified Lead Auditor for MS2530:2013 and has accumulated more than 300 audit days throughout his current career as the auditor for multiple disciplines covering Malaysia. He has completed ISO IMS 9001, 14001 Lead Auditor Course in January 2019, MSPO 2530:2013 Lead Auditor Course in February 2019 and endorsed RSPO Lead Auditor Course in October 2020. Fluent in Bahasa Malaysia and English Languages. During this assessment, he assessed on the aspects of legal, mill best practices, safety and health.
Hu Ning Shing	Team Member	She holds Bachelor Degree in Science majoring in Applied Chemistry, graduated from University of Malaya on 2011. She has 5 years working experience in rubber and palm oil industry. She also has the experiences as auditor for several standards including ISO 9001, MSPO and RSPO in her previous certification body. She completed the ISO 9001 Lead Auditor Course on 2016, Endorsed RSPO P&C Lead Auditor Course in 2012 and Endorsed RSPO SCCS Lead Auditor Course in 2015. She attended Endorsed

MSPO Public Summary Report
Revision 1 (Feb 2020)

		MSPO Auditor and MSPO SCCS Lead Auditor Course in 2019. She had been involved in RSPO auditing since November 2015 in more than various companies in Malaysia. During this assessment, she assessed on the aspects of social, legal, workers & stakeholders' consultation and SCC for CPO mill. She is fluent in Bahasa Malaysia and English languages.
Amir Hj Bahari	Team Member	He holds B Sc Hons (Chemistry) - University Sains Malaysia 1985 and Dip Palm Oil Milling Technology & Management MPOB 1994. He were attended RSPO P&C Lead Auditor training/course 2018 , MSPO Lead Auditor training/course – SIRIM, ISO 9001: Lead Auditor training/course - SIRIM, ISO 14001 EMS auditing training/course – SIRIM, MSPO - Peer Reviewer training/course - MPOCC 2018, MSPO - SCC training/course - SIRIM 2019. He has 7 years in rubber/latex processing and 23 years in palm oil industry including estate management and palm oil milling operations. Internal auditing for ISO 9001/ 14001 / 18001 and RSPO for estates / mills in the Group from 2013 till current. During this assessment, he assessed on the aspects of Continuous Improvement and Environment.
Mohd Fitri Mustafa	Team Member	Graduate in degree of agribusiness with more than 8 years working experience in various plantation company and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in ISCC and MSPO auditing since September 2017. Qualified as Lead Auditor/Auditor for MSPO, RSPO and ISO 9001. Completed and certified MSPO Auditor course in 2018 held by SGS (M) Sdn Bhd. Able to speak and understand Bahasa Malaysia and English. During this assessment, he assessed on the aspects of Safety and Health, Training and Best Practice.

2.2 Accompanying Persons

No.	Name	Role
	Nil	

MSPO Public Summary Report
Revision 1 (Feb 2020)

2.3 Assessment Plan

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

Date	Time	Subjects	(NHA)	(HNS)	(AB)	(MFM)
Sunday, 04/04/2021	-	Travelling from Kuala Lumpur to Temerloh Pahang. Check in U Design Hotel	√	√	√	MFM Travel on Monday 05/04/ 2021
Monday, 05/04/2021 Kerdau Palm Oil Mill	08:30 – 09:00	Opening Meeting <ul style="list-style-type: none"> • Presentation by BSI Lead Auditor - introduction of team member and assessment agenda • Confirmation of assessment scope and finalizing audit scope 	√			
	09:00 – 12:30	Mill Assessment: Plant visit, FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, etc.	√	√	√	
	12:30 – 13:30	Lunch break	√	√	√	
	13:30 – 16:30	Document review (MS2530:2011 Part 4): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6 : Best practices,	√	√	√	
	16:30 – 17:00	Interim closing meeting	√	√	√	
Tuesday, 06/04/2021 Kerdau Estate	09:00 – 12:30	Estate assessment: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√	√	√
	10:00 – 12:00	Meeting with stakeholders (Government, village rep, smallholders, Union Leader, contractor etc.) – Kerdau POM		√		
	12:30 – 13:30	Lunch break	√	√	√	√

MSPO Public Summary Report
Revision 1 (Feb 2020)

Date	Time	Subjects	(NHA)	(HNS)	(AB)	(MFM)
	13:30 – 16:30	Document Review (MS2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices Best practices, P7: Development of New Planting	√	√	√	√
	16:30 – 17:00	Interim closing meeting	√	√	√	√
Wednesday, 07/04/2021 Chenor Estate	09:00 – 12:30	Estate assessment: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√	√	√
	12:30 – 13:30	Lunch break	√	√	√	√
	13:30 – 16:30	Document Review (MS2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices Best practices, P7: Development of New Planting	√	√	√	√
	16:30 – 17:00	Interim closing meeting	√			
Thursday, 08/04/2021 Mentakab Estate	09:00 – 12:30	Estate assessment: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√	√	√
	12:30 – 13:30	Lunch break	√	√	√	√

MSPO Public Summary Report
Revision 1 (Feb 2020)

Date	Time	Subjects	(NHA)	(HNS)	(AB)	(MFM)
	13:30 – 16:30	Document Review (MS2530:2011 Part 3): P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services, P6 : Best practices Best practices, P7: Development of New Planting	√	√	√	√
	16:30 – 17:00	Assessment team discussion and preparation and 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 4 Major, 3 Minor nonconformities and 1 OFI’s raised. The SOU 11 Kerdu POM and Estates Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

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

Major Nonconformities:		
Ref: 2041468-202104-M1	Area/Process: Kerdu POM	Clause: 4.4.4.2 (d) Part 4
	Issue Date: 08/04/2021	Date of closure: 19/06/2021
Requirements:	The occupational safety and health plan should cover the following: (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:	There is no usage of PPE in Chemical Store Kerdu Palm Oil Mill.	
Objective Evidence:	During site visit at Chemical Store Kerdu POM, it was sighted no PPE are wore by Storekeeper (Employee Number 60026) during entrance and PPE not provided for entrance the store. It was against the requirement that 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), CHRA recommendation section Workplace Chemical Store dated 11/06/2020 (HQ/14/ASS/00/00001-2020/7) and company SOP Pictorial Safety Standard (PSS) Section 15.0 Store and Section 15.1 PPE at store.	
Corrections:	To remind the storekeeper and other personnel to wear the PPE when entering the chemical store.	
Root cause analysis:	Ineffective training on the implementation of SOP	
Corrective Actions:	To conduct refresher training on the safety and PPE for chemical store and chemical handling.	

Assessment Conclusion:	CAP has been accepted and evidence of CAP implementation was verified as following: Training PPE Usage for Chemical handler dated 28/04/2021 attended by 12 personnel in the KKS Kerdau. Sighted training materials, attendance, and photos. Thus, the Major NC was closed.
------------------------	--

Major Nonconformities:	
Ref: 2041468-202104-M2	Area/Process: Kerdau POM Clause: 4.4.5.6 Part 4
	Issue Date: 08/04/2021 Date of closure: 19/06/2021
Requirements:	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.
Statement of Nonconformity:	Clauses stipulated in the employment contract were incorrect.
Objective Evidence:	Reviewed the employment contracts for the contractor's workers (SS Naveen Engineering) found the following issues: <ol style="list-style-type: none"> 1. Clause 3.1 – The worker will receive a basic wages of RM 1,100.00 per month. In fact, the location of work is fall under Majlis Perbandaran Temerloh which shall be RM 1,200.00 per month for Minimum Wage Order 2020. 2. Clause 16.1 – The first traveling expenses from Bangladesh to any agreed point of entry in Malaysia shall be borne by the Worker. In contra, the traveling expenses from country of origin to Malaysia shall be borne by the employer as part of the recruitment expenses.
Corrections:	To request SS Naveen Engineering to amend the respective clauses accordingly.
Root cause analysis:	Ineffective monitoring of contractor documentation in compliance to Employment Act 1955
Corrective Actions:	To review and ensure the employment contract for contractor's worker are in accordance with Employment Act 1955 as and when a new contract was awarded to the contractor. Monitoring of contractor's compliance to legal requirement on a quarterly basis by RQSM.
Assessment Conclusion:	CAP has been accepted and evidence of CAP implementation was verified as following: Sighted amended employment contract. Refer Section 3: Wages, 3.1 The workers will; received a basic wages RM1,200.00 per month. Refer Employment contract under SS Naveen Engineering signed by both parties. The sampled workers as below: <ol style="list-style-type: none"> 1. Passport No.: BX 0642498 2. Passport No.: BL 0314190 3. Passport No.: BX 0724001 4. Passport No.: BR 0584037 Thus, Major NC was closed.

Major Nonconformities:	
Ref: 2041468-202104-M3	Area/Process: Kerdau Estate, Mentakab Estate Clause: 4.4.5.3 Part 3

MSPO Public Summary Report
Revision 1 (Feb 2020)

	Issue Date: 08/04/2021	Date of closure: 19/06/2021
Requirements:	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.	
Statement of Nonconformity:	Compliance of legal requirements (Employment Act 1955) and industry requirements (MAPA/ NUPW) was not implemented effectively.	
Objective Evidence:	<p>Kerdau Estate:</p> <ol style="list-style-type: none"> 1. Sampled payslips found one of the workers (Employee No.: 133587) who has only worked 21 days with 1 day of public holiday and 1 day of vacation leave on January 2021. There was 3 days of work not offered due to raining. The total days of work was only 23 days. However, no evidence of the management has top day 1 day of wages to the worker. 2. The management has made deduction of wages for workers for the purpose of school bus fare of RM 25/ person. Total 19 workers have been made deduction of wages as verified on Employee Allowances and Deduction Details of March 2021 for Deduction Code: D065- School Bus Deduction. However, there is no approval from the authority to make the respective deduction. <p>Mentakab Estate:</p> <p>Reviewed the Employee Allowances and Deduction Details of March 2021 found that there were 28 workers who is union member was found deduction of wages for RM 11 for the union membership fees since they joined on 01/12/2019. There was no reimbursement of RM 3 made to the worker as per MAPA/NUPW Circular No. 22/2015 dated 4/8/2015. The sampled of workers as below:</p> <ol style="list-style-type: none"> 1. Employee No.: 150867 2. Employee No.: 151767 3. Employee No.: 151917 4. Employee No.: 155053 5. Employee No.: 155064 6. Employee No.: 151875 7. Employee No.: 151718 8. Employee No.: 151915 	
Corrections:	<p>KDE</p> <p>Management will request an approval from authority (JTK) on the school bus deduction. Management to reimburse the short-wages to the respective worker in the following month wages</p> <p>MTE</p> <p>To calculate the total refund of RM3/workers and reimburse the respective worker in April 2021 salary</p>	
Root cause analysis:	The mechanism to monitor the compliance to legal requirement and industry requirement is not sufficient	
Corrective Actions:	Spot checks by RQSM/Careline on a quarterly basis during their visit to the respective operating unit and management to include additional level of data verification by assistant in-charge	

MSP0 Public Summary Report
Revision 1 (Feb 2020)

	To inform union representative during meeting with union to ensure the union member receive the reimbursement due to them as per stipulated at Employment Act 1955 and as per SDP Human Right Charter
Assessment Conclusion:	<p>CAP has been accepted and evidence of CAP implementation was verified as following:</p> <p>KDE: Sighted evidence of reimbursement of top up wages based on evidence of pay slip month April 2021 for Employee No.: 133587. No deduction of school bus fee has been made as per evidence on payslip April 2021.</p> <p>MTE: Sighted evidence of reimbursement of top up wages based on evidence of pay slip month April 2021. The sampled of workers as below:</p> <ol style="list-style-type: none"> 1. Employee No.: 150867 2. Employee No.: 151767 3. Employee No.: 151917 4. Employee No.: 155053 5. Employee No.: 155064 6. Employee No.: 151875 7. Employee No.: 151718 8. Employee No.: 151915 <p>Sighted evidence of Insurance reimbursement as per Form A145. Union meeting has been conducted on 25/05/2021 and the minutes evidence showed the communication of the reimbursement matters. Thus, Major NC was closed.</p>

Major Nonconformities:		
Ref: 2041468-202104-M4	Area/Process: Chenor Estate	Clause: 4.4.5.6 Part 3
	Issue Date: 08/04/2021	Date of closure: 19/06/2021
Requirements:	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.	
Statement of Nonconformity:	Terms and conditions of the employment contract was incomprehensive.	
Objective Evidence:	<p>Chenor Estate:</p> <p>The employment contract for FFB Transporter, Pacat Emas Enterprise was found incomplete. Terms and conditions of employment such as period of notice, reason for dismissal, entitlement of annual leave, public holiday and medical leave, overtime rate and etc were not outlined in the employment contracts. Sampled of the employment contracts as below:</p> <ol style="list-style-type: none"> i. I/C No.: 890323-06-52XX ii. I/C No.: 800131-03-53XX iii. I/C No.: 791201-06-52XX iv. I/C No.: 880508-06-57XX 	
Corrections:	To request the contractor to revise employment contract to their worker to include terms and conditions as per Employment Act 1955 requirement.	
Root cause analysis:	Legal due diligence for contractor is not effectively monitor	
Corrective Actions:	Refresher training on the legal requirement stated in Employment Act 1955	

MSPO Public Summary Report
Revision 1 (Feb 2020)

	Warning letter will be issued should the contractor fail to comply to the legal requirement and breach the contract.
Assessment Conclusion:	CAP has been accepted and evidence of CAP implementation was verified as following: Sighted evidence employment contract for FFB Pacat Emas Enterprise consist of period of notice, reason for dismissal, entitlement of annual leave, public holiday and medical leave, overtime rate. Sampled of the employment contracts I/C No.: 890323-06-52XX, I/C No.: 800131-03-53XX, I/C No.: 791201-06-52XX, I/C No.: 880508-06-57XX. Briefing for contractor has been conducted on 19/05/2021. Thus, Major NC was closed.

Minor Nonconformities:		
Ref: 2041468-202104-N1	Area/Process: Kerdau POM	Clause: 4.4.5.4 Part 4
	Issue Date: 08/04/2021	Due Date: Next Surveillance
Requirements:	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	
Statement of Nonconformity:	Payslips were not available during the time of audit and no evidence to show that SOCSO contribution was made to the contractor's workers.	
Objective Evidence:	Payslips of the 4 contractor's workers (SS Naveen Engineering) were not available during the time of audit and no evidence to show that the contractor has made contribution for SOCSO. The sampled workers as below: 1. Passport No.: BX 0642498 2. Passport No.: BL 0314190 3. Passport No.: BX 0724001 4. Passport No.: BR 0584037	
Corrections:	To request the contractor to provide the payslips for the respective months and comply to statutory contribution	
Root cause analysis:	Ineffective monitoring of contractor documentation in compliance to Employment Act 1955	
Corrective Actions:	To ensure legal requirement due diligence for contractor are in order on a monthly basis by the management Annual monitoring of the above mechanism during internal audit conducted by RSQM/GSD	
Assessment Conclusion:	CAP has been accepted and evidence of CAP effectiveness to be verified in the next assessment.	

Minor Nonconformities:		
Ref: 2041468-202104-N2	Area/Process: Kerdau Estate, Chenor Estate, Mentakab Estate	Clause: 4.4.5.4 Part 3
	Issue Date: 08/04/2021	Due Date: Next Surveillance
Requirements:	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Statement of Nonconformity:	Compliance of legal requirements were not implemented effectively by the contractors.										
Objective Evidence:	<p>Kerdau Estate:</p> <p>1. Reviewed the payslips and FFB Despatch by Ticket for September 2020, December 2020 and February 2021 found that 4 contractor's workers (FFB transporter – Triang Leong Enterprise) in Kerdau Estate have worked on rest day and no evidence to show that they were paid according to Employment Act 1955, Section 60 (3) (d). Interviewed with the contractor confirmed that he did not pay as per Employment Act 1955, Section 60 (3) (d). The sampled workers as below:</p> <p>Passport No. Date of Work on Rest Day B 9246519 06/12/2020, 13/12/2020, 20/12/2020 and 27/12/2020 C 7522889 C 5019257 EF 0621146</p> <p>2. Besides, the contractor above paid RM 42.31/ day for total 9 of his workers for public holiday wages. However, the location of work is fall under Majlis Perbandaran Temerloh which should be RM 46.15/ day. This did not comply with Minimum Wage Order 2020.</p> <p>3. In additional, the contractor did not make the correct amount of SOCSO contribution according Employees' Social Security Act 1969 (Act 4). Passport No. Salary/ Month Amount of Contribution Made Actual Amount of Contribution</p> <table border="0"> <tr> <td>AT 640135</td> <td>RM 3274.53</td> <td>on December 2020</td> <td>RM 34.40</td> <td>RM 40.60</td> </tr> <tr> <td>B9246519</td> <td>RM 2967.76</td> <td>on December</td> <td>RM 35.60</td> <td>RM 36.90</td> </tr> </table> <p>Chenor Estate:</p> <p>1. Reviewed the FFB Despatch by Ticket for December 2020, January 2021 and February 2021 found that 4 of the FFB Lorry Drivers (monthly-rated) have worked on rest day. However, no evidence to show that the drivers were paid according to Employment Act 1955, Section 60 (3) (b). The sampled of workers as below:</p> <p>i. I/C No.: 890323-06-52XX ii. I/C No.: 800131-03-53XX iii. I/C No.: 791201-06-52XX iv. I/C No.: 880508-06-57XX</p> <p>2. There was no evidence of EPF, SOCSO and EIS contribution was made by FFB Transporter for his workers. Interviewed with the FFB Transporter, Pacat Emas Enterprise to confirm that he did not make contribution of EPF, SOCSO and EIS to 4 of his workers as per Employees' Social Security Act 1969 (Act 4) and Employee Provident Fund Act 1991. The sampled of workers as below:</p> <p>i. I/C No.: 890323-06-52XX ii. I/C No.: 800131-03-53XX iii. I/C No.: 791201-06-52XX iv. I/C No.: 880508-06-57XX</p> <p>Mentakab Estate:</p> <p>1. Reviewed the FFB Despatch by Ticket for March 2021 found that 4 of the FFB Lorry Drivers (Risda Fleet Sdn Bhd) have worked on rest day. However, no evidence to show that the drivers were paid according to Employment Act 1955, Section 60 (3) (d). The sampled workers as below:</p>	AT 640135	RM 3274.53	on December 2020	RM 34.40	RM 40.60	B9246519	RM 2967.76	on December	RM 35.60	RM 36.90
AT 640135	RM 3274.53	on December 2020	RM 34.40	RM 40.60							
B9246519	RM 2967.76	on December	RM 35.60	RM 36.90							

MSPO Public Summary Report
Revision 1 (Feb 2020)

	I/C No. Date of Work on Rest Day 851106-08-54XX 14/03/2021, 28/03/2021 971030-11-54XX 14/03/2021 940418-06-58XX 14/03/2021, 21/03/2021 690102-06-52XX 14/03/2021, 21/03/2021
Corrections:	CHE To issue warning letter to the said contractor for breaching of contract on the non-compliance to legal requirement including statutory contribution KDE To advise the contractor to revise or comply with their employee work agreement on the minimum wages, payment method and the SOCSO compliance. MTE To advise the contractor to revise or comply their employee work agreement on rest day.
Root cause analysis:	Legal due diligence for contractor is not effectively monitor
Corrective Actions:	To emphasize monitoring on compliance to Employment Act 1955 and other statutory deduction on monthly basis on contractor's documentation i.e. payslip of contractor's worker Warning letter will be issued should the contractor fail to comply to the legal requirement and breach the contract.
Assessment Conclusion:	CAP has been accepted and evidence of CAP effectiveness to be verified in the next assessment.

Minor Nonconformities:		
Ref: 2041468-202104-N3	Area/Process: Kerdu Estate, Mentakab Estate	Clause: 4.4.6.3 Part 3
	Issue Date: 08/04/2021	Due Date: Next Surveillance
Requirements:	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.	
Statement of Nonconformity:	Awareness on waste management were not implemented.	
Objective Evidence:	a) During the field visit to Kerdu Jentar Division empty bottles / food packs were found scattered in the fields which indicates no monitoring of waste management. b) Storekeeper was not able to explain the requirement of SW legislation during interview session at Mentakab Estate.	
Corrections:	KDE - Estate will conduct a training/briefing to educate all workers regarding recycle and provide proper sack at designated rain shelter in the field for workers to place the plastic bottles and food packs. MTE - To conduct a Scheduled Waste training for the new appointed store clerk by RSQM representative.	
Root cause analysis:	Training on waste management is not sufficient	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Corrective Actions:	Monitoring on waste management training effectiveness during housing inspection and site observation by the management
Assessment Conclusion:	CAP has been accepted and evidence of CAP effectiveness to be verified in the next assessment.

Opportunity For Improvement		
Ref: 2041468-202104-I1	Area/Process: SOU 11 Kerdau POM	Clause: 4.4.4.2 (i) Part 4
Objective Evidence:	Management could improve on placing additional First Aid Box at back section of Palm Oil Mill to increase safety precaution when having any emergency	

Noteworthy Positive Comments	
1	Good cooperation from the management team in facilitation the assessment.
2	Good relationship being maintained with surrounding communities.

3.3 Status of Nonconformities Previously Identified and OFI

Opportunity For Improvement		
Ref: N/A	Area/Process: SOU 11 Kerdau POM	Clause: 4.1.4.1 Part 4
Objective Evidence:	It is observed that all the action plans established for environmental and social respectively by KKS Kerdau to demonstrate the continual improvement based on consideration of the main social and environmental impact and opportunities for the company, which is it will be better to consider that the action plans for continual improvement to be established as a master plan where it should be based on process flow to cover all scope of activities for continual improvement.	
ASA 4 Verification	Kerdau Palm Oil Mill had the following plans of new machinery installation for the improvement relating to the environmental, process improvement pollution and energy conservation for current and forthcoming year 2021-2024.	

Opportunity For Improvement		
Ref: N/A	Area/Process: SOU 11 Kerdau POM	Clause: 4.4.4.2 (a) Part 4
Objective Evidence:	It is observed during site visit that safety and health plan communicated by warning signage, awareness information, safety campaign information such as "Hari Bekerja Tanpa Kemalangan" and installation of fire extinguisher at critical area. However, it will be better in the management to consider keeping maintain the housekeeping of Mill area so that the environment of safety working area could be to all stakeholders especially internal.	
ASA 4 Verification	Verified through site visit at Mill area found general cleaning were in progress. Cleaning were conducted on every Monday before processing FFB every Monday after Rest Day.	

Opportunity For Improvement		
Ref: N/A	Area/Process: SOU 11 Kerdau Estate	Clause: 4.3.1.1 Part 3
Objective Evidence:	i. Kerdau Estate	

	<p>a. Sighted renewal license water source were made delay 6 month on 24/6/2020 from the expiry date which is 31/12/2019 and currently still waiting from SPAN to deliver the license.</p> <p>b. Observe the estate were currently using water treatment plan for water usage and yet to get permit from JTK as require under Housing and Amenities act.</p> <p>ii. Sg Mai The management were yet to apply for Code of Good Nursery Practices (COPN) from MPOB.</p>
ASA 4 Verification	Kerdau estate has been renewed their licence of water source and waiting for approval. Code of Good Nursery Practices (COPN) has been applied with MPOB and waiting for approval.

Opportunity For Improvement		
Ref: N/A	Area/Process: SOU 11 Sg Mai Estate	Clause: 4.4.4.2 (g) Part 3
Objective Evidence:	Found the 2nd quarter meeting is yet been done by management due to MCO. However, management still need to ensure at least 4 meeting is done in a year.	
ASA 4 Verification	Verification found that OSH Meeting was conducted quarterly meeting as per requirement by regulation. Sighted evidence of minutes of meeting and attendance.	

Opportunity For Improvement		
Ref: N/A	Area/Process: SOU 11 Sg Mai Estate	Clause: 4.5.3.3 Part 3
Objective Evidence:	Found there is 2 schedule waste category SW 306 and SW305 which is been stored more than 180 days, however application extension for the storage had been made by management sent to the DOE.	
ASA 4 Verification	The inventory of the waste generated is recorded using the "E-SWISS" inventory system. Methodology of SW disposal is also described in indicator 4.5.3.2 above. All SW are disposed to Rengkas Maju Sdn Bhd no 004640 license valid dated 30/4/2021 and Kualiti Alam Sdn Bhd. Details as sampled as shown below; There were delay in collection due to MCO restriction. Email dated 09/4/2020 was issued to DOE was sighted and verified.	

Opportunity For Improvement		
Ref: N/A	Area/Process: SOU 11 Sg Mai Estate	Clause: 4.5.5.1 Part 3
Objective Evidence:	Sighted during site visit found there is 2 palms were observe been circle spray where the palms is in buffer zone area. As mention in the HCV management and monitoring plan stated that management to demarcate 5 meters of river buffer. Application of fertilisers and pesticides should be kept to palms that are 5 meters away from river.	
ASA 4 Verification	The signboards were displayed accordingly at the site where applicable. The guideline was issued by the GSQM Unit with latest revision dated on 13/06/2011. During the field visit there was no spraying activities or signs left in such an area. The buffer zones identified at the estates	

3.4 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
2041468-202104-M1	Major	08/04/2021	19/06/2021
2041468-202104-M2	Major	08/04/2021	19/06/2021
2041468-202104-M3	Major	08/04/	19/06/2021


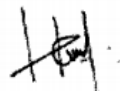
		2021	
2041468-202104-M4	Major	08/04/2021	19/06/2021
2041468-202104-N1	Minor	08/04/2021	Open
2041468-202104-N2	Minor	08/04/2021	Open
2041468-202104-N3	Minor	08/04/2021	Open

3.5 Issues Raised by Stakeholders

IS #	Description
1	Issues: Schools’ Representatives – They informed that they have good relationship with the management. Assistance was provided by the management whenever requested such as cement and boiler ash for the beautification of the school in Kerdau Estate and maintenance of school compound in Mentakab Estate.
	Management Responses: Management will continue to maintain good relationship with the stakeholders.
	Audit Team Findings: No further issue.
2	Issues: Contractors – They informed that the payment was made promptly. They are aware of the complaint procedure and so far, they have no issue with the management.
	Management Responses: The management will ensure the payment will be made accordingly.
	Audit Team Findings: No other issue.
3	Issues: Workers – The workers are satisfied with the management and they informed that their wages have achieved Minimum Wage Order 2020. They are aware of the complaint procedure. No discrimination from the management.
	Management Responses: The management will ensure comply to legal requirements and respect all the workers without discrimination.
	Audit Team Findings: No other issue.
4	Issues: Gender Committee Representatives – No sexual harassment or violence case reported during the time of assessment. They are aware of the function of the committee and informed that no discrimination from the management regardless of gender.

	<p>Management Responses: The management will continue to monitor if there is any case of sexual harassment or violence.</p>
	<p>Audit Team Findings: No further issue.</p>
<p>5</p>	<p>Issues: Representative from Kg. Sungai Buloh – He informed that the management has provided tractor assistance during the time of natural disaster, flooding happened in January 2021. They have close relationship with the management. No land dispute reported at this moment. He aware of the complaint procedure.</p> <p>Management Responses: The management will continue to provide assistance whenever necessary.</p> <p>Audit Team Findings: No further issue.</p>

Section 4: Assessment Conclusion and Recommendation

Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings	
Based on the findings during the assessment <i>Sime Darby Strategic Operating Unit (SOU 11) - Kerdu Palm Oil Mill & Supply Bases</i> Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013. It is recommended that the certification of <i>Strategic Operating Unit (SOU 11) - Kerdu Palm Oil Mill & Supply Bases</i> Certification Unit is approved and continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: AZRI BIN LAHMAN	Name: NOR HALIS ABU ZAR
Company name: SIME DARBY PLANTATION BERHAD, LADANG KERDU	Company name: BSI MALAYSIA
Title:	Title: CLIENT MANAGER
Signature: SIME DARBY PLANTATION BERHAD (COMPANY NO : 647766-V) KERDU ESTATE  Senior Manager AZRI BIN LAHMAN	Signature: 
Date: 23/6/2021	Date: 19/06/2021

Appendix A: Summary of the findings by Principles and Criteria

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

Criterion / Indicator		Assessment Findings	Compliance
4.1 Principle 1: Management commitment & responsibility			
Criterion 4.1.1 – Malaysian Sustainable Palm Oil (MSPO) Policy			
4.1.1.1	A policy for the implementation of MSPO shall be established. - Major compliance -	Sime Darby Plantation Berhad has issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation by Head, Global Sustainability Operations, Mr. Tang Men Kon. Sime Darby Plantation Berhad is committed to comply and implement the MSPO certification to demonstrate our commitment towards the production of certified sustainable palm oil products.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	Sime Darby Plantation Berhad has clearly emphasized to achieve commitment towards a systematic approach in ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.	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 -	Seen the notification of internal audit SOU 11 sent out by the Sustainability Compliance Unit on 15/02/2021. The last MSPO, RSPO and SCCS Internal Audit was conducted on 22-26/02/2021 in Kerdu POM and Estate by GSD Malaysia & Central East RSQM. The audit was	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>carried out based on the reference of MS 2530-3:2013 and MS 2530-4:2013.</p> <p>For Kerdau and Jentar Estate, total 4 major, 2 minor non-conformity and 1 Opportunity for Improvement raised.</p> <p>For Chenor Estate, total 5 major, 4 minor non-conformity and 4 Opportunity for Improvement raised.</p> <p>For Metakab Estate, total 8 major, 5 minor non-conformity and 3 Opportunity for Improvement raised.</p> <p>Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly on 19/03/2021.</p>	
4.1.2.2	<p>The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to implement the necessary corrective action.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/11/2017. The frequency of the internal audit shall be carried out at least once a year and when is required.</p> <p>Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All the non-conformities and OFIs were closed accordingly.</p>	Complied
4.1.2.3	<p>Report shall be made available to the management for their review.</p> <p>- Major compliance -</p>	<p>The internal audit report has distributed to the estate's management. The Management Representative has acknowledged on the acceptance of the Internal Audit Report on 22/02/2021. Management review meeting was conducted to review the findings of the internal audit.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.1.3 – Management Review			
4.1.3.1	<p>The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification.</p> <p>- Major compliance -</p>	<p>The latest management review meeting for SOU 11 was carried out on 30/03/2021 in Mentakab Estate which chaired by Senior Manager of the estate where the agenda that discussed as below:</p> <ol style="list-style-type: none"> 1. Results of internal audits covering RSPO & MSPO 2. Customer Feedback 3. Status of preventive and corrective actions 4. Follow-up actions from management reviews <ul style="list-style-type: none"> - To follow-up with RSQM on training/ coaching session for HIRARC - To issue a new format of employment contract and brief the worker accordingly. 5. Changes that could affect the management system 6. Recommendations for improvement 7. Improvement of the effectiveness of the management system and processes 8. Resources needs 	Complied
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p>	<p>The estates had the following plans of new infrastructure/ facilities installation for the improvement relating to the environmental, process improvement pollution and energy conservation for current and</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance
	- Major compliance -	forthcoming year 2021-2024. Projects among others include the following.				
		Station	Improvement Plan	Project Cost	Planned year	
Kerdau Estate						
1	Housing	Improvement in water supply	RM163k	2021		
2	Infrastructure	Concrete road 6km	RM3.55 M	2021		
3	Facilities	New equipment for clinic	RM24k	2021		
Chenor Estate						
1	Infrastructure	Installation house	RM80K	2021		
		Replacement roofing - workers	RM34K	2022		
2	Operations	Expansion BOB ratio 1:30ha to 1:10ha	RM5.5K	2023		
Mentakab Estate						
1	Operations	To plant vertivar grasses along bund	RM2.6K	2021		
2	Housing	Bin provision color coded to employees	RM2K	2021		

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings					Compliance
		3	Housing	Installation of water tank rain harvesting	RM8K	2021	
		4	Operations	Construction of bridge P11B	RM1.8M	2021	
		5	Operations	Conversion MB to Mechanised Sprayer	RM55K	2024	
			Operations	Pre-Mix Road 800m	RM380K	2024	
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 -	This is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings. Dissemination of information by the RCEO and RGM are transacted during the monthly Managers meetings and emails.					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 -	All projects are tabulated in CAPEX list with timeline and costing. The financial procedure will be initiated prior to the project commissioning. Training for awareness and allocation of duties will be made in accordingly.					Complied
4.2 Principle 2: Transparency							
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements							

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.2.1.1	<p>The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/04/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation. Manager is responsible for address the communication and requests.</p>	Complied
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>The management has disseminated the information of the documents that made publicly available such as management plan, OSH plan, audit reports and land titles upon request during the stakeholder meetings. Besides, internal and external stakeholders could access to the company’s website (http://www.simedarbyplantation.com) to obtain information such as policies, annual report and complaint procedures.</p>	Complied
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 Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/04/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the estate. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		week of the completion of the investigation for communication requiring investigation.	
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	Assistant Manager of Kerdu Estate, Chenor Estate and Senior Assistant Manager of Mentakab Estate has been appointed as social officer to handle any issues related to social in the estate by the Manager. Appointment letter dated 02/09/2020, 01/08/2019 and 08/03/2021 was sighted respectively.	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	<p>Stakeholder list FY 2021 was developed in Kerdu Estate, Chenor Estate and Mentakab Estate which has included the government authorities, neighbouring communities, contractors and suppliers.</p> <p>The last stakeholder meeting was conducted on 03/04/2021 in Kerdu Estate. Stakeholders such as contractor and government authorities were attended the meeting. The issues raised by the stakeholder were incorporated into the Action Plan Social Assessment dated April 2021.</p> <p>There was a WhatsApp group established in Chenor Estate as a method for stakeholder communication. Contractors, neighbouring plantations, government authorities, local community and schools' representatives was invited into the group. Stakeholder meeting was organized through the group on 11/03/2021. There was no issue reported by the stakeholder as verified in the WhatsApp group.</p> <p>Mentakab Estate has organized a stakeholder meeting on 26/03/2021 with participation from contractors, representatives from schools and local authorities. There were some requests raised by the stakeholders and has included the requests into the Action Plan Social Assessment Mentakab Estate dated March 2021.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance								
Criterion 4.2.3 – Traceability											
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	The Sustainable Plantation Management System Appendix 15 dated April 2019 documented the procedure for traceability. The procedure requires validation of certificate of supplying estate. The current traceability system is Sime Weigh System	Complied								
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	The Sustainable Plantation Management System, Appendix 15, SOP for Sustainable Supply Chain and Traceability Version 2, 2018, issue no 5 dated April 2019 documented the procedure for traceability. Procedure has combined all related sustainability standard requirements of RSPO/ISCC/MSPO.	Complied								
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Sighted the Letter of Appointment Letter for Traceability. Refer Appointment letter as Person In Charge for Environmental/Quality Management System dated 02/01/2020	Complied								
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	Records of FFB sales & delivery including FFB Weighbridge Tickets together with FFB Delivery Note (DO Chit) and Daily Record (Daily FFB Despatch Summary Log Book) were maintained based on Standard Operating Procedure; Effective date: 2/5/2012; Chapter 7: Sales of Produce Ex-Estate/Mill Procedures; Section 7.1 FFB Sales and Despatches & Chapter 13: Retention of Documents which specified a minimum retention period of 7 years prior of disposal. Sighted samples record available as following: <table border="1" data-bbox="1048 1289 1872 1385"> <thead> <tr> <th>Estate</th> <th>Kerdau</th> <th>Chenor</th> <th>Mentakab</th> </tr> </thead> <tbody> <tr> <td>Date</td> <td>29/08/2020</td> <td>27/10/2020</td> <td>07/10/2020</td> </tr> </tbody> </table>	Estate	Kerdau	Chenor	Mentakab	Date	29/08/2020	27/10/2020	07/10/2020	Complied
Estate	Kerdau	Chenor	Mentakab								
Date	29/08/2020	27/10/2020	07/10/2020								

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance	
		Chit Number	237858	241552	17225		
		Lorry Number	CAY2948	JNF7625	JMY1133		
		Weight, MT	13.93	27.15	12.59		
		Estate	Kerdau	Chenor	Mentakab		
		Date	31/03/2020	31/03/2020	14/03/2020		
		Chit Number	228345	228350	15986		
		Lorry Number	BPK287	JNF7625	BPF4745		
		Weight, MT	5.96	21.44	13.12		
4.3 Principle 3: Compliance to legal requirements							
Criterion 4.3.1 – Regulatory requirements							
4.3.1.1	All operations are in compliance with the applicable local, state, national and ratified international laws and regulations. - Major compliance -	<p>SOU 11 had continued to comply with the legal requirements. Compliance to each applicable law and regulation is monitored by the operating units and SQM sustainability team. SOU 11 had obtained and renewed license and permits as required by the law.</p> <p>Kerdau Estate</p> <ol style="list-style-type: none"> MPOB License 52469002000 valid until 31/10/2021 Permit Potongan Gaji Pekerja PP3/10604/2009/0013 dated 18/11/2009 					Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
	<p>3. Perakuan Pembaharuan Tahunan Medical Assistant 19060/2021 valid until 31/12/2021.</p> <p>4. Permit Barang Kawalan Berjadual KPDNHEP TLH 600-5/2/03/86 valid until 26/05/2021</p> <p>5. Air Compressor License PH PMT 2801 valid until 26/11/2021</p> <p>Kerdau estate has been renewed their licence of water source and waiting for approval. Code of Good Nursery Practices (COPN) has been applied with MPOB and waiting for approval.</p> <p>Chenor Estate</p> <p>1. MPOB License 524796002000 valid until 31/11/2021</p> <p>2. Permit Barang Kawalan Berjadual KPDNHEP TLH 600-5/2/19/19 valid until 26/05/2021</p> <p>3. Perakuan Pembaharuan Tahunan Medical Assistant 18029/2021 valid until 31/12/2021.</p> <p>4. Code of Good Practice For Oil Palm Nurseries valid until 16/09/2023</p> <p>5. Air Compressor License PH PMT 2122 valid until 24/09/2021</p> <p>Mentakab Estate</p> <p>1. MPOB License 5223970020000 valid until 31/07/2021</p> <p>2. Air Compressor License PH PMT 2473 valid until 02/05/2022</p> <p>3. Air Compressor License PH PMT 3455 valid until 02/05/2022</p>	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		4. Permit Barang Kawalan Berjadual KPDNHEP TLH 600-5/2/324/81 valid until 01/07/2021	
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>LORR was established to cover all legal acts, regulations and other requirement related to. Management has listed applicable laws and regulations. The sample of Act and Legal:</p> <ol style="list-style-type: none"> 1. Akta Kawalan Penyakit Berjangkit 1998 (Amendment 2020) 2. Minimum Wages Order (Amendment 2020) 3. Workers Minimum Standard of Housing and Amenities (Amendment Act 2019) 4. Pesticides (Amendment of First Schedule) Order 2019 5. Children and Young Person (Amendment) Act 2010 <p><u>Mentakab Estate:</u></p> <p>The estate has obtained approval from <i>Jabatan Tenaga Kerja Negeri Kuantan</i> for deduction of wages for electric bill, insurance and workers' association fee. Approval letter with Ref. No.: JTK.PHG.600-2/11/3(25) dated 14/06/2016 was sighted.</p> <p>Kerdau Estate: Revised date 02/01/2021</p> <p>Chenor Estate: Revied date 11/02/2021</p> <p>Mentakab Estate: Revised date 01/04/2021</p>	Complied
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>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 SOU 11. PSQM Department and respective</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. Refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008. Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH websites as well as from MAPA circulars.	
4.3.1.4	The management should assign a person responsible to monitor compliance and to track and update the changes in regulatory requirements. - Minor compliance -	Tracking system available to identify changes in the relevant regulations through head office, website information and the information are communicated from the Group Head Office. On the site verification, interviews with office personnel and records indicate that the system is appropriate to the operations. Tracking system on any changes in the law been well implemented. E.g. regular notification by Head Office and regular updates from the DOE/DOSH websites as well as from MAPA circulars. Refer Appointment letter as Person In Charge for Environmental/Quality Management System dated 02/01/2020.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.	Estates management have provided the requested documents to the audit team to verify. The land titles are as follow:	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings					Compliance
- Major compliance -	Estate	Land Title No	Lot No	Land Area Ha	Quit Rent (RM)	Express Condition	
	Kerdau	9249	830	40.0385	7018	Oil Palm	
		7774	1715	371.5944	65030	Oil Palm	
		7784	1859	120.7808	21140	Oil Palm	
		8529	1879	89.4860	15685	Oil Palm	
		6030	1880	73.0709	12793	Oil Palm	
		6027	1860	131.8438	23083	Oil Palm	
	Chenor	719	PT469	489.5646	48960	Oil Palm	
		720	PT470	116.0496	11610	Oil Palm	
		5690	3274	1394.139	97405	Oil Palm	
	Mentakab	13	3080	0.9131	60	Oil Palm	
		9296	1806	2.5723	156	Oil Palm	
		12	3079	54.7842	9,590	Oil Palm	
		8918	2164	29.7191	3,576	Oil Palm	
		8875	2317	6.7178	816	Oil Palm	
		10014	2473	20.6642	2,480	Oil Palm	
		9299	1808	565.3449	98,945	Oil Palm	
		8919	2163	37.8128	4,548	Oil Palm	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings					Compliance
		9995	2470	5.7389	696	Oil Palm	
		9283	1807	866.0259	151,568	Oil Palm	
		7249	231	0.9965	60	Oil Palm	
		1823	918	17.2952	2,076	Oil Palm	
		7315	1193	181.9059	31,850	Oil Palm	
		6787	567	417.8221	73,133	Oil Palm	
		7248	474	85.5909	14,980	Oil Palm	
		9269	194	15.8586	1,908	Oil Palm	
		9134	2459	202.6460	14,189	Oil Palm	
		2141	4027	35.9332	4,320	Oil Palm	
		2143	4029	258.7279	44,013	Oil Palm	
		6219	2122	12.7476	1,536	Oil Palm	
		8877	2107	242.6087	42,473	Oil Palm	
		9815	1970	290.5638	50,855	Oil Palm	
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 -	The quit rents paid by the estate management were made available to the audit team. Sighted the receipt and verified.					Complied
		Estate	Quit Rent	Date			
		Kerdau	RM 630,110	16.03.2021			
		Chenor	RM 157,975	18.09.2020			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings			Compliance
		Mentakab	RM 553,28	08.03.2021	
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	During the field visit, it was noted that legal boundaries are demarcated with fences and boundary drains.			Complied
4.3.2.4	Where there are, or have been, disputes, documented proof of legal acquisition of land title and fair compensation that have been or are being made to previous owners and occupants; shall be made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There is no land dispute recorded in the estate compound at the time of audit. The land belongs to Sime Darby Plantation Sdn Bhd. Related documents were verified.			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 or negotiated agreements within the estate land area.			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 or negotiated agreements within the estate land area.			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 or negotiated agreements within the estate land area.			Complied

Criterion / Indicator	Assessment Findings	Compliance	
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. - Minor compliance -	Sustainability Strategy Unit, PSQM Department has conducted Social Impact Assessment (SIA) on 11 – 16/01/2016 for SOU 11 Kerdau. There is no new SIA was conducted since last assessment. Action Plan Social Assessment Kerdau Estate was developed on April 2021, 16/03/2021 in Chenor Estate and March 2021 in Mentakab Estate where concerns raised by the stakeholders during stakeholder meeting, NUPW meeting, OSH meeting and Gender Committee meeting were incorporated into the action plan. For eg: i. Issue: NUPW representative complaint on the attire of parole labour was inappropriate which caused uncomfortable to the neighborhood especially to the female in Kerdau Estate. Action: The management has conducted briefing during morning muster on 02/04/2021 to the parole labour to inform them to wear appropriate attire when at the housing area. Seen the briefing record. ii. Issue: NUPW representative requested to have replacement of cotton glove and wellington boots for workers in Mentakab Estate. Action: The management has purchased on December 2020 and January 2021. The items received on 26/12/2020 for cotton glove and 14/01/2021 for wellington boots. Seen the DO# DO-0045/12/2020 and DO-0011/01/2021. Seen the PPE Record Keeping where issuance of	Complied

Criterion / Indicator		Assessment Findings	Compliance
		the respective PPEs to the workers was carried out accordingly on February 2021 and March 2021.	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>The company has developed a documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The procedure has detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner. Initial negotiation between the management and the dispute parties should be taken within two weeks after outbreak of issue which the involvement of disputed parties, zone heads, third parties and stakeholders. Besides, the company has implemented Whistleblowing Channels where the e-Form, email address and toll free number/hotline can be found in:</p> <p>http://www.simedarbyplantation.com/corporate/governance/whistleblowing.</p> <p>Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 01/04/2008 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill and estates. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
<p>4.4.2.2</p>	<p>The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties.</p> <p>- Major compliance -</p>	<p>Kerdau Estate has implemented Complaint Book (External) and Complaint Book for Housing Defects, Chenor Estate has implemented Defect Forms, Record of Defect and Visitor Complaint Book and Mentakab Estate has implemented External Complaint and Complaint Book of Housing Defects to record complaints and requests reported by the stakeholders. Most of the complaints were related to housing repair. There was no external complaint received since Year 2018. Sampled of the complaints as below:</p> <ul style="list-style-type: none"> i. House No.: E5 dated 24/02/2021 in Kerdau Estate Issue: Septic tank overflow. Action: The management has informed the contractor to carry out the cleaning of septic tank and the contractor has conducted on 03/03/2021. Seen the invoice# 0039 dated 18/03/2021 for the job done for the respective work. ii. House No.: WQ 27/ 95 dated 22/12/2020 in Chenor Estate Issue: Blockage of pipe and drainage broken. Action: The carpenter has started the repair work on 23/12/2020 and completed on 25/12/2020. The complainant has acknowledged on 25/12/2020 for the action taken by the management. iii. House No.: 53 dated 10/09/2020 in Mentakab Estate Issue: Switch in the whole house not functioning. Action: Contractor has carried out the repair work on 10/09/2020. Seen the INV# INV-0007/12/2020 dated 07/12/2020 where the evidence of the contractor has carried out work in the respective house. Interviewed with the complainant confirmed that complaint has been resolved. 	<p>Complied</p>

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	Complaint/ Suggestion box was available in front of the office. Besides, complaint book is available in the office where the stakeholders can lodge complaint during working hours. The stakeholders are aware of the method of how to lodge complaint confirmed through interviewed.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Interviewed with the internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure and they were briefed by the management. Briefing of the grievance mechanism was conducted on 09/03/2021 in Kerdau Estate, 22/03/2021 in Chenor Estate and 25/03/2021 in Mentakab Estate.	Complied
4.4.2.5	Complaints and resolutions for the last 24 months shall be documented and made available to affected stakeholders upon request. - Major compliance -	Record of complaints from Year 2018 were available.	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 -	The estates have offered job opportunity to the local communities by verified through the employee master list. Other contributions have been made are such as given 10kg of rice once every 2 months to all the workers, Besides, the central east region – Pahang Zone has made contribution of clothes, books, educational toys, sports equipment, refrigerator and etc to orphanage home and old folks home on June 2020. In additional, the estates’ management has contributed sundry goods such as rice, egg, noodles and soap to the workers during the flood period on January 2021 where the workers could not access to the nearby town due to flood. Seen the photos of the goods being	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		received by the workers. Mentakab Estate’s management has provided tractors and supplied essential items such as rice, sugar and noodles to the local communities during the flooding disaster happened in January 2021. Besides, interviewed with the representative from school informed that the management provided assistance such as maintenance of the school compound an repair work whenever they requested.	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	An occupational safety and health policy and plan shall be documented, effectively communicated and implemented. - Major compliance -	<p>The group has developed a Group Sustainability & Quality Policy Statement, endorsed by Mr. Mohamad Helmy Othman Basha on 02.12.2019. The statement indicated their commitment to provide safe and healthy workplace and protecting worker’s welfare.</p> <p><u>Kerdau Estate:</u></p> <p>The estate management has conducted the policies training to the workers on 09.03.2021, delivered by the Senior Assistant (Mr. Suhaily Abadi) to the 329 workers. Besides that, morning briefing regarding on the safety issues during work were conducted every day. Briefing records were made available to the audit team.</p> <p>Chenor Estate: The estate management has conducted series of training related to the OSH policy. The records are made available and verified. First Aid Training (11.03.2021), Emergency Response Plan Training (10.03.2021) and Scout Harvesting Training (16.01.2021).</p> <p>Mentakab Estate: The estate management has conducted series of training and briefing regarding on the safety and health to the workers. During the interview, the workers were able to demonstrate a good</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		understanding on the safe working procedures and the importance of using PPE while at work.	
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risks of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to pesticides: <ul style="list-style-type: none"> i. all employees involved shall be adequately trained on safe working practices ii. all precautions attached to products shall be properly observed and applied d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and 	<p>The group has developed a Group Sustainability & Quality Policy Statement, endorsed by Mr. Mohamad Helmy Othman Basha on 02.12.2019. The statement indicated their commitment to provide safe and healthy workplace and protecting worker’s welfare.</p> <ul style="list-style-type: none"> a. Safety and health policy were communicated to the workers as follow: <ul style="list-style-type: none"> i. Kerdau Estate: OSH briefing conducted every morning during the muster call. Records were sighted and verified. Feedbacks from interview also indicate their understanding of importance of using a complete PPE and ensure their safety while at work. ii. Chenor Estate: The estate management has conducted series of training related to the OSH policy. The records are made available and verified. First Aid Training (11.03.2021), Emergency Response Plan Training (10.03.2021) and Scout Harvesting Training (16.01.2021). iii. Mentakab Estate: series of training and briefing were conducted to the estate workers. The trainings are; PPE & Tool Handling (19.03.2021), First Aid Training (20.01.2021), Safe Working Procedure – Harvesting (09.02.2021) and Fire Drill & Fire Fighting Training (25.03.2021). b. HIRARC documents were made available to the audit team. All the operation and non-operation activities were covered. 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
	<p>Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid should be present at all field operations. A First Aid Kit equipped with approved contents should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>c. The estate managements are always aware about the safety for the spraying gang. Training and briefing were given continuously according to the training needs analysis.</p> <p>i. Kerdu Estate: there are 20 sprayers for this estate. As of April 2021, 3 training were conducted; Chemical Mixing & Handling (07.01.2021), Refresher Training for Sprayer (23.02.2021) and Allion Training for Sprayer (17.02.2021).</p> <p>ii. Chenor Estate: Training for spraying gang which in involve the safe working, spraying techniques and PPE usage were conducted 24.03.2021 and 29.01.2021. Initially total spraying gang was 6 people, however 4 were assigned to harvesting work.</p> <p>iii. Mentakab Estate: The estate has 8 sprayers for the weeding and P&D spraying work. Sighted the training records that they have attended; PPE & Tool Handling (19.03.2021) and First Aid Training (20.01.2021).</p> <p>d. PPE issuance record was made available to the audit team. The estate management has provided the suitable PPE to the workers according to their nature of job such as apron, wellington boot, safety helmets, safety shoes and eye protector. Interview with the workers indicate that they are aware of the using of PPE during the work.</p> <p>e. The Sime Darby Plantation Sdn Bhd has developed a Chemical Safety Management Procedure, approved by Mr. Iqmal Fajri Danial (Head of Safety Environment, Upstream Malaysia) on 09.03.2021. the procedure has outlined the requirement and procedures as follow:</p>

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																
		<ul style="list-style-type: none"> i. Procurement of chemicals ii. Transportation of chemicals iii. Receiving of chemicals iv. Storage of chemicals. v. Handling of chemicals. vi. Disposal of chemicals. vii. Training. viii. Maintenance of equipment. <p>f. Person in charge for OSH for each operation units are as follow:</p> <table border="1" data-bbox="1104 735 1861 1161"> <thead> <tr> <th>Name</th> <th>Designation</th> <th>Appointment Date</th> <th>Estate</th> </tr> </thead> <tbody> <tr> <td>Azri Bin Lahman</td> <td>Estate Manager</td> <td>01.01.2021</td> <td>Kerdau</td> </tr> <tr> <td>Syed Abdul Aziz Bin Syed Abdullah</td> <td>Estate Manager</td> <td>08.01.2021</td> <td>Chenor</td> </tr> <tr> <td>Zuraimi Norrais</td> <td>Estate Manager</td> <td>02.01.2021</td> <td>Mentakab</td> </tr> </tbody> </table> <ul style="list-style-type: none"> g. Meeting minutes are well kept in the OSH Meeting File. Verification found that OSH Meeting was conducted quarterly meeting as per requirement by regulation. Sighted evidence of minutes of meeting and attendance. i. Kerdau Estate: First meeting was conducted on 1.03.2021, attended by employer’s representative, employee’s 	Name	Designation	Appointment Date	Estate	Azri Bin Lahman	Estate Manager	01.01.2021	Kerdau	Syed Abdul Aziz Bin Syed Abdullah	Estate Manager	08.01.2021	Chenor	Zuraimi Norrais	Estate Manager	02.01.2021	Mentakab	
Name	Designation	Appointment Date	Estate																
Azri Bin Lahman	Estate Manager	01.01.2021	Kerdau																
Syed Abdul Aziz Bin Syed Abdullah	Estate Manager	08.01.2021	Chenor																
Zuraimi Norrais	Estate Manager	02.01.2021	Mentakab																

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
	<p>representative and contractor’s representative. Total participants are 29. The meeting discusses the latest issue occurred in the estate compound.</p> <ul style="list-style-type: none"> ii. Chenor Estate: For year 2021, first OSH meeting was conducted on 31.03.2021, participated by 11 participants including employer’s and employee’s representative. In 2020, they managed to conduct 4 OSH meetings where the accident reports were discussed. iii. Mentakab Estate: First OSH meeting was conducted on 23.01.2021, participated by 21 participants. Accident cases were discussed during the OSH meeting. <p>h. Sime Darby Plantation Sdn Bhd has established an Emergency Response Procedure. ERT are initiated for fire & flood, chemical spillage, motor & vehicle accident, wild & poisonous animal attack and first aid team. The workers can demonstrate a fair understanding and they are aware of where and who to contact during emergency.</p> <p>i. First aid training was conducted and recorded. Sighted the report for the training as follow:</p> <ul style="list-style-type: none"> i. Kerdau Estate: Training conducted on 20.02.2021, delivered by Ms. Nur Illyana and Mr. Mohamad Rafil Amirul (both are the estate Medical Assistant). ii. Chenor Estate: Person in charge for the first aid was present at the work place. The mandora can demonstrate a fair understanding regarding on the usage of first aid box and the emergency response. 	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> iii. Mentakah Estate: Mandore has gone thru the first aid training provided by the estate medical assistant and presented during the inspection at the work place. j. Records for accident happened in the estate compound were well kept in the OSH File. <ul style="list-style-type: none"> i. Kerbau Estate: Sighted the JKPP 8 form submitted to the DOSH on 29.01.2021. accidents were reviewed in the OSH meeting dated on 01.12.2020. ii. Chenor Estate: Only 1 case reported for year 2020. The estate management has submitted the form to DOSH on 20.01.2021. iii. Mentakab Estate: 2 accidents were recorded in year 2020. The estate management has submitted the JKPP 8 form to DOSH on 31.01.2021. 	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has established Group Sustainability & Quality Policy Statement dated 02/12/2019 by Group Managing Director where the company is respecting, upholding & no-exploitation of fundamental human rights. This policy statement is guided by the commitment spells out in the Human Rights Charter (HRC) last revised 2020. Besides, Policy on the Protection of Human Rights Defenders (HRDs) was established with effective date on 25/03/2020. Sime Darby Plantation respect and safeguard human rights, notion of democracy and its institution. They recognize that Human Rights Defenders have the role and responsibility of upholding human rights and the need for them to be able to lodge complaints that may arise from their business</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>activities and relationship with SDP. This Policy is applied to all stakeholders affected by the business activities and relationships including directors, employees, counterparties, business partners, workers in our operations and supply chains, and communities surrounding our operations.</p> <p>The policies were communicated to the employees during morning muster. The last training was conducted on 09/03/2021 in Kerdu Estate, 22/03/2021 in Chenor Estate and 25/03/2021 in Mentakab Estate.</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 Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They promote diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity union membership, political affiliation or age. The policy has been briefed to all the employees and stakeholders. The policy could be downloaded from:</p> <p>https://www.simedarbyplantation.com/sustainability/human-rights-charter.</p>	Complied
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based</p>	<p>There were employment contracts for staffs and workers. Pay and conditions are documented and achieved the Minimum Wage Order 2020. Sampled of employment contracts confirmed that terms and conditions are clearly outlined as per collective agreement and Employment Act 1955 which have been signed by the worker. Sampled</p>	Major NC

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
<p>on minimum wage. - Major compliance -</p>	<p>of total 36 payslip for September 2020, December 2020, January 2021 and March 2021 found that all the workers were paid accordingly.</p> <p><u>Kerdau Estate:</u></p> <p>Sampled payslips found one of the workers (Employee No.: 133587) who has only worked 21 days with 1 day of public holiday and 1 day of vacation leave on January 2021. There was 3 days of work not offered due to raining. The total days of work was only 23 days. However, no evidence of the management has top day 1 day of wages to the worker.</p> <p>The management has made deduction of wages for workers for the purpose of school bus fare of RM 25/ person. Total 19 workers have been made deduction of wages as verified on Employee Allowances and Deduction Details of March 2021 for Deduction Code: D065-School Bus Deduction. However, there is no approval from the authority to make the respective deduction.</p> <p><u>Mentakab Estate:</u></p> <p>Reviewed the Employee Allowances and Deduction Details of March 2021 found that there were 28 workers who is union member was found deduction of wages for RM 11 for the union membership fees since they joined on 01/12/2019. There was no reimbursement of RM 3 made to the worker as per MAPA/NUPW Circular No. 22/2015 dated 4/8/2015. The sampled of workers as below:</p> <ol style="list-style-type: none"> 1. Employee No.: 150867 2. Employee No.: 151767 3. Employee No.: 151917 	

Criterion / Indicator		Assessment Findings	Compliance										
		4. Employee No.: 155053 5. Employee No.: 155064 6. Employee No.: 151875 7. Employee No.: 151718 8. Employee No.: 151915 Thus, major NC was raised.											
4.4.5.4	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. - Minor compliance -	<u>Kerdau Estate:</u> 1. Reviewed the payslips and FFB Despatch by Ticket for September 2020, December 2020 and February 2021 found that 4 contractor’s workers (FFB transporter – Triang Leong Enterprise) in Kerdau Estate have worked on rest day and no evidence to show that they were paid according to Employment Act 1955, Section 60 (3) (d). Interviewed with the contractor confirmed that he did not pay as per Employment Act 1955, Section 60 (3) (d). The sampled workers as below: <table border="1" data-bbox="1128 1078 1792 1329"> <thead> <tr> <th>Passport No.</th> <th>Date of Work on Rest Day</th> </tr> </thead> <tbody> <tr> <td>B 9246519</td> <td>06/12/2020, 13/12/2020, 20/12/2020 and 27/12/2020</td> </tr> <tr> <td>C 7522889</td> <td></td> </tr> <tr> <td>C 5019257</td> <td></td> </tr> <tr> <td>EF 0621146</td> <td></td> </tr> </tbody> </table> 2. Besides, the contractor above paid RM 42.31/ day for total 9 of his workers for public holiday wages. However, the location	Passport No.	Date of Work on Rest Day	B 9246519	06/12/2020, 13/12/2020, 20/12/2020 and 27/12/2020	C 7522889		C 5019257		EF 0621146		Minor NC
Passport No.	Date of Work on Rest Day												
B 9246519	06/12/2020, 13/12/2020, 20/12/2020 and 27/12/2020												
C 7522889													
C 5019257													
EF 0621146													

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance												
		<p>of work is fall under <i>Majlis Perbandaran</i> Temerloh which should be RM 46.15/ day. This did not comply with Minimum Wage Order 2020.</p> <p>3. In additional, the contractor did not make the correct amount of SOCSO contribution according Employees' Social Security Act 1969 (Act 4).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Passport No.</th> <th style="width: 20%;">Salary/ Month</th> <th style="width: 20%;">Amount of Contribution Made</th> <th style="width: 20%;">Actual Amount of Contribution</th> </tr> </thead> <tbody> <tr> <td>AT 640135</td> <td>RM 3274.53 on December 2020</td> <td>RM 34.40</td> <td>RM 40.60</td> </tr> <tr> <td>B9246519</td> <td>RM 2967.76 on December</td> <td>RM 35.60</td> <td>RM 36.90</td> </tr> </tbody> </table> <p><u>Chenor Estate:</u></p> <ol style="list-style-type: none"> 1. Reviewed the FFB Despatch by Ticket for December 2020, January 2021 and February 2021 found that 4 of the FFB Lorry Drivers (monthly-rated) have worked on rest day. However, no evidence to show that the drivers were paid according to Employment Act 1955, Section 60 (3) (b). The sampled of workers as below: <ol style="list-style-type: none"> i. I/C No.: 890323-06-52XX ii. I/C No.: 800131-03-53XX iii. I/C No.: 791201-06-52XX iv. I/C No.: 880508-06-57XX 2. There was no evidence of EPF, SOCSO and EIS contribution was made by FFB Transporter for his workers. Interviewed with the FFB Transporter, Pacat Emas Enterprise to confirm 				Passport No.	Salary/ Month	Amount of Contribution Made	Actual Amount of Contribution	AT 640135	RM 3274.53 on December 2020	RM 34.40	RM 40.60	B9246519	RM 2967.76 on December	RM 35.60	RM 36.90	
Passport No.	Salary/ Month	Amount of Contribution Made	Actual Amount of Contribution															
AT 640135	RM 3274.53 on December 2020	RM 34.40	RM 40.60															
B9246519	RM 2967.76 on December	RM 35.60	RM 36.90															

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance										
		<p>that he did not make contribution of EPF, SOCSO and EIS to 4 of his workers as per Employees' Social Security Act 1969 (Act 4) and Employee Provident Fund Act 1991. The sampled of workers as below:</p> <ul style="list-style-type: none"> i. I/C No.: 890323-06-52XX ii. I/C No.: 800131-03-53XX iii. I/C No.: 791201-06-52XX iv. I/C No.: 880508-06-57XX <p><u>Mentakab Estate:</u></p> <ol style="list-style-type: none"> 1. Reviewed the FFB Despatch by Ticket for March 2021 found that 4 of the FFB Lorry Drivers have worked on rest day. However, no evidence to show that the drivers were paid according to Employment Act 1955, Section 60 (3) (d). The sampled workers as below: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">I/C No.</th> <th style="width: 50%;">Date of Work on Rest Day</th> </tr> </thead> <tbody> <tr> <td>851106-08-54XX</td> <td>14/03/2021, 28/03/2021</td> </tr> <tr> <td>971030-11-54XX</td> <td>14/03/2021</td> </tr> <tr> <td>940418-06-58XX</td> <td>14/03/2021, 21/03/2021</td> </tr> <tr> <td>690102-06-52XX</td> <td>14/03/2021, 21/03/2021</td> </tr> </tbody> </table> <p>Thus, Minor NC raised.</p>	I/C No.	Date of Work on Rest Day	851106-08-54XX	14/03/2021, 28/03/2021	971030-11-54XX	14/03/2021	940418-06-58XX	14/03/2021, 21/03/2021	690102-06-52XX	14/03/2021, 21/03/2021	
I/C No.	Date of Work on Rest Day												
851106-08-54XX	14/03/2021, 28/03/2021												
971030-11-54XX	14/03/2021												
940418-06-58XX	14/03/2021, 21/03/2021												
690102-06-52XX	14/03/2021, 21/03/2021												
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	The estates' management has registered all their workers into Employee Master Details Listing in SEMUA system where personal	Complied										

Criterion / Indicator		Assessment Findings	Compliance
	<p>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>details such as full name, gender, date of birth, date join company, race, designation and wages were recorded.</p>	
4.4.5.6	<p>All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>The estates' management has employed local and foreign workers from Indonesia, India and Bangladesh. They are all under direct employment to the estates. Sampled of total 36 employment contracts and all of them have signed on the employment contract prior to work and extension contract where the original contract has expired. Terms and conditions were according to Collective Agreement and Employment Act 1955.</p> <p><u>Chenor Estate:</u> The employment contract for FFB Transporter, Pacat Emas Enterprise was found incomplete. Terms and conditions of employment such as period of notice, reason for dismissal, entitlement of annual leave, public holiday and medical leave, overtime rate and etc were not outlined in the employment contracts. Sampled of the employment contracts as below:</p> <ul style="list-style-type: none"> i. I/C No.: 890323-06-52XX ii. I/C No.: 800131-03-53XX iii. I/C No.: 791201-06-52XX iv. I/C No.: 880508-06-57XX <p>Thus, Major NC raised.</p>	Major NC
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>Seen the Estate Daily Attendance Report for monthly basis where it recorded the number of days work/ total tonnage and hours of overtime work. The report was generated from the daily data recorded in Daily Attendance Form.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.8	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	<p>Interviewed with the workers confirmed that they have rest time in between of the working hours. Overtimes were paid according to the rate stated in the agreement and regulatory requirements. The overtime offered upon mutually agreement.</p>	Complied
4.4.5.9	<p>Wages and overtime payment documented on the pay slips shall be in line with legal regulations and collective agreements.</p> <p>- Major compliance -</p>	<p>Wages and overtime were paid according to the Daily Attendance Report and productivity reports. Total hours of overtime and daily attendance has recorded in the SAP system and the payslips. Refer to indicator 4.4.5.3.</p>	Complied
4.4.5.10	<p>Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions.</p> <p>- Minor compliance -</p>	<p>All the workers are provided with free medical facilities. The workers are entitled with the phone allowance of RM 5 for every month and 10kg of rice once every two months. Free housing facilities were provided to all the workers and their families.</p>	Complied
4.4.5.11	<p>In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation.</p> <p>- Major compliance -</p>	<p>The estates' management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers.</p> <p>Refer to the Inter-office mail (Ref. No.: CEO/060/12/2020) dated 29/12/2020 where the company is raising the standards of employee housing & amenities and enhancing employees' welfare. 3 types of linesite inspection will be carried out. Inspection will be carried by Medical Assistant on weekly basis, bi-weekly by Workers' Representative and quarterly by the Employees Welfare Committee.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		Linesite inspection was carried out weekly basis by Medical Assistant using Housing Complex/ Nest/ Community Hall Weekly Inspections checklist. The last inspection was conducted on 02/04/2021 in Kerdau Estate, 29/03/2021 in Chenor Estate and 03/04/2021 in Mentakab Estate. In Chenor Estate, there was found broken of cover of septic tank during lineiste inspection and the management has taken action to replace a new cover immediately. Seen the photo evident of the action taken.	
4.4.5.12	The management shall establish a policy and provide guidelines to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They seek to create a working environment with zero tolerance for sexual harassment and abuse and in which violence is never used to resolve issues or conflict.</p> <p>Gender Committee was established in Kerdau Estate, Chenor Estate and Mentakab Estate to monitor if there is any case of sexual harassment reported. The last meeting was carried out on 19/03/2021 in Kerdau Estate, 08/03/2021 in Chenor Estate (via WhatsApp group due to Covid-19) and 25/03/2021 in Mentakab Estate. There was no issue reported by the female workers through interviewed with the workers. Activities such as crafting, cooking and farewell was conducted.</p>	Complied
4.4.5.13	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to	Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They respect the	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	<p>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>rights of their employees to form and join unions and bargain collectively.</p> <p>NUPW committee was established in all the estates. The last meeting was conducted on 01/04/2021 in Kerdau Estate, 29/12/2020 in Chenor Estate and 08/02/2021 in Mentakab Estate. Issues concern were recorded in the meeting minutes and responded by the management during the meeting. The issue concerns were incorporated into the Action Plan Social Assessment dated April 2021 in Chenor Estate and XXXXX in Mentakab Estate.</p>	
4.4.5.14	<p>Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They recognize that protecting the wellbeing of children means safeguarding them from any form of maltreatment or exploitation, including child sex tourism, child trafficking and child pornograph. They are eradicating child labour in all their supply chain and not employ anyone underage of 18 years.</p> <p>No employees below the age of 18 were sighted through verified the Employee Master Listing and interviewed with the workers.</p>	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</p>	<p>The estate management has schedule training programmed for the whole year 2021. There was also session held with contractors and neighbouring communities. The records were made available to the</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
<p>training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>audit team and verified. Training records were well kept in the training files.</p> <p>Kerdau Estate: Contractor training was conducted on 03.04.2021 and was attended by 3 contractors. The estate management explained the MSPO and RSPO to the contractors.</p> <p>Chenor Estate: MSPO & RSPO briefing was conducted to 3 contractors on 16.03.2021, delivered by the estate assistant manager (Mr. Iskandar Halim & Razif Ramli) together with the estate medical assistant (Ms. Nur Azah Majid).</p> <p>Mentakab Estate: Training and briefing for contractors were conducted on 26.03.2021 (Wawasan Damaq Enterprise & SSRJ Enterprise) during stakeholder meeting and on 10.02.2021 (RISDA Fleet Sdn Bhd – new contractor).</p>	
<p>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.</p> <p>- Major compliance -</p>	<p>The estate management has established the training needs for each person in the estate list. The training needs included in the program such as safety & health, environment, safe working procedures, sustainability briefing & training, estate daily work procedures and equipment handlings.</p>	<p>Complied</p>
<p>4.4.6.3 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>Training program planned for year 2021 includes trainings for all categories of workers specifically design based on the job categories such as for harvesters, sprayers, manurers, upkeep gang and etc.</p> <p>a) During the field visit to Kerdau Jentar Division empty bottles / food packs were found scattered in the fields which indicates no monitoring of waste management.</p>	<p>Minor NC</p>

Criterion / Indicator		Assessment Findings	Compliance															
		b) Storekeeper was not able to explain the requirement of SW legislation during interview session at Mentakab Estate. Thus, Minor NC raised.																
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 in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	<p>There is a Group Sustainability and Quality Policy statement and endorsed in 01/12/2019 by the Group Managing Director. Therein among others has stated that the Company is committed to protecting the environment and conserving biodiversity through minimizing environmental harms, Protecting and enhancing biodiversity and the ecosystem, No deforestation and no new development on peat soil, Enhancing resilience against climate change impact, Adopting responsible consumption and production.</p> <p>This is policy is prominently displayed in the office along with other Company's Policies. It is communicated to the employees via training and weekly briefing session among others as follows.</p> <table border="1"> <thead> <tr> <th></th> <th>Subject</th> <th>Kerdau</th> <th>Chenor</th> <th>Mentakab</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental Biodiversity compliance</td> <td>12/3/21</td> <td>12/3/21</td> <td>-</td> </tr> <tr> <td>2</td> <td>HCV - environmental compliance</td> <td>02/2/20</td> <td>10/3/21</td> <td>31/3/21</td> </tr> </tbody> </table>		Subject	Kerdau	Chenor	Mentakab	1	Environmental Biodiversity compliance	12/3/21	12/3/21	-	2	HCV - environmental compliance	02/2/20	10/3/21	31/3/21	Complied
	Subject	Kerdau	Chenor	Mentakab														
1	Environmental Biodiversity compliance	12/3/21	12/3/21	-														
2	HCV - environmental compliance	02/2/20	10/3/21	31/3/21														

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings					Compliance	
		3	Manuring Environmental compliance	-	-	14/7/20	07/9/20	
		4	Machinery - ERP oil spillage		-	-	21/9/21	
		5	General housekeeping/environmental		09/3/21	-	25/2/21	
		6	Chemical Handling		27/8/20	24/3/21	16/4/21	
		7	Chemical Handling at riparian zone		03/3/20	24/3/21	05/10/20	
		8	Fire Drill /Chemical spillage - ERP		15/3/20	10/3/21	25/3/21	
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. <p>- Major compliance -</p>	<p>The environmental Policy has been established as described in 4.5.1.1 above. The objectives of the environmental management plan among others include the following;</p> <ul style="list-style-type: none"> a) Implement and comply to all prevailing statutory environmental laws b) Plantation development emphasizing zero burning practices. c) Compliance of DOE - to minimize pollution of land/water/air d) To control and practice GAP systems in both mineral/peat soils. e) Identification of HCV and preserving riparian zones. 					Complied	

Criterion / Indicator		Assessment Findings			Compliance												
		<p>The aspects and impacts had been provided in <i>the Environmental Impact Assessment After Planting 2021</i> reviewed on 04/01/2021 compiled internally by the Agricultural Practices team.</p> <p>The analysis covered the following activities.</p> <ul style="list-style-type: none"> a) Harvesting / weeding / fertilizer application b) Mulching / road upkeep / ramp c) Workshop / chemical store d) Lubricant store / fertilizer store e) Impact of field operations activities towards environmental f) Identification of riparian zone g) All the relevant positive/negative impact and mitigation plan, 															
4.5.1.3	<p>An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored.</p> <p>- Major compliance -</p>	<p>The environmental improvement plans are identified <i>The Environmental Impact Assessment 2021</i> having details of mitigation of the negative impacts. They are summarized and among others as shown below;</p> <table border="1"> <thead> <tr> <th></th> <th>Activities</th> <th>Impacts</th> <th>Mitigation plan</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>harvesting</td> <td>Promote positive impact to soil structure through biomass frond & EFB mulching.</td> <td>Practice proper frond stacking. EFB applied to improve nutrient & biomass</td> </tr> <tr> <td>2</td> <td>weeding</td> <td>Negative impact as polluting the soil with usage of chemicals.</td> <td>Dosage of chemicals is monitored & calibrated. Cattle integration introduced to reduce reliance of chemical.</td> </tr> </tbody> </table>				Activities	Impacts	Mitigation plan	1	harvesting	Promote positive impact to soil structure through biomass frond & EFB mulching.	Practice proper frond stacking. EFB applied to improve nutrient & biomass	2	weeding	Negative impact as polluting the soil with usage of chemicals.	Dosage of chemicals is monitored & calibrated. Cattle integration introduced to reduce reliance of chemical.	Complied
	Activities	Impacts	Mitigation plan														
1	harvesting	Promote positive impact to soil structure through biomass frond & EFB mulching.	Practice proper frond stacking. EFB applied to improve nutrient & biomass														
2	weeding	Negative impact as polluting the soil with usage of chemicals.	Dosage of chemicals is monitored & calibrated. Cattle integration introduced to reduce reliance of chemical.														

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance
		3	Manuring	Over usage of chemical & fertilizer affecting soil toxicity causing leaching /wash off.	Identify buffer zones and to prevent leaching of fertilizer and chemicals. Application along frond stacking rows.	
		4	Road upkeep	Damages through grading and chambering	Water collected at drain pits is collected to maximize moisture of nearest palm.	
		5	Loading Bay	FFB transportation of lorries in minimizing leakages of fuel	Education to drivers and monitoring of vehicles movements.	
		6	Workshop	Spillage to prevent pollution	Availability of spill kit and health surveillance for welding personnel.	
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	This is available as elaborated in indicator 4.5.1.3 above. Improvement planned for both short and long terms are detailed along with the identified issues.				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.	Training program is available in the SOU 11 Training Program 2021 updated on a yearly basis or revised as per the management requirement. Included in this program are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training				Complied

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

Criterion / Indicator		Assessment Findings					Compliance
	- Major compliance -		Subject	Month			
				1-4	5-8	9-12	
		1	Chemical handling	-	-	/	
		2	Scheduled Waste Management	-	/	-	
		3	Safe Operating Proc-Environmental.	-	/	-	
		4	EIA / Biodiversity	-	-	/	
		5	ESH risk Management	/	-	-	
		6	Air Emission Management	-	/	-	
		7	Environmental Policy awareness	/	/	/	
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	<p>Similar forum are used by the mill and the estates in discussing concerns on environmental quality The forum used in the estates are the quarterly OSH meeting and the annual management review meeting. The latter emphasized more on issues on water management plan, electricity use, diesel consumption, waste management, SIA plan, renewable energy, aspect/impact. The estates held a combined Management Review on 30/03/2021 chaired by the SOU Chairman - Senior Manager of Kerdau Estate. Minutes were sighted and adequate in discussing the environmental issues.</p> <p>The Environmental Performance Monitoring Committee is setup to comply with the DOE requirement of Guidance Self-Regulation (GSR). The meeting it to review environmental performance within the SOU 11. The last meeting was held on 30/12/2020. At the operating unit</p>					Complied

Criterion / Indicator		Assessment Findings	Compliance												
		level dialogue/ safety meeting/briefing during muster are forums used by the management in disseminating issues relating to environment.													
Criterion 4.5.2: Efficiency of energy use and use of renewable energy															
4.5.2.1	<p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within an appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity and energy efficiency in the operations over the base period.</p> <p>- Major compliance -</p>	<p>A plan for improving the efficiency of the use of fossil fuels is in place and has been incorporated into the Environmental Aspect and Impact activities report for 2020. The document was reviewed/updated on Jan 2021. The Environment Management Plan for efficiency of fossil fuel usage are detailed below:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Target</th> <th>Objective</th> <th>Action plan</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Backhoe tractor</td> <td>To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment</td> <td>To ensure the vehicle engine is turn off during idle time To record vehicle activity which consume fuel</td> </tr> <tr> <td>2</td> <td>Van / Supervisory vehicle</td> <td>To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment</td> <td>To record vehicle activity in order to eliminate waste activity which consume fuel. To turn off vehicle engine during idle time.</td> </tr> </tbody> </table>	No	Target	Objective	Action plan	1	Backhoe tractor	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	To ensure the vehicle engine is turn off during idle time To record vehicle activity which consume fuel	2	Van / Supervisory vehicle	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	To record vehicle activity in order to eliminate waste activity which consume fuel. To turn off vehicle engine during idle time.	Complied
No	Target	Objective	Action plan												
1	Backhoe tractor	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	To ensure the vehicle engine is turn off during idle time To record vehicle activity which consume fuel												
2	Van / Supervisory vehicle	To reduce fossil fuel (diesel) consumption from company-owned vehicles and fuel using mobile equipment	To record vehicle activity in order to eliminate waste activity which consume fuel. To turn off vehicle engine during idle time.												

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings								Compliance																																																																						
		3	Electrical supply	To reduce reliance on gen-sets for power supply	Utilization of TNB sources																																																																											
<p>The utilization of fossil fuel in 2020 is being monitored with records shown below:</p> <table border="1"> <thead> <tr> <th>Site</th> <th colspan="3"><i>Kerdau Estate 2020</i></th> <th colspan="3"><i>Chenor Estate 2020</i></th> <th colspan="3"><i>Mentakab Estate 2020</i></th> </tr> <tr> <th>Mth</th> <th>FF B mt</th> <th>Diesel L</th> <th>Diesel /FF B</th> <th>FFB mt</th> <th>Diesel L</th> <th>Diesel/FFB</th> <th>FFB mt</th> <th>Diesel L</th> <th>Diesel /FFB</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td>1700</td> <td>3360</td> <td>1.98</td> <td>664</td> <td>3599</td> <td>5.42</td> <td>1900</td> <td>1625</td> <td>8.55</td> </tr> <tr> <td>Feb</td> <td>2415</td> <td>3767</td> <td>1.56</td> <td>1291</td> <td>2559</td> <td>1.98</td> <td>2104</td> <td>13221</td> <td>6.28</td> </tr> <tr> <td>Mac</td> <td>3554</td> <td>4061</td> <td>1.14</td> <td>1897</td> <td>3014</td> <td>1.59</td> <td>2267</td> <td>13440</td> <td>5.93</td> </tr> <tr> <td>Apr</td> <td>4279</td> <td>2891</td> <td>0.68</td> <td>1813</td> <td>2273</td> <td>1.25</td> <td>3605</td> <td>17820</td> <td>4.94</td> </tr> <tr> <td>May</td> <td>4150</td> <td>3356</td> <td>0.81</td> <td>2100</td> <td>3571</td> <td>1.70</td> <td>3729</td> <td>8146</td> <td>2.18</td> </tr> </tbody> </table>											Site	<i>Kerdau Estate 2020</i>			<i>Chenor Estate 2020</i>			<i>Mentakab Estate 2020</i>			Mth	FF B mt	Diesel L	Diesel /FF B	FFB mt	Diesel L	Diesel/FFB	FFB mt	Diesel L	Diesel /FFB	Jan	1700	3360	1.98	664	3599	5.42	1900	1625	8.55	Feb	2415	3767	1.56	1291	2559	1.98	2104	13221	6.28	Mac	3554	4061	1.14	1897	3014	1.59	2267	13440	5.93	Apr	4279	2891	0.68	1813	2273	1.25	3605	17820	4.94	May	4150	3356	0.81	2100	3571	1.70	3729	8146	2.18
Site	<i>Kerdau Estate 2020</i>			<i>Chenor Estate 2020</i>			<i>Mentakab Estate 2020</i>																																																																									
Mth	FF B mt	Diesel L	Diesel /FF B	FFB mt	Diesel L	Diesel/FFB	FFB mt	Diesel L	Diesel /FFB																																																																							
Jan	1700	3360	1.98	664	3599	5.42	1900	1625	8.55																																																																							
Feb	2415	3767	1.56	1291	2559	1.98	2104	13221	6.28																																																																							
Mac	3554	4061	1.14	1897	3014	1.59	2267	13440	5.93																																																																							
Apr	4279	2891	0.68	1813	2273	1.25	3605	17820	4.94																																																																							
May	4150	3356	0.81	2100	3571	1.70	3729	8146	2.18																																																																							

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings									Compliance	
		Jun	53 51	405 0	0.7 6	285 7	486 8	1.7 0	494 6	1768 4	3.58	
		Jul y	53 71	359 8	0.6 7	209 7	491 0	2.3 4	450 9	1055 9	2.34	
		Au g	52 04	282 0	0.5 4	202 9	613 9	3.0 3	484 0	1148 7	2.37	
		Sep	58 89	398 2	0.6 8	197 4	423 8	2.1 5	468 8	1067 9	2.28	
		Oct	49 77	394 1	0.7 9	181 7	612 6	3.3 7	398 0	2429 9	6.10	
		No v	42 26	340 6	0.8 1	157 7	183 4	1.1 6	349 5	9791	2.80	
		Dec	40 56	415 5	1.0 2	161 8	298 8	1.8 5	296 9	1260 6	4.25	
		<p>The estates record and monitor the diesel utilization over the running hours of gen-set and other vehicles running.</p> <p>Performance variation in view of several factors i.e.</p> <ul style="list-style-type: none"> a) Infrastructure of estates, b) Community size / no of gen-sets, c) No. of vehicles / age of machine. d) Weather interference / crop production volume 										
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and	The estimate for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy									Complied	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance
	electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	efficiency of their operations inclusive of fuel in all transport and machinery operations was available in the respective estate yearly budgets.				
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	There was no opportunity to use renewable energy (shell/fibre/EFB) in the estates with the present technology and facilities within the industry.				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 -	All waste products and sources of pollution has been identified and documented. Details as follows;				Complied
			Activities	Source	Waste /Pollution	Affected Environment
		1	Gen store	Petrol oil, lubricant	Spillage & contamination	Land, water
				Chemical		
		2	SW store	Scheduled waste	All type of SW	Environmental
		3	office	Domestic/office waste	paper plastic	Land, water
				Toilet & kitchen	sewage	

Criterion / Indicator		Assessment Findings					Compliance																							
		4	Workshop	Used oil & grease	Spillage																									
				Metal waste	Wastage	Recycled																								
				Oil drum/tank																										
		5	Labour line	Domestic waste	Solid waste	Land, water																								
				Toilet/kitchen waste	sewage																									
		6	Field activities	Operation waste	palm frond, FFB stalk	Land /water																								
4.5.3.2	<p>A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:</p> <p>a) Identifying and monitoring sources of waste and pollution</p> <p>b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products</p> <p>- Major compliance -</p>	<p>The estates had established the waste and pollution management plan as shown below. The PIC and time frame was also shown in the management plan.</p> <table border="1"> <thead> <tr> <th></th> <th>Activities</th> <th>Source</th> <th>Waste /Pollution</th> <th>Affected Environment</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Gen store</td> <td>Petrol oil, lubricant</td> <td rowspan="2">Spillage & contamination</td> <td rowspan="2">Land, water</td> </tr> <tr> <td></td> <td></td> <td>Chemical</td> </tr> <tr> <td>2</td> <td>SW store</td> <td>Scheduled waste</td> <td>All type of SW</td> <td>Environmental</td> </tr> <tr> <td>3</td> <td>office</td> <td>Domestic/office waste</td> <td>paper plastic</td> <td></td> </tr> </tbody> </table>						Activities	Source	Waste /Pollution	Affected Environment	1	Gen store	Petrol oil, lubricant	Spillage & contamination	Land, water			Chemical	2	SW store	Scheduled waste	All type of SW	Environmental	3	office	Domestic/office waste	paper plastic		Complied
	Activities	Source	Waste /Pollution	Affected Environment																										
1	Gen store	Petrol oil, lubricant	Spillage & contamination	Land, water																										
		Chemical																												
2	SW store	Scheduled waste	All type of SW	Environmental																										
3	office	Domestic/office waste	paper plastic																											

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance	
				Toilet & kitchen	sewage	Land, water	
		4	Workshop	Used oil & grease	Spillage		
				Metal waste	Wastage		Recycled
				Oil drum/tank			
		5	Labour line	Domestic waste	Solid waste		Land, water
				Toilet/kitchen waste	sewage		
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>The SOP on Scheduled Waste disposal is established and implemented. Details as provided in SDP MQMS Standard Operating Procedure Section VII- Scheduled Waste (Hazardous Waste) Management ref no. SD/SDP/PSQM (ESH) /203-EN1 dated 26/2/2015.</p> <p>The inventory of the waste generated is recorded using the "E-SWISS" inventory system. Methodology of SW disposal is also described in indicator 4.5.3.2 above. All SW are disposed to Rengkas Maju Sdn Bhd no 004640 license valid dated 30/4/2021 and Kualiti Alam Sdn Bhd. Details as sampled as shown below; There were delay in collection due to MCO restriction. Email dated 09/4/2020 was issued to DOE was sighted and verified.</p>				Complied	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings						Compliance		
			Estate	SW collector	Date	SW4 10	SW30 6	SW3 05	SW40 4	
		1	Kerdau	Rengkas Maju	08/3/21	0.225	-	0.800	-	
					18/6/20	0.049	-	0.200	-	
		2	Chenor	Kualiti Alam	16/3/21	0.035	0.640	0.328	-	
					18/12/20	-	-	-	0.005	
		3	Mentak ab	Rengkas Maju	06/4/21	0.260	-	0.400	-	
					18/12/18	-	-	0.110	-	
				Future NRG	06/3/21	-	-	-	0.002	
				Future NRG	18/11/20	-	-	-	0.003	
4.5.3.4	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	Visit to waste storage confirmed that empty pesticide containers were collected with proper storage. These items will be punctured and disposed as scheduled waste as the EQA. The SOP of disposal pesticide container is described in the estates in SOU 11, procedure SD/SDP/PSQM (ESH)/203-EN1-Scheduled Wastes (Hazardous Waste)						Complied		

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance															
	<p>national programme on recycling of used HDPE pesticide containers.</p> <p>- Major compliance -</p>	<p>Management has been established. Content includes the triple rinsing procedures and the relevant training to be conducted.</p> <p>Under the operational control procedure established as given in 4.5.3.3 above the guideline and practice for handling empty pesticides containers are as follows;</p> <ul style="list-style-type: none"> a) All class 2 and above containers are tripled rinsed and holes punctured at the bottom only if the waste generator is to dispose as non-scheduled waste. b) Containers to be disposed as scheduled waste need not go the triple rinsing and hole punctured process. <p>These guidelines are based on Department Of Agriculture ref 91/120/038/014 dated 7/11/2002. During the site visit this has been adhered mainly containers are tripled rinsed and holes punctured at the container base. Chenor and Mentakab dispatched the empty containers together with their SW disposal.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Estate</th> <th>Date</th> <th>Empty Containers</th> <th>Empty bags</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Kerdau</td> <td>10/3/2021</td> <td>273</td> <td>16</td> </tr> <tr> <td>2</td> <td>Chenor</td> <td>10/3/2021</td> <td>280</td> <td>40</td> </tr> </tbody> </table>					Estate	Date	Empty Containers	Empty bags	1	Kerdau	10/3/2021	273	16	2	Chenor	10/3/2021	280	40	
	Estate	Date	Empty Containers	Empty bags																	
1	Kerdau	10/3/2021	273	16																	
2	Chenor	10/3/2021	280	40																	
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>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th colspan="3">Remarks</th> </tr> <tr> <th></th> <th>Estate</th> <th>Site</th> <th></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Kerdau</td> <td>P2010A</td> <td>Collection 2/3 x week</td> </tr> </tbody> </table>					Remarks				Estate	Site		1	Kerdau	P2010A	Collection 2/3 x week	Complied			
	Remarks																				
	Estate	Site																			
1	Kerdau	P2010A	Collection 2/3 x week																		

Criterion / Indicator		Assessment Findings				Compliance						
		2	Mentakab	P99A1	Collection 2/3 x week							
		3	Chenor	MDM	Collection 2/3 x week							
<p>Domestic waste generated from workers quarters was disposed in respective land fill except for Chenor Esate. The landfills were located away i.e. about 2-3 km from water sources.</p> <p>Site visit to landfill area observed its well maintained and no sign of pollution to water source.</p> <p>Chenor disposed the domestic waste collected at a centralised point and later collected by Majlis Dearah Maran. Receipt dated 09/10/2019 no 23547 was sighted and verified.</p>												
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>An assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate / soot emissions and effluent. The CU has continued to maintain its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) records i.e. (SM/5.2/EAI) and (SM/5.2/EIE) which covers estates and mill activities / operation. 'Pollution Identification Environmental Improvement Action Plan' is used to identify the waste products and sources of pollution, was in place and is reviewed accordingly. Among others the significant environmental receptors for the estates and mill operations were:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Environmental Receptors</th> <th>Source</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>				No	Environmental Receptors	Source				Complied
No	Environmental Receptors	Source										

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings			Compliance
		1	Air	Air emissions –from boiler stack (smoke & particulate), vehicle & generator (smoke and gases). GHG emission from anaerobic processes (ETP, EFB dumping).	
		2	Water	Water discharges – Cleaning water/run-off/process station waters (hydro cyclone/sterilizer condensate/clarification waste) & boiler quenching water and blow down	
		3	land	Land – Scheduled waste, domestic waste and industrial / process waste. Clinical wastes – generated from clinics.	
		a) Scheduled wastes – were disposed through Rengkas Maju Sdn Bhd no 004640 valid dated 30/4/2021 and also to Kualiti Alam Sdn Bhd. b) Full compliance to zero burning practices.			
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Details of action plan for identified pollutants are shown below;			Complied
			Sources/objective & target	Action Plan /Steps	
		1	Management of HCV river reserve Sg Chermang Kanan and Sg Chermang, Sg Jentar, Sg Semantan, water catchment area, and buffer zone conservation.	To train/retrain sprayers /manuring gang to avoid any chemical-related works at the area	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings		Compliance	
		2	To monitor waste management plan for its suitability	SW disposal monitoring	
		3	To improve employees awareness on pollution prevention at housing complex including zero burning policy.	Continuous reminders	
		4	To minimise spillage of oil/chemical onto the ground	Continuous training and use of spill trays	
		5	To review aspect identification & impact evaluation to identify significant critical points for control.	Review through EA/EIE	
		6	Maintenance of forest trees in the estates.	Ensure signage & demarcation are visible to avoid chemical intervention. To monitor pollution/erosion	
		<p>The polluting activities are identified and documented in the following documents and assessments. Latest review on 04/1/2021.</p> <p>a) Identification & Management of waste water 2021</p> <ul style="list-style-type: none"> i. Type of waste produced ii. Treatment / contamination method iii. Reuse/recycle/disposal method <p>b) Waste Management Plan 2021</p>			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																								
		i. Type of waste/description ii. Location / Management Plan iii. Person -In-Charge c) Pollution Preventive Plan 2021 i. Pollution Source and Concerns ii. Mitigation / Monitoring & Action Plan iii. Person-In-Charge Areas of focus include activities at the chemical store / workshop / store / scheduled waste / diesel tank / nursery / WTP.																									
Criterion 4.5.5: Natural water resources																											
4.5.5.1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a. Assessment of water usage and sources of supply.</p> <p>b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities.</p> <p>c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones</p>	<p>The estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. The estates adopted the existing SDP policy to maintain the buffer by restricting agrochemical application and left undeveloped during replanting. Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the River Reserve Management (Management of River Reserve in Sime Darby Plantation dated April 2014). The buffer zones established are as follows:</p> <table border="1"> <thead> <tr> <th>No</th> <th>River width</th> <th>Buffer zone</th> <th>No</th> <th>River width</th> <th>Buffer zone</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>> 40 meters</td> <td>50 meters</td> <td>4</td> <td>5 - 10 meters</td> <td>10 meters</td> </tr> <tr> <td>2</td> <td>20 - 40 meters</td> <td>40 meters</td> <td>5</td> <td>< 5 meters</td> <td>5 meters</td> </tr> <tr> <td>3</td> <td>10 - 20 meters</td> <td>20 meters</td> <td>-</td> <td></td> <td>-</td> </tr> </tbody> </table>	No	River width	Buffer zone	No	River width	Buffer zone	1	> 40 meters	50 meters	4	5 - 10 meters	10 meters	2	20 - 40 meters	40 meters	5	< 5 meters	5 meters	3	10 - 20 meters	20 meters	-		-	Complied
No	River width	Buffer zone	No	River width	Buffer zone																						
1	> 40 meters	50 meters	4	5 - 10 meters	10 meters																						
2	20 - 40 meters	40 meters	5	< 5 meters	5 meters																						
3	10 - 20 meters	20 meters	-		-																						

Criterion / Indicator	Assessment Findings	Compliance																	
<p>at or before planting or replanting, along all natural waterways within the estate.</p> <p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>	<p>The signboards were displayed accordingly at the site where applicable. The guideline was issued by the GSQM Unit with latest revision dated on 13/06/2011. During the field visit there was no spraying activities or signs left in such an area. The buffer zones identified at the estates are as follows:</p> <table border="1" data-bbox="1061 662 1883 842"> <thead> <tr> <th>No</th> <th>Estate</th> <th>Buffer zone area</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Kerdau</td> <td>Sg Jentar Field no P2014C</td> </tr> <tr> <td>2</td> <td>Chenor</td> <td>Nil</td> </tr> <tr> <td>3</td> <td>Mentakab</td> <td>Sg Chermang Kanan/Sg Chermang Kiri/ Sg Semantan</td> </tr> </tbody> </table> <p>Samples are taken from the mill and estates for detection of any pollution arising from the mill and estates activities. Water samples from the intake point are taken for phosphate and nitrate analysis for detection of fertilizer application effect to the water courses. Extracted record of both the estates with details below;</p> <p>Among others management plan taken:</p> <ul style="list-style-type: none"> a) Regular inspection at buffer/HCV areas b) Monitor water from surrounding areas c) Track, measure and report all activities around river and usage of water. d) Train and educate workers. e) Water consumption as recorded below. Kerdau had estimation of water usage. <table border="1" data-bbox="1061 1364 1883 1398"> <tr> <td></td> <td></td> <td>Water/FFB</td> <td></td> <td>Water/FFB</td> </tr> </table>	No	Estate	Buffer zone area	1	Kerdau	Sg Jentar Field no P2014C	2	Chenor	Nil	3	Mentakab	Sg Chermang Kanan/Sg Chermang Kiri/ Sg Semantan			Water/FFB		Water/FFB	
No	Estate	Buffer zone area																	
1	Kerdau	Sg Jentar Field no P2014C																	
2	Chenor	Nil																	
3	Mentakab	Sg Chermang Kanan/Sg Chermang Kiri/ Sg Semantan																	
		Water/FFB		Water/FFB															

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings								Compliance																				
			Mth	Kerdau	Chenor	Mentakab	Mth	Kerdau	Chenor	Mentakab																				
		1	Jan	-	1.16	7.01	July	-	0.37	3.44																				
		2	Feb	-	0.61	5.91	Aug	-	0.40	3.19																				
		3	Mac	-	0.40	5.40	Sept	-	0.36	2.88																				
		4	April	-	0.44	4.27	Oct	-	0.42	3.66																				
		5	May	-	0.36	4.12	Nov	-	0.47	4.15																				
		6	June	-	0.27	3.12	Dec	-	0.49	5.22																				
		<p>Water sampling was taken quarterly to test against the industrial effluent water analysis and pesticide analysis. Among others parameters as shown below:</p> <p>The sampling sites taken as follows and parameters tested among others:</p> <p>There were no issues on the water quality for the sampling points.</p> <table border="1"> <thead> <tr> <th></th> <th>Estate</th> <th>Sampling Points</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mentakab</td> <td>P97A1 / P98A2 / P99A3</td> <td>4x /year</td> </tr> <tr> <td>2</td> <td>Chenor</td> <td>Nil</td> <td></td> </tr> <tr> <td>3</td> <td>Kerdau</td> <td>Water catchment</td> <td>monthly</td> </tr> <tr> <td>4</td> <td>Kerdau</td> <td>Treated water-domestic</td> <td>Monthly</td> </tr> </tbody> </table>										Estate	Sampling Points	Frequency	1	Mentakab	P97A1 / P98A2 / P99A3	4x /year	2	Chenor	Nil		3	Kerdau	Water catchment	monthly	4	Kerdau	Treated water-domestic	Monthly
	Estate	Sampling Points	Frequency																											
1	Mentakab	P97A1 / P98A2 / P99A3	4x /year																											
2	Chenor	Nil																												
3	Kerdau	Water catchment	monthly																											
4	Kerdau	Treated water-domestic	Monthly																											

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings						Compliance
			parameter	Standard		Parameter	standard	
		1	pH	6-9	4	SS	50	
		2	BOD	3	5	AN	0.3	
		3	COD	25	6	DO	5-7	
			parameter	Standard		Parameter	standard	
		1	Aldrin	0.02 ppb	5	Heptachlor	0.05 ppb	
		2	Dieldrin	0.02 ppb	6	lindane	2 ppb	
		3	t-DDT	0.1 ppb	7	endosulfan	10 ppb	
		4	BHC	2 ppb	8	Chlordane	0.08 ppb	
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	Site visit confirmed that there was no construction of bunds, weirs and dams across main rivers or waterways passing through an estate.						Complied
4.5.5.3	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). - Minor compliance -	<p>Field visit observed practices on water harvesting such as road side drains had been constructed and water has been directed to conservation terraces, pruned fronds were stacked along the palm row.</p> <p>During the site visit practices of water harvesting are noted mainly constructed on flat areas in both estates. There were construction of MCP = Moisture Conservation Pit at interval of every 40 ft & every 2 palms. Road side pits were also available at every 3 palm rows, to divert in event of water overflowing and also to benefit the nearest palm at the pit end to obtain additional moisture. This is part of the</p>						Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>common practices introduced within the SDP Group Agriculture Procedures.</p> <p>In addition there were irrigation projects for the Estates as handled by the Water Management Team. Potential fields have been identified and such areas will be irrigated to improve the moisture level for the palm growth.</p>	
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>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (<i>e.g.</i> The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>	<p>The high biodiversity is included in the HCV assessment report dated April 2009. Birds, mammals, reptiles, insect (least concern and vulnerable) and totally protected and protected wildlife were identified based on the latest HCV report.</p> <p>For example vulnerable animal; bearded pig (mammals) under category totally protected. The established management plan has been incorporated the action plan for those identified animals (IUCN and WCA 2010) for proper monitoring.</p> <p>The HCV re-assessment was compiled by PS-RSPO unit TQEM unit on April 2009 for the entire SOU 11 estates. The report therein contained information relating to HCV identification and management. The details among others as extracted below.</p> <ul style="list-style-type: none"> a) Overview of HCV assessment b) Description of assessment area <ul style="list-style-type: none"> - Landscape context - biodiversity & conservation values - ecosystem service / social & cultural values c) HCV criteria & application to agriculture <ul style="list-style-type: none"> - Visual observation & supporting information - Wildlife in plantation 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																																																	
		<p>- decision on HCV status d) HCV Biodiversity Management / Monitoring.</p> <p>The report is given in details to provide the existence of HCV, complete with photo and description The conservation and management of such identified areas are also detailed therein. The HCV areas presence total 157.6402 ha) as identified by the Estates within SOU 11 are given below.</p> <table border="1"> <thead> <tr> <th></th> <th>Area</th> <th>Type</th> <th>Kerdau</th> <th>Chenor</th> <th>Mentakab</th> <th>Sg Mai</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Water catchment</td> <td>HCV 4</td> <td>7.37</td> <td>7.82</td> <td>-</td> <td>1.95</td> </tr> <tr> <td>2</td> <td>River Reserve</td> <td></td> <td>-</td> <td>-</td> <td>31.70</td> <td>48.74</td> </tr> <tr> <td>3</td> <td>Worship area</td> <td>HCV 6</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>4</td> <td>Jah Hut Cemetery</td> <td>HCV 6</td> <td>0.0002</td> <td>-</td> <td>-</td> <td>0.01</td> </tr> <tr> <td>5</td> <td>Bukit Kiab</td> <td>HCV 4</td> <td>59.00</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>6</td> <td>Pond</td> <td>HCV 4</td> <td>1.05</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>All areas were sighted and verified. The exercise has taken into consideration all aspects of environmentally sensitive areas such as ponds, streams, wildlife boundaries and was documented. Map verification and site visit confirmed that west estate is surrounded by river/ straits and villages. The HCVs, conservation areas/ environmentally sensitive areas e.g. bund along the stretches of river/ straits which passes bordering through the estate had been identified and being monitored.</p>		Area	Type	Kerdau	Chenor	Mentakab	Sg Mai	1	Water catchment	HCV 4	7.37	7.82	-	1.95	2	River Reserve		-	-	31.70	48.74	3	Worship area	HCV 6	-	-	-	-	4	Jah Hut Cemetery	HCV 6	0.0002	-	-	0.01	5	Bukit Kiab	HCV 4	59.00	-	-	-	6	Pond	HCV 4	1.05	-	-	-	
	Area	Type	Kerdau	Chenor	Mentakab	Sg Mai																																														
1	Water catchment	HCV 4	7.37	7.82	-	1.95																																														
2	River Reserve		-	-	31.70	48.74																																														
3	Worship area	HCV 6	-	-	-	-																																														
4	Jah Hut Cemetery	HCV 6	0.0002	-	-	0.01																																														
5	Bukit Kiab	HCV 4	59.00	-	-	-																																														
6	Pond	HCV 4	1.05	-	-	-																																														
4.5.6.2	If rare, threatened or endangered species, or high biodiversity value, are present, appropriate measures for	There is not RTE recorded. Evidence to continuously prevent and discourage illegal or hunting, fishing or collecting activities were maintained and implemented. Signage as well as routine patrolling	Complied																																																	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance															
<p>management planning and operations should include:</p> <ul style="list-style-type: none"> c) Ensuring that any legal requirements relating to the protection of the species are met. d) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts. <p>- Major compliance -</p>	<p>activities were utilised as part of creating awareness among employees and maintain HCV. The estates had established a HCV action plan for FY2021 such as briefing/training to workers on protection of buffers zones for respective rivers as identified in the HCV assessment. Communications are made to all employees, contractors, suppliers and neighbours informing that encroachment and hunting are not allowed.</p> <p>There were programs held by the estates to all employees in pertaining to the awareness of HCV areas and RTE species. Interview with the employees concluded that training and briefing made during the ad hoc session and morning muster. This is also emphasized during the training held by SQM programs. Employees are aware of the following measures;</p> <ul style="list-style-type: none"> a) An offence to capture, harm, kills any wildlife. b) Disciplinary measures shall be taken if found violating company rules. c) Riparian buffer zone to be free from any chemicals application/pollution <p>Training in relation to the HCV management are provided to the employees as follows;</p> <table border="1" data-bbox="1057 1177 1877 1383"> <thead> <tr> <th></th> <th>Subject</th> <th>Kerdau</th> <th>Chenor</th> <th>Mentakab</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Environmental Biodiversity compliance</td> <td>12/3/21</td> <td>12/3/21</td> <td>-</td> </tr> <tr> <td>2</td> <td>HCV - environmental compliance</td> <td>02/2/20</td> <td>10/3/21</td> <td>31/3/21</td> </tr> </tbody> </table>		Subject	Kerdau	Chenor	Mentakab	1	Environmental Biodiversity compliance	12/3/21	12/3/21	-	2	HCV - environmental compliance	02/2/20	10/3/21	31/3/21	
	Subject	Kerdau	Chenor	Mentakab													
1	Environmental Biodiversity compliance	12/3/21	12/3/21	-													
2	HCV - environmental compliance	02/2/20	10/3/21	31/3/21													

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance		
		3	Manuring Environmental compliance	-	-	14/7/20	07/9/20	
		4	Chemical Handling at riparian zone		03/3/20	24/3/21	05/10/20	
4.5.6.3	A management plan to comply with Indicator 1 shall be established and effectively implemented, if required. - Major compliance -	<p>All operating units have developed Management Plan for the HCV and conservation area to protect from any encroachment.</p> <ul style="list-style-type: none"> a) Habitat protection includes prevention of disturbance by workers through awareness campaigns and regular patrols of the area. b) The estates have installed signboards at prominent areas to prohibit hunting, disturbance of protected areas and the lighting of fires. c) Inspection of housing areas and interview of residents confirmed workers were aware of the company policy that prohibits hunting and collecting activities. d) Monitoring is carried out by the security and staff in charge for the respective area. e) Sime Darby Plantation in addition established their own disciplinary measures if found any staff or workers found to capture, harm, collect or kill the RTE species in the estate. f) On-going monitoring for HCV areas for both Estates has been verified. The monitoring was conducted on monthly basis. 					Complied	
Criterion 4.5.7: Zero burning practices								
4.5.7.1	Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.	<p>The Group policy of "Zero open burning" is enforced since July 2008.</p> <p>The operating units adhered to the policy of "<i>Zero Open Burning</i>" for any replanting. From field visits and interviews with the workers there is no open burning being practiced in the estates. The estates had</p>					Complied	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	replanting program spanned over the forthcoming years details of which given in 4.6.2.2. In addition Sime Darby Plantation assigned 1 person based in HQ being in charge to detect any open fire in the Company's fields using the Global Spot Watch.	
4.5.7.2	A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop. - Major compliance -	N/A. Details in 4.5.7.1 above	Complied
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 -	N/A. Details in 4.5.7.1 above	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 -	This is included in the specification of work orders in event of land preparation during a replanting. It is a standard practice in Sime Darby Plantation. However there are variations of practices between inland and coastal estates. Trunks are felled and chipped without having to shred and windrowed in certain conditions. Adjustment of work requirement are finalised from the directive of the replanting unit and the Zone office.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
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 SOU8 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. Verified during site visit at Kerbau Estate, Chenor Estate and Mentakab Estate found all operation were followed company SOP.	Complied
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 -	Sime Darby has established policy on slope protection and documented in Slope and River Protection Policy signed by the Managing Director in Jan 2015.	Complied
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	Field marking was maintained at Kerbau Estate, Chenor Estate and Mentakab Estate. The marking consists of Clone / Material, Field Number, SPH, and Planted Ha. Verified through site visit.	Complied
Criterion 4.6.2: Economic and financial viability plan			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																								
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	SOU 11 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 2021 – 2026.	Complied																								
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	The revised replanting program was established which was updated. The replanting programme sighted as follow: - <table border="1" data-bbox="1048 687 1845 1018"> <thead> <tr> <th>Replanting Year</th> <th>Kerdau Estate (Ha)</th> <th>Chenor Estate (Ha)</th> <th>Mentakab Estate (Ha)</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>117.29</td> <td>144.54</td> <td>212.42</td> </tr> <tr> <td>2023</td> <td>113.69</td> <td>106.90</td> <td>139.56</td> </tr> <tr> <td>2024</td> <td>102.01</td> <td>83.11</td> <td>133.47</td> </tr> <tr> <td>2025</td> <td>172.99</td> <td>90.69</td> <td>152.34</td> </tr> <tr> <td>2026</td> <td>150.23</td> <td>45.03</td> <td>144.36</td> </tr> </tbody> </table>	Replanting Year	Kerdau Estate (Ha)	Chenor Estate (Ha)	Mentakab Estate (Ha)	2022	117.29	144.54	212.42	2023	113.69	106.90	139.56	2024	102.01	83.11	133.47	2025	172.99	90.69	152.34	2026	150.23	45.03	144.36	Complied
Replanting Year	Kerdau Estate (Ha)	Chenor Estate (Ha)	Mentakab Estate (Ha)																								
2022	117.29	144.54	212.42																								
2023	113.69	106.90	139.56																								
2024	102.01	83.11	133.47																								
2025	172.99	90.69	152.34																								
2026	150.23	45.03	144.36																								
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production : cost per tonne of FFB d) Price forecast e) e) Financial indicators : cost benefit, discounted cash flow, return on investment	All relevant information contained in the annual budget plan for as sighted in annual budget FY2021 such as: i. Total crop projection and yield potential ii. Activity direct cost a. Mature upkeep b. Manuring c. Harvesting and collection d. Transportation e. Nursery iii. Estate administration a. Admin Cost iv. Labour overhead v. Road and bridges	Complied																								

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.6.2.4	The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented. - Major compliance -	The budget plan was reviewed annually with both actual and forecasted amount for 5 years (up to 2026) and well documented upon request. Monthly progress report has been submitted to HQ for regularly monitored, periodically reviewed, and documented.	Complied
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 -	Sampled the letter of award (LOA) for services provided as below: Kerdau Estate: Triang Leong Enterprise Ref Document No. 1600006876 dated 08/02/2021 Chenor Estate: Pakat Emas Enterprise Ref Document No. 310100001 dated 31/01/2021 Mentakab Estate: Risda Fleet Sdn Bhd Ref Document No. T/SDPB/PHG/FFB/0904/001 dated 01/05/2020. Pricing of the contract was stated in the LOA and acknowledged by the contractors.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Verified the invoice submitted and payment records as below: Kerdau Estate: Triang Leong Enterprise Ref Document No. 1600006876 dated 08/02/2021 Chenor Estate: Pakat Emas Enterprise Ref Document No. 310100001 dated 31/01/2021	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Mentakab Estate: Risda Fleet Sdn Bhd Ref Document No. T/SDPB/PHG/FFB/0904/001 dated 01/05/2020.</p> <p>Besides, phone interviewed with contractors also confirmed that payment was made promptly.</p>	
Criterion 4.6.4: Contractor			
4.6.4.1	<p>Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.</p> <p>- Major compliance -</p>	<p>The contractors engaged by the estate management has signed on a letter with subject RSPO/ ISCC/ MSPO/ SCCS dated 02/01/2021.</p> <p>Briefing of sustainability were given to contractors on during LOA awards at estate office.</p>	Complied
4.6.4.2	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p>- Major compliance -</p>	<p>Sampled the letter of award (LOA) for services provided as below:</p> <p>Kerdau Estate: Triang Leong Enterprise Ref Document No. 1600006876 dated 08/02/2021</p> <p>Chenor Estate: Pakat Emas Enterprise Ref Document No. 310100001 dated 31/01/2021</p> <p>Mentakab Estate: Risda Fleet Sdn Bhd Ref Document No. T/SDPB/PHG/FFB/0904/001 dated 01/05/2020.</p> <p>Pricing of the contract was stated in the LOA and acknowledged by the contractors.</p>	Complied
4.6.4.3	<p>The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required.</p> <p>- Minor compliance -</p>	<p>A letter on RSPO/ ISCC/ MSPO/ SCCS signed by Senior Manager of estate to all the contractors and suppliers in the estate. The letter has stated that all Contractors need to follow RSPO/ ISCC/ MSPO/ SCCS guideline in accordance with the Sime Darby Plantation of Estate</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Quality Management System. All contractors shall provide access to the RSPO/ ISCC/ MSPO/ SCCS auditors to contractors' operation site(s) and employees whenever deemed necessary.</p> <p>The contractors have agreed, understood, and acknowledged on the letter. Sighted evidence of agreement doc number RSPO/ISCC/MSPO/SCCS dated 01/03/2021.</p>	
4.6.4.4	<p>The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted.</p> <p>- Major compliance -</p>	<p>All works performed at the estates are checked and verified by the estate's personnel. Projects where tenders are issued by HQ are checked by representative from HQ.</p> <p>Sighted sample of payments.</p> <ol style="list-style-type: none"> 1. Kerdau Estate: Triang Leong Enterprise Payment month February 2021 2. Chenor Estate: Pakat Emas Enterprise Payment month March 2021 3. Mentakab Estate: Risda Fleet Sdn Bhd Payment month January 2021 	Complied
4.7 Principle 7: Development of new planting (Not Applicable)			

B) MS 2530-4:2013 Malaysian Sustainable Palm Oil (MSPO) 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 -	Sime Darby Plantation Berhad has issued an inter-office mail (Ref. No.: SQM.RSPO.1811/22.11) dated 23/11/2018 regarding the statement on commitment towards MSPO implementation by Head, Global Sustainability Operations, Mr. Tang Men Kon. Sime Darby Plantation Berhad is committed to comply and implement the MSPO certification to demonstrate our commitment towards the production of certified sustainable palm oil products.	Complied
4.1.1.2	The policy shall also emphasize on the commitment to continual improvement with the objective of improving the milling operation. - Major compliance -	Sime Darby Plantation Berhad has clearly emphasized to achieve commitment towards a systematic approach in ensuring continuous improvement in the operation, compliance to statutory, legal and other regulatory requirements and establishment of traceability within the supply chain in the above-mentioned memorandum.	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 -	RSQM team has conducted MSPO & RSPO Internal Audit on 23/02/2021 for Kerdu POM. The audit was carried out based on the reference of MS 2530-4:2013. Total 3 major non-conformities, 1 minor non-conformities and 3 Opportunity for Improvement for MSPO were raised.	Complied
4.1.2.2	The internal audit procedures and audit results shall be documented and evaluated, followed by the identification of strengths and root causes of nonconformities, in order to	Sime Darby Plantation Berhad has developed Internal Audit Procedure, Doc. No.: SD/SDP/PSQM/IAP, Rev. 2 dated 01/09/2017.	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	implement the necessary corrective action. - Major compliance -	The frequency of the internal audit shall be carried out at least once a year and when is required. Total 3 major non-conformities, 1 minor non-conformities and 3 Opportunity for Improvement for MSPO were raised. Seen the Internal Audit Report with root cause identified for the non-conformities and OFIs raised. All non-conformities were closed on 20/03/2021 except for 1 major and 1 minor still in progress.	
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The internal audit report has been distributed to the mill management. The Management Representative has acknowledged on the Internal System(s) Audit Report on 23/02/2021 in Kerdau POM. Management review meeting was conducted to review the findings of the internal audit.	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 -	The latest management review meeting was carried out on 30/03/2021 in Kerdau POM and meeting minutes was available where the agenda that discussed as below: <ol style="list-style-type: none"> 1. Results of internal audits covering RSPO, MSPO & SCCS 2. Customer feedback 3. Status of preventive and corrective actions 4. Follow-up actions from management reviews 5. Changes that could affect the management system 6. Recommendations for improvement 7. Improvement of the effectiveness of the management system and processes 8. Resources needs 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance																																														
Criterion 4.1.4 – Continual Improvement																																																
4.1.4.1	<p>The action plan for continual improvement shall be based on a consideration of the main social and environmental impact and opportunities for the company.</p> <p>- Major compliance -</p>	<p>Kerdau Palm Oil Mill had the following plans of new machinery installation for the improvement relating to the environmental, process improvement pollution and energy conservation for current and forthcoming year 2021-2024. Projects among others include the following;</p> <table border="1" data-bbox="1099 671 1854 1345"> <thead> <tr> <th></th> <th>Station</th> <th>Improvement Plan</th> <th>Project Cost</th> <th>Planned year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>WTP</td> <td>Water reticulation for domestic use</td> <td>200K</td> <td>2024</td> </tr> <tr> <td>2</td> <td>ETP</td> <td>New solid holding pond</td> <td>200K</td> <td>2023</td> </tr> <tr> <td>3</td> <td>Boiler</td> <td>New super heater tube for boiler 3</td> <td>200K</td> <td>2022</td> </tr> <tr> <td>4</td> <td>Kernel Plant</td> <td>Expansion of nut and CM elevator size</td> <td>150K</td> <td>2022</td> </tr> <tr> <td>5</td> <td>Threshing</td> <td>SFB auto feeder conveyor plate renewal</td> <td>80K</td> <td>2022</td> </tr> <tr> <td>6</td> <td>Boiler</td> <td>VORSEP - installed with Boiler no 2.</td> <td>2M</td> <td>2020</td> </tr> <tr> <td>7</td> <td>Housing</td> <td>Replacement of wiring</td> <td>200K</td> <td>2022</td> </tr> <tr> <td>8</td> <td>Housing</td> <td>Furniture replacement annual</td> <td>30K</td> <td>yearly</td> </tr> </tbody> </table>		Station	Improvement Plan	Project Cost	Planned year	1	WTP	Water reticulation for domestic use	200K	2024	2	ETP	New solid holding pond	200K	2023	3	Boiler	New super heater tube for boiler 3	200K	2022	4	Kernel Plant	Expansion of nut and CM elevator size	150K	2022	5	Threshing	SFB auto feeder conveyor plate renewal	80K	2022	6	Boiler	VORSEP - installed with Boiler no 2.	2M	2020	7	Housing	Replacement of wiring	200K	2022	8	Housing	Furniture replacement annual	30K	yearly	<p>Complied</p>
	Station	Improvement Plan	Project Cost	Planned year																																												
1	WTP	Water reticulation for domestic use	200K	2024																																												
2	ETP	New solid holding pond	200K	2023																																												
3	Boiler	New super heater tube for boiler 3	200K	2022																																												
4	Kernel Plant	Expansion of nut and CM elevator size	150K	2022																																												
5	Threshing	SFB auto feeder conveyor plate renewal	80K	2022																																												
6	Boiler	VORSEP - installed with Boiler no 2.	2M	2020																																												
7	Housing	Replacement of wiring	200K	2022																																												
8	Housing	Furniture replacement annual	30K	yearly																																												

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.1.4.2	<p>The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce.</p> <p>- Major compliance -</p>	<p>This is being made upon confirmation of any new projects. Employees were briefed of any new development in basic understanding during the weekly briefings. The management team will be informed of such development during the monthly management meetings. Dissemination of information by the RCEO and RGM are transacted during the monthly Managers meetings and emails.</p>	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	<p>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.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Mill Quality Management System – Standard Operation Manual, Sub-section 5.5, Appendix 5.5.3.2, version 1, issue date 01/11/2008). The procedure has detailing the process of handling complaints from stakeholders and the time frame for external communication to be dealt with. The time frame to provide feedback is within two weeks of the date of receipt for communication and within one week of the completion of the investigation. Manager is responsible for address the communication and requests.</p>	Complied
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>The management has disseminated the information of the documents that made publicly available such as management plan, OSH plan, audit reports and land titles upon request during the stakeholder meetings. Besides, internal and external stakeholders could access to the company’s website (http://www.simedarbyplantation.com/Sustainability.aspx) to obtain information such as policies, annual report and complaint procedures.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	Sime Darby Plantation Mill Quality Management System – Standard Operation Manual, Sub-section 5.5, Appendix 5.5.3.2, version 1, issue date 01/11/2008). The procedure has detailing the process of handling complaints from stakeholders and the time frame for external communication to be dealt with. The time frame to provide feedback is within two weeks of the date of receipt for communication and within one week of the completion of the investigation. Manager is responsible for address the communication and requests.	Complied
4.2.2.2	The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i> . - Minor compliance -	Senior Assistant Manager of the mill has been appointed as social officer to handle any social issues reported in the mill. Appointment letter dated 01/01/2021 was sighted.	Complied
4.2.2.3	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. - Major compliance -	Stakeholder list was developed and stakeholders such as local communities, government authorities, external FFB suppliers and contractors were included into the list. Besides, there was an online stakeholder meeting (via WhatsApp call) conducted on 03/04/2021 where stakeholders such as contractor, neighbouring clinic, government authorities and supplier were invited. There were concerns raised by the stakeholders. Action plan was incorporated into the Social Management Plan dated 27/03/2021.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard	The sustainable Plantation Management System, Appendix 15, SOP for sustainable Supply Chain and Traceability Version 2, 2018, issue	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	operation procedure for traceability. - Major compliance -	no 5 dated April 2019 documented the procedure for traceability. Procedure has combined all related sustainability standard requirements of RSPO/ISCC and MSPO.	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Regular inspections on compliance with the established traceability system were conducted through daily process through FFB weighbridge ticket and periodical internal audit. Every consignment ticket will be verified by the weighbridge operator and executive.	Complied
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	Management has assigned person in charge on traceability. Sighted appointment letter for Mr Ahmad Husaini Harun (Sr Asst. Manager) dated 01/01/2021. Refer Appointment As Person In Charge For Environmental/Quality Management System.	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	Records of CPO & PK sales & delivery including Weighbridge Tickets together with sales Delivery Note (DO Chit) and Daily Record (Daily CPO/PK Despatch Summary Logbook) were maintained based on Standard Operating Procedure. FFB Date: 30/01/2021 Chit Number: 246319 Supplier: Metrakab Estate Lorry Number: WFW7899 Weight: 24.63 MT FFB Date: 19/01/2021 Chit Number: 17678 Supplier: M.Kerdau Estate Lorry Number: JDN3093 Weight: 11.84 MT	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>CPO Date: 12/01/2021 Chit Number: MI000007932 Buyer: Sime Darby Oil Trading Sdn Bhd Lorry Number: NDF2159 Weight: 40.20 MT</p> <p>CPO Date: 22/09/2020 Chit Number: MS8P0016841 Buyer: Sime Darby Oil Trading Sdn Bhd Lorry Number: CED7062 Weight: 41.43 MT</p>	
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	<p>All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations.</p> <p>- Major compliance -</p>	<p>The list of permit and license required for the operations of the mill were sighted. The sample of permit and license:</p> <p>Kerdau Mill</p> <ol style="list-style-type: none"> 1. MPOB license 54076100400 valid until 30/06/2021 2. DOE Licence 005105 valid until 30/06/2021 3. Jadual Pematuhan No: JPLP/PUB/06?005061 valid until 04/06/2021 4. Perakuan BOMBA No: JBPM:PH/7/0198/2017 valid until 17/02/2022 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>5. Permit Barang Kawalan Berjadual KPDNHEP TLH 600-5/2/13/94 valid until 06/08/2021.</p> <p>Sime Darby Plantation Sdn Bhd has obtained approval from <i>Jabatan Tenaga Kerja Semenanjung Malaysia</i> for the following:</p> <ol style="list-style-type: none"> 1. Ref. No.: BHG. PU/9/129 JLD 3 (53) dated 06/07/2017 for deduction of wages for electricity bill. 2. Ref. No.: BHG. PU/9/134 JLD 9 (11) dated 27/03/2017 for overtime limit for 130 hours. <p>Kerdau POM has obtained the approval from <i>Jabatan Tenaga Kerja Negeri Pahang</i> for deduction of wages for AMESU, life insurance, <i>Tabung Haji and Amanah Saham Nasional</i>. Approval letter with Ref. No.: JTK</p>	
4.3.1.2	<p>The management shall list all relevant laws related to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>LORR was established to cover all legal acts, regulations and other requirement related to Kerdau Mill. Management has listed applicable laws and regulations. The sample of Act and Legal:</p> <ol style="list-style-type: none"> 1. Akta Kawalan Penyakit Berjangkit 1998 (Amendment 2020) 2. Minimum Wages Order (Amendment 2020) 3. Workers Minimum Standard of Housing and Amenities (Amendment Act 2019) 4. Occupational Safety and Health (Noise Exposure) Regulations 2019 5. Pesticides (Amendment of First Schedule) Order 2019 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
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. - Major compliance -	LORR was established to cover all legal acts, regulations and other requirement related to Kerdu Mill. Management has listed applicable laws and regulations. The sample of Act and Legal: <ol style="list-style-type: none"> 1. Akta Kawalan Penyakit Berjangkit 1998 (Amendment 2020) 2. Minimum Wages Order (Amendment 2020) 3. Workers Minimum Standard of Housing and Amenities (Amendment Act 2019) 4. Occupational Safety and Health (noise Exposure) Regulations 2019 5. Pesticides (Amendment of First Schedule) Order 2019 Verified that LORR has been updated as and when there are any new amendments or any new regulations coming into force.	Complied
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 -	Management has assigned person in charge on monitoring law and regulation as per appointment letter for Mr Ahmad Husaini Harun (Sr Asst. Manager) dated 01/01/2021. Refer Appointment As Person In Charge For Environmental/Quality Management System.	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 -	Kerdau POM is located inside of the land of Kerdu Estate. The land is belonging to Sime Darby Plantation Sdn Bhd. Sighted the copy of the land title. There is no issue on land use claims evidence during the audit. Interviewed with the local communities confirmed that no land encroachment or land dispute reported.	Complied
4.3.2.2	The management shall provide documents showing legal ownership	Kerdau POM is located inside of the land of Kerdu Estate. The land is belonging to Sime Darby Plantation Sdn Bhd. Sighted the copy of	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	<p>or lease, history of land tenure and the actual legal use of the land.</p> <p>- Major compliance -</p>	<p>the land title. There is no issue on land use claims evidence during the audit. Interviewed with the local communities confirmed that no land encroachment or land dispute reported. Seen the copy of land title as below:</p> <ul style="list-style-type: none"> • Title No.: 5401 • No. PT: PT 575 • Total Hectare: 4,856.232 ha 	
4.3.2.3	<p>Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>Legal boundary along the mill were demarcated with fences. Land title was under estate</p>	Complied
4.3.2.4	<p>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).</p> <p>- Minor compliance -</p>	<p>There is no land dispute in the Kerdu POM at the time of audit. The land belongs to Sime Darby Plantation Berhad and land ownership documents verified. Interviewed with the local communities confirmed that no land encroachment or land dispute reported.</p>	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	<p>Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.</p> <p>- Major compliance -</p>	<p>There is no customary land or negotiated agreements within the Kerdu POM land area.</p>	Complied
4.3.3.2	<p>Maps of an appropriate scale showing extent of recognized customary rights shall be made available.</p> <p>- Minor compliance -</p>	<p>The right to use the land is not disputed and there was no customary land within the Kerdu POM.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	There is no land dispute or customary rights issues in the mill.	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 -	Sustainability Strategy Unit, PSQM Department has conducted Social Impact Assessment (SIA) on 11 – 16/01/2016 for SOU 11 Kerdu. There is no new SIA was conducted since last assessment. Management Plan on Social Impact Assessment was reviewed on 27/03/2021. Issues reported during the stakeholder meeting and NUPW meeting were incorporated into the management plan with action taken and status.	Complied
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 -	The company has developed a documented procedure in Sustainable Plantation Management System on handling social issues, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008. The procedure has detailing the process of handling social issues raised by the stakeholders and resolve in an effective, timely and appropriate manner. Initial negotiation between the management and the dispute parties should be taken within two weeks after outbreak of issue which the involvement of disputed parties, zone heads, third parties and stakeholders. Besides, the company has implemented Whistleblowing Channels where the e-Form, email address and toll free number/ hotline can be found in	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>http://www.simedarbyplantation.com/corporate/governance/whistleblowing.</p> <p>Sime Darby Plantation Berhad has developed Standard Operation Manual (SOM) – Procedure for External Communication, Appendix 5.5.3.2, version 1 dated 1/4/2018 to put in place a system to effectively communicate with external interested parties on matters pertaining to performance of the mill and estates. Timeframe for external communication to provide feedback within two weeks of the date of receipt for communication requiring direct feedback and within one week of the completion of the investigation for communication requiring investigation.</p>	
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>Kerdau POM has implemented Complaint Form for Housing Defect and Internal/ External Complaint Book to record complaints and requests reported by the stakeholders. Sampled of the complaints as below:</p> <ul style="list-style-type: none"> i. House No.: WQ 62 dated 03/12/2020 Issue: 10 pcs of mosaic tiles were broken. Action: The management has taken action to rectify the issue by ordered the stock from supplier. Seen the Delivery Order# DO-0001/12/2020 dated 07/12/2020. Site visit to the house confirmed that the issue has been rectified. ii. House No.: WQ 10 dated 03/08/2020 Issue: Water tank broken. Action: The management has purchased the poly water tank 80 gallons and seen the Delivery Order# DO-0019/08/2020 dated 29/08/2020. Site visit to the house and interviewed with the complainant confirmed that the issue has been rectified. 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	Complaint Form for Housing Defect and Internal/ External Complaint Book was available in the office where the stakeholders can lodge complaint. Besides, a hotline "Suara Kami" is available for the workers to make complaint directly to HQ if they have any issue. The stakeholders are aware and understand the complaint procedure.	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. - Minor compliance -	Interviewed with the internal and external stakeholders during stakeholder consultation found that they were aware of the complaint procedure and they were briefed by the management. Briefing of the grievance mechanism was conducted on 20/03/2020 for all the workers.	Complied
4.4.2.5	Complaints and solutions within the past 24 months shall be documented and be made available to affected stakeholders upon request. - Major compliance -	Record of complaints from Year 2018 were available upon request.	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 plantation, such contribution to local community development may be regarded as a joint effort by the mill and the plantation. - Minor compliance -	The mill management has made contribution to the local communities such as provide job opportunity for the local communities. The neighbouring stakeholders such as school has requested boiler ash for tree planting and the management has donated as per requested. The school's management has sent an appreciation letter to the management on 17/06/2020 for the donation. Besides, the management has contributed sundry goods such as rice, egg, noodles and soap to the workers during the flood period on January 2021 where the workers could not access to the	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		nearby town due to flood. Seen the records of received of sundry goods and photos.	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Sime Darby has established environmental policy Upstream Malaysia Health, Safety and Environment (HSE) Policy statement signed by CEO Upstream Malaysia dated 01/06/2020. An OSH Plan was available in the form of "important areas" and the trainings required for the respective personals for the year 2020/2021. In the Policy stated, "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 OSH policy and plan are regularly communicated to the staffs and workers during the morning briefings and OSH Meetings.</p>	Complied
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <ul style="list-style-type: none"> a) A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. c) An awareness and training programme which includes the following requirements for employees exposed to chemicals used at the palm oil mill: <ul style="list-style-type: none"> i. All employees involved are adequately trained on safe working practices; ii. All precautions attached to products should be properly observed and applied; d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as 	<p>The OSH plan generated by the Mill for the year 2020/2021 covers the important aspects of OSH such as Safety Trainings, OSH Meetings, Fire Extinguisher Inspections, HIRARC Reviews, Workplace Inspections, ERP Trainings, Fire Drills and Medical Surveillance & Audiometric Test.</p> <ul style="list-style-type: none"> a. Sime Darby has established environmental policy Upstream Malaysia Health, Safety and Environment (HSE) Policy statement signed by CEO Upstream Malaysia dated 01/06/2020. The OSH policy and plan are regularly communicated to the staffs and workers during the morning briefings and OSH Meetings. Latest policy briefing sighted on 01/02/2021. Sighted UM HSE Management System Manual UM/HSE/MS/01 dated 22/03/2021. Verified through site visit at Mill area found general cleaning were in progress. Cleaning 	Major NC, OFI

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
<p>identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC).</p> <p>e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000.</p> <p>f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements.</p> <p>g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept ant the concerns of employees and any remedial actions taken shall be recorded.</p> <p>h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees.</p> <p>i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite.</p> <p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>were conducted on every Monday before processing FFB every Monday after Rest Day.</p> <p>b. Sighted OSH Risk Management Procedure UM/HSE/SP/01 dated 04/03/2021. The mill has conducted assessment for risk on all the operations and documented in Hazard Identification, Risk Assessment, and Risk Control (HIRARC). The assessment covers all main operations and support operations such as 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. Latest review on 23/02/2021. Verified that HIRARC for Covid 19 has been prepared on 25/04/2020. Mitigation plans and control procedures such as PPE, Administrative Control and Trainings were documented. Latest JKPP visit on 25/01/2021 refer JKPP visit logbook.</p> <p>c. 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. Sighted evidence of training plan and record for the year of 2020 and 2021. The training was conducted by the Manager, Asst. Manager and representative form the chemical suppliers to the supervisors and operators. This training programme is used as a guideline to ensure continuous awareness and assessment on the understanding of the required modules.</p> <p>d. Sighted Personal Protective Procedure (PPE) UM/HSE/OCP/03 dated 04/03/2021. All workers were provided with appropriate PPE as identified in the HIRARC. Latest PPE record sighted on 14/03/2021. PPE issuance was recorded in PPE Issue form. The records were kept by monthly basis for monitoring</p>	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
	<p>purpose. During site visit at Chemical Store Kerdau POM, it was sighted no PPE are wore by Storekeeper (Employee Number 60026) during entrance and PPE not provided for entrance the store. It was against the requirement that 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), CHRA recommendation section Workplace Chemical Store dated 11/06/2020 (HQ/14/ASS/00/00001-2020/7) and company SOP Pictorial Safety Standard (PSS) Section 15.0 Store and Section 15.1 PPE at store. There is no usage of PPE. Thus, Major NC raised.</p> <p>e. SOPs for Best Practices of Chemical Handling were available in the POM. Refer Chemical safety Management Procedure UM/HSE/OCO/04 dated 04/03/2021. Chemical register review on 23/09/2020. CHRA assessment has been conducted on 11/06/2020. Refer HQ/14/ASS/00/00001-2020/7 conducted by Azhar Hazardous Chemical Consultancy. Medical surveillance has been advised by CHRA assessor to Laboratory Operator and Workshop operator-welders. Sighted Medical surveillance report dated 21/01/2021 by Klinik Sulaiman.</p> <p>f. The POM has appointed Mr Ahmad Husaini Bin Harun as PIC for safety and health dated 31/12/2020 together with Employer and Employee representative based on their work units as members of the safety committee.</p> <p>g. The Occupational Safety & Health Meetings were done on a regular basis (3 months Interval) to address the safety and health issues in the Mill.</p> <p>2021</p>	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance
	<p>1st Meeting: 25/03/2021 2020 1st Meeting: 06/01/2020 2nd Meeting: Cancelled due to covid 19 3rd Meeting: 17/08/2020 4th Meeting: 16/12/2020</p> <p>h. Accident & Emergency Response Plans are available for Emergency Contact Number, Emergency Evacuation, First Aid Locations, Fire Extinguisher Locations, Emergency Response Plans (Fire, Chemical Spillage, Chemical Contamination, Flood and Accident) and displayed at strategic locations around the mill, estate office and stores. The competent personals are appointed and trained to be part of the Emergency Response Team. Appointment letters were sighted in the POM. Latest ERP training has been conducted on 27/07/2020.</p> <p>i. Sighted First Aid in Workplace Procedure UM/HSE/OCP/01 dated 04/03/2021. First Aid Training was conducted on 22/03/2021 at Meeting Room KKS Kerdau. First Aid were check through interview and found in order. Management could improve on placing additional First Aid Box at back section of Palm Oil Mill to increase safety precaution when having any emergency.</p> <p>j. Records of all accidents were kept in the POM and reviewed at quarterly intervals during the JKKP Meeting. Lost Time Incident are monitored by the POM and records were sighted in the POM. Sighted JKKP 6 report 647766-V dated 23/06/2020 at Sterilizer station and 06/03/2020 at Press Station. Accident Meeting were conducted by the management and HIRARC has been reviewed. Sighted</p>	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		evidence of JKPP 8 report submitted on 12/01/2021 with reference number JKPP8/66493/2020.	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has established Group Sustainability & Quality Policy Statement dated 02/12/2019 by Group Managing Director where the company is respecting, upholding & no-exploitation of fundamental human rights. This policy statement is guided by the commitment spells out in the Human Rights Charter (HRC) last revised 2020. Besides, Policy on the Protection of Human Rights Defenders (HRDs) was established with effective date on 25/03/2020. Sime Darby Plantation respect and safeguard human rights, notion of democracy and its institution. They recognize that Human Rights Defenders have the role and responsibility of upholding human rights and the need for them to be able to lodge complaints that may arise from their business activities and relationship with SDP. This Policy is applied to all stakeholders affected by the business activities and relationships including directors, employees, counterparties, business partners, workers in our operations and supply chains, and communities surrounding our operations.</p> <p>The policies were communicated to the employees on 20/03/2021 and 22/03/2021.</p>	Complied
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They promote diversity and inclusion by providing equal</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity union membership, political affiliation or age. The policy has been briefed to all the employees and stakeholders. The policy could be downloaded from https://www.simedarbyplantation.com/sustainability/human-rights-charter .	
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	Employment contracts and offer letters for local workers and foreign workers were available. Pay and conditions are documented and achieved the Minimum Wage Order 2020. Sampled of employment contracts confirmed that terms and conditions are clearly outlined as per collective agreement and Employment Act 1955 which have been signed by the worker. Sampled of total 10 pay slips for June 2020, September 2020 and January 2021 found that all the workers were paid accordingly.	Complied
4.4.5.4	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. - Minor compliance -	The mill management has engaged contractor for workshop activity. There are total 4 contractor's workers (SS Naveen Engineering) employed to work in the workshop of the mill. Payslips of the 4 contractor's workers (SS Naveen Engineering) were not available during the time of audit and no evidence to show that the contractor has made contribution for SOCSO. The sampled workers as below: <ol style="list-style-type: none"> 1. Passport No.: BX 0642498 2. Passport No.: BL 0314190 3. Passport No.: BX 0724001 4. Passport No.: BR 0584037 	Minor NC

Criterion / Indicator		Assessment Findings	Compliance
		Thus, Minor NC raised.	
4.4.5.5	<p>The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>The mill management has registered all their workers into Employee Master Details Listing in SEMUA system where personal details such as full name, gender, date of birth, date join company, race, designation and wages were recorded.</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>The mill management has employed local and foreign workers from Indonesia. They are all under direct employment to the mill. Sampled of total 10 employment contracts and all of them have signed on the employment contract prior to work and extension contract where the original contract has expired. Terms and conditions were according to Collective Agreement and Employment Act 1955.</p> <p>Reviewed the employment contracts for the contractor's workers (SS Naveen Engineering) found the following issues:</p> <ol style="list-style-type: none"> 1. Clause 3.1 – The worker will receive a basic wages of RM 1,100.00 per month. In fact, the location of work is fall under <i>Majlis Perbandaran Temerloh</i> which shall be RM 1,200.00 per month for Minimum Wage Order 2020. 2. Clause 16.1 – The first traveling expenses from Bangladesh to any agreed point of entry in Malaysia shall be borne by the Worker. In contra, the traveling expenses from country of origin to Malaysia shall be borne by the employer as part of the recruitment expenses. Thus, Major NC raised. 	Major NC

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both the employees and employers. - Major compliance -	The mill has implemented "Punch Card" system to record the working hours and overtime of the workers.	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 -	Interviewed with the workers confirmed that they have rest time in between of the working hours. Overtimes were paid according to the rate stated in the agreement and regulatory requirements. The overtime offered upon mutually agreement.	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 -	Wages and overtime were paid according to the Mill Daily Attendance Report and Daily Input Form. Total hours of overtime and daily attendance has recorded in the SAP system and the payslips. Details refer to indicator 4.4.5.3.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. - Minor compliance -	All the workers are provided with free medical facilities. The workers are entitled with the phone allowance of RM 5 for every month and 10kg of rice once every two months. Free housing facilities were provided to all the workers and their families.	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. - Major compliance -	The mill management has provided free housing facilities to all the workers. Basic amenities such as water and electricity were provided to the workers. Refer to the Inter-office mail (Ref. No.: CEO/060/12/2020) dated 29/12/2020 where the company is raising the standards of	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>employee housing & amenities and enhancing employees' welfare. 3 types of linesite inspection will be carried out. Inspection will be carried by Medical Assistant on weekly basis, bi-weekly by Workers' Representative and quarterly by the Employees Welfare Committee.</p> <p>Linesite inspection was carried out weekly basis by Assistant Manager using Housing Complex/ Nest/ Community Hall Weekly Inspections checklist. The last inspection for March 2021 was conducted on 25/03/2021.</p>	
4.4.5.12	<p>The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They seek to create a working environment with zero tolerance for sexual harassment and abuse and in which violence is never used to resolve issues or conflict.</p> <p>Gender Committee was established in Kerdu POM and meeting was conducted on 19/02/2021. There was no issue reported during the meeting. Interviewed with the female workers confirmed that no sexual harassment or violence case reported.</p>	Complied
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</p>	<p>Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They respect the rights of their employees to form and join unions and bargain collectively.</p>	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
	should not be discriminated against or suffer repercussions. - Major compliance -	NUPW committee was established in Kerdau POM and last meeting was conducted on 16/03/2021. Meeting minutes was sighted. There were issues raised by the workers. The issues have been incorporated into the Management Plan on Social Impact Assessment 2021 dated 27/03/2021.	
4.4.5.14	Children and young persons shall not be employed or exploited. The minimum age shall comply with local, state and national legislation. - Major compliance -	Sime Darby Plantation has developed Human Rights Charter last revised 2020 where they have a responsibility to respect, support and uphold fundamental human rights as expressed, amongst others, in the Universal Declaration for Human Rights and the United Nations Guiding Principles on Business and Human Rights. They recognize that protecting the wellbeing of children means safeguarding them from any form of maltreatment or exploitation, including child sex tourism, child trafficking and child pornography. They are eradicating child labour in all their supply chain and not employ anyone under age of 18 years. No employees below the age of 18 were sighted through verified the Employee Master Listing and interviewed with the workers.	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	All employees and contractors shall be appropriately trained. A training programme shall include regular assessment of training needs and documentation, including records of training. - Major compliance -	Records of training were maintained and sighted as below: - <ol style="list-style-type: none"> 1. First Aid Training dated 22/03/2021 2. Policy and Code of Business Conduct (COBC) dated 22/03/2021 3. Briefing on workers' rights on contract employment and grievance procedure dated 20/03/2021 4. Safety Briefing for Contractor dated 08/03/2021 5. PPE safety briefing during Muster Call dated 29/03/2021. 	Complied

Criterion / Indicator		Assessment Findings	Compliance
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>Training needs of individual employees have been identified prior to the planning and implementation of the training programs to provide the specific skill and competency required to all employees based on their job description.</p>	Complied
4.4.6.3	<p>A continuous training programme shall be planned and implemented to ensure that all employees are well trained in their job function and responsibility in accordance to the documented training procedure.</p> <p>- Minor compliance -</p>	<p>Training programme planned for year 2020/2021 was available during the visit. The OSH program generated by the Mill for the year 2020/2021 covers the important aspects of OSH such as Safety Trainings, OSH Meetings, Fire Extinguisher Inspections, HIRARC Reviews, Workplace Inspections, ERP Trainings, Fire Drills and Medical Surveillance & Audiometric Test.</p>	Complied
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Criterion 4.5.1: Environmental Management Plan			
4.5.1.1	<p>An environmental policy and management plan shall be in line with the relevant country and state environmental laws shall be established, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>There is a Group Sustainability and Quality Policy statement and endorsed in 01/12/2019 by the Group Managing Director. Therein among others has stated that the Company is committed to protecting the environment and conserving biodiversity through minimizing environmental harms</p> <ul style="list-style-type: none"> a) Protecting and enhancing biodiversity and the ecosystem b) No deforestation and no new development on peat soil c) Enhancing resilience against climate change impact d) Adopting responsible consumption and production. 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance						
		This is policy is prominently displayed in the office along with other Company's Policies. It is communicated to the employees via training and weekly briefing session. Refer 4.5.1.6							
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations</p> <p>- Major compliance -</p>	<p>The Policy is available, and the objectives stated therein as signed dated 01/12/2019.</p> <p>The environmental aspects and impact evaluation covers the following areas/activities among others;</p> <ul style="list-style-type: none"> i. FFB reception / ramp management ii. Sterilization / Pressing / Threshing /Kernel station iii. Boiler house / Engine room iv. crude palm oil storage leakage and spillage v. effluent pond ruptured vi. anaerobic process release of gas to atmosphere vii. Water treatment plant viii. workshop 	Complied						
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>This plan is available and updated for the FY 2021. The environmental issues for improvement outlined by Kerdau Palm Oil Mill are shown below;</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 25%;">Environmental issues</th> <th style="width: 70%;">Mitigating Measures</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Workshop - oil, lubricants, grease</td> <td>Containment via bund oil trap, disposal as SW. Proper flooring housekeeping.</td> </tr> </tbody> </table>		Environmental issues	Mitigating Measures	1	Workshop - oil, lubricants, grease	Containment via bund oil trap, disposal as SW. Proper flooring housekeeping.	Complied
	Environmental issues	Mitigating Measures							
1	Workshop - oil, lubricants, grease	Containment via bund oil trap, disposal as SW. Proper flooring housekeeping.							

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings		Compliance	
		2	Lines sites / housing	Wastewater monitoring, septic tank leakage monitoring, awareness and supervision of zero open burning	
		3	Effluent water pollution	Anaerobic pond for effluent treatment prior to discharging to waterways.	
		4	Emission - Legislative Compliance	to comply with Clean Air Regulations 2014 and installation of VORSEP in 2020 to improve boiler air emission.	
		5	Chemical store spillage	Agrochemical spillage - containment via spillage kit with proper bunding and drainage system into spillage sump	
		All actions are to be monitored on the indicated frequency shown in the plan.			
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	This is available as elaborated in indicator 4.5.1.3 above. Improvement planned for both short and long terms are detailed along with the identified issues.		Complied	
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that employees understand the policy, objectives and management plans and are working towards achieving objectives. - Major compliance -	A training program is available in the SOU 11 Training Program updated on a yearly basis or revised as per the management requirement. Included in this program are subjects related to environment e.g. environmental, safety & health policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training		Complied	
			Subject	Month	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings					Compliance
				1-4	5-8	9-12	
		1	Chemical handling	-	-	/	
		2	Scheduled Waste Management	-	/	-	
		3	Safe Op Procedure - Environmental.	-	/	-	
		4	EIA / Biodiversity	-	-	/	
		5	ESH risk Management	/	-	-	
		6	Air Emission Management	-	/	-	
			Environmental Policy awareness	/	/	/	
4.5.1.6	<p>The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>Similar forum are used by the mill and the estates in discussing concerns on environmental quality The forum used in the estates are the quarterly OSH meeting and the annual management review meeting. The latter emphasized more on issues on water management plan, electricity use, diesel consumption, waste management, SIA plan, renewable energy, aspect/impact. The mill had a Both the estates held a combined Management Review on 30/03/2021 chaired by the SOU Chairman -Minutes were sighted and adequate in discussing the environmental issues.</p> <p>The Environmental Performance Monitoring Committee is setup to comply with the DOE requirement of Guidance Self-Regulation (GSR). The meeting it to review environmental performance within the POM. The last meeting was conducted on 30/12/2020. At the operating unit level dialogue/ safety meeting/briefing during</p>					Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings			Compliance
		muster are forums used by the management in disseminating issues relating to environment			
			Subject	Date	Attendee
		1	Environmental Compliance	23/7/2020	7
		2	Sustainability/environmental compliance	11/3/2020	Entire
		3	Mill station housekeeping	29/3/2021	20
		4	Machinery - ERP oil spillage	07/1/2021	20
		5	Process drain/monsoon drain guidelines	17/9/2021	20
		6	General housekeeping/environmental	27/7/2021	20
Criterion 4.5.2: Efficiency of energy use and use of renewable energy					

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																																			
<p>4.5.2.1</p> <p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period</p> <p>- Major compliance -</p>	<p>The monitoring is recorded in environment performance indicator-electricity generated by steam turbine tabulated for the financial year 2017/18. It is calculated as electricity generated from turbine that produces power for the mill entire complex operation unit in kwh/mt FFB. A monthly record on energy consumption for both renewable and non-renewable sources were also maintained and documented. It is monitored to optimise use of renewable energy. The data is compiled for comparison and control for future improvement with aim of gradual reduction particularly diesel. Details of the data/records maintained by the mill were sighted;</p> <p>a) Diesel consumption & ratio diesel used /mt FFB year 2020 (Baseline is available)</p> <p>b) Electricity produced kWh and ratio over mt FFB year 2020</p> <p>Variation of ratio in the analysis were explained and justified. Under the energy management plan 2021 the mill aimed for reduction plan among others;</p> <ul style="list-style-type: none"> - educate workers on fuel saving practice - avoid leakages during vehicles maintenance. 	<p>Complied</p>																																				
		<table border="1"> <thead> <tr> <th></th> <th>Mth</th> <th>FFB /mt</th> <th>Diese l</th> <th>Diesel/FF B</th> <th>Electrici ty</th> <th>KwH/FFB</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Jan</td> <td>8971</td> <td>1254 3</td> <td>1.40</td> <td>234586</td> <td>26.15</td> </tr> <tr> <td>2</td> <td>Feb</td> <td>14654</td> <td>1607 4</td> <td>1.10</td> <td>302857</td> <td>20.67</td> </tr> <tr> <td>3</td> <td>Mac</td> <td>16912</td> <td>8601</td> <td>0.51</td> <td>373466</td> <td>22.08</td> </tr> <tr> <td>4</td> <td>April</td> <td>16757</td> <td>1102 4</td> <td>0.66</td> <td>352388</td> <td>21.03</td> </tr> </tbody> </table>		Mth	FFB /mt	Diese l	Diesel/FF B	Electrici ty	KwH/FFB	1	Jan	8971	1254 3	1.40	234586	26.15	2	Feb	14654	1607 4	1.10	302857	20.67	3	Mac	16912	8601	0.51	373466	22.08	4	April	16757	1102 4	0.66	352388	21.03	
	Mth	FFB /mt	Diese l	Diesel/FF B	Electrici ty	KwH/FFB																																
1	Jan	8971	1254 3	1.40	234586	26.15																																
2	Feb	14654	1607 4	1.10	302857	20.67																																
3	Mac	16912	8601	0.51	373466	22.08																																
4	April	16757	1102 4	0.66	352388	21.03																																

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings							Compliance
		5	May	15492	15466	1.00	326985	21.11	
		6	June	22088	22470	1.02	488329	22.11	
		7	July	19416	25990	1.34	412426	21.24	
		8	Aug	19537	14358	0.73	400909	20.52	
		9	Sept	19704	8530	0.43	489395	24.84	
		10	Oct	16952	8452	0.50	404350	23.85	
		11	Nov	14943	11220	0.75	357343	23.91	
		12	Dec	13390	8920	0.67	283594	21.18	
4.5.2.2	<p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations.</p> <p>- Major compliance -</p>	<p>The mill records the following data and tabulated the ratio against the FFB processed to determine the efficiency of their operations;</p> <ul style="list-style-type: none"> a) all the diesel used (non-renewable) for the mill operations (Details as per indicator 4.5.2.1 above) b) fibre/shell used (renewable) <p>Ratio of shell/fibre mt/CPO varies from 5.13 to 5.25. This ratio varies from one mill to another subjective to the milling capacity and type of boiler/heating surface/boiler age.</p>							Complied
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>The fibre and shell are used in the boiler for fuel recycled in the process system. Surplus quantity of shell/fibre are delivered to estates for multi purposes or sold to outside buyers. EFB is used in the estates for mulching. Details of renewable energy fibre/shell used in the mill are shown in 4.5.2.2 above. The long term planning for biogas implementation was reviewed to stand similar with other</p>							Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																								
		sister mills in the Group. The recovered biogas will be used for energy generation (e.g. steam & electricity)																									
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>All waste and pollution are identified and documented in the Waste Management Plan for Financial Year 2021. The waste generated from the mill operations as shown below;</p> <table border="1"> <thead> <tr> <th></th> <th>Waste</th> <th>Item</th> <th>Sources</th> </tr> </thead> <tbody> <tr> <td rowspan="3">1</td> <td rowspan="3">Scheduled Waste</td> <td>Spent lubricants /hydraulic oil</td> <td>Workshop activities</td> </tr> <tr> <td>Used batteries/ used rags /empty containers</td> <td>Workshop activities</td> </tr> <tr> <td>Hexane/spent chemicals/empty containers</td> <td>Laboratory and boiler station</td> </tr> <tr> <td rowspan="2">2</td> <td rowspan="2">Domestic Waste</td> <td>Rubbish</td> <td>Line site/office & mill complex</td> </tr> <tr> <td>Sewage</td> <td>Line site/office & mill complex</td> </tr> <tr> <td rowspan="2">3</td> <td rowspan="2">Industrial Waste</td> <td>POME</td> <td>Effluent Treatment Plant</td> </tr> <tr> <td>EFB</td> <td>EFB station.</td> </tr> </tbody> </table> <p>Compost production at time of visit has been shelved by the SDP management until a new directive is announced.</p>		Waste	Item	Sources	1	Scheduled Waste	Spent lubricants /hydraulic oil	Workshop activities	Used batteries/ used rags /empty containers	Workshop activities	Hexane/spent chemicals/empty containers	Laboratory and boiler station	2	Domestic Waste	Rubbish	Line site/office & mill complex	Sewage	Line site/office & mill complex	3	Industrial Waste	POME	Effluent Treatment Plant	EFB	EFB station.	Complied
	Waste	Item	Sources																								
1	Scheduled Waste	Spent lubricants /hydraulic oil	Workshop activities																								
		Used batteries/ used rags /empty containers	Workshop activities																								
		Hexane/spent chemicals/empty containers	Laboratory and boiler station																								
2	Domestic Waste	Rubbish	Line site/office & mill complex																								
		Sewage	Line site/office & mill complex																								
3	Industrial Waste	POME	Effluent Treatment Plant																								
		EFB	EFB station.																								

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance																		
		The source of mill pollution generated from the mill is the smoke from the boiler. It is monitored from the stack emission during the entire operations. These reports are reviewed by the mill and submitted to DOE. There was no major issue.																			
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>a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>The Waste Management Plan for Financial Year 2021 is available and sighted. The plan listed the waste generated from the mill operations as shown in indicator 4.5.3.1 above. The management of the waste aimed for a reduction and improvement are described below;</p> <table border="1"> <thead> <tr> <th>Type</th> <th>Item</th> <th>Action/Program</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Scheduled waste</td> <td>Spent lubricants / hydraulic oil</td> <td rowspan="3">SOP titled MQMS Section VII Compliance to Environmental Quality Regulation 2005; Establishment & notification of SW Labeling & Coding of SW Inventory Disposal < 180 days & approved quantity/volume.</td> </tr> <tr> <td>Used batteries/ used rags / empty containers</td> </tr> <tr> <td>Hexane/spent chemicals/ empty containers</td> </tr> <tr> <td rowspan="2">Domestic Waste</td> <td>Rubbish</td> <td>Disposed together with the estate in Kerdau Estate landfill</td> </tr> <tr> <td>Sewage</td> <td>Disposal by local authority</td> </tr> <tr> <td rowspan="2">Industrial Waste</td> <td>POME</td> <td>Monitoring of application & through operation of evaporators</td> </tr> <tr> <td>EFB</td> <td>Monitoring of application in the field.</td> </tr> </tbody> </table>	Type	Item	Action/Program	Scheduled waste	Spent lubricants / hydraulic oil	SOP titled MQMS Section VII Compliance to Environmental Quality Regulation 2005; Establishment & notification of SW Labeling & Coding of SW Inventory Disposal < 180 days & approved quantity/volume.	Used batteries/ used rags / empty containers	Hexane/spent chemicals/ empty containers	Domestic Waste	Rubbish	Disposed together with the estate in Kerdau Estate landfill	Sewage	Disposal by local authority	Industrial Waste	POME	Monitoring of application & through operation of evaporators	EFB	Monitoring of application in the field.	Complied
Type	Item	Action/Program																			
Scheduled waste	Spent lubricants / hydraulic oil	SOP titled MQMS Section VII Compliance to Environmental Quality Regulation 2005; Establishment & notification of SW Labeling & Coding of SW Inventory Disposal < 180 days & approved quantity/volume.																			
	Used batteries/ used rags / empty containers																				
	Hexane/spent chemicals/ empty containers																				
Domestic Waste	Rubbish	Disposed together with the estate in Kerdau Estate landfill																			
	Sewage	Disposal by local authority																			
Industrial Waste	POME	Monitoring of application & through operation of evaporators																			
	EFB	Monitoring of application in the field.																			

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings					Compliance																		
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>The SOP on Scheduled Waste disposal is established and implemented. Details as provided in SDP MQMS Standard Operating Procedure Section VII- Scheduled Waste (Hazardous Waste) Management ref no. SD/SDP/PSQM (ESH) /203-EN1 dated 26/2/2015. The inventory of the waste generated is recorded using the "E-SWISS" inventory system. Methodology of SW disposal is also described in indicator 4.5.3.2 above. All SW are disposed to Kualiti Alam Sdn Bhd. Details as sampled as shown below;</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Date</th> <th>SW324</th> <th>SW410</th> <th>SW306</th> <th>SW305</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>16/03/2021</td> <td>0.030</td> <td>0.060</td> <td>1.881</td> <td>0.200</td> </tr> <tr> <td>2</td> <td>16/10/2020</td> <td>0.040</td> <td>0.068</td> <td>0.970</td> <td>0.300</td> </tr> </tbody> </table>						Date	SW324	SW410	SW306	SW305	1	16/03/2021	0.030	0.060	1.881	0.200	2	16/10/2020	0.040	0.068	0.970	0.300	Complied
	Date	SW324	SW410	SW306	SW305																				
1	16/03/2021	0.030	0.060	1.881	0.200																				
2	16/10/2020	0.040	0.068	0.970	0.300																				
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>	<p>The mill utilized the landfill area located in Kerdu Estate at field no P2010C. All domestic waste are collected 2/3 x /week by Kerdu Estate. Collection are made from a centralized point accumulated internally by the estate management from the living quarters and office complex. The risk of contamination has been minimized through this system.</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, particulate and soot emissions, scheduled wastes, solid wastes and effluent.</p> <p>- Major compliance -</p>	<p>The polluting activities are identified and documented in the following documents and assessments. Latest review on 04/1/2021.</p> <p>d) Identification & Management of waste water 2021</p> <ul style="list-style-type: none"> iv. Type of waste produced v. Treatment / contamination method vi. Reuse/recycle/disposal method 					Complied																		

Criterion / Indicator		Assessment Findings	Compliance									
		e) Waste Management Plan 2021 iv. Type of waste/description v. Location / Management Plan vi. Person -In-Charge f) Pollution Preventive Plan 2021 iv. Pollution Source and Concerns v. Mitigation / Monitoring & Action Plan vi. Person-In-Charge Areas of focus include activities at the chemical store / workshop / store / scheduled waste / diesel tank / boiler house / effluent pond / WTP.										
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	The pollution prevention plan and plan to reduce GHG emission dated 04/1/2021 has been sighted. Mitigation plan, actions and time frame has been identified. In addition the Waste Management Plan for FY2021 is available. The following tabled the management action plan to reduce GHG emission from the mill activities. <table border="1" style="margin-top: 10px;"> <thead> <tr> <th></th> <th>Issues & Strategies</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Reduce diesel consumption at mill operation</td> <td>to monitor diesel usage to ensure vehicle scheduled maintenance optimum gen set usage</td> </tr> <tr> <td>2</td> <td>Reduce smoke emission to the air</td> <td>to effectively implement the CEMS eliminate use of wet shell as fuel</td> </tr> </tbody> </table>		Issues & Strategies	Action Plan	1	Reduce diesel consumption at mill operation	to monitor diesel usage to ensure vehicle scheduled maintenance optimum gen set usage	2	Reduce smoke emission to the air	to effectively implement the CEMS eliminate use of wet shell as fuel	Complied
	Issues & Strategies	Action Plan										
1	Reduce diesel consumption at mill operation	to monitor diesel usage to ensure vehicle scheduled maintenance optimum gen set usage										
2	Reduce smoke emission to the air	to effectively implement the CEMS eliminate use of wet shell as fuel										

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings			Compliance															
		3	Reduce electricity usage	monitor usage vs baseline install capacitor at identified large power consumption motor install LED bulb for the lighting system																
		All efforts and action plan for the identified pollutants and emission above is adequate to comply with the requirement. All identified issues have significant impacts to the environment. The mill also monitored and maintained records on Palm GHG. This compilation is made at Head Office level and made for the entire SOU. Inclusive in the report are; <ul style="list-style-type: none"> a) Plantation/field emission <ul style="list-style-type: none"> - data from field emission and sinks (CO2/FFB) b) mill emission <ul style="list-style-type: none"> - data from mill emission and credits (CO2/FFB) 																		
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 -	The POME is treated with open anaerobic, aerobic and stabilization lagoon. Monthly monitoring on the final discharge is conducted. The effluent at the final discharge is tested to ensure it compliance to the DOE License approved limits. All results sighted in the records are in compliance to the DOE standard. All units in mg/L except for PH. Jadual Pematuhan licence no 005105 dated 01/7/2020 to 30/06/2021.			Complied															
				<table border="1"> <thead> <tr> <th></th> <th>Parameters</th> <th>08/07/2020</th> <th>06/08/2020</th> <th>14/9/2020</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>PH</td> <td>8.8</td> <td>8.7</td> <td>8.9</td> </tr> <tr> <td>2</td> <td>BOD</td> <td>30</td> <td>24</td> <td>24</td> </tr> </tbody> </table>		Parameters	08/07/2020	06/08/2020	14/9/2020	1	PH	8.8	8.7	8.9	2	BOD	30	24	24	
	Parameters	08/07/2020	06/08/2020	14/9/2020																
1	PH	8.8	8.7	8.9																
2	BOD	30	24	24																

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings					Compliance																																																															
		3	S Solids	230	180	90																																																																
		4	Total N	69	49	89																																																																
		5	A Nitrogen	1.00	1.00	1.00																																																																
		6	Oil & Grease	7.00	4.00	5.00																																																																
Criterion 4.5.5: Natural water resources																																																																						
4.5.5.1	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ul style="list-style-type: none"> a) Assessment of water usage and sources. b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill's current activities. c) Ways to optimize water and nutrient usage and reduce wastage (<i>e.g.</i> having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). <p>- Major compliance -</p>	<p>The Water Management Plan for the mill has been established. It was last reviewed on 04/1/2021 for the 2021 plan. Included therein are the following documents which were sighted and verified;</p> <p>a) Consumption of water vs the FFB production is recorded.</p> <table border="1"> <thead> <tr> <th></th> <th>Mth</th> <th>FFB /mt</th> <th>Water /mt</th> <th>Water/ FFB</th> <th>mt h</th> <th>FFB /mt</th> <th>Water /mt</th> <th>Water/ FFB</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Jan</td> <td>8971</td> <td>16244</td> <td>1.81</td> <td>July</td> <td>19416</td> <td>17702</td> <td>0.91</td> </tr> <tr> <td>2</td> <td>Feb</td> <td>14654</td> <td>21488</td> <td>1.46</td> <td>Aug</td> <td>19537</td> <td>19473</td> <td>0.99</td> </tr> <tr> <td>3</td> <td>Mar</td> <td>16912</td> <td>23589</td> <td>1.39</td> <td>Sept</td> <td>19704</td> <td>9948</td> <td>0.50</td> </tr> <tr> <td>4</td> <td>April</td> <td>16757</td> <td>21281</td> <td>1.27</td> <td>Oct</td> <td>16952</td> <td>6303</td> <td>0.37</td> </tr> <tr> <td>5</td> <td>May</td> <td>15492</td> <td>12484</td> <td>0.86</td> <td>Nov</td> <td>14943</td> <td>4415</td> <td>0.29</td> </tr> <tr> <td>6</td> <td>June</td> <td>22088</td> <td>11095</td> <td>0.50</td> <td>Dec</td> <td>13390</td> <td>6318</td> <td>0.47</td> </tr> </tbody> </table>						Mth	FFB /mt	Water /mt	Water/ FFB	mt h	FFB /mt	Water /mt	Water/ FFB	1	Jan	8971	16244	1.81	July	19416	17702	0.91	2	Feb	14654	21488	1.46	Aug	19537	19473	0.99	3	Mar	16912	23589	1.39	Sept	19704	9948	0.50	4	April	16757	21281	1.27	Oct	16952	6303	0.37	5	May	15492	12484	0.86	Nov	14943	4415	0.29	6	June	22088	11095	0.50	Dec	13390	6318	0.47	Complied
	Mth	FFB /mt	Water /mt	Water/ FFB	mt h	FFB /mt	Water /mt	Water/ FFB																																																														
1	Jan	8971	16244	1.81	July	19416	17702	0.91																																																														
2	Feb	14654	21488	1.46	Aug	19537	19473	0.99																																																														
3	Mar	16912	23589	1.39	Sept	19704	9948	0.50																																																														
4	April	16757	21281	1.27	Oct	16952	6303	0.37																																																														
5	May	15492	12484	0.86	Nov	14943	4415	0.29																																																														
6	June	22088	11095	0.50	Dec	13390	6318	0.47																																																														

Criterion / Indicator		Assessment Findings				Compliance
		b) Contingency plan during water shortage				
		Area/incident	Action steps	PIC		
		1 Water shortage/ prolonged dry season	to obtain water from Pbn Air Pahang to train/educate staff/workers to conserve water to seek assistance from Pbn Air Pahang - to obtain treated water supply from mill's WTP	Mill Executives /Staff		
		2 Severe water pollution/ contamination	to obtain water from Pbn Air Pahang to train/educate staff/workers to conserve water to seek assistance from Pbn Air Pahang to obtain treated water outsourced supply.	Mill Executives /Staff		
		c) Water reduction plan				
		Issues/Areas	Action Steps	PIC	Status	
		1 Rain water collection	Large containers are to be placed at strategic locations to collect rain water		On-going	

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings				Compliance
			The rainwater shall be recycled for washing heavy machinery	Mill Engineer		
		2	Re-streaming Re stream from sterilizer condensate pit for dilution	Mill Engineer	On-going	
d) Identification & management of waste water						
			location	Wastewater produced	Treatment / containment	Reuse/recycle/disposal method
		1	Processing stations	Clarification condensate Sterilizer condensate Hydro cyclone condensate Mill floor cleaning water	Oil recovery/ETP	Recover into system
		2	Boiler	Blow down, cleaning water	Sludge pit, ETP	Monsoon drain
		3	ramp	Rainfall runoff	Sedimentation trap	Monsoon drain

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

Criterion / Indicator		Assessment Findings				Compliance																								
		4	Engine room	Steam condensate, turbine cooling water	Monsoon drain, recycled tank	Monsoon drain																								
		5	Laboratory	Cleaning water	Process drain	Monsoon drain																								
		6	washroom	Toilet water, cleaning water	Septic tank	Supernatant to drains, sludge collected by licensed contractor.																								
		<p>Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the River Reserve Management (Management of River Reserve in Sime Darby Plantation dated April 2014). The buffer zones established are as following:</p> <table border="1"> <thead> <tr> <th></th> <th>River width (m)</th> <th>Buffer Zone (m)</th> <th></th> <th>River width (m)</th> <th>Buffer Zone (m)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>>40</td> <td>50</td> <td>4</td> <td>5-10</td> <td>10</td> </tr> <tr> <td>2</td> <td>20-40</td> <td>40</td> <td>5</td> <td><5</td> <td>5</td> </tr> <tr> <td>3</td> <td>10-20</td> <td>20</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table>					River width (m)	Buffer Zone (m)		River width (m)	Buffer Zone (m)	1	>40	50	4	5-10	10	2	20-40	40	5	<5	5	3	10-20	20	-	-	-	
	River width (m)	Buffer Zone (m)		River width (m)	Buffer Zone (m)																									
1	>40	50	4	5-10	10																									
2	20-40	40	5	<5	5																									
3	10-20	20	-	-	-																									

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
4.5.5.2	Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations. - Major compliance -	Details of effluent treatment and report as per item 4.5.4.3 above. The effluent are retained for treatment in a flow through 12 ponds before discharge into water courses. The mill had planned to convert to land application. This project discussion is being discussed in a meeting CAPEX REVIEW 2020 project amount RM450000. Progress of this project has yet to be finalised and decided for any initiation.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Mill Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	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. 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 cover on all aspect of operation. Verified through site visit found all operation were conducted accordingly to Mill SOP.	Complied
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 cover on all aspect of operation.	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator	Assessment Findings	Compliance	
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 2021 and business plan FY 2021 – FY 2025 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 environment, social (workers and staff’s welfare), and health and safety component and associated capital expenditure.	Complied
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 -	Kerdau POM has received and processed FFB from owned supplying estates and outside crops provider (OCP). Sighted sample of FFB Purchase Agreement: <ol style="list-style-type: none"> 1. FELCRA Berhad (Kerdau) refer P/P/1220/FFB02759L dated 01/01/2021 2. Bakti Mas Bina Sdn Bhd refer P/P/1220/FFB02757L dated 01/01/2021 3. Pro Island Enterprise refer P/P/1220/FFB02773L dated 01/01/2021 	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	Sighted sample of FFB Purchase Agreement: <ol style="list-style-type: none"> 1. FELCRA Berhad (Kerdau) refer P/P/1220/FFB02759L dated 01/01/2021 2. Bakti Mas Bina Sdn Bhd refer P/P/1220/FFB02757L dated 01/01/2021 	Complied

MSPO Public Summary Report
Revision 1 (Feb 2020)

Criterion / Indicator		Assessment Findings	Compliance
		<p>3. Pro Island Enterprise refer P/P/1220/FFB02773L dated 01/01/2021</p> <p>Payment terms were clearly stated in the invoice issued by the contractors which is 30 days term. Verified the invoice submitted to HQ and payment handle by HQ.</p>	
Criterion 4.6.4: Contractor			
4.6.4.1	<p>In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information.</p> <p>- Major compliance -</p>	<p>Refer Letter of acceptance (LOA) For Supply Contract Labour for Preventive Maintenance, Corrective maintenance and Projects At KKS Kerdu dated 30/11/2020.</p> <p>Briefing of sustainability were given to contractors on 24/12/2020 during acceptance of LOA.</p>	Complied
4.6.4.2	<p>The management shall provide evidence of agreed contracts with the contractor.</p> <p>- Major compliance -</p>	<p>Mill has engaged contractors for varieties of works such as maintenance work. Sampled the letter of award (LOA) for services provided as below:</p> <p>Company Name: SS Naveen Engineering for Preventive Maintenance, Corrective Maintenance, and Projects at KKS Kerdu valid until December 2021</p>	Complied
4.6.4.3	<p>The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required.</p> <p>- Minor compliance -</p>	<p>Sighted evidence of acceptance MSPO approved auditors to verify the assessments through a physical inspection, if required. Refer Contract Form 4300531912 dated 01/02/2021 term Of Delivery Section 11. "Contractor / Supplier must comply with RSPO & MSPO requirement where applicable".</p>	Complied

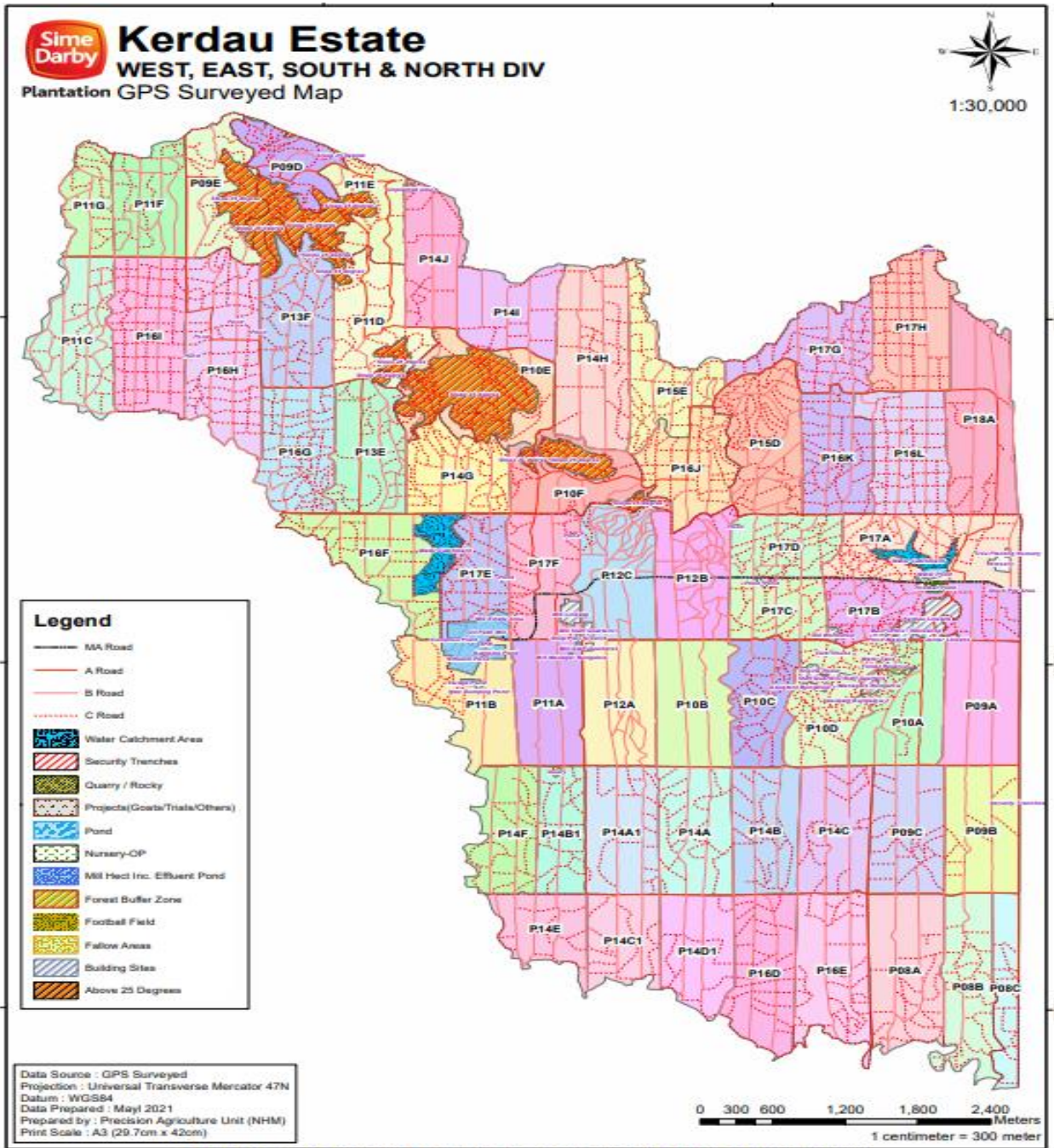
Appendix B: List of Stakeholders Contacted

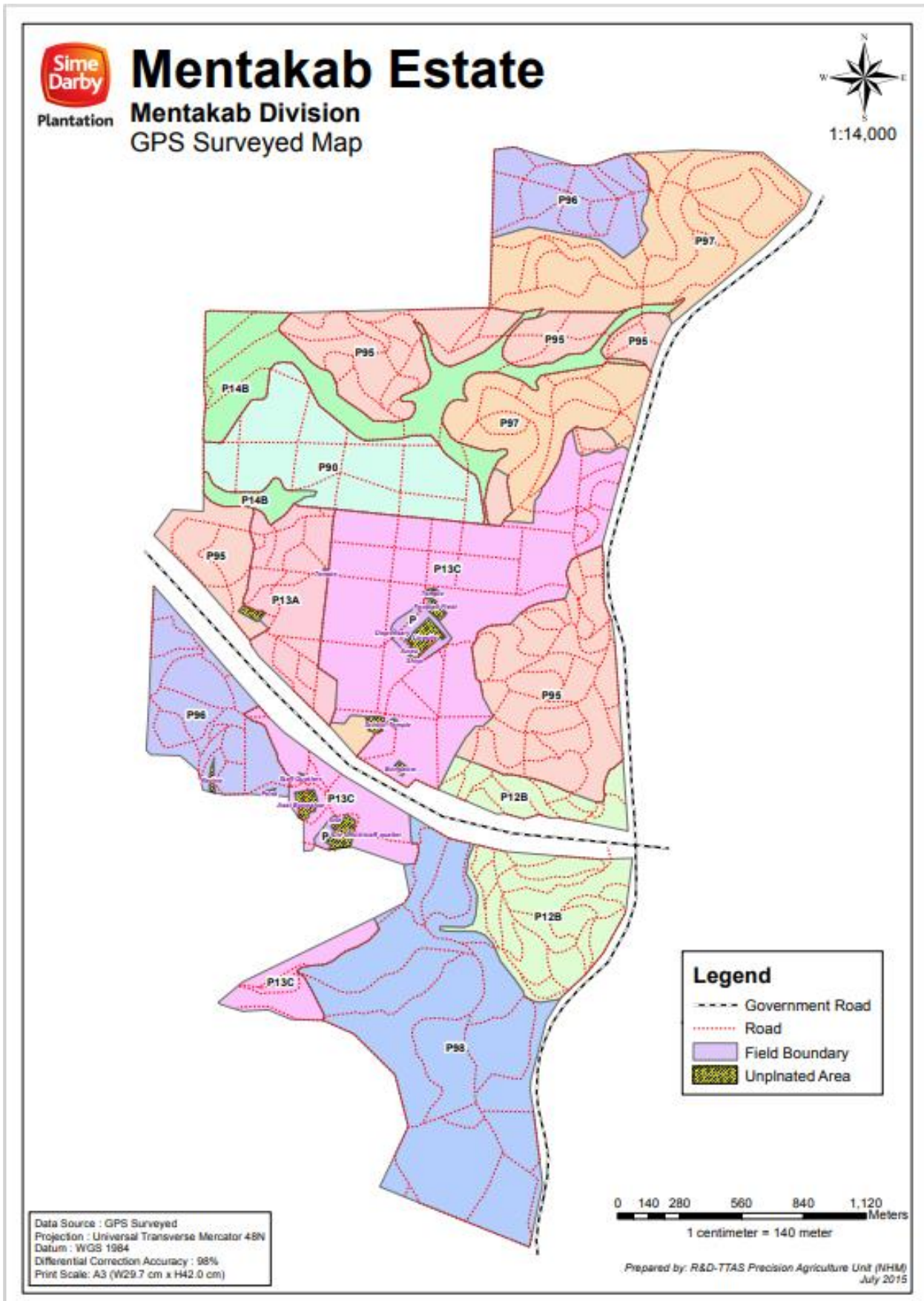
<p>Government Officer:</p> <p>Teacher SJKT Ladang Mentakab</p> <p>Teacher SMK Kerdu</p> <p>Auxiliary Police</p>	<p>Community/neighbouring village:</p> <p>Head Village Kampung Sungai Buloh</p>
<p>Suppliers/Contractors/Vendors:</p> <p>Syarikat Mohd Affendi</p> <p>Triang Long Enterprise</p> <p>Pacat Emas Enterprise</p> <p>SSRJ Enterprise</p> <p>RISDA Fleet Sdn Bhd</p> <p>Hadif Zikry Enterprise</p> <p>Seruan Timor Enterprise</p>	<p>Worker’s Representative/Gender Committee:</p> <p>Gender Committee Chairman</p> <p>Estate Cleaner</p> <p>Weighbridge Operator</p>

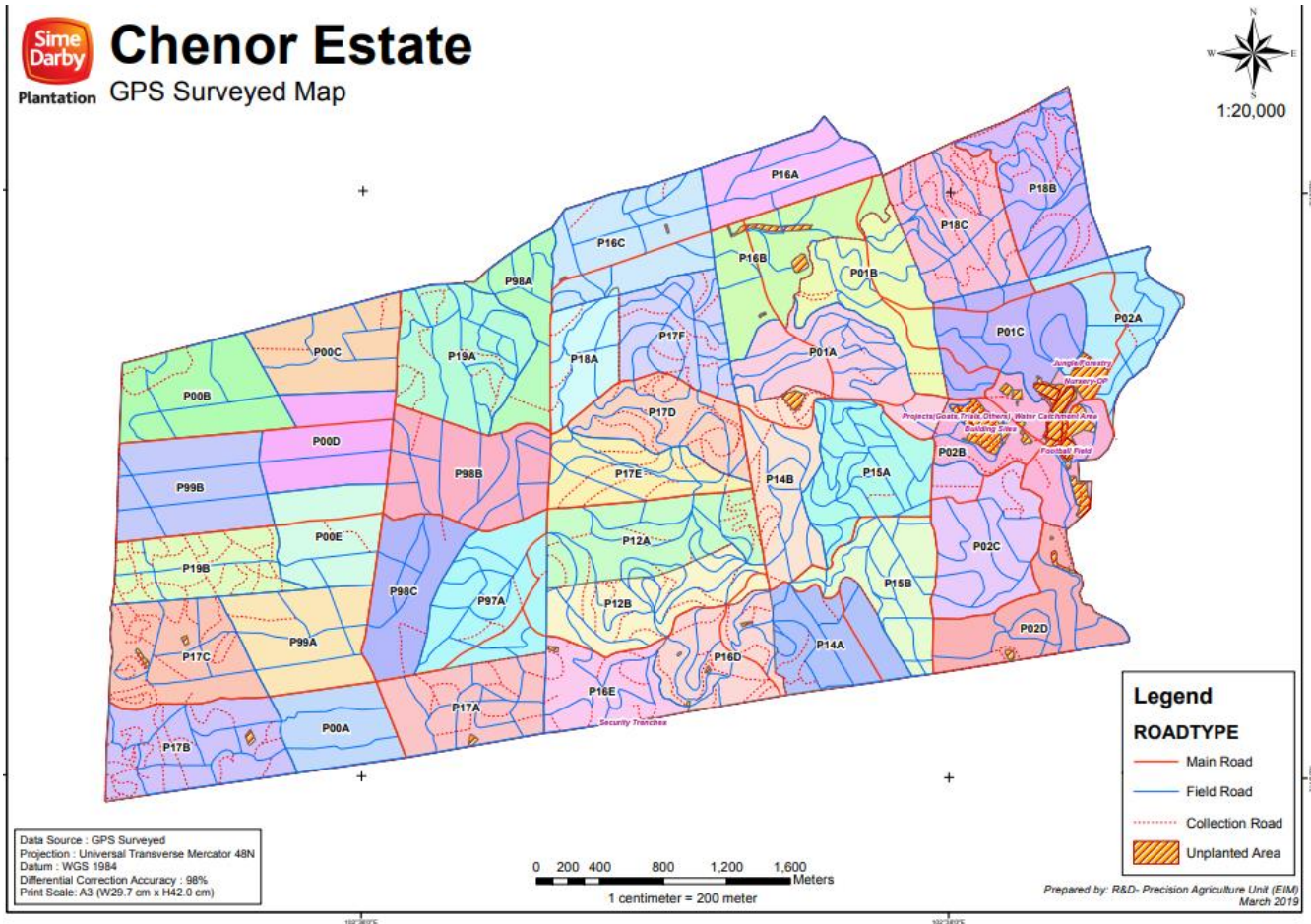
Appendix C: Smallholder Member Details

Nil

Appendix D: Location and Field Map







Appendix E: List of Abbreviations

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