

MALAYSIAN SUSTAINABLE PALM OIL
MSPO OPMC Public Summary Report

- Initial Assessment
- Annual Surveillance Assessment (4)
- Recertification Assessment (Choose an item.)
- Extension of Scope

SIME DARBY PLANTATION BERHAD
Client Company (HQ) Address: Level 11, Main Block, Plantation Tower No. 2, Jalan PJU 1A/7 47301 Ara Damansara, Selangor, Malaysia
Certification Unit: SOU 24 Hadapan Palm Oil Mill and Supply Base (Kulai Estate, Layang Estate, Seri Pulai Estate and CEP Rengam Estate)
Date of Final Report: 18/5/2022

Report prepared by:
Muhamad Naqiuddin Mazeli (Lead Auditor)

Report Number: 3595684

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

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 Other Certifications	4
1.4 Location of Certification Unit	4
1.5 Certified Area	4
1.6 Plantings & Cycle	5
1.7 Certified Tonnage of FFB	5
1.8 Uncertified Tonnage of FFB.....	5
1.9 Certified Tonnage	6
1.10 Actual Sold Volume (CPO).....	6
1.11 Actual Sold Volume (PK).....	6
Section 2: Assessment Process	7
2.1 BSI Assessment Team	8
2.2 Impartiality and conflict of interest	9
2.3 Accompanying Persons	9
2.4 Assessment Plan	9
Section 3: Assessment Findings	11
3.1 Details of audit results.....	11
3.2 Details of Nonconformities and Opportunity for improvement	11
3.3 Status of Nonconformities Previously Identified and OFI	14
3.4 Summary of the Nonconformities and Status	17
3.5 Issues Raised by Stakeholders	17
3.6 List of Stakeholders Contacted	18
Section 4: Assessment Conclusion and Recommendation	19
Appendix A: Summary of the findings by Principles and Criteria.....	20
Appendix B: Smallholder Member Details.....	105
Appendix C: Location and Field Map.....	106
Appendix D: CEP Rengam Field Map	107
Appendix E: Layang Field Map.....	108
Appendix F: List of Abbreviations.....	109

Section 1: Executive Summary

1.1 Organizational Information and Contact Person			
Company Name	Sime Darby Plantation Berhad		
Mill/Estate	Certification Unit	MPOB License No.	Expiry Date
	Hadapan POM	510425004000	28/02/2022
	Kulai Estate	508443402000	31/03/2022
	Seri Pulai Estate	520195002000	30/04/2022
	Layang Estate	508443402000	31/03/2022
	CEP Rengam Estate	508444202000	31/03/2022
Address	Headquarters Level 11, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7, 47301 Ara Damansara, Selangor, Malaysia		
Management Representative	Mdm. Shylaja Devi Vasudevan Nair (Head, Sustainability Unit PSQM) Mr. Azhari bin M Kalam (Manager, SOU 24 Chairman)		
Website	www.simedarbyplantation.com	E-mail	shylaja.vasudevan@simedarb yplantation.com kks.hadapan@simedarbyplan tation.com
Telephone	03-78484000 (Main Office) 012-7792755 (Mill)	Facsimile	012-7374182 (Mill)

1.2 Certification Information			
Certificate Number	Mill: MSPO 739513 Estates: MSPO 739514	Certificate Start Date	15/02/2018
Date of First Certification	15/02/2018	Certificate Expiry Date	14/02/2023
Scope of Certification	<input checked="" type="checkbox"/> Mills: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estates: Production of Sustainable Oil Palm Fruits		
Visit Objectives	<ul style="list-style-type: none"> Determination of the conformity of the client's management system, or parts of it, with criteria. Evaluation of the ability of the management system to ensure the client organization meets applicable statutory, regulatory and contractual requirements. 		
Standard	<input type="checkbox"/> MSPO MS 2530-2:2013 – General Principles for Independent Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-3:2013 – General Principles for Oil Palm Plantations and Organized Smallholders <input checked="" type="checkbox"/> MSPO MS 2530-4:2013 – General Principles for Palm Oil Mills		
Stage 1 Date	N/A because the site is RSPO Certified		

MSPO Public Summary Report Revision 2 (Nov 2021)

Stage 2 / Initial Assessment Visit Date (IAV)	09/11/2017
Continuous Assessment Visit Date (CAV) 1	11/02/2019 - 15/02/2019
Continuous Assessment Visit Date (CAV) 2	16/12/2019 - 20/12/2019
Continuous Assessment Visit Date (CAV) 3	07/12/2020 - 09/12/2020
Continuous Assessment Visit Date (CAV) 4	13/12/2021 - 15/12/2021

1.3 Other Certifications

Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 739013	RSPO Principles & Criteria of Sustainable Palm Oil production: 2018; Malaysian National Interpretation: 2019	BSI Services Malaysia Sdn. Bhd.	28/03/2026
MSPO 739515	MSPO Supply Chain Certification Standard (MSPO SCCS) 1 October 2018	BSI Services Malaysia Sdn. Bhd.	23/03/2025

1.4 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
Hadapan Palm Oil Mill	Batu 6, Jalan Bukit Permai, Bukit Permai, 81850 Layang-Layang, Johor, Malaysia	1° 45' 44.00" N	103° 26' 51.00" E
Kulai Estate	Batu 25, Jalan JB-Air Hitam, 81000 Kulai, Johor, Malaysia	1° 40' 05.14" N	103° 32' 28.21" E
Layang Estate	Jalan Ladang Layang-Layang, 81850 Layang-Layang, Johor, Malaysia	1° 46' 00.27" N	103° 27' 14.07" E
Seri Pulai Estate	KM 9, Jalan Sawah, 81000 Kulai, Johor, Malaysia	1° 35' 36.10" N	103° 30' 34.30" E
CEP Rengam Estate	KM 3, Jalan Simpang Renggam, 86300 Rengam, Johor, Malaysia	1° 52' 23.01" N	103° 22' 45.73" E

1.5 Certified Area

Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Kulai Estate	2,603.88	0.77	418.77	3,023.42	86.12
Layang Estate	2,969.32	6.02	283.56	3,258.90	91.11
Seri Pulai Estate	1,929.65	51.17	69.05	2,049.87	94.14

MSPO Public Summary Report Revision 2 (Nov 2021)

CEP Rengam Estate	2,819.32	7.19	213.12	3,039.63	92.75
Total (ha)	10,322.17	65.15	984.5	11,371.82	

1.6 Plantings & Cycle

Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Kulai Estate	300.58	1,008.26	937.49	73.18	284.37	2,303.30	300.58
Layang Estate	68.24	542.14	2,091.27	267.67	0	2,901.08	68.24
Seri Pulai Estate	293.43	668.59	377.19	520.79	69.65	1,636.22	293.43
CEP Rengam Estate	428.82	585.98	915.21	704.86	184.45	2390.50	428.82
Total (ha)	1,091.07	2,804.97	4,321.16	1,566.50	538.47	9,231.1	1,091.07

1.7 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Sep 2020 - Aug 2021)	Actual (Dec 2020 - Nov 2021)	Forecast (Feb 2022 - Jan 2023)
Kulai Estate	47,420.58	39,073.380	41,849.15
Layang Estate	73,752.61	51,375.588	61,245.24
Seri Pulai Estate	38,074.38	30,255.930	33,054.41
CEP Rengam Estate	54,058.01	39,848.750	46,279.02
Cenas Ropel Estate	-	249.110	-
Sembrong Estate	-	544.680	-
TDI Estate	-	5,301.790	-
Bukit Badak Estate	-	2,183.640	-
Pekan Estate	-	5,086.270	-
Lambak Estate	-	842.600	-
Total (mt)	213,305.58	174,761.70	182,427.88

1.8 Uncertified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Sep 2020 - Aug 2021)	Actual (Dec 2020 - Nov 2021)	Forecast (Feb 2022 - Jan 2023)
OCP	40,000.00	38,053.748	40,000.00
Total (mt)	40,000.00	38,053.748	40,000.00

MSPO Public Summary Report
Revision 2 (Nov 2021)

1.9 Certified Tonnage				
Mill Capacity: 60 MT/hr	Estimated (Sep 2020 - Aug 2021)	Actual (Dec 2020 - Nov 2021)	Forecast (Feb 2022 - Jan 2023)	
	FFB	FFB	FFB	
		213,305.58	174,761.70	182,427.88
	SCC Model: MB	CPO (OER: 20.79 %)	CPO (OER: 19.85 %)	CPO (OER: 21.20 %)
		44,346.23	34,690.21	38,674.71
		PK (KER: 5.50 %)	PK (KER: 4.98 %)	PK (KER: 5.50 %)
	11,731.81	8,703.13	10,033.53	

1.10 Actual Sold Volume (CPO)					
CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
34,690.21	-	-	1,334.36	3,0879.33	32,213.69

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
8,703.13	-	-	2,313.1	5,504.11	7,817.21

Section 2: Assessment Process

BSI is a leading global provider of management systems assessment and certification, with more than 92,000 certified locations and clients in over 193 countries. BSI 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 13-15/12/2021. The audit programme is included as Section 2.4. The approach to the audit was to treat the SOU 24 Hadapan Palm Oil Mill and Supply Base (Kulai Estate, Layang Estate, Seri Pulai Estate and CEP Rengam Estate) 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 or 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 Certification Unit not using MSPO certification marks for any type of on- and off-product communication. The Certification Unit are compliance with the use of the MSPO Logo and related claims.

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 was based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members (total sampling 3 including POM). The sampled smallholder listed in Appendix B.

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 Section 3.6.

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.

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

This report was externally reviewed by MSPO approved Peer Reviewer prior to certification and recertification decision by BSI. For Annual surveillance assessment, the report was internally reviewed and approved by BSI qualified certification reviewer.

MSPO Public Summary Report Revision 2 (Nov 2021)

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

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

Tentative Date of Next Visit: December 5, 2022 - December 9, 2022

Total No. of Mandays: 11

2.1 BSI Assessment Team

Team Member Name	Role <i>(Team Leader or Team member)</i>	Qualifications <i>(Short description of the team members)</i>
Muhamad Naquiuddin Mazeli (MNM)	Team Leader	<p>Education: Holds a Bachelor Science Horticulture from University Putra Malaysia</p> <p>Work Experience: 11 years working experience in oil palm industry managing sustainability implementation and certification of RSPO P&C, ISCC, and ISO9001 and ISO 18001 for the estates, mills, refineries and Smallholder scheme. He also supports in providing training related to RSPO and other certifications where applicable to the operations during previous company.</p> <p>Training attended: Completed ISO 9001:2015 LA Training(2019), ISO 14001: 2015 LA Training (2018), ISO 45001:2018 LA Training (2018), HCV & HCS Training (2019), Endorsed RSPO P&C LA Training(2018), Endorsed RSPO SCCS LA (2018), SCCS Refresher Training (2019), MSPO LA Training (2018), SMETA Training (2021)</p> <p>Aspect covered in this audit: During this audit, he covers Social aspect and stakeholder consultation.</p> <p>Language proficiency: Fluent in in both verbal/written Bahasa Malaysia and English.</p>

MSPO Public Summary Report
Revision 2 (Nov 2021)

Mohamad Fitri Mustafa (MFM)	Team Member	<p>Education: Graduate in degree of agribusiness</p> <p>Work Experience: 8 years working experience in various plantation companies and skills in Good Agricultural Practices (GAP) including Integrated Pest Management (IPM). Involved in ISCC and MSPO auditing since September 2017.</p> <p>Training attended: 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. Member of BSI MSPO audit team).</p> <p>Aspect covered in this audit: During this assessment, he assessed on the aspects of best practice and safety</p> <p>Language proficiency: Fluent in in both verbal/written Bahasa Malaysia and English.</p>
-----------------------------	-------------	--

2.2 Impartiality and conflict of interest

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

2.3 Accompanying Persons

No.	Name	Role
	Nil	

2.4 Assessment Plan

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

Date	Time	Subjects	MNM	MFM
Sunday, 12/12/2021		Travelling to Kluang (Anika Hotel)	√	√
Monday, 13/12/2021	0800 - 0830 0830 - 0900	Opening Meeting MSPO: <ul style="list-style-type: none"> • Opening Presentation by Audit team leader. • Confirmation of assessment scope and finalize Audit plan. 	√	√
	0830 - 1230	Layang Estate Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	1000 - 1100	Stakeholder Interview	√	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Date	Time	Subjects	MNM	MFM
	1230 - 1330	Lunch	√	√
	1330 - 1600	Document review (MS:2530 Part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices, P7: Development of New Planting	√	√
	1600 - 1700	Interim Closing briefing	√	√
Tuesday, 14/12/2021	0830 - 1230	Hadapan POM Inspection: FFB receiving, warehouse, workshop, waste management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment, staff, workers and contractor interview, housing and facility inspection, clinic, meeting stakeholders etc.	√	√
	1000 - 1100	Stakeholder Interview	√	
	1230 - 1330	Lunch	√	√
	1330 - 1600	Document review (MS:2530 Part 4), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices	√	√
	1600 - 1700	Interim Closing briefing	√	√
Wednesday, 15/12/2021	0830 - 1230	CEP Rengam Estate: Field visit, boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH&ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc.	√	√
	1000 - 1100	Stakeholder Interview	√	
	1230 - 1330	Lunch	√	√
	1330 - 1600	Document review (MS:2530 Part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, P4: Social responsibility, health safety and employment condition, P5: Environment, natural resources, biodiversity and ecosystem services and P6: Best practices, P7: Development of New Planting	√	√
	1600-1630	Interim Closing briefing	√	√
		Finalization of audit findings & preparation of closing meeting	√	√
	1630 - 1700	Closing meeting	√	√

Section 3: Assessment Findings

3.1 Details of audit results

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

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

3.2 Details of Nonconformities and Opportunity for improvement

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

During the assessment there were No Major & Two (2) Minor nonconformities and one OFI (1) raised. The SOU 24 Hadapan Palm Oil Mill and Supply Base Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment. The below is the summary of the non-conformity raised during this assessment

Non-Conformity Report			
NCR Ref #:	2145469-202112-N1	Issue Date:	15/12/2021
Due Date:	Next Surveillance	Date of Closure:	Open
Area/Process:	Hadapan POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.4.1.1 Minor
Requirements:	Social impacts should be identified, and plans should be implemented to mitigate the negative impacts and promote the positive ones.		
Statement of Nonconformity:	The issue in mill was not been identified in SIA and management plan		
Objective Evidence:	<p>External stakeholder issue:</p> <ol style="list-style-type: none"> 1) From interview with stakeholder, it was found that some issue was not been identified by the management as per feedback from the stakeholder interview such as; Grocery in Hadapan Div compound stated some workers have debt with the shop already leave the company and the owner don't know how to report this matter. <p>Internal Issue:</p> <ol style="list-style-type: none"> 1) Issue regarding to overtime that been raised during townhall dated 5/4/2021 was not been identified in the management plan. 2) Some allowance and overtime issue were not clear as per interview with Union committee and not been identified in SIA. 		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Corrections:	Mill will arrange meeting with sundry shop operator and meeting with union representative to discuss further on the issue raised by them and explain on the grievance/complaint channel. Mill will review the SIA action plan and include the respective issues raised.
Root cause analysis:	<p>Awareness on complaint/grievance channel was found less effective since before this the awareness was given during stakeholder meeting. However, mill has yet to conduct the stakeholder meeting after restriction of movement caused by pandemic and no meeting conducted with the sundry shop owner within one year. This resulted the sundry shop owner was not fully aware with grievance/complaint process. Thus, the issue was not received at mill's end and yet to be updated in SIA management plan.</p> <p>The issues raised by union representative was not included in SIA management plan due to these issues was not further discussed in Union Rep meeting with mill management. No specific agenda to discuss on working time/OT/allowance issues during this meeting resulted the issues was left out to be discussed further to ensure workers representative fully understand on the said matters and to be recorded accordingly.</p>
Corrective Actions:	<p>Mill will disseminate brochure with information on complaint/grievance process to stakeholder and start to conduct normal stakeholder meeting periodically.</p> <p>Issues on working time/OT/allowance will be included in the management and workers/union representative meeting agenda.</p> <p>Any social related issues require longer time or other resource (i.e., budget, etc) which monitoring is needed will be included accordingly in SIA action plan.</p>
Assessment Conclusion:	Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next surveillance assessment

Non-Conformity Report			
NCR Ref #:	2145469-202112-N2	Issue Date:	15/12/2021
Due Date:	Next Surveillance	Date of Closure:	Open
Area/Process:	Hadapan POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.4.4.2 Minor
Requirements:	<ul style="list-style-type: none"> a) The occupational safety and health plan should cover the following: A safety and health policy, which is communicated and implemented. b) The risk of all operations shall be assessed and documented. 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. 		
Statement of Nonconformity:	Sighted the occupational safety and health plan was inadequately implemented.		
Objective Evidence:	a) The contract agreement between Guna Sons Earthwork Construction and the Hadapan POM was made available to the audit team and reviewed. It was stated that, under section 8, all contractor's workers are compulsory to be equipped		

MSPO Public Summary Report
Revision 2 (Nov 2021)

	<p>with the basic PPE such as safety helmet, safety shoes, ear plug and glasses if necessary. However, during site visit, it was sighted that a backhoe operator was not wearing a proper PPE (such as safety helmet and safety shoes) while operating the backhoe inside the mill compound.</p> <p>b) HIRARC assessment for Hadapan Palm Oil Mill was made available to the audit team.</p> <p>i) However; The assessment did not capture the risk of not having flashback arrester for gas cylinder and no implementation was observed on site.</p> <p>ii) HIRARC under Kernel Recovery Station, it was mentioned that under Existing Control: Nature of Risk Control, operator is required to wear earplug at this area to minimize the risk to the ears. However, during the site visit, it was observed an operator who happened to work at the kernel station, did not wear earplug despite the loud noise.</p> <p>e) During the site visit, the audit team found a gear box oil stored in a plastic drinking container and was not properly labelled. The use of plastic container was meant to be stored temporarily.</p>
Corrections:	<p>Mill will conduct refresher training on the control measure (PPE Usage for Kernel Recovery Station Operators, contractor, and installation of flashback arrester for workshop). Mill to ensure control measure (PPE usage and installation of flashback arrester) to be implemented immediately.</p> <p>HIRARC for welding work for mill will be updated to include control measure (installation of flashback arrester).</p> <p>Mill has changed the container using suitable container and relabel accordingly for the gearbox oil.</p>
Root cause analysis:	<p>The contractor was operating outside the mill gate perimeter resulting the backhoe operator not registered at mill's AP Post which includes PPE checking before start work.</p> <p>Training on HIRARC and its implementation has yet to be conducted for the respective person in charge (Kernel Recovery Station, & Workshop) resulted the implementation was not in place.</p> <p>Workplace inspection at mill was not included monitoring on suitability of container use for mineral oil and its labelling resulting usage of unsuitable container and not relabel accordingly.</p>
Corrective Actions:	<p>Mill will brief the contractor on safety measures and requirement to register at mill's AP Post/office before operating inside mill area (inside/outside mill gate area).</p> <p>Quarterly workplace inspection at mill will be inclusive of monitoring container use and labelling for mineral oil.</p>
Assessment Conclusion:	<p>Corrective action plan is accepted. Effectiveness of corrective action taken will be further verified in the next surveillance assessment</p>

Opportunity For Improvement			
Ref:	2145469-202112-I1	Clause:	MSPO 2530 Part 3: 4.6.1.1
Area/Process:	Layang Estate & CEP Rengam Estate		
Objective Evidence:	To ensure the landfill in each estate to followed as SOP for Landfill Management in Estate, document no: SD/SDP/PSQM(ESH)203-EN7, dated on 13/03/2017, revise		

MSPO Public Summary Report
Revision 2 (Nov 2021)

	no 0. The objective of this SOP is to provide guidelines on the acceptable procedures for managing landfill within Sime Darby Plantations operations.
--	---

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

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	1997356-202012-N1	Issue Date:	09/12/2020
Due Date:	15/12/2021	Date of Closure:	15/12/2021
Area/Process:	Hadapan POM	Clause & Category: (Major / Minor)	MSPO 2530 Part 4: 4.4.4.2 Minor
Requirements:	An occupational safety and health policy and plan which is in line with Occupational Safety and Health Act 1994 and Factories and Machinery Act 1967 (Act 139) shall be documented, effectively communicated and implemented.		
Statement of Nonconformity:	No evidence of audiometric re-test as per audiometric test report recommendation		
Objective Evidence:	Hadapan POM Latest audiometric test has been conducted on 11/11/2019 as per report ref no. HCP/AMT/191104 by registered OHD doctor with registration no. HQ/15/DOC/00/395. 94 workers were tested with 9 workers were tested with hearing impairment while 7 workers were tested to have standard threshold shift and required to be send for retest within 3 months. There is no evidence of the 7 workers has been send for retest within 3 months.		
Corrections:	The 7 workers have been sent for retest on 17/12/2020 after appointment date was confirmed by VMO/OHD.		
Root cause analysis:	Mill has received the final result report from the OHD in March 2020 and has requested follow up with VMO/OHD for retest appointment. However, due to MCO the appointment was unable to be confirmed and resulting delayed for the re-test.		
Corrective Actions:	Mill has created a dedicated file to record communication between Mill and VMO/OHD for proper monitoring and reference.		
Assessment Conclusion:	Summary of audiometry & medical check-up was made available to the audit team. The test was conducted at Poliklinik Intan on 26/04/2021. The result shows that the impairment was non occupational related. With the evident provided by the mill management, this minor non-conformance is considered closed.		
Verification Statement:	From the verification on the previous report found that the Audiometric test was conducted by Spectrum Laboratories Sdn Bhd on 27/01/2022, no sts and hearing loss been reported from the report. The previous 7 workers already retest, and result was available at the estate. Thus, the minor NC was closed on 15/12/2021.		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Non-Conformity Report			
NCR Ref #:	1997356-202012-N2	Issue Date:	09/12/2020
Due Date:	15/12/2021	Date of Closure:	15/12/2021
Area/Process:	Kulai Estate, Seri Pulai Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.4.2 Minor
Requirements:	<p>The occupational safety and health plan shall cover the following:</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>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).</p>		
Statement of Nonconformity:	<ol style="list-style-type: none"> The mitigation plan stated in the HIRARC report were not effectively implemented. PPE was not use appropriately by workers to cover potentially hazardous operations. 		
Objective Evidence:	<p><u>Kulai Estate:</u></p> <ol style="list-style-type: none"> Noted during interview with manuring workers, it was noted that the main transportation to the field were own motorcycle. For those without motorcycle were travel to worksite with the manuring tractor where the sit on the pile of fertilizer. This was against the Standard Operating procedure established which stated: 12.0 Pengangkutan; 12.4 Pengangkutan yang membawa peralatan dan bahan (kimia dan baja); d. Dilarang membawa penumpang di kenderaan ini. As per HIRARC established, the current controlled measures were followed Standard Operating procedure established. During interview with spraying workers, it was noted that the workers has been provided with safety goggle to protect their eyes during spraying. However, the workers didn't wear the goggle as instructed during circle spraying work. Further clarification, only 1 out of 6 workers brought the safety goggles to work during the audit. <p><u>Seri Pulai Estate:</u></p> <p>Sighted 2 Mechanical Buffalo driver didn't wear provided safety helmet during site visit at field P2000.</p>		
Corrections:	<p><u>Kulai Estate:</u></p> <p>Immediate briefing has been given to the said workers and the rest of manuring workers on the seriousness of risks and hazards when travelling to the field by sitting on the pile of fertilizer in the fertilizer trailer dated 8/12/2020.</p> <p>All the sprayer has been instructed to wear goggle immediately before continuing the spraying work and Assistant Manager has briefed to the workers on PPE usage including goggle to be wear during all spraying activity on 7/12/2020.</p> <p><u>Seri Pulai Estate:</u></p> <p>The MB drivers has been immediately wearing the PPE (safety helmet) before continuing their work on the same day of audit visit after instructed by staff in-charge.</p>		

MSPO Public Summary Report
Revision 2 (Nov 2021)

<p>Root cause analysis:</p>	<p><u>Kulai Estate:</u></p> <ol style="list-style-type: none"> 1. For the current practice, all the manuring workers travel to the field using motorcycle. On the said date, 2 extra workers were added to the team, but they missed out the passenger trailer trip. Due to lack of monitoring since Mandore in charge was already travel to the field, the 2 workers decided to board at the back of trailer carrying fertilizer to the field. 2. During the spraying training, trainer did emphasize on the importance of PPE usage especially goggle during herbicide spraying operation. He mentioned that among all the spraying works, P&D is the most crucial activity that needed protection for workers' eye as the spraying work is done from higher point so workers were always reminded to ensure they do not forget to bring and use safety goggle during this activity. However, misunderstanding occurs as some workers take it as safety goggle only need to be used during P&D spraying activity only. <p><u>Seri Pulai Estate:</u></p> <p>The 2 MB drivers was sometime not wearing PPE (safety helmet) all the time during working due to PPE usage monitoring usually done during morning muster ground</p>
<p>Corrective Actions:</p>	<p><u>Kulai Estate</u></p> <ol style="list-style-type: none"> 1. Briefing will be given to all the drivers not to allow any workers to travel in trailer load with fertilizer or premix chemical mounted to their tractor except in passenger trailer. Staff/mandore in charge of manuring will check head counting in the morning to ensure no workers left or missed out the passenger trailer trip after morning muster. 2. Refresher training regarding PPE usage and its importance will be conducted periodically and included in the estate's training plan to ensure sprayer awareness and understanding on PPE usage is in place. Estate will schedule inspection periodically for PPE usage during working/at workplace (will be included in quarterly workplace inspection). <p><u>Seri Pulai Estate:</u></p> <p>Refresher training for all MB drivers on importance of PPE wearing to be conducted periodically and included in the estate's training plan to ensure the awareness and understanding on PPE usage is in place. Estate will schedule inspection periodically for PPE usage during working/at workplace (will be included in quarterly workplace inspection).</p>
<p>Assessment Conclusion:</p>	<p>Related documents were made available to the audit team and reviewed.</p> <p><u>Kulai Estate:</u></p> <ol style="list-style-type: none"> 1. Briefing on the safety and PPE usage was conducted by the estate management on the 08/12/2020, attended by 10 manuring workers. The briefing was delivered by the Mr. Syaiful Bahri, estate assistant manager. 2. PPE training for sprayer gang was conducted on 07/12/2020, attended by 14 workers. The training was delivered by Mr. Syaiful Bahri, estate assistant manager. <p><u>Seri Pulai Estate:</u></p>

MSPO Public Summary Report
Revision 2 (Nov 2021)

	<p>MB training, attended by 7 workers, was conducted on 25/01/2021. The content was delivered by the estate management team, which is led by Mr. Muhamad Faiz Roslan, estate assistant manager.</p> <p>With the evidences provided by the estate managements, these minor non-conformances are considered closed.</p>
Verification Statement:	<p>The estate management provide free PPE to the employees based on the workstation or job scope. Among the PPE distributed to the employees were apron, safety helmets, respirator, safety shoes and gloves. PPE issuance recorded by type of PPE using PPE stock record. From the document verification and site interview show the PPE and awareness was been given and they aware regarding his matter thus the minor NC was closed on 15/12/2021.</p>

3.4 Summary of the Nonconformities and Status

CAR Ref.	CLASS	ISSUED	STATUS
1997356-202012-N1	Minor	09/12/2020	Closed on 15/12/2021
1997356-202012-N2	Minor	09/12/2020	Closed on 15/12/2021
2145469-202112-N1	Minor	15/12/2021	Open
2145469-202112-N2	Minor	15/12/2021	Open

3.5 Issues Raised by Stakeholders

Stakeholders comment	
1	<p>Feedbacks: Gender Committee They informed that they were treated equally without discrimination of gender. They were briefed on the new mother needs implemented by the company. However, there was no new mothers in all the operating units. They informed that there was no sexual harassment or violence case reported.</p> <p>Management Responses: The management will continue to respect the rights of female workers.</p> <p>Audit Team Findings: No other issue.</p>
2	<p>Feedbacks: Workers' Representatives The workers were satisfied with the management and were treated equally among all different nationalities. The salary was paid according to Minimum Wage Order 2020. Free housing was provided to them with subsidized of water and electricity.</p> <p>Management Responses: The management will act accordingly if there is any complaint reported.</p>

	<p>Audit Team Findings: No other issue.</p>
3	<p>Feedbacks: Foreign Workers They informed that the management treated them equally without any discrimination of nationalities and religion. They are offered with overtime based on voluntarily basis. There is no restriction on movement where they can go out any time after work. They kept their passport inside the passport lockers prepared by management or kept inside the cupboard inside their house. They were paid according to Minimum Wage Order 2020 and legal requirements.</p>
	<p>Management Responses: The management will continue to maintain good relationship with the workers.</p>
	<p>Audit Team Findings: No other issue.</p>

3.6 List of Stakeholders Contacted

<p>Government Officer: Nil</p>	<p>Community/neighbouring village: Nil</p>
<p>Suppliers/Contractors/Vendors: Nil</p>	<p>Worker’s Representative/Gender Committee: Gender Communities Workers representative NUPW</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 Hadapan Palm Oil Mill and Supply Base Certification Unit complies with the MS 2530-3:2013 and MS 2530-4:2013 . It is recommended that the certification of Hadapan Palm Oil Mill and Supply Base Certification Unit is approved and/or continued.	
Acknowledgement of Assessment Findings	Report Prepared by
Name: Azhari bin M Kalam	Name: Muhamad Naquiuddin Mazeli
Company name: Sime Darby Plantation Berhad	Company name: BSI Services (M) Sdn Bhd
Title: Manager (Chairman SOU 24 Hadapan)	Title: Lead Auditor
Signature: 	Signature: 
Date: 10/3/2022	Date: 10/3/2022

Appendix A: Summary of the findings by Principles and Criteria

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 Bhd (SDPB) commitments towards MSPO compliance being established through Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha, Group Managing Director dated 2nd December 2019. MSPO Briefing has been conducted to all internal and external stakeholders through the communicated to workers during Town Hall Session The meeting chaired by RSQM Team.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The sustainability goals are in line with United Nations Sustainable Development Goals (UNSDG) 2030, which committed to: - 1. Promoting good governance and transparency 2. Contributing to a better society 3. Minimising environmental harm 4. Delivering sustainability quality This policy being guided by the commitments spelt out in the Company's: - 1. Responsible Agriculture Charter (RAC) 2. Human Rights Charter (HRC)	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance												
		3. Innovation and Productivity Charter (IPC)													
Criterion 4.1.2 – Internal Audit															
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Sime Darby Plantation Berhad, Plantation Sustainability and Quality Management (PSQM), Internal Audit Procedures, Doc No: SD/SDP/PSQM/IAP Revision 2 Date 1/11/2017. The internal audit being conducted annually to implement and maintain the respective standard requirements effectively within the Group. The Management had drawn an Internal Audit Plan and it being carried out once a year to the Estate. The Internal audit conducted by Sustainability Unit, GSQM Department and RSQM.	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 implement the necessary corrective action. - Major compliance -	The Internal Audit was planned to be conducted annually. The MSPO Internal Audit was conducted by Sustainability Unit, GSQM Department and RSQM. The team Lead Auditor is Mr Saiful Bari Munir from GSQM. 2 OFIs been raised regarding to Noise Risk Assessment The recent internal audits for the sampled estates were conducted as follows: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>No</th> <th>OU</th> <th>Date of audit</th> <th>Finding</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Layang Estate</td> <td>8/9/2021</td> <td>1 OFI</td> </tr> <tr> <td>2</td> <td>CEP Rengam Estate</td> <td>28/9/2021</td> <td>1 OFI</td> </tr> </tbody> </table> The root-causes of the NCR have been identified and recorded in the corrective action plan. All the NCRs were satisfactorily closed within the timeframe.	No	OU	Date of audit	Finding	1	Layang Estate	8/9/2021	1 OFI	2	CEP Rengam Estate	28/9/2021	1 OFI	Complied
No	OU	Date of audit	Finding												
1	Layang Estate	8/9/2021	1 OFI												
2	CEP Rengam Estate	28/9/2021	1 OFI												
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The internal audit reports were available to the management of each operating unit. The report has the information about standards'	Complied												

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance												
		requirements and findings. The results of the internal audits were also part of the agenda recorded in the management review meeting.													
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 procedure for Management Review, Standard Operation Manual, Sub-Section 5.6, dated: 25/5/2015 was established. The frequency for management review needs to be carried out at least once a year. The Management Review meeting is on Operating Unit basis. The actual meeting date as below: -</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Date of meeting</th> <th>No of Participants</th> <th>Venue</th> </tr> </thead> <tbody> <tr> <td>Layang Estate</td> <td>11/10/2021</td> <td>14</td> <td>Layang Estate meeting Room</td> </tr> <tr> <td>CEP Rengam</td> <td>29/9/2021</td> <td>16</td> <td>CEP Rengam Estate meeting Room</td> </tr> </tbody> </table>	Estate	Date of meeting	No of Participants	Venue	Layang Estate	11/10/2021	14	Layang Estate meeting Room	CEP Rengam	29/9/2021	16	CEP Rengam Estate meeting Room	Complied
Estate	Date of meeting	No of Participants	Venue												
Layang Estate	11/10/2021	14	Layang Estate meeting Room												
CEP Rengam	29/9/2021	16	CEP Rengam Estate meeting Room												
Criterion 4.1.4 – Continual Improvement															
4.1.4.1	<p>The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company.</p> <p>- Major compliance -</p>	<p>Actions plans for continual improvement have been specified and documented for respective estates. The plans covered the aspect of safety & health, social impact and environment.</p>	Complied												
4.1.4.2	<p>The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption.</p> <p>- Major compliance -</p>	<p>The estate management have established annual training program based on the training needs analysis. This program is flexible and may add on any new information or technology that is feasible and applicable to the company.</p>	Complied												

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		The group has adopted a new technique of receiving complain and grievances for internal stakeholder (employees) regarding on the house defect. Any complain and grievances can be submitted via this technology and will alert the person in charged. This new technology is known as "Talian OPP: Sistem Aduan Kerosakan Rumah".	
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 -	Training to workers in various aspects of plantation operation were conducted throughout the year. The training was provided to employees by the competent person from the estate management.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	Sime Darby Plantation Bhd (SDPB) has established Communication Procedure either Internal or External Stakeholders. The information was available in two (2) languages English and Malay. This document was accessible to stakeholder as sighted at Estate notice board. The information being disseminated to the Internal and External Stakeholders either through Townhall Session or External Stakeholders' Meeting.	Complied
4.2.1.2	Management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	Sime Darby Plantation Bhd (SDPB) has established Estate Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008. The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the company's safety & health, social, environmental and other aspects.</p> <p>Information relating to land titles, safety and health plans, pollution prevention plans was made available at all Estates. Among the documents that were made available for viewing were land titles, occupational health and safety plans, EIA reports, SIA reports, details of complaints and grievances, negotiation procedures, continuous improvement plans, and human rights policy.</p> <p>Furthermore, information regards to Sustainability Reports, sustainability policies, Human Rights Charter, practices and key initiatives which include Lean Six Sigma and Continuous Improvement, Safety and Health, Environment, Biodiversity Conservation, Environmental Conservation can be retrieve through the company's website http://www.simedarbyplantation.com/.</p> <p>Confidential documents such as financial, personal and etc. are not allowed to be shared publicly. The Estate Manager is responsible to address all communication and request for documentations that could be made available to public or stakeholders.</p>	
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Bhd (SDPB) has established Estate Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>The procedure for Internal Stakeholders was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Internal Issues.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the company's safety & health, social, environmental and other aspects.</p> <p>The SOP also specifies the timeframe to be taken to provide feedback to the stakeholder is: - Within 2 weeks from the date receiving the queries. Within one week of the completion of the investigation for communication requiring investigation.</p> <p>The procedure for consultation and communication is also available through website address http://simerdarbyplantation.com</p>	
4.2.2.2	<p>A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit.</p> <p>- Minor compliance -</p>	<p>The management nominated their assistant in each estate to be an official for social and stakeholder communication. The appointment letter was available in each estate for review dated Jan 2021.</p>	Complied
4.2.2.3	<p>List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained.</p> <p>- Major compliance -</p>	<p>List of stakeholders for all the operating units were last updated n 22/09/2020. The list consists of various group of stakeholders such as government authorities, contractors/suppliers, NGOs, local communities and also internal stakeholders such as workers and representatives.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		Records of consultation generally recorded in the stakeholders' consultation minute of meeting. The last meeting was conducted on 21/10/2021.	
Criterion 4.2.3 – Traceability			
4.2.3.1	<p>The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s).</p> <p>- Major compliance -</p>	<p>The group has established traceability procedure: Sustainable Supply Chain and Traceability version 2, issue no: 05, dated on April 2019. The objective of the SOP is to provide guidelines for estates and POM to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB, CPO & PK).</p> <p>The procedure covers the following area:</p> <ul style="list-style-type: none"> a. Reception of raw material <ul style="list-style-type: none"> • FFB crop (goods in) b. Processing & storage <ul style="list-style-type: none"> • Processing • Storage • Crushing of CSPK c. Dispatch of Mill Produce <ul style="list-style-type: none"> • CSPO & CSPK produce (goods out) • CSPO & CSPK transportation d. Records & retention <ul style="list-style-type: none"> • Records • Retention records <p>Inspection and verification of the daily harvested FFB were made available to the audit team and verified.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Compliance on the traceability system was maintained through regular inspections, monthly checking of records and the annual internal audits conducted for the current year.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system. - Minor compliance -	Each estate management has appointed respective estate assistant manager as the person in charge for traceability system. Appointment letters for each estate PIC were made available for review and verified.	Complied
4.2.3.4	Records of sales, delivery or transportation of FFB shall be maintained. - Major compliance -	All records of incoming FFB transported/received, CPO & PK produced and delivery, on daily basis were maintained and verified traceable through the delivery notes, lorry ticket & weighbridge which were maintained at the palm oil mill office. Records for year 2019, 2020 and 2021 were maintained and sighted.	Complied
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 -	All estates have maintained the system for documentation, monitoring and assessing the legal compliance with applicable laws and regulations. Inspection of records are as below: <u>Layang Estate:</u> a. MPOB license no 508443402000, expired on 31/03/2022. b. "Pengandung Tekanan Tak Berapi", reference no: JH. PMT2915, expired on 29/11/2022. c. "Permit Kawalan Berjadual", diesel 3270 litre, expired on 05/04/2023.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>d. "Permit Potongan Gaji Pekerja - Bayaran Elektrik TNB", endorsed on 10/08/2004.</p> <p>e. "Permit Potongan Gaji Pekerja – Potongan untuk rumah Ibadat", reference no TK(NJ)U-23 endorsed on 13/03/2019.</p> <p>f. "Lesen Timbang & Sukat", reference no B73768972, expired on 29/11/2022.</p> <p><u>CEP Rengam Estate</u></p> <p>a. MPOB license no 508444202000, valid until 30/03/2022.</p> <p>b. "Permit Barang Kawalan Berjadual", referral no: KPDNHEP.J. JB/26/5A/11/1424(P/D) (B), for purchasing 18,000 litres of diesel from supplier, valid until 08/11/2022.</p> <p>c. "Perakuan Kelayakan Pengandung Tekanan Tak Berapi Perihal" Air Compressor Receiver, registration no: JH PMT 3355, valid until 17/09/2022.</p> <p>d. "Akta Bekalan Elektrik 1990, Perpasangan No: ST(SJB)P/S/JHR00893, valid until 2/04/2022.</p> <p>e. "Potongan Upah Di bawah Seksyen 24, Akta Kerja 1955 untuk bayaran Tabung Masjid dan Kuil", serial no: PP3/29/010/2009, endorsed on 04/05/2019.</p>	
4.3.1.2	<p>The management shall list all laws applicable to their operations in a legal requirements register.</p> <p>- Major compliance -</p>	<p>Legal Requirement Register was made available to the audit team. The register was acknowledged by the estate manager.</p> <p>Latest addition to the legal register was made on the following acts:</p> <p>a. Anti-Money Laundering, Anti-Terrorism Financing & Proceeds of Unlawful Activities Act 2021, added on 03/05/2021.</p> <p>b. Malaysian Anti-Corruption Commission Act (Amended) 2018, added on 30/05/2021.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance						
		c. Whistle blower Protection Act 2010, added on 30/05/2021.							
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 -	Changes to legal requirements are monitored and updated by the Group Sustainability & Quality Management. The SOP 2.0 (Legal Compliance) has specified any changes to legal requirements are tracked by means of periodic review and evaluation on the laws & regulations list to ensure that any new addition as well as changes and amendment are captured and updated by the assignee at Head Office level. 1. Latest addition is explained under the indicator 4.3.1.2.	Complied						
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 -	Estate assistant managers of each estate were appointed as the person responsible to monitor compliance at the estate level whilst the GSQM is responsible to update the changes in regulatory requirements.	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. - Major compliance -	The was no evidence to show that oil palm cultivation activities in both estates visited had diminished the land use rights of others. Verified documents to show legal ownership of its land.	Complied						
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land. - Major compliance -	Sime Darby Plantation Bhd (SDPB) did not acquire land from landowners, but leased it directly from the government. The quit rent payment was done accordingly as requirement from the state government. Sighted the sampled land title as follows: Layang Estate: There are 13 land title with total 3108.0112 Ha as per below:- <table border="1" data-bbox="1093 1361 1906 1394"> <thead> <tr> <th>Lot No</th> <th>Area (Ha)</th> <th>Term of used</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Lot No	Area (Ha)	Term of used				Complied
Lot No	Area (Ha)	Term of used							

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings			Compliance														
		Lot 435	13.6202	Oil Palm															
		Lot 220	58.7805	Oil Palm															
		Lot 104	20.3354	Oil Palm															
		Lot 2656	7.8281	Oil Palm															
		Lot 2765	246.8582	Oil Palm															
		Lot 2076	4.4313	Rubber															
		Lot 2075	4.8233	Rubber															
		Lot 923	11.2553	Coco															
		Lot 554	1.0421	Oil Palm															
		Lot 94	402.5806	Oil Palm															
		Lot 93	394.1789	Oil Palm															
		Lot 91	809.1575	Oil Palm															
		MLO 6529	1133.1198	Oil Palm															
		Total	3108.0112																
		<p>The email from Land Management Department dated 3/9/2021 regarding to term of used.</p> <p>In CEP Rengam</p> <p>There 59 grant title in CEP Rengam Estate with total 3093.994 ha Sampling as per below detail:-</p> <table border="1"> <thead> <tr> <th>Lot No</th> <th>Area (Ha)</th> <th>Term of used</th> </tr> </thead> <tbody> <tr> <td>Lot 1918</td> <td>1.1659</td> <td>Oil Palm</td> </tr> <tr> <td>Lot 1901</td> <td>1.188</td> <td></td> </tr> <tr> <td>GRN 530156</td> <td>1035</td> <td></td> </tr> <tr> <td>Lot 4933</td> <td>412.9</td> <td></td> </tr> </tbody> </table>				Lot No	Area (Ha)	Term of used	Lot 1918	1.1659	Oil Palm	Lot 1901	1.188		GRN 530156	1035		Lot 4933	412.9
Lot No	Area (Ha)	Term of used																	
Lot 1918	1.1659	Oil Palm																	
Lot 1901	1.188																		
GRN 530156	1035																		
Lot 4933	412.9																		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.3.2.3	Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Boundary markers are clearly visible and well maintained by the estate managements. Sighted during the visit, the estate management using trenches to mark their boundary from their neighbour. Sampling in Layang estate, at field 2021A with smallholder Lee Kok Wau was verified during site verification.	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 was no land dispute at all the sampled estates. The company has the legal ownership documents as demonstrated by possessing a land title.	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 at all the sampled estates. The management established procedure as per Sime Darby Plantation (Plantation Quality Management System) Appendix 3: Flowchart and Procedures on Handling Land Disputes version:2 dated 1/11/2008. There is no customary land within or surrounding in all sample estates. There are also no land disputes or claims involving the estates. The company has proper legal land titles for the land ownership.	Not Applicable
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 at all the sampled estates.	Not Applicable

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		The management established procedure as per Sime Darby Plantation (Plantation Quality Management System) Appendix 3: Flowchart and Procedures on Handling Land Disputes version:2 dated 1/11/2008. There is no customary land within or surrounding in all sample estates. There are also no land disputes or claims involving the estates. The company has proper legal land titles for the land ownership.	
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 at all the sampled estates.	Not Applicable
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 -	Sighted main template of Social Impact Assessment for SOU 24 being established on 3– 7/2/2014. Social impact has been identified based on consultative process to mitigate the negative impacts and promote the positive one. Based on the social impact improvement plan, total of 6 positive impacts identified with proposed mitigation plan for improvement.	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 -	Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1 Year 2008, Issue No 1 dated 1st Nov 2008.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance									
		<p>The procedure for handling internal social issue was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Social Issues.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties. Sampling as per below;- DOSH visit last was on 30/8/2021 for renew Air compressor receiver. Request from SJKT Ladang Layang dated 1/6/2021 and the issue resolve was on 10/6/2021.</p>										
4.4.2.2	<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>The Standard operation Manual under clause 6.3 Timeframe for External Communication has stated: -</p> <p>Within 2 weeks of the date of receipt for communication requiring direct feedback. Within 1 week of the completion of the investigation for communication requiring investigation.</p> <p>The relevant management personnel may extend due to extenuating circumstances or with justifiable reasons time limit. So far, no complaint received from internal and external except for housing maintenance. Evidence, all the stakeholders are informed on the progress of their grievances.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Estate</td> <td style="width: 33%;">Layang Estate</td> <td style="width: 33%;">CEP Rengam Estate</td> </tr> <tr> <td>Item</td> <td>Housing repair Electricity</td> <td>Housing repair Electricity</td> </tr> <tr> <td>2021</td> <td>28</td> <td>17</td> </tr> </table> <p>The latest procedure on complaint dated 26/11/2021 on Workers Housing Management Procedure and 'OilpalmPal' Digital Housing Complaint System (OPP DHCS). Referred IOM ref;</p>	Estate	Layang Estate	CEP Rengam Estate	Item	Housing repair Electricity	Housing repair Electricity	2021	28	17	Complied
Estate	Layang Estate	CEP Rengam Estate										
Item	Housing repair Electricity	Housing repair Electricity										
2021	28	17										

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		UM/HSE/013/11/2021. This procedure already been brief to workers dated 1/12/2021 conducted by Mr Syazwan and Mr. Amin.	
4.4.2.3	<p>A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint.</p> <p>- Minor compliance -</p>	<p>The complaint forms were available at the operating unit’s office, where the stakeholders can easily access should it be needed. Among the information available in the form is name of requestor/complainant, date of request, details of complaint/grievance, details of action taken including dates and acknowledgement signature of the requestor. However the Estate has established 5 type of new complaints medium as per below: -</p> <ul style="list-style-type: none"> • Complaint Book – Housing Repairs • Complaint Book – Electricity Repairs • Letter by complainant • Suara Kami • Whistle Blowing • OilPalmPal (Digital Housing Complaint System) <p>Complaint Form can be obtained at the Estate Office. Interview with the local and foreign confirmed they are aware of the above process. Merely, complaints on Housing Maintenance being observed in all sampled Estates.</p> <p>Under Group policies and authority’s GPA No 85 Whistleblowing channels are established to help all stakeholders raise concerns, without fear or retaliation, on any wrongdoing that they may observe in the Sime Darby Group. The statement can be viewed through https://simedarbyplantation.com/contact-us/</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		Instead of whistle blowing, the workers have another medium to relay their complaints and grievances through SUARA KAMI – TALIAN BANTUAN PEKERJA. The complaints will be directed to Sime Darby HQ for investigation. This medium being handled by 3rd party.	
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Employees and the surrounding communities were made aware that complaints or suggestions can be made any time through various meetings such as morning muster, training/briefing and stakeholder consultation. Employees and the surrounding communities were communicated through: - The latest procedure on complaint dated 26/11/2021 on Workers Housing Management Procedure and 'OilpalmPal' Digital Housing Complaint System (OPP DHCS). Referred IOM ref; UM/HSE/013/11/2021. This procedure already been brief to workers dated 1/12/2021 conducted by Mr Syazwan and Mr. Amin.	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 -	The complaints and resolutions for the past 24 months (i.e. from November 2018) were well maintained by the sampled estates and available upon request.	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 estate management have made contribution to both internal and external stakeholders. Estate is committed and have contributed to local development. The contribution made to the internal. As evidence, the followings: - Layang Estate	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>To supply essential items to local workers during MCO dated 28/10/2020 in order to reduce their burden. The cost incurred approximately RM496.00.</p> <p>Donation to workers for groceries pack dated 10/5/2021 total RM 4,109.00.</p> <p>CEP Rengam Estate</p> <p>Donation to Asnaf to facilitate expense for Hari Raya Aidilfitri dated May 2020 amounting RM 500.00.</p>	
Criterion 4.4.4: Employees safety and health			
4.4.4.1	<p>An occupational safety and health policy and plan shall be documented, effectively communicated and implemented.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has established OSH policy, signed by the CEO Upstream Malaysia dated on 01/06/2020. The policy stated the group's commitment to provide safe & healthy workplace and operating in an environmentally responsible manner at all our operations in Malaysia.</p> <p>Related policies and notes were found displayed on the notice board at the operation unit.</p> <p>Communication of the policy was made to the employees by the respective estate management. This is confirmed during the site visit to the workstation and field.</p> <p>Layang Estate has conducted Baseline Audiometric Monitoring was made on 15/09/2021, DOSH registration no: JKPP/2021/11-04/00011.</p>	Complied
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p>	<p>a. Occupational Safety and Health Plan has been established. Annual review is conducted by the respective mill and estates together with the respective Safety Officers for estates. Safety Policy is</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<p>a) A safety and health policy, which is communicated and implemented.</p> <p>b) The risks of all operations shall be assessed and documented.</p> <p>c) An awareness and training programme which includes the following requirements for employees exposed to pesticides:</p> <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 <p>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).</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 and 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 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.</p>	<p>established and was made known to all workers through induction upon arrival and acknowledgement by the workers. Foreign workers induction briefing is conducted using translator.</p> <p>b. The risk of all operations was assessed and documented under HIRARC. The HIRARC for estate operations was made available and reviewed. The following operations were sighted such as office, security, weeding, P&D, boundary, road bridges, drainage & culverts, transportation, workshop and replanting.</p> <p>c. Training to the employees exposed to the chemical was properly conducted. The training records were made available and sighted.</p> <ul style="list-style-type: none"> • Safe Working Procedure: Chemical Usage, conducted on 17/11/2021 • Safe Working Procedure: Chemical Store, conducted on 29/05/2021. • High Conservation Value training conducted on 19/07/2021. Spraying employees were trained on how to conduct spraying activities and where not to sprayer. <p>Chemical Health Risk Assessment Report was conducted to related employees on June 2020. DOSH reg. no: JH/06/04/2228</p> <p>d. The estate management provide free PPE to the employees based on the workstation or job scope. Among the PPE distributed to the employees were apron, safety helmets, respirator, safety shoes and gloves. PPE issuance recorded by type of PPE using PPE stock record.</p> <p>e. The management has established Standard Operating Procedure for handling of used chemicals that are classified under Environment Quality Regulations (Scheduled Waste) 2005,</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance															
<p>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>Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal under the Document Reference: IOI-OSH 3.2.2 Appendix 6 (31).</p> <p>f. Each estate management has appointed assistant manager who have knowledge as the person in charge for the safety & health. The appointment letters of the PIC were sighted and reviewed.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Estate</th> <th style="text-align: left;">Date</th> <th style="text-align: left;">PIC</th> </tr> </thead> <tbody> <tr> <td>Layang</td> <td>01/01/2020 01/02/2020</td> <td>Azhari Bin M. Kalam M. Nurjehan Bin Jamaludin</td> </tr> <tr> <td>CEP Rengam</td> <td>23/08/2021 01/07/2021</td> <td>Ahmad Faisal Jusoh Zulkiflee Hashim</td> </tr> </tbody> </table> <p>g. Communications on safety & health are made through regular meeting, briefing and training. The meeting was held once in every 3 months and the records as below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Estate</th> <th style="text-align: left;">Date of Meeting</th> </tr> </thead> <tbody> <tr> <td>Layang</td> <td>First: 26/03/2021 Second: 25/06/2021 Third: 24/09/2021 Fourth: To be confirmed.</td> </tr> <tr> <td>CEP Rengam</td> <td>First: 13/03/2021 Second: 26/06/2021 Third: 18/09/2021 Fourth: To be confirmed.</td> </tr> </tbody> </table> <p>Second and third OSH meeting gathering for Layang Estate was not properly handled. Further improvement can be done by</p>		Estate	Date	PIC	Layang	01/01/2020 01/02/2020	Azhari Bin M. Kalam M. Nurjehan Bin Jamaludin	CEP Rengam	23/08/2021 01/07/2021	Ahmad Faisal Jusoh Zulkiflee Hashim	Estate	Date of Meeting	Layang	First: 26/03/2021 Second: 25/06/2021 Third: 24/09/2021 Fourth: To be confirmed.	CEP Rengam	First: 13/03/2021 Second: 26/06/2021 Third: 18/09/2021 Fourth: To be confirmed.	
Estate	Date	PIC																
Layang	01/01/2020 01/02/2020	Azhari Bin M. Kalam M. Nurjehan Bin Jamaludin																
CEP Rengam	23/08/2021 01/07/2021	Ahmad Faisal Jusoh Zulkiflee Hashim																
Estate	Date of Meeting																	
Layang	First: 26/03/2021 Second: 25/06/2021 Third: 24/09/2021 Fourth: To be confirmed.																	
CEP Rengam	First: 13/03/2021 Second: 26/06/2021 Third: 18/09/2021 Fourth: To be confirmed.																	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>conducting a survey or distributing feedback forms to OSH committee members.</p> <p>h. Accident & emergency procedures were available. Each estate management has formed the ERP team and the organization chart was displayed on notice board for information of the employees. During the interview, the employees can demonstrate a good understanding regarding on the ERP procedure and plan.</p> <p>i. Employees who were trained in First Aid were present at all station visited. The first aid box equipped with approved contents and in accordance with 4th schedule for first aid guidelines.</p> <p>Records of accident are well kept by the estate office and reviewed quarterly during the OSH committee meeting. HIRARC was review accordingly and investigation was also held by the OSH committee. Each estate submitted their JKPP 8 form to DOSH on January of each year 04/01/2021, reference no: JKPP8/633/2020.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Bhd has established Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha; Group Managing Director dated 2nd December 2019. Human rights element being spelt out under the followings: -</p> <p>Human Rights Charter – Clause 3.2, We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> a) Providing equal opportunities b) Respecting freedom of association c) Eradicating any form of exploitation 	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>d) Ensuring favorable working conditions e) Enhancing safety and health f) Respecting community rights and the rights of indigenous people g) Protecting the Rights of vulnerable people h) Protecting the rights of children i) Eliminating violence and sexual harassment</p> <p>Responsible Agriculture Charter – Human Rights and Social Development Commitments Clause 2.1, Respect Human Rights & empower communities and Clause 2.2 Protect Labor standards and enhance employment conditions. Sime Darby Plantation Group, Vendor COBC dated 30/5/2018 under Clause 5, Labor and Human Rights. Communication of all the policies to workforce is through Town hall, training and during muster call.</p>	
4.4.5.2	<p>The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics.</p> <p>- Major compliance -</p>	<p>The management establish sustainable policy to commit to their transparent respect and recognition of the right of all their employee including contract, temporary and migrant workers as well as people living nearby and adjacent communities. Other support such as job opportunities and amenities such as free housing, water and medical care are given to all employees without discrimination.</p> <p>Based on worker employment master record, there are mixed of India, Nepal, Bangladesh and Indonesia foreign workers lives and work with local employees. Interview with office staff and general workers whom mentioned their job selection process was fair and transparent.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>This policy is available in English and Malay displayed at the estate office wall and notice boards.</p> <p>No evidence of discrimination based on race, skin color, religion, gender, national origin, ancestry, disability, marital status, and sexual orientation was found in both Estates.</p>	
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>All the workers are under direct employment. The payslip has included basic income, allowance pay, working days, medical leave, and deduction of salary and others as per employment contract. The payroll for the following sampled workers for Jan 2020 and Sept 2020 were verified to be consistent with the Minimum Wages Order 2020. For the new Minimum Wages Order 2020 implementation; -</p> <p>CEP Rengam Estate:</p> <ul style="list-style-type: none"> a. Employee ID: 17228 - Malaysia b. Employee ID: 59911 - India c. Employee ID: 66311 - Indonesia d. Employee ID: 92735 - Myanmar e. Employee ID: 117053 - Bangladesh <p>Layang Estate:</p> <ul style="list-style-type: none"> a. Employee ID: 125451 - Indonesia b. Employee ID: 163031 - Bangladesh c. Employee ID: 115244 - Malaysia d. Employee ID: 139135 - Indonesia 	Complied
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	<p>There are 2 contractors for harvesting and transporting of FFB. Verification of payslip and employment contract has confirmed that employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.5	<p>The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment.</p> <p>- Major compliance -</p>	<p>The workers master list was reviewed. The list includes names, NRIC & Passports numbers, Expiry dates of Passports & Work Permits, date of birth, date joined, gender etc.</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 is available for each and every employee indicated in the employment records.</p> <p>- Major compliance -</p>	<p>Employees had been provided with fair contracts that have been signed by both employee and employer. Foreign migrant Indonesian workers are recruited with 2 years contract. Local workers are on a long-term employment basis.</p> <p>The following contracts has been verified to confirm that workers have binding working agreement with the company:</p> <p>Employment contract are available and explained in language that understood by workers. The contract was signed by the workers and sampled of contracts as below:</p> <p>CEP Rengam Estate:</p> <ul style="list-style-type: none"> a. Employee ID: 17228 - Malaysia b. Employee ID: 59911 - India c. Employee ID: 66311 - Indonesia d. Employee ID: 92735 – Myanmar e. Employee ID: 117053 - Bangladesh <p>Layang Estate:</p> <ul style="list-style-type: none"> a. Employee ID: 125451 - Indonesia b. Employee ID: 163031 - Bangladesh c. Employee ID: 115244 - Malaysia d. Employee ID: 139135 - Indonesia 	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.7	The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer. - Major compliance -	The company working hours is 8 hours. From Monday to Saturday. The overtime maximum is 104 hours according to Malaysian Law. Seen the working hours being displayed at the notice board. The office will be working from 8.00 am to 5.00pm and break time at 1.00 pm to 3.00 pm. The workers are from 6.30 am to 2.30pm. Verified on the sample workers check roll record was verified.	Complied
4.4.5.8	The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement. - Major compliance -	The management of both estates had informed all workers the working hours and breaks times. The working hours and break times complied with legal regulations and collective agreements. The working hours and break time was exhibited on notice boards. Working time was from 6.30am to 2.30pm while the break time was from 11.00am to 11.30am.	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 -	The payslip and the inputs were reviewed to confirm the wages and overtime is in line with legal requirements of Employment Act 1955 and worker’s employment contract. CEP Rengam Estate: a. Employee ID: 17228 - Malaysia b. Employee ID: 59911 - India c. Employee ID: 66311 - Indonesia d. Employee ID: 92735 – Myanmar e. Employee ID: 117053 - Bangladesh Layang Estate: a. Employee ID: 125451 - Indonesia b. Employee ID: 163031 - Bangladesh c. Employee ID: 115244 - Malaysia d. Employee ID: 139135 – Indonesia	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		Salary slips clearly shows the calculations of gross salary, all deductions and net salary of a worker. Workers interviewed confirmed that they are being paid more than the stipulated minimum wage and that they understand all the deductions being made. Documented pay slip was distributed to individual workers on the day of payment.	
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	The company provides free medical benefit and free housing to foreign workers. All workers have been provided with medical and accident insurance. With regards to local and foreign workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations. All workers are provided with housing facilities at workers line site. Medical Assistant is responsible to carry out the monitoring at workers quarters. In addition, there is football field, mosque, community hall was provided.	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities in compliance with the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446) or any other applicable legislation. - Major compliance -	Estate worker lived in 1 house with 3 rooms, which shared 2 persons in a room (maximum 6 person per dwelling). Water for domestic usage is provided from SAJ and Tenaga Nasional Berhad with subsidize rate as per agreement which is 50 kWh per month for electric and 35 gallon/people. Linesite inspection was carried out on weekly basis by Estate Hospital Assistant.	Complied
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 -	The company has implemented Policy on Harassment at Workplace dated June 2018 where the company is committed to promote a safe and healthy working environment. The company has zero tolerance for any form of harassment at workplace. The policy serves as a guidance on handling matters related to harassment. The briefing of Policy was conducted at respective unit and the record was available at each site.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.13	<p>The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions.</p> <p>- Major compliance -</p>	<p>Sighted in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights clause: -</p> <p>3.2.4 Respecting Freedom of Association by respecting the rights of employees to form and join unions and bargain collectively. In jurisdictions where this right is limited, we will provide alternative means of employee engagement and grievance redressal.</p> <p>Workers interview found they are aware on their rights to voice out any issues and they are allowed to join the Union. The policy being briefed to all workers during Town Hall Session and Stakeholder Meeting either at Estates or Mill. The documented social policy as specified above outlined the company's commitment to allow the workers to join and formed union among the workers. There is also a specific procedure (in the form of a flowchart) in both English and Malay namely Sexual Harassment Procedure which outlines the basic framework for handling of sexual harassment complaints.</p> <p>There is no sexual harassment case reported through interview and document reviewed in Estate. The workers have the right to join or form trade unions of their own choosing without prior authorization and to bargain collectively. The policy has been displayed at notice board in office and linesite.</p>	Complied
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 expose to hazardous working conditions.</p> <p>- Major compliance -</p>	<p>Based on the employee's record compiled in Check-roll Employment Listing, reviewed of the name list of workers found that the workers recruited with minimum age of 18 years old.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance																																																
Criterion 4.4.6: Training and competency																																																			
4.4.6.1	<p>All employees, contractors and relevant smallholders are appropriately trained. A training programme (appropriate to the scale of the organization) that includes regular assessment of training needs and documentation, including records of training shall be kept.</p> <p>- Major compliance -</p>	<p>Training records were made available to the audit team and reviewed. Sighted the sample training as below:</p> <p>CEP Rengam Estate:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Training</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Site verification program - conservation biodiversity area</td> <td>16/04/2021</td> </tr> <tr> <td>2</td> <td>Helpline briefing</td> <td>06/09/2021</td> </tr> <tr> <td>3</td> <td>RSPO & MSPO training</td> <td>24/08/2021</td> </tr> <tr> <td>4</td> <td>Induction training</td> <td>02/08/2021</td> </tr> <tr> <td>5</td> <td>Harvesting training</td> <td>09/07/2021</td> </tr> <tr> <td>6</td> <td>Accident & incident preventive briefing</td> <td>31/05/2021</td> </tr> <tr> <td>7</td> <td>First aid training</td> <td>20/05/2021</td> </tr> <tr> <td>8</td> <td>Fire drill training</td> <td>23/04/2021</td> </tr> </tbody> </table> <p>Layang Estate</p> <table border="1"> <tbody> <tr> <td>1</td> <td>Noise control training</td> <td>06/01/2021</td> </tr> <tr> <td>2</td> <td>Mesyuarat NUPW</td> <td>06/01/2021</td> </tr> <tr> <td>3</td> <td>Taklimat ujian SWAB</td> <td>08/02/2021</td> </tr> <tr> <td>4</td> <td>Ujian SWAB Ladang Layang</td> <td>21/02/2021</td> </tr> <tr> <td>5</td> <td>Induction training</td> <td>17/03/2021</td> </tr> <tr> <td>6</td> <td>Audit PMU</td> <td>12/03/2021</td> </tr> <tr> <td>7</td> <td>Spraying training</td> <td>19/03/2021</td> </tr> </tbody> </table>	No	Training	Date	1	Site verification program - conservation biodiversity area	16/04/2021	2	Helpline briefing	06/09/2021	3	RSPO & MSPO training	24/08/2021	4	Induction training	02/08/2021	5	Harvesting training	09/07/2021	6	Accident & incident preventive briefing	31/05/2021	7	First aid training	20/05/2021	8	Fire drill training	23/04/2021	1	Noise control training	06/01/2021	2	Mesyuarat NUPW	06/01/2021	3	Taklimat ujian SWAB	08/02/2021	4	Ujian SWAB Ladang Layang	21/02/2021	5	Induction training	17/03/2021	6	Audit PMU	12/03/2021	7	Spraying training	19/03/2021	Complied
No	Training	Date																																																	
1	Site verification program - conservation biodiversity area	16/04/2021																																																	
2	Helpline briefing	06/09/2021																																																	
3	RSPO & MSPO training	24/08/2021																																																	
4	Induction training	02/08/2021																																																	
5	Harvesting training	09/07/2021																																																	
6	Accident & incident preventive briefing	31/05/2021																																																	
7	First aid training	20/05/2021																																																	
8	Fire drill training	23/04/2021																																																	
1	Noise control training	06/01/2021																																																	
2	Mesyuarat NUPW	06/01/2021																																																	
3	Taklimat ujian SWAB	08/02/2021																																																	
4	Ujian SWAB Ladang Layang	21/02/2021																																																	
5	Induction training	17/03/2021																																																	
6	Audit PMU	12/03/2021																																																	
7	Spraying training	19/03/2021																																																	
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</p>	<p>The training needs at all visited estates for Training Program 2021 have been established. It is aimed to provide specific skills and competency required for employees to discharge their duties</p>	Complied																																																

Criterion / Indicator		Assessment Findings	Compliance						
	employees based on their job description. - Major compliance -	diligently. Included in this program are subjects related to environment, safety & health and best practices.							
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. - Minor compliance -	Training program planned for year 2021 was consistently implemented. The program includes training for all categories of employees. Evidence of adequate and appropriate training on safe working practices provided to harvesters, sprayers manure and general labours.	Complied						
4.5 Principle 5: Environment, natural resources, biodiversity and ecosystem services									
Criterion 4.5.1: Environmental Management Plan									
4.5.1.1	An environmental policy and management plan in compliance with the relevant country and state environmental laws shall be developed, effectively communicated and implemented. - Major compliance -	Environmental policy was made available to the audit team and reviewed. It was signed by the Group Managing Director on 02/12/2019. The group is committed in minimizing environmental harm by: <ul style="list-style-type: none"> a. Protecting and enhancing biodiversity and ecosystem. b. No deforestation and no new development on peat land. c. Enhancing resilience against climate change impact. d. Adopting responsible consumption and production 	Complied						
4.5.1.2	The environmental management plan shall cover the following: <ul style="list-style-type: none"> a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations. - Major compliance -	Environmental management plan was established based on the Environmental Impact Aspect Evaluation and Identification. It was documented in the Pollution Prevention Plan. Sighted the plan as follow: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>No</th> <th>Issues</th> <th>Mitigation</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Leakage of pesticides during chemical mixing</td> <td>To recollect water used at the chemical mixing area.</td> </tr> </tbody> </table>	No	Issues	Mitigation	1.	Leakage of pesticides during chemical mixing	To recollect water used at the chemical mixing area.	Complied
No	Issues	Mitigation							
1.	Leakage of pesticides during chemical mixing	To recollect water used at the chemical mixing area.							

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings		Compliance
			and washing into outside land. To maintain containment sump at chemical mixing area. To place all chemical containers on metal trays.	
		2.	Air pollution from vehicle. To frequently conduct maintenance on the vehicle for complete combustion of the system in order to reduce air pollution.	
		3.	Chemical spillage from spraying equipment. To inspect regularly on the equipment. To ensure the equipment in good condition.	
		4.	Clogged of oil sump for workshop Cleaning of oil sump and carry put quarterly inspection to ensure the oil sump serve the purpose.	
		5.	Empty chemical containers. To educate triple rinsing for every empty chemical container. To liaise with appropriate dealers for disposing of schedule waste.	
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, effectively implemented and monitored. - Major compliance -	The Environmental Impact Aspect Assessment had also included the development for the mitigation of negative impacts and promotion of positive impacts. The implementation and monitoring of the documented environmental improvement plan were reviewed annually and found to be satisfactorily implemented.		Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Evidence the positive impact has been included into the continual improvement plan under Environmental Impact Aspect Assessment, Management Action Plans and Continuous Improvement Plan for each estate.	Complied
4.5.1.5	An awareness and training programme shall be established and implemented to ensure that all employees understand the policy and objectives of the environmental management and improvement plans and are working towards achieving the objectives. - Major compliance -	Training program is available in the Training Program records, and being updated on yearly basis or revised as per the management required.	Complied
4.5.1.6	Management shall organize regular meetings with employees where their concerns about environmental quality are discussed. - Major compliance -	Regular meetings and discussion or consultation with relevant employees were conducted in relation to environments quality issues. Environmental Performance Monitoring Committee was also set up to oversee the implementation of the environmental programs. This committee conducted meeting conjoined with the OSH quarterly meeting. Among the issues discussed are: a. Verification on previous issues. b. GHG reduction program. c. Waste disposal monitoring. d. RTE species and wildlife. e. HCV area monitoring. f. Water management plan. g. Zero burning policy and training. h. Others.	Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy			

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance																															
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>Monthly record on energy consumption for respective estates were well kept and documented. It is monitored to optimize use of non-renewable energy. Diesel data is being compiled for future management review.</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Year</th> <th>FFB Mt</th> <th>Diesel</th> <th>Baseline</th> </tr> </thead> <tbody> <tr> <td rowspan="3">CEP Rengam</td> <td>2021</td> <td>40455.13</td> <td>91710</td> <td>2.267</td> </tr> <tr> <td>2020</td> <td>49810.26</td> <td>85879</td> <td>1.724</td> </tr> <tr> <td>2019</td> <td>52308.93</td> <td>92417</td> <td>1.767</td> </tr> <tr> <td rowspan="3">Layang</td> <td>2021</td> <td>47377.85</td> <td>102654</td> <td>2.17</td> </tr> <tr> <td>2020</td> <td>64897.55</td> <td>83019</td> <td>1.27</td> </tr> <tr> <td>2019</td> <td>58633.14</td> <td>82624</td> <td>1.41</td> </tr> </tbody> </table> <p>Usage of non – renewable energy is monitored monthly and maintained at each estate. The records were available for review.</p>	Estate	Year	FFB Mt	Diesel	Baseline	CEP Rengam	2021	40455.13	91710	2.267	2020	49810.26	85879	1.724	2019	52308.93	92417	1.767	Layang	2021	47377.85	102654	2.17	2020	64897.55	83019	1.27	2019	58633.14	82624	1.41	Complied
Estate	Year	FFB Mt	Diesel	Baseline																														
CEP Rengam	2021	40455.13	91710	2.267																														
	2020	49810.26	85879	1.724																														
	2019	52308.93	92417	1.767																														
Layang	2021	47377.85	102654	2.17																														
	2020	64897.55	83019	1.27																														
	2019	58633.14	82624	1.41																														
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 estimation for the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations inclusive of fuel use by contractors, including all transport and machinery operations was available in the respective estate yearly budgets.</p>	Complied																															
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>Solar panel was used at the main office at CEP Rengam Estate as an alternative for the electrical supply from TNB.</p>	Complied																															
Criterion 4.5.3: Waste management and disposal																																		
4.5.3.1	<p>All waste products and sources of pollution shall be identified and documented.</p> <p>- Major compliance -</p>	<p>Waste management plan in estate are categorized into three classes which are schedule waste, domestic waste and industrial waste.</p>	Complied																															

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings			Compliance									
		<p>Therefore, the waste management plan is including of these three types of wastes.</p> <p>The estate management has identified the waste products and sources of pollution and documented it under Waste Management Plan.</p> <table border="1"> <thead> <tr> <th>Type of waste</th> <th>Description</th> <th>Action plan</th> </tr> </thead> <tbody> <tr> <td>Schedule waste</td> <td>SW 305: lubricant oil SW 410: use oil filter SW 404: clinical waste</td> <td>Collect and record amount of relevant waste. Store all scheduled waste in SW store. All containers shall be labelled with proper scheduled waste label. Disposed items thru licensed contractor.</td> </tr> <tr> <td>Domestic waste</td> <td>Rubbish Sewage</td> <td>Collect recycle materials in bins provided and send to contractors. Create further awareness on recycling among the employees. Monitor estates quarters. Collection of rubbish twice a week. To repair clog pipe.</td> </tr> </tbody> </table>			Type of waste	Description	Action plan	Schedule waste	SW 305: lubricant oil SW 410: use oil filter SW 404: clinical waste	Collect and record amount of relevant waste. Store all scheduled waste in SW store. All containers shall be labelled with proper scheduled waste label. Disposed items thru licensed contractor.	Domestic waste	Rubbish Sewage	Collect recycle materials in bins provided and send to contractors. Create further awareness on recycling among the employees. Monitor estates quarters. Collection of rubbish twice a week. To repair clog pipe.	
Type of waste	Description	Action plan												
Schedule waste	SW 305: lubricant oil SW 410: use oil filter SW 404: clinical waste	Collect and record amount of relevant waste. Store all scheduled waste in SW store. All containers shall be labelled with proper scheduled waste label. Disposed items thru licensed contractor.												
Domestic waste	Rubbish Sewage	Collect recycle materials in bins provided and send to contractors. Create further awareness on recycling among the employees. Monitor estates quarters. Collection of rubbish twice a week. To repair clog pipe.												

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings			Compliance						
		Industrial waste	Scrap metal	Scrap metal is recycled. To place at proper place with labelling. Disposal of scrap metal manage by zone office thru tender							
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 identification and monitoring source of waste is explained under indicator 4.5.3.1.</p> <p>By products such as EFB and POME were applied to the estate on regular basis. Sighted the records and reviewed.</p> <table border="1"> <thead> <tr> <th>Type of Waste</th> <th>Source of Waste</th> <th>Action & Monitoring Plan</th> </tr> </thead> <tbody> <tr> <td>Schedule waste</td> <td>Used battery (SW102), used lubricant (SW305), used hydraulic oil (SW306), SW409 (empty chemical container, fertilizer bag liner, sanitizer, polybag), SW110 (waste from electrical and electronic assembly), SW109 (waste containing mercury), SW429 (discarded chemicals or off spec)</td> <td>To properly store, label, monitor and dispose of scheduled waste according to Environment Quality Act 1974. Lubricant and spent oil separately stored in banded storage. The empty chemical containers to be triple rinsed and punctured.</td> </tr> </tbody> </table>			Type of Waste	Source of Waste	Action & Monitoring Plan	Schedule waste	Used battery (SW102), used lubricant (SW305), used hydraulic oil (SW306), SW409 (empty chemical container, fertilizer bag liner, sanitizer, polybag), SW110 (waste from electrical and electronic assembly), SW109 (waste containing mercury), SW429 (discarded chemicals or off spec)	To properly store, label, monitor and dispose of scheduled waste according to Environment Quality Act 1974. Lubricant and spent oil separately stored in banded storage. The empty chemical containers to be triple rinsed and punctured.	Complied
Type of Waste	Source of Waste	Action & Monitoring Plan									
Schedule waste	Used battery (SW102), used lubricant (SW305), used hydraulic oil (SW306), SW409 (empty chemical container, fertilizer bag liner, sanitizer, polybag), SW110 (waste from electrical and electronic assembly), SW109 (waste containing mercury), SW429 (discarded chemicals or off spec)	To properly store, label, monitor and dispose of scheduled waste according to Environment Quality Act 1974. Lubricant and spent oil separately stored in banded storage. The empty chemical containers to be triple rinsed and punctured.									

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings			Compliance
		Clinical waste	Bio hazard waste from clinic.	To store the clinical waste at the Clinical Waste Store before disposing it to the license contractor To ensure the disposal of one-time use item such as syringe, from the clinic issue record tally with the clinical waste received record. To monitor the expiry date of the medicine in the clinic.	
		Domestic Waste	Building and filed block within estate,	Systematic collection of garbage or domestic waste. Schedule for sewage tank cleaning at periodic interval. Segregation of plastics, glass, paper, tin etc.	
		Scrap iron	Residue from vehicle maintenance.	Scrap iron accumulated at the workshop to be sold to contractor. Reusable metal parts will be stored in estate at appropriate place.	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.5.3.3	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. - Major compliance -	Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. Proper disposal of waste material is carried out as per the company procedures. Both visited estates have a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected at both estates visited.	Complied
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 national programme on recycling of used HDPE pesticide containers. - Major compliance -	During site visit it has been sighted that the chemical containers are punctured and disposed in an environmentally and socially responsible way to prevent contamination of water source or to human health. For example, the empty pesticide containers at sampling Estate are disposed to SS Setia Technology. Latest disposal was made on 13/12/2021.	Complied
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	Domestic waste disposed at landfill in respective estate. Layang Estate disposed their domestic waste at Layang Division Block 07 and Hadapan Division at Block 02B. While for CEP Rengam Estate disposed their domestic waste at Block 9.	Complied
Criterion 4.5.4: Reduction of pollution and emission			

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance						
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	Sime Darby Plantation Berhad has established and assess their polluting activities management plan. This has been incorporated in the Environmental Improvement Plan. The management has identified 9 area which may contribute to pollute the environment. Vehicle maintenance records were made available for review. Sighted the latest vehicle services was conducted on 18/11/2021 for tractor with plate no: QSV2144.	Complied						
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Action plan to reduce pollution was incorporated in the Environmental Improvement Plan. The plan was sighted and reviewed.	Complied						
Criterion 4.5.5: Natural water resources									
4.5.5.1	The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include: a. Assessment of water usage and sources of supply. b. Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the estate's current activities. c. Ways to optimize water and nutrient usage to reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.). d. Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before	Water management plan was provided by the operating units and reviewed. The plan has outlined the source of water comes from Government Supply Water (Syarikat Air Johor) and rainwater harvesting (which will be used for workshop and watering plant). (a) & (c) Sighted the Water Management Plan as follow: <table border="1" data-bbox="1093 1077 1904 1372"> <thead> <tr> <th>Water Source</th> <th>Area of Concern</th> <th>Monitoring/Action Plan</th> </tr> </thead> <tbody> <tr> <td>Government water supply</td> <td>Water shortage/dry spell Spillage water at chemical mixing areas.</td> <td>Continuous awareness briefing on the water usage. Daily monitoring on the water piping system. To trap spillage water in water sump.</td> </tr> </tbody> </table>	Water Source	Area of Concern	Monitoring/Action Plan	Government water supply	Water shortage/dry spell Spillage water at chemical mixing areas.	Continuous awareness briefing on the water usage. Daily monitoring on the water piping system. To trap spillage water in water sump.	Complied
Water Source	Area of Concern	Monitoring/Action Plan							
Government water supply	Water shortage/dry spell Spillage water at chemical mixing areas.	Continuous awareness briefing on the water usage. Daily monitoring on the water piping system. To trap spillage water in water sump.							

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings			Compliance
	planting or replanting, along all natural waterways within the estate. e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. - Major compliance -	Renewal of water source	Rainwater harvesting	To place a large container for rainwater collection at strategic location. Used for workshop and watering plant.	
		Water supply for Layang Estate and CEP Rengam Estate come from Syarikat Air Johor. b. Water quality analysis was conducted on 2/10/2021 and conducted by Sime Darby Plantation Research Sdn Bhd. 4 samples were collected (2 upstream and 2 midstream samples). The result shows that no pesticide residue was found in the samples. d. Protection of water courses and wetlands are monitored from time to time to ensure the riparian reserve area in good condition and corrective action will be conducted on necessary basis. e. During site verification, the natural vegetation in riparian buffer zone in good condition. Not sighted any natural vegetation in riparian areas has been removed. f. No bore or well were used as source of water.			
4.5.5.2	No construction of bunds, weirs and dams across main rivers or waterways passing through an estate. - Minor compliance -	No damn, weirs and damn were sighted during the site visit.			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).	Roadside drain have been practices by the estate to harvest the rain water for the oil palm. Among the soil moisture conservation program taken by estate are frond stack arrangement, EFB mulching, EFB fibre mulching and shell mulching.			Complied

Criterion / Indicator		Assessment Findings	Compliance
- Minor compliance -			
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> <ul style="list-style-type: none"> a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities. b) Conservation status (<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>- Major compliance -</p>	<p>Sime Darby Plantation Berhad established HCV Conservation Value Assessment on September 2014 and annually reviewed the assessment. The HCV areas can be classified into 6 categories as listed below:</p> <ul style="list-style-type: none"> a. HCV 1 Forest area containing globally, regionally or nationally significant concentrations of biodiversity values. b. HCV 2 Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance. c. HCV 3 Forest areas that are in or contain rare, threatened or endangered ecosystems. d. HCV 4 Forest areas that provide basic services of nature in critical situations (<i>e.g.</i> watershed protection, erosion control) e. HCV 5 Forest areas fundamental to meeting basic needs of local communities (<i>e.g.</i> subsistence, health) f. HCV 6C Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious 	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance						
		<p>significance identified in cooperation with such local communities).</p> <p>The group is committed to comply with the MSPO Standard Part 3, 4.5.6 which requires an HCV assessment to be conducted to all operating units.</p> <p>Monthly wildlife checklist from January until October 2021 were made available to the audit team. among the wildlife species sighted were "babi hutan", "ayam hutan", "burung wak wak", "biawak" and "burung tiong".</p>							
4.5.6.2	<p>If rare, threatened or endangered species or high biodiversity value, are present, appropriate measures for management planning and operations should include:</p> <p>a) Ensuring that any legal requirements relating to the protection of the species are met.</p> <p>b) Discouraging any illegal or inappropriate hunting, fishing or collecting activities; and developing responsible measures to resolve human-wildlife conflicts.</p> <p>- Major compliance -</p>	<p>As to date, no RTE were recorded. Evidence to continuously prevent and discourage illegal hunting, fishing or collecting activities were maintained and implemented. Signage as well as routine patrolling activities were utilised as part of creating awareness among employees and maintaining the HCVs area.</p> <p>HCV training was conducted on 11/11/2021 (Layang Division) and 15/11/2021 (Hadapan Division). The content was delivered by the estate assistant manager to the employees.</p>	Complied						
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>HCV and Conservation Area Management Action Plan and continuous management plan was sighted. Management plan established is consistent with site implementation.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Scope</th> <th style="width: 33%;">Objective</th> <th style="width: 33%;">Program</th> </tr> </thead> <tbody> <tr> <td>Forest border</td> <td>To ensure no hunting or trespassing on the site</td> <td>Periodic patrolling will be done by the AP and staff to ensure no</td> </tr> </tbody> </table>	Scope	Objective	Program	Forest border	To ensure no hunting or trespassing on the site	Periodic patrolling will be done by the AP and staff to ensure no	Complied
Scope	Objective	Program							
Forest border	To ensure no hunting or trespassing on the site	Periodic patrolling will be done by the AP and staff to ensure no							

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings			Compliance
				hunting or trespassing occur on the site.	
		Water catchment	To ensure no chemical or fertilizer application activity on the site. To liaise with Hadapan POM management on the program.	Monitor any activity on the site	
		RTE species	To ensure no hunting of RTE species occur in the estate.	Conduct training about the endangered species to increase awareness among the estate workers.	
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. - Major compliance -	Sime Darby Plantation Berhad has developed Responsible Agriculture Charter, revised on 2020. The company stated their commitment to implement zero use of fire for land preparation and established effective monitoring and prevention as well as proactive firefighting measures within a reasonable radius beyond their operational boundaries.			Complied
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 -	Not applicable since zero burning policy is implemented in the Sime Darby Plantation's estate.			Not Applicable
4.5.7.3	Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open	No controlled burning noted based on the records on the land clearing and felling for the replanting at sampled estates. Method of land			Not Applicable

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	Burning) Order 2003 or other applicable laws. - Major compliance -	clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	
4.5.7.4	Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched. - Minor compliance -	Noted based on the records on the land clearing and felling for the replanting at sampled estates, method of land clearing and preparation was used such as felling & chipping, cambering/land forming and path construction.	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	Standard operating procedures shall be appropriately documented and consistently implemented and monitored. - Major compliance -	The group has established Estate Quality Management System, Standard Operation Manual, issued on 01/11/2008 and approved by company's Managing Director, Dato' Azhar Abdul Hamid. Sighted the SOP as below: a. Planting density. b. Nursery. c. Land clearing & preparation. d. Planting techniques. e. Manuring f. Pest & Disease. g. Harvesting. h. Weeding. i. Road maintenance. j. Workshop. k. Landfill management in estate l. Replanting area.	OFI

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>SOP for Landfill Management in Estate, document no: SD/SDP/PSQM(ESH)203-EN7, dated on 13/03/2017, revise no 0. The objective of this SOP is to provide guidelines on the acceptable procedures for managing landfill within Sime Darby Plantations operations.</p> <p>Under section 6 Requirements & Procedures, 6.3 Landfill Site Selection Criteria, 6.3.3: Landfill site shall be prepared in accordance with the following criteria:</p> <ul style="list-style-type: none"> a. The landfill shall be located no less than 3km away from the nearest household area, offices or other premises. b. The landfill shall be located no less that 3km away from the nearest river or waterway. <p>Estate to follow the procedure as per guided in the SOP thus, OFI is raised.</p>	
4.6.1.2	<p>Where oil palm is grown within permitted levels on sloping land, appropriate soil conservation measures shall be implemented to prevent both soil erosion as well as siltation of drains and waterways. Measures shall be put in place to prevent contamination of surface and groundwater through runoff of either soil, nutrients or chemicals.</p> <p>- Major compliance -</p>	<p>The estates construct terraces at slope area of more than 6 degrees. Planting of cover crop are made to retain the soil structure and conservation. a) Road side pit is made to divert water at slope areas to prevent road erosion and surface damage. Terraces are constructed inclined towards the terrace wall.</p>	Complied
4.6.1.3	<p>A visual identification or reference system shall be established for each field.</p> <p>- Major compliance -</p>	<p>All fields are marked and identified. Information like year planting (field no) and the total hectare is shown in all markers. There are both stencilled at the palm trees and also displayed in signages at the boundary/corners of every fields. This is observed during the field visit in both estates.</p>	Complied
Criterion 4.6.2: Economic and financial viability plan			

MSPO Public Summary Report
Revision 2 (Nov 2021)

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 -	The estate management established 5 years business plan which cover the following aspect such as area statement, crop by year planting, 10 years replanting program, employee's requirement, mature oil palm costing statement, general charges statement and capital expenditure statement.	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 -	Respective estate managements have established a replanting program spanned over 10 years period from 2020 – 2026. The first 5 years program summarize as below: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Estate</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> </tr> </thead> <tbody> <tr> <td>Layang Layang</td> <td style="text-align: center;">-</td> <td style="text-align: right;">116.86</td> <td style="text-align: right;">61.58</td> <td style="text-align: center;">0</td> <td style="text-align: right;">136.70</td> <td style="text-align: right;">194.42</td> </tr> <tr> <td>CEP Rengam</td> <td colspan="6" style="text-align: center;">Replanting programs were postponed until further notice.</td> </tr> </tbody> </table>	Estate	2021	2022	2023	2024	2025	2026	Layang Layang	-	116.86	61.58	0	136.70	194.42	CEP Rengam	Replanting programs were postponed until further notice.						Complied
Estate	2021	2022	2023	2024	2025	2026																		
Layang Layang	-	116.86	61.58	0	136.70	194.42																		
CEP Rengam	Replanting programs were postponed until further notice.																							
4.6.2.3	The business or management plan may contain: a) Attention to quality of planting materials and FFB b) Crop projection: site yield potential, age profile, FFB yield trends c) Cost of production: cost per tonne of FFB d) Price forecast e) Financial indicators: cost benefit, discounted cash flow, return on investment - Major compliance -	This requirement is further elaborated under indicator 4.6.2.1 above. The estates management had a format and guidelines to formulate the returns on the field operations. This format was made available to the audit team and reviewed.	Complied																					
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 -	Implementation of the management plan, SOP and best management practices was regularly monitored via monthly progress and production reports, the computerized system, monthly meetings and visit by agronomist, plantation controller, plantation director and management from headquarters level.	Complied																					

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Visit reports, minute meetings and other related documents on the best management practices was made available to the audit team and reviewed.</p> <p>CEP Rengam Estate:</p> <ul style="list-style-type: none"> • Agronomist Visit for 2022 Fertilizer Recommendation was made on 09/12/2021. • RCEO recommendation on the 3rd baiting campaign for the estates under Hadapan Complex was made available to the audit team. • Plantation Advisor visit report was made on 05-07/04/2021. The visit emphasized on the estate operation, compliance to the group's SOP and operation cost. 	
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	<p>Pricing mechanisms for the products and other services shall be documented and effectively implemented.</p> <p>- Major compliance -</p>	<p>Pricing mechanisms for the products and other services being documented and effectively implemented in the Estate. All the pricing will be based on HQ approval.</p> <p>Layang Estate</p> <p>Chit Sun Contractors Sdn Bhd (Agreement valid from 1/1/2021 – 31/12/2021)</p> <p>Rajandran Setia Sdn Bhd (Agreement valid from 1/9/2021 – 31/12/2021)</p> <p>Sample taken on Rajandran Setia Sdn Bhd on transporting of Fresh Fruit Bunches and Empty Fruit Bunches. The agreement between The Estate and Rajandran Setia Sdn Bhd valid from 1/9/2021 until 31/12/2021.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		The FFB being sell to own mill, Hadapan Palm Oil Mill and pricing base on the latest diesel price announced by the Malaysian Government if any variation from the Base Diesel Price. The method / formula is agreed by both parties.	
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	All the Contractors have signed a Contract Agreement with the Management and agreed by both parties on the terms and Conditions. Sample taken on the following contractors: - Layang Estate Sample taken on Rajandran Setia Sdn Bhd on transporting of Fresh Fruit Bunches and Empty Fruit Bunches. The agreement between The Estate and Rajandran Setia Sdn Bhd valid from 1/9/2021 until 31/12/2021. Purchase Order No: 5001297037 for 1/12/2021. The value of work done was RM39,280.07. The work order being certified on 1/12/2021. The payment being made on 13/12/2021 amounting RM39,280.07.	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The estates had informed its contractors regarding the need to follow the MSPO requirements through MSPO training/briefing. The latest session was carried out on 1/9/2021 in estate.	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Awarded contractors are provided with Letter of Offer (contract agreement) which spelt out the conditions such as commencement, service contract, bank guarantee, insurance policies, failure to provide service, responsibility and indemnity, termination, governing laws, transportation rate and rate adjustment mechanism.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	There were no objections from management to accept MSPO approved auditors to verify assessments through a physical inspection where required and written in the addendum contract.	Complied
4.6.4.4	The management shall be responsible for the observance of the control points applicable to the tasks performed by the contractor, by checking and signing the assessment of the contractor for each task and season contracted. - Major compliance -	All works performed at the estates are checked and verified by the estate's personnel. Projects where tenders are issued by HQ are checked by representative from HQ. Payment will only be made upon approval by the Management and satisfactory work by the contractor.	Complied
4.7 Principle 7: Development of new planting (Not Applicable because no new planting in Sampling estate)			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
Criterion 4.7.2: Peat Land			

Criterion / Indicator		Assessment Findings	Compliance
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			
4.7.3.1	A comprehensive and participatory social and environmental impact assessment shall be conducted prior to establishing new plantings or operations. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of how each scheme or small estate is to be managed should be documented and a plan to manage the impacts developed, implemented, monitored and reviewed. - Minor compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.7.4: Soil and topographic information			
4.7.4.1	Information on soil types shall be adequate to establish the long-term suitability of the land for oil palm cultivation. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.4.2	Topographic information shall be adequate to guide the planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
Criterion 4.7.5: Planting on steep terrain, marginal and fragile soils			
4.7.5.1	Extensive planting on steep terrain, marginal and fragile soils shall be avoided unless permitted by local, state and national laws. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.5.2	Where planting on fragile and marginal soils is proposed, plans shall be developed and implemented to protect them and to minimize adverse impacts (e.g. hydrological) or significantly increased risks (e.g. fire risk) in areas outside the plantation. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
Criterion 4.7.6: Customary land			

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.6.6	A system for identifying people entitled to compensation and for calculating and distributing fair compensation shall be established and implemented.	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -		
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable
4.7.6.8	Communities that have lost access and rights to land for plantation expansion should be given opportunities to benefit from the plantation development. - Minor compliance -	No new planting was observed or planned by the management. Thus, this principle is not applicable.	Not applicable

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 Bhd (SDPB) commitments towards MSPO compliance being established through Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha, Group Managing Director dated 2/12/2019. MSPO Briefing has been conducted to all internal and external stakeholders through the communicated to workers during Town Hall Session The meeting chaired by RSQM Team. Latest stakeholder conducted was on 2/12/2021.	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 -	The sustainability goals are in line with United Nations Sustainable Development Goals (UNSDG) 2030, which committed to: - 1. Promoting good governance and transparency 2. Contributing to a better society 3. Minimising environmental harm 4. Delivering sustainability quality This policy being guided by the commitments spelt out in the Company's: - 1. Responsible Agriculture Charter (RAC) 2. Human Rights Charter (HRC) 3. Innovation and Productivity Charter (IPC)	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance								
Criterion 4.1.2 – Internal Audit											
4.1.2.1	Internal audit shall be planned and conducted regularly to determine the strong and weak points and potential area for further improvement. - Major compliance -	Sime Darby Plantation Bhd, Plantation Sustainability and Quality Management (PSQM), Internal Audit Procedures, Doc No: SD/SDP/PSQM/IAP Revision 2 Date 1/11/2017. The internal audit being conducted annually to implement and maintain the respective standard requirements effectively within the Group. The Management had drawn an Internal Audit Plan and it being carried out once a year to the Estate. The Internal audit conducted by Sustainability Unit, GSQM Department and RSQM. Sighted Internal Audit Plan and conducted as below: - Hadapan POM, internal audit conducted on 10/9/2021 by GSQM lead by Mohd Saiful Bari Munir. There are no NC been raised during this internal audit.	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 implement the necessary corrective action. - Major compliance -	The Internal Audit was planned to be conducted annually. The MSPO Internal Audit for Hadapan POM was conducted on 13th November 2020 by Sustainability Unit, GSQM Department and RSQM. The recent internal audits for the sampled estates were conducted as follows: <table border="1" data-bbox="1086 1098 1877 1168"> <thead> <tr> <th>No</th> <th>POM</th> <th>Date of audit</th> <th>Finding</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Hadapan POM</td> <td>10/9/2021</td> <td>No Nc been raised</td> </tr> </tbody> </table>	No	POM	Date of audit	Finding	1	Hadapan POM	10/9/2021	No Nc been raised	Complied
No	POM	Date of audit	Finding								
1	Hadapan POM	10/9/2021	No Nc been raised								
4.1.2.3	Reports shall be made available to the management for their review. - Major compliance -	The internal audit report was documented and made available for management review. As evidence, all findings from internal audit was responded by Mill Management within the acceptable timeframe.	Complied								
Criterion 4.1.3 – Management Review											

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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 procedure for Management Review, Standard Operation Manual, Sub-Section 5.6, dated: 25/5/2015 was established. The frequency for management review needs to be carried out at least once a year. The Management Review meeting is on Operating Unit basis. The actual meeting date as below:-</p> <p>Date: 15/9/2021 Venue: KKS Hadapan Attended: 6 person</p> <p>The agendas discussed in the meeting are the following:</p> <ul style="list-style-type: none"> a) Review of last meeting and confirmation of the minutes. b) Review of status / issue of Input and Output c) Sustainability Management d) Resource evaluation, needs and plan e) Results from system audit f) Changes that could affect the Management Systems g) Recommendation for Improvement h) Other matters 	Complied
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>Projects in relation to the continual improvement are made through allocation in capital expenditure, exhibited in the annual budget for each operation unit. The mill has developed management improvement plan for environment and social as continual improvement plan.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.1.4.2	The company should establish a system to improve practices in line with new information and techniques; and for disseminating this information throughout the workforce. - Major compliance -	Disseminating of new information or technique related to the mill operation were made thru training and briefing delivered by the management (manager, assistant manager). The management will prepare the annual training program and should there any training or briefing which deem necessary to, it will be added in the annual program.	Complied
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate adequate information to other stakeholder on environmental, social and legal issues relevant to sustainable practices in the relevant languages and forms. - Major compliance -	Sime Darby Plantation Bhd (SDPB) has established Communication Procedure either Internal or External Stakeholders. The information was available in two (2) languages English and Malay. This document was accessible to stakeholder as sighted at Mill notice board. The information being disseminated to the Internal and External Stakeholders either through Townhall Session or External Stakeholders’ Meeting. In view of Internal Stakeholder communication, the details as below: Stakeholder/contractor briefing dated 2/12/2021 Townhall record dated 5/4/2021	Complied
4.2.1.2	The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes. - Major compliance -	Sime Darby Plantation Bhd (SDPB) has established Mill Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the company's safety & health, social, environmental and other aspects.</p> <p>Information relating to land titles, safety and health plans, pollution prevention plans was made available at all Mill. Among the documents that were made available for viewing were land titles, occupational health and safety plans, EIA reports, SIA reports, details of complaints and grievances, negotiation procedures, continuous improvement plans, and human rights policy.</p>	
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Bhd (SDPB) has established Mill Quality Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1, Year 2008, Issue No 1 dated 1st April 2008.</p> <p>The procedure for Internal Stakeholders was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Internal Issues.</p> <p>The mechanism is to enable effective and timely communication with employees and external interested parties. The audit team observed that the above SOP specifies the means to communicate and consult with the relevant stakeholders pertaining to the</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>company's safety & health, social, environmental and other aspects.</p> <p>The SOP also specifies the timeframe to be taken to provide feedback to the stakeholder is: -</p> <ul style="list-style-type: none"> a. Within 2 weeks from the date receiving the queries. b. Within one week of the completion of the investigation for communication requiring investigation. <p>The procedure for consultation and communication is also available through website address http://simeidarbyplantation.com</p>	
4.2.2.2	<p>The management shall nominate management officials at the operating unit responsible for issues related to <i>indicator 1</i>.</p> <p>- Minor compliance -</p>	<p>The mill has appointed their person in charge to monitor Consultation and communication namely En. Mohd Fakurrazi Al Mansor bin Mohd Daud, Assistant Manager through appointment letter dated 1st January 2020 signed by En. Zulaffandi bin Samad, Mill Manager.</p>	Complied
4.2.2.3	<p>A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained.</p> <p>- Major compliance -</p>	<p>List of stakeholders for all the operating units were last updated on 11/11/2021. The list consists of various group of stakeholders such as government authorities, contractors/suppliers, NGOs, local communities and also internal stakeholders such as workers and representatives.</p> <p>Records of consultation generally recorded in the stakeholders' consultation minute of meeting. The last meeting was conducted on 21/10/2021.</p>	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	<p>The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard</p>	<p>The company has established Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability version 2 Issue # 5</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<p>operation procedure for traceability.</p> <p>- Major compliance -</p>	<p>dated April 2019. The objective of the SOP is to provide guidelines for estates and POM to establish and ensure effective implementation on sustainable supply chain and traceability of certified sustainable materials (FFB, CPO & PK).</p> <p>FFB received and CPO despatch records were made available and verified during the audit process. Sighted the records as follow:</p> <p>FFB Received</p> <ul style="list-style-type: none"> a. Supplier: CEP Rengam Estate b. Product: Loose fruit c. Vehicle No: JEH 985 d. Driver’s Name: Mazuki Bin Mat Daud e. Driver’s IC No: 760427017015 f. First weight: 4470 g. Second weight: 1960 h. Nett weight: 2510 i. Date & Time:12/12/2021, 12:28:58 pm <p>CPO Despatch</p> <ul style="list-style-type: none"> a. Customer: SDOPKR – Sime Darby Plantation Berhad b. Destination: Nuri Edible Oil c. Product: CPO (RSPO MB) d. Transporter: Sing Rubber & Transport Sdn Bhd e. DO No: 62029 f. Date & Time: 13/12/2021, 07:35:04 am g. First weight: 19,080 kg h. Second weight: 59,370 kg i. Nett Weight: 40290 kg j. Contract no: S/C-PSD/2112/CPO0076 	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		k. Vehicle no: NCP4284 l. Driver's name: Mohd Farin Bin Alias	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	Compliance on the traceability system was maintained through regular inspections, monthly checking of records and the annual internal audits conducted for the current year.	Complied
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	Mr. Ariff bin Musa, mill assistant manager was appointed as the person in charge to implement and maintain the traceability system. The appointment was made on 01/06/2021 by the Mill Manager.	Complied
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	All records of incoming FFB transported/received, CPO & PK produced and delivery, on daily basis were maintained and verified traceable through the delivery notes, lorry ticket & weighbridge which were maintained at the palm oil mill office. Records for year 2019, 2020 and 2021 were maintained and sighted.	Complied
4.3 Principle 3: Compliance to legal requirements			
Criterion 4.3.1 – Regulatory requirements			
4.3.1.1	All operations shall be in compliance with applicable local, state, national and ratified international laws and regulations. - Major compliance -	The legal requirements register covering the applicable local and international laws and regulations is available at the office. The relevant legislation identified and listed as below: a. Permit for working more than 104 hours overtime in a month, reference no: BhgPU/9/134 Jilid 2, endorsed by "Ketua Pengarah Jabatan Tenaga Kerja" on 02/12/2013.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> b. Permit for salary deduction for school bus fee, reference no: PTKJB/10101/55563(PMT), endorsed on 18/01/2021. c. MPOB license no 510425004000, expired on 28/02/2022. d. "Lesen timbang & sukat, no sijil penentuan: B186920", expired on 09/07/2021. e. "Lesen DOE: Mengeluarkan dan melepaskan apa apa benda berbahaya kepada alam sekeliling", license no: 005392, expired on 31/12/2021. f. Compliance Schedule by DOE, registration no: AS(B)J31/152/000/08, effluent disposed method thru land application and compost, expired on 30/06/2022. g. Permit to urchase, store and use of Sodium Hydroxide, reference no: 00742, expired on 31/12/2021. h. Permit for salary deduction, reference no: BHG.PU/9/129 JLD 3(53), endorsed on 06/07/201. 	
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>Legal Requirement Register was made available to the audit team. The register was acknowledged by the mill manager on 14/06/2019.</p> <p>Latest revision was made on 06/03/2021 for Workers' Minimum Standards of Housing & Amenities Regulations 1990 and Emergency (Prevention and Control of Infectious Diseases) Amendment Ordinance 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>- Major compliance -</p>	<p>Any new amendment or requirements are monitored and updated by the Group Sustainability & Quality Management. Head Office assignee to identify and register all applicable laws and regulations and distributed to each operation centres.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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 -	Mr. Ariff Bin Musa, mill assistant manager was appointed as the person in charge to implement and maintain the traceability system. The appointment was made on 01/06/2021 by the Mill Manager.	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users. - Major compliance -	Sime Darby Plantation Bhd (SDPB) did not acquire land from landowners, but leased it directly from the government. There were no issues of land disputes. For mill situated under Layang estate (Hadapan Division), the land title available at estate document.	Complied
4.3.2.2	The management shall provide documents showing legal ownership or lease, history of land tenure and the actual legal use of the land. - Major compliance -	The mill located in Layang Estate, Hadapan Division under land title no. 08 HS (D) 00039413, lot no. 07 MLO 00006529. A copy of the land title were available at the office for review.	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	The palm oil mill is located within the Estate compound properly demarcated with fences.	Complied
4.3.2.4	Where there are, or haven been disputes, documented proof of legal acquisition of land and fair compensation that have been or are being made to previous owners and occupants; shall made available and that these should have been accepted with free prior informed consent (FPIC). - Minor compliance -	There was no land dispute at the certification unit. The company has the legal ownership documents as demonstrated by possessing land titles.	Complied
Criterion 4.3.3 – Customary rights			

Criterion / Indicator		Assessment Findings	Compliance
4.3.3.1	Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced. - Major compliance -	There is no customary land within or surrounding in the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.	Not Applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	There is no customary land within or surrounding in the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.	Not Applicable
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	There is no customary land within or surrounding in the Mill. There are also no land disputes or claims involving the Mill. The company has proper legal land titles for the land ownership.	Not Applicable
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 -	The mill has last reviewed their SIA conducted 3 - 7/2/2014 by Social and Environment Project unit, PSQM Department. The method of identifying the social impacts was by conducting both internal and external stakeholder meeting. Among the group of stakeholders outreach by the governmental organization, gender representatives, NGO, neighboring estates, religious representatives, employees, contractors, suppliers and village representatives. Generally, among the impacts identified were those related to compliance with legal requirements, workers welfare, handling of complaints & grievances and socio-economic impact on surrounding communities.	Minor Non compliance

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>External stakeholder issue</p> <p>1) From interview with stakeholder, it was found that some issue was not been identified by the management as per feedback from the stakeholder interview such as; Grocery in Hadapan Div compound stated some workers have debt with the shop already leave the company and the owner don't know how to report this matter.</p> <p>Internal Issue</p> <p>1) Issue regarding to overtime that been raised during townhall dated 5/4/2021 was not been identified in the management plan.</p> <p>2) Some allowance and overtime issue was not clear as per interview with Union committee and also not been identified in SIA</p> <p>Thus, Minor NC was raised.</p>	
Criterion 4.4.2: Complaints and grievances			
4.4.2.1	<p>A system for dealing with complaints and grievances shall be established and documented.</p> <p>- Major compliance -</p>	<p>Management System, Level 2, Standard Operation Manual Sub – Section 5.5 Management Responsibility Appendix 5.5.3.2 Procedure for External communication, version 1 Year 2008, Issue No 1 dated 1st Nov 2008. The procedure for handling internal social issue was described in the Sustainable Plantation Management System, Appendix 5, Version 1, and Issue No.1, dated 01/11/2008 on Flowchart and Procedures on handling Social Issues. The mechanism is to enable effective and timely communication with employees and external interested parties. Under Group policies</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		and authority's GPA No 85 Whistleblowing channels are established to help all stakeholders raise concerns, without fear or retaliation.	
4.4.2.2	The system shall be able to resolve dispute in an effective, timely and appropriate manner, which is accepted by all parties. - Major compliance -	The mill is having a format to record complaints or requests from the stakeholders. Based on the records, most of the complaints were about defects of housing facility. Verification of the records of complaints lodged, the actions taken by the management were found to be appropriate and timely manner.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make complaints. - Minor compliance -	The complaint forms were available at the operating unit's office, where the stakeholders can easily access should it be needed. Among the information available in the form is name of requestor/complainant, date of request, details of complaint/grievance, details of action taken including dates and acknowledgement signature of the requestor.	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 -	Training conducted with workers and evaluation available to confirm their understanding of the complaint and grievance process. There is no grievance recorded for the pass 2 year. Only request for maintenance housing are made by workers. Employees and the surrounding communities were made aware that complaints or suggestions can be made any time through various meetings such as morning muster, training/briefing and stakeholder consultation.	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 -	Sighted all internal complaints filled, responded and the records being maintained for the last 24 months. No negative complaints made by external stakeholders within last 24 months at the mill.	Complied
Criterion 4.4.3: Commitment to contribute to local sustainable development			

Criterion / Indicator		Assessment Findings	Compliance
4.4.3.1	<p>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.</p> <p>- Minor compliance -</p>	<p>The mill management has made contribution to the stakeholders such as contributed of cooking oil to all the workers during festive season, subsidized of electricity and water, provide clinic facilities etc. Programmed with stakeholders (internal and external) was also plan and included in the social improvement plan such as family days, sport event etc.</p>	Complied
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 Plantation Bhd has established Safety and health policy as per Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.</p> <p>In the Policy Statement stated as follows: "Upstream Malaysia is committed to providing safe and healthy workplaces and operating in an environmentally responsible manner at all our operations in Malaysia."</p> <p>The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the mill compound.</p> <p>OSH plan for year 2021 was made available to the audit team. it was sighted that the mill management has program 25 different activities that need to be completed.</p> <p>Audiometric test was conducted by Spectrum Laboratories Sdn Bhd on 27/01/2021.</p> <p>During site visit, it was sighted that a backhoe operator was not wearing a proper PPE (such as safety helmet and safety shoes)</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		while operating the backhoe in-side the mill compound. Reviewed the contract agreement between Guna Sons Earthwork Construction and the Hadapan POM stated that, under section 8, all contract workers are compulsory to be equipped with the basic PPE such as safety helmet, safety shoes, ear plug and glasses if necessary.	
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 identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. 	<ul style="list-style-type: none"> a) The OSH policy and management plan were made available to the audit team and reviewed. Sighted the training records pertaining to the safety & health aspects were conducted by the mill management to the mill workforce. The contract agreement between Guna Sons Earthwork Construction and the Hadapan POM was made available to the audit team and reviewed. It was stated that, under section 8, all contractor’s workers are compulsory to be equipped with the basic PPE such as safety helmet, safety shoes, ear plug and glasses if necessary. However, during site visit, it was sighted that a backhoe operator was not wearing a proper PPE (such as safety helmet and safety shoes) while operating the backhoe inside the mill compound b) The mill management has conducted risk assessment for activities in the mill. They have documented the assessment in HIRARC file. Flashback arrester for gas cylinder was not captured in the HIRARC and implemented on the ground. Sighted in the HIRARC under Kernel Recovery Station, it was mentioned that under Existing Control: Nature of Risk Control, operator is required to wear earplug at this area to minimize 	Minor Non-Compliance

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<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>the risk to the ears. However, during the site visit, it was observed an operator who happened to work at the kernel station, did not wear earplug despite the noise is high.</p> <p>c) Training documents related to the chemical handling were sighted and reviewed. Employees can demonstrate a good understanding regarding on the safety and procedure of handling chemicals.</p> <p>d) PPE issuance records were made available to the audit team. the management provide free PPE to all level of employees.</p> <p>e) Procedures of chemical handling is presented in several documents, such Document No. SD/SDP/SQM (ESH)/001-1Sime Darby Plantation Environment, Safety, and Health Management System (ESHMS) Manual dated July 1st, 2012.</p> <p>f) Mill Senior Assistant Manager was appointed as the Safety & Health Coordinator for Hadapan Palm Oil Mill. The appointment was made on 01/06/2021, by the Mill Manager.</p> <p>g) OSH committee managed to organized the OSH meeting. Among the matter discussed in the meeting were, conformation on issues from previous meeting, work station inspection, accident & near missed accidents, OSH training & programs conducted since previous meeting, review on HIRARC & safe working procedure. The meeting date sighted as follow; 13/01/2021 (first meeting), 28/04/2021 (second meeting) and 29/07/2021 (third meeting).</p> <p>h) Emergency procedures were made available to the audit team. interview with the employees during the site visit confirmed their understanding regarding on the ERP. Trainings were</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
	<p>conducted as per schedule in the training program and thru the morning briefing.</p> <ul style="list-style-type: none"> i) Employees trained with first aid training were present at their respective work station. Sighted the first aid box available at the said work station. Interview with the employees confirmed their understanding regarding on the emergency issues (if happened). j) Accident records were well maintained by the mill management and accident / near missed accident cases were discussed during the OSH committee meeting. The mill management has submitted JKPP 8 form to DOSH on 13/01/2021. <p>However found:-</p> <ul style="list-style-type: none"> a) The contract agreement between Guna Sons Earthwork Construction and the Hadapan POM was made available to the audit team and reviewed. It was stated that, under section 8, all contractor’s workers are compulsory to be equipped with the basic PPE such as safety helmet, safety shoes, ear plug and glasses if necessary. However, during site visit, it was sighted that a backhoe operator was not wearing a proper PPE (such as safety helmet and safety shoes) while operating the backhoe inside the mill compound. b) HIRARC assessment for Hadapan Palm Oil Mill was made available to the audit team. c) The assessment did not capture the risk of not having flashback arrester for gas cylinder and no implementation was observed on site. d) HIRARC under Kernel Recovery Station, it was mentioned that under Existing Control: Nature of Risk Control, operator is 	

Criterion / Indicator		Assessment Findings	Compliance
		<p>required to wear earplug at this area to minimize the risk to the ears. However, during the site visit, it was observed an operator who happened to work at the kernel station, did not wear earplug despite the loud noise.</p> <p>e) During the site visit, the audit team found a gear box oil stored in a plastic drinking container and was not properly labelled. The use of plastic container was meant to be stored temporarily. Thus Minor NC been raised.</p>	
Criterion 4.4.5: Employment conditions			
4.4.5.1	<p>The management shall establish a policy on good social practice regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and communicated to the employees.</p> <p>- Major compliance -</p>	<p>Sime Darby Plantation Berhad has established Group Sustainability and Quality Policy Statement signed by Mohamad Helmy Othman Basha; Group Managing Director dated 2nd December 2019. Human rights element being spelt out under the followings: - Human Rights Charter – Clause 3.2, We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> a) Providing equal opportunities b) Respecting freedom of association c) Eradicating any form of exploitation d) Ensuring favorable working conditions e) Enhancing safety and health f) Respecting community rights and the rights of indigenous people g) Protecting the Rights of vulnerable people h) Protecting the rights of children 	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p>i) Eliminating violence and sexual harassment</p> <p>Responsible Agriculture Charter – Human Rights and Social Development Commitments Clause 2.1, Respect Human Rights & empower communities and Clause 2.2 Protect Labor standards and enhance employment conditions.</p> <p>Sime Darby Plantation Group, Vendor COBC dated 30th May 2018 under Clause 5, Labor and Human Rights.</p> <p>Communication of all the policies to workforce is through Town hall, training and during muster call. The record available for review in mill.</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 Berhad, Non-Discrimination And Equal Opportunity Policy stated in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights, 3.2.5 Promoting diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p> <p>Based on worker employment master record, there are mixed of India, Nepal, Bangladesh and Indonesia foreign workers lives and work with local employees. Interview with office staff and general workers whom mentioned their job selection process was fair and transparent.</p> <p>This policy is available in English and Malay displayed at the Mill office wall and notice boards. No evidence of discrimination based on race, skin color, religion, gender, national origin, ancestry,</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		disability, marital status, and sexual orientation was found in the Mill.	
4.4.5.3	<p>Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage.</p> <p>- Major compliance -</p>	<p>Pay and conditions are documented in the workers' Contract Agreement and wage payment records / pay slip. The salary is according to 'Guidelines on the Implementation on the Minimum Wages'. National Wages Consultative Council Act 2020 (Act 732) Malaysian minimum salary is RM1100.00 as stated in the guidelines. Rate of pay is based on MAPA / NUPW Agreement Salary Scale as seen in the Contract Agreement and pay-slip. All the workers are under Mill pay-roll system. Sample taken on the workers below: -</p> <p>Employee Id: 80376, Date Join: 19/2/2019 Employee Id: 150346, Date Join: 9/5/2019 Employee Id: 160236, Date Join: 1/10/2020 Employee Id: 157735, Date Join: 17/12/2019 Employee Id: 105576, Date Join: 4/6/2013 Employee Id: 70322, Date Join: 1/6/2010 Employee Id: 121214, Date Join: 9/5/2016 Employee Id: 163040, Date Join: 19/4/2021</p>	Complied
4.4.5.4	<p>Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.</p> <p>- Minor compliance -</p>	Not applicable since no workers under contractor in Mill.	Not Applicable
4.4.5.5	The management shall establish records that provide an accurate overview of all employees (including seasonal workers and	Sime Darby Plantation Berhad has established Check-roll Employee Listing system for all data of their workers. Sighted at Hadapan	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	POM the Personal Particulars data for all the workers in The Check-roll Employee Listing. The report stated the Offered Position, Personal Details, Date Employed, Educational background and Family Data.	
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. - Major compliance -	Employment contract stated the offered position, wages implied, working hours, OT, allowances, rest day, working on holiday etc. The contract is in their origin country languages or English. as it is easy to be understood by workers. This contract is signed by both employee and employer and accompanied with respective witnesses. Workers employed consisted of Malaysian, Indian and Indonesian. Sample taken on the following workers for Hadapan POM sample on the following workers: Employee Id: 80376, Date Join: 19/2/2019 Employee Id: 150346, Date Join: 9/5/2019 Employee Id: 160236, Date Join: 1/10/2020 Employee Id: 157735, Date Join: 17/12/2019 Employee Id: 105576, Date Join: 4/6/2013 Employee Id: 70322, Date Join: 1/6/2010 Employee Id: 121214, Date Join: 9/5/2016 Employee Id: 163040, Date Join: 19/4/2021	Complied
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 management had established a time recording system that makes working hours and overtime transparent using the Punch Card and Pocket Check roll system. Sighted the Punch Cards record and pocket check roll record of the following workers:	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		Employee Id: 80376, Date Join: 19/2/2019 Employee Id: 150346, Date Join: 9/5/2019 Employee Id: 160236, Date Join: 1/10/2020 Employee Id: 157735, Date Join: 17/12/2019 Employee Id: 105576, Date Join: 4/6/2013 Employee Id: 70322, Date Join: 1/6/2010 Employee Id: 121214, Date Join: 9/5/2016 Employee Id: 163040, Date Join: 19/4/2021	
4.4.5.8	The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable. - Major compliance -	The working hours and breaks of the individual worker indicated in the time records complied with legal regulations and collective agreements. The working hours and break times was exhibited on notice boards. Working time from 7.30am to 4.00pm were given a 1 hour and 15 minutes break. The workers could take their breaks at their own convenient times. No changes from previous audit.	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 -	The payslip and the inputs were reviewed to confirm the wages and overtime is in line with legal requirements of Employment Act 1955 and worker’s employment contract. The payroll for the following sampled workers for January 2021 and September 2021 were verified to be consistent with the Minimum Wages Order 2020	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or community such as incentives for good work performance, bonus payment, support of professional development, medical care provisions and improvement of social surroundings. - Minor compliance -	All workers have been provided with medical and accident insurance. With regards to local and foreign workers, staffs and executives, all of them are covered under EPF & SOCSO as required by the Malaysian Laws and Regulations.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		All workers are provided with housing facilities at workers line site. Medical Assistant is responsible to carry out the monitoring at workers quarters.	
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 workers are provided with free housing facilities which includes potable water and electricity. Housing inspection by the medical assistants was also carried out on weekly basis which criteria is mainly focusing on cleanliness and safety. Records of inspection were well maintained for verification.	Complied
4.4.5.12	The management shall establish a policy to prevent all forms of sexual harassment and violence at the workplace. - Major compliance -	Sighted in Sime Darby Plantation Human Rights Charter under 3.2 Respect and Uphold Labour Rights clause: - <ul style="list-style-type: none"> - 3.2.5 We will facilitate opportunities for advancement for our employees, especially women, by removing barriers to progress and respecting reproductive and maternal rights. - 3.2.6 Creating a working environment with zero tolerance for sexual harassment and abuse, and in which violence is never used to resolve issues or conflict. <p>The mill have formed Gender Committee. Sighted the Gender Committee Handbook (First Edition) in English details out specifically on establishing & managing gender committee and complaints and grievance procedures to address gender-based issues. There is also a specific procedure (in the form of a flowchart) in both English and Malay namely Sexual Harassment Procedure which outlines the basic framework for handling of sexual harassment complaints.</p> <p>There is no sexual harassment case reported through interview and document reviewed at Mill.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.4.5.13	The management shall respect the right of all employees to form and join trade union and allow workers' own representative(s) to facilitate collective bargain in accordance with applicable laws and regulations. Employees shall be given freedom to join trade unions relevant to the industry or organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work conditions. Employees exercising this right should not be discriminated against or suffer repercussions. - Major compliance -	The management respected 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. Gender meeting conducted on 23/6/2021 and latest was on 25/9/2021. Sime Darby establish Term of Reference for Gender representative and Gender Committees dated March 2021.	Complied
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 -	Based on the employee's record compiled in Check-roll Employee Listing, sighted that there is no child labour or young person employed by the Mill	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 -	The mill management has developed training program for all employees which cover the OSH, social, environment, traceability and standard operation procedure aspects. Sighted some of the training records as follow: <ul style="list-style-type: none"> • Chemical handling training was conducted on 18/03/2021. • Basic first aid training was conducted on 08/04/2021. • Effluent operational training was conducted on 20/03/2021. • PPE awareness training was conducted on 02/05/2021. • Chemical spillage training was conducted on 06/09/2021. • Induction for new workers training was conducted on 05/10/2021. • Impact assessment training was conducted on 29/03/2021. • Townhall meeting was conducted on 05/0/2021. 	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 analysis record was made available to the audit team. The management has categorized the training under 4 groups which are safety & health, environment, social and sustainability. Each employee is required to undergo the training to ensure their competency while carrying out their duties.</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>The mill has developed the annual training plan in order to ensure their employees are competent to carry out their duties. The training planned was customized based on their workstation and nature of job. Any new training related to the new regulation or information will be added to the annual program.</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>The group has established Environmental Policy signed by the Managing Director on January 2015. The environmental management plan has been established to monitor the identified significant activities that give impacts on environment. A specific staff and executive have been appointed to do the monitoring to ensure the plan is effectively implemented.</p> <p>The mill has established environmental management plan based on the aspect and impact analysis conducted and documented in Environmental Plan. In the plan stated the environmental issue, mitigating measures, person responsible, time frame, and monitoring. Briefing on the policy was regularly conducted during the muster call every morning.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance									
4.5.1.2	The environmental management plan shall cover the following: a) An environmental policy and objectives; b) The aspects and impacts analysis of all operations - Major compliance -	The environmental management plan was prepared for year 2021 and reviewed by the mill manager. The environmental aspect & impact for all operation has been conducted and documented. The scope of assessment included the management of mill effluent, schedule waste disposal, transportation of FFB/CPO/PK and others.	Complied									
4.5.1.3	An environmental improvement plan to mitigate the negative impacts and to promote the positive ones, shall be developed, implemented and monitored. - Major compliance -	The EIA document had also included the development of the Environmental Improvement Plan for the mitigation of negative impacts and promotion of positive impacts. The implementation and monitoring of the documented environmental improvement plan were reviewed annually and found to be satisfactorily implemented.	Complied									
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	A Continual Improvement Plan (CIP) has been developed and implemented for the promotion of positive impacts. Among the area covers under CIP are water consumption, fossil fuel monitoring and boiler fuel monitoring. Sighted the action plan as follow: <table border="1" data-bbox="1086 981 1870 1308"> <thead> <tr> <th>Area</th> <th>Issues</th> <th>Action Plan</th> </tr> </thead> <tbody> <tr> <td>Water consumption</td> <td>Monthly water consumption was above the baseline 1.20 cubic metre for every Mt of FFB</td> <td>Mill to improve water usage and maintain the water consumption as per baseline value.</td> </tr> <tr> <td>Fossil fuel monitoring.</td> <td>Fuel usage above average baseline value.</td> <td>Mill to reduce and maintain fossil fuel usage below baseline value.</td> </tr> </tbody> </table>	Area	Issues	Action Plan	Water consumption	Monthly water consumption was above the baseline 1.20 cubic metre for every Mt of FFB	Mill to improve water usage and maintain the water consumption as per baseline value.	Fossil fuel monitoring.	Fuel usage above average baseline value.	Mill to reduce and maintain fossil fuel usage below baseline value.	Complied
Area	Issues	Action Plan										
Water consumption	Monthly water consumption was above the baseline 1.20 cubic metre for every Mt of FFB	Mill to improve water usage and maintain the water consumption as per baseline value.										
Fossil fuel monitoring.	Fuel usage above average baseline value.	Mill to reduce and maintain fossil fuel usage below baseline value.										

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings		Compliance
		Boiler fuel monitoring	kW/Mt CPO shown to be above baseline value.	Increase FFB processed will increase the amount of electricity through boiler fuel. Mill to maintain boiler fuel usage above baseline.
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 -	<p>Verified that the documented training programme had been established. Briefing on the awareness and understanding of the objectives on Environmental management were adequately conducted and conveyed to all levels of employees.</p> <p>During the site visit, it was confirmed that the employees are aware regarding on the environmental issues. They can demonstrate a good understanding and aware of the issues around them.</p>		Complied
4.5.1.6	The management shall organize regular meetings with workers where concerns of workers about the environmental quality are discussed. - Major compliance -	<p>The mill management has conducted 3 meeting with the employees to discussed on the environment issues.</p> <p>The meetings were conducted as follow; 13/01/2021 (first meeting), 28/04/2021 (second meeting) and 29/07/2021 (third meeting).</p> <p>Among the agenda discussed are previous agenda verification, DOE licenses & compliance requirement, effluent management system, schedule waste disposal management, continuous improvement plan.</p>		Complied
Criterion 4.5.2: Efficiency of energy use and use of renewable energy				

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance																
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period - Major compliance -	Consumption of non-renewable energy has been closely monitored by establishing baseline values and trends. Sighted the records for electricity, diesel and water for year 2021 as below: <table border="1"> <thead> <tr> <th></th> <th>Electricity</th> <th>Diesel</th> <th>Water</th> </tr> </thead> <tbody> <tr> <td>Total FFB</td> <td>197515.13</td> <td>197515.13</td> <td>197515.13</td> </tr> <tr> <td>Total usage</td> <td>994120</td> <td>32532</td> <td>199220</td> </tr> <tr> <td>Baseline</td> <td>0.199</td> <td>6.07</td> <td>0.99</td> </tr> </tbody> </table>		Electricity	Diesel	Water	Total FFB	197515.13	197515.13	197515.13	Total usage	994120	32532	199220	Baseline	0.199	6.07	0.99	Complied
	Electricity	Diesel	Water																
Total FFB	197515.13	197515.13	197515.13																
Total usage	994120	32532	199220																
Baseline	0.199	6.07	0.99																
4.5.2.2	The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	The estimation of diesel consumption is reflected in their business management plan. The plan was made available to the audit team and reviewed.	Complied																
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	To date, shell and fibre is classified as the renewable energy. Both were used as a fuel for boiler start up.	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 -	The mill management has identified the waste products and sources of pollution and documented it under Waste Management Plan. The plan was reviewed on annual basis. The mill has identified and classified the waste as scheduled waste, domestic waste, industrial waste and recycle waste. All wastes are properly managed and documented. <table border="1"> <thead> <tr> <th>Type of Waste</th> <th>Source of Waste</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Type of Waste	Source of Waste			Complied												
Type of Waste	Source of Waste																		

Criterion / Indicator		Assessment Findings		Compliance
		Schedule waste	Used battery (SW102), used lubricant (SW305), used hydraulic oil (SW306), SW409 (empty chemical container, fertilizer bag liner, sanitizer, polybag), SW110 (waste from electrical and electronic assembly), SW109 (waste containing mercury), SW429 (discarded chemicals or off spec)	
		Clinical waste	Bio hazard waste from clinic.	
		Domestic Waste	Building and filed block within estate,	
		Scrap iron	Residue from vehicle maintenance.	
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.</p> <p>b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products.</p> <p>- Major compliance -</p>	<p>Schedule waste from mill disposed to the licensed contractor, Kualiti Alam Sdn Bhd. Latest disposal was conducted on 22/04/2021, item disposed are:</p> <p>a. SW409: Contaminated container (2 units, 0.143 Mt).</p> <p>b. SW110: electronic waste (1 unit, 0.045 Mt)</p> <p>According to inventory of schedule waste, dated 01/11/2021, The following waste were generated, SW110 (0.03Mt), SW305 (0.021Mt), SW322 (0.25Mt) and SW410 (0.02Mt).</p>		Complied
4.5.3.3	<p>The palm oil mill management shall establish Standard Operating Procedure for handling of used chemicals that are classified under Environmental Quality Regulations (Scheduled Waste) 2005, Environmental Quality Act, 1974 to ensure proper and safe handling, storage and disposal. Scheduled waste shall be disposed as per Environmental Quality Act 1974 (Scheduled Waste) Regulations, 2005</p> <p>- Major compliance -</p>	<p>Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1 dated 26/2/2016. Proper disposal of waste material is carried out as per the company procedures. The procedures are fully understood by workers and managers.</p> <p>The mill also has a proper Scheduled Waste Store for storing scheduled waste until time of disposal by DOE authorized waste disposal contractor. Stores for scheduled waste were inspected at both estates visited and disposal was done by scheduled waste</p>		Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance				
		disposal company authorized and licensed by Department of Environment.					
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	Domestic wastes from the mill were buried in a designated landfill in the oil palm Layang Estate. Based on SOP, no toxic wastes such as spent lubricants, empty chemical containers, used lab chemical, etc. were permitted to be disposed in the rubbish pit. The location of the landfill was also far from residential area and water ways based on the estate map provided. The weekly domestic waste disposal records were available and verified.	Complied				
Criterion 4.5.4: Reduction of pollution and emission							
4.5.4.1	An assessment of all polluting activities shall be conducted, including greenhouse gas emissions, particulate and soot emissions, scheduled wastes, solid wastes and effluent. - Major compliance -	<p>The assessment of polluting activities was identified and documented in the Identification & Management Plan of Waste Products, Potential Pollution Sources and Potential Source of GHG Emission.</p> <table border="1"> <tr> <td>Identification of waste products/ pollutants & GHG Emission.</td> <td>Action Plan.</td> </tr> <tr> <td>Smoke emission</td> <td>To enforce boiler management plan. Observe leakage in dust cyclone and do regular maintenance. Air pollution meter gauge. 6 monthly monitoring of isokinetic emission. Soot blower is operated to maintain the boiler tubes free from ashes to improve efficiency.</td> </tr> </table>	Identification of waste products/ pollutants & GHG Emission.	Action Plan.	Smoke emission	To enforce boiler management plan. Observe leakage in dust cyclone and do regular maintenance. Air pollution meter gauge. 6 monthly monitoring of isokinetic emission. Soot blower is operated to maintain the boiler tubes free from ashes to improve efficiency.	Complied
Identification of waste products/ pollutants & GHG Emission.	Action Plan.						
Smoke emission	To enforce boiler management plan. Observe leakage in dust cyclone and do regular maintenance. Air pollution meter gauge. 6 monthly monitoring of isokinetic emission. Soot blower is operated to maintain the boiler tubes free from ashes to improve efficiency.						

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings		Compliance												
		Diesel	To bund diesel storage tank. Containment trap oil is constructed to prevent any leakage of diesel from going to waterways. To place rags at diesel store area.													
		Washing of lubricant floor, CPO from marshalling yards, ramps etc.	To scoop lubricants from the trap at least once a week. Proper storing, labelling, monitoring and disposal of schedule waste. To train the workers on how to handle the schedule waste and chemical spillage.													
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	The "Environmental Aspect & Impact Assessment Identification" had included plans to reduce identified significant pollutants and emissions. The plan was reviewed on annual basis by the mill management.		Complied												
4.5.4.3	Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (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 -	<p>POME was treated prior discharge to the land application. Limit of BOD discharge is 2500 mg/l for land application. Regular monitoring was done on monthly basis to ensure the compliance to the standard. Samples were analysed by the Sime Darby Plantation Research Sdn Bhd. Sighted the results as below:</p> <p>Date Sample Received: 08/11/2021</p> <p>Anaerobic Pond 5 Results:</p> <table border="1"> <thead> <tr> <th>pH</th> <th>T. Alk</th> <th>VFA</th> <th>BOD</th> <th>TS</th> <th>SS</th> </tr> </thead> <tbody> <tr> <td>7.7</td> <td>3881</td> <td>23</td> <td>300</td> <td>9231</td> <td>820</td> </tr> </tbody> </table>		pH	T. Alk	VFA	BOD	TS	SS	7.7	3881	23	300	9231	820	Complied
pH	T. Alk	VFA	BOD	TS	SS											
7.7	3881	23	300	9231	820											

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		BOD result shows a reading 300 mg/l, below than permitted level which are 2500 mg/l.	
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.). d) Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones at or before planting or replanting, along all natural waterways within the estate. e) Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented. f) Where bore well is being use for water supply, the level of the ground water table should be measured at least annually. <p>- Major compliance -</p>	<p>Water management plan for the Hadapan Palm Oil Mill was reviewed and necessary action plan has been identified and implemented accordingly. The plan had included the source of water and how it is being treated for mill use, their usage monitored and recorded. Main water source come from Syarikat Air Johor.</p> <p>As at the audit program, the mill has recorded total usage of water at 199,220 litres with the processed FFB at 197,515.13 Mt. the baseline for water usage recorded at 0.99 (Mt/L).</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

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 -	Not applicable since the POME discharged to land application and compost.	Not Applicable
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.	Complied
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	The mill management had adhered to their SOP's and best management practises, which included the following; water management, monitoring of emissions, discharge & pollution, monitoring of safety & health of workers and environment issues. Besides, the mill also received regular visit from Mill Advisor to ensure the best management practices were implemented in the mill compound.	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	5 years business plan was made available to the audit team. Attention was given to the crop protection from the supply base besides the capital expenditure, operational expenditure etc.	Complied

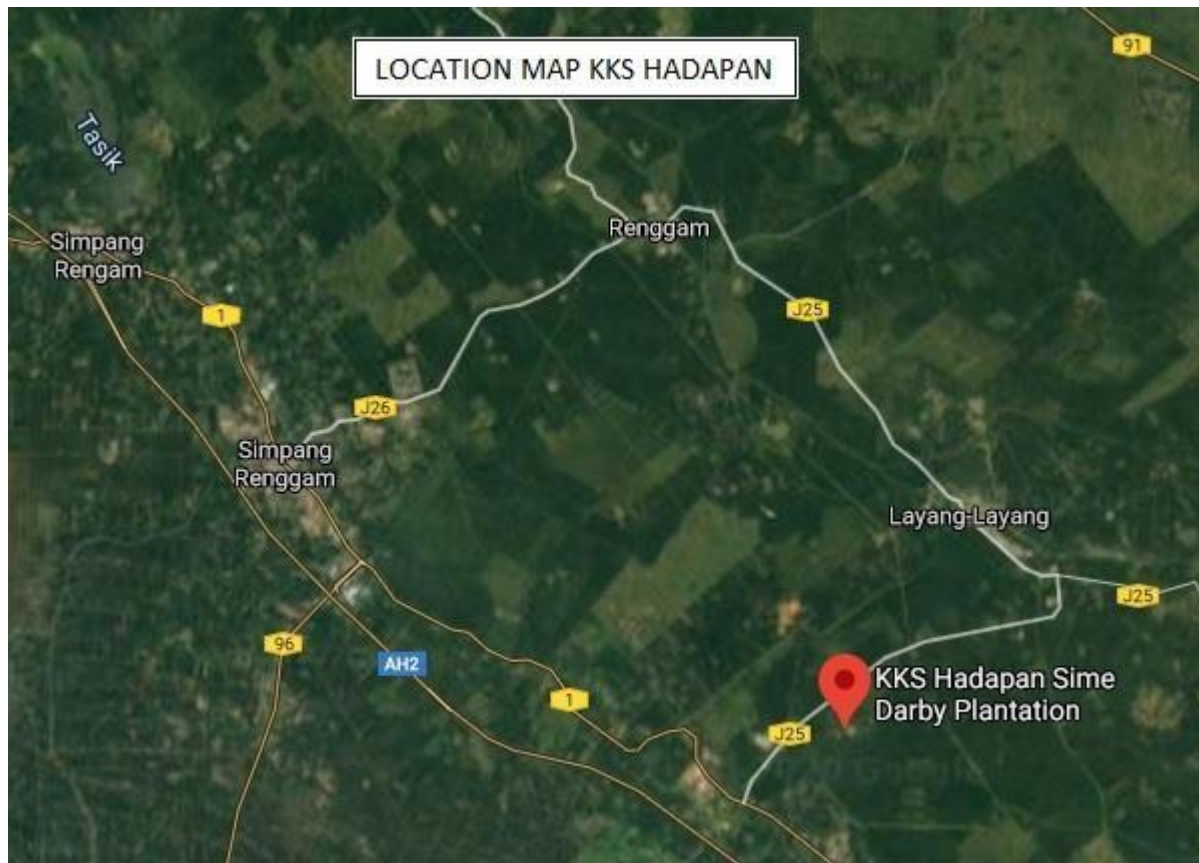
MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Pricing mechanisms for the products and other services being documented and effectively implemented in the Mill. All the pricing will be based on HQ approval. Projects are tendered from the approved vendors registered with HQ. Payments are processed and made by HQ through system named MEX. This is made upon job verification by the mill personnel.	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	The contract agreements between the management and the contractors [e.g. Guna Sons Earthwork Construction] were verified. The rate of payment was clearly stated in the agreement. Based on verification of sampled payment vouchers, the payment was made on timely manner by the Head Quarter after received invoice from the contractor.	Complied
Criterion 4.6.4: Contractor			
4.6.4.1	In case of the engagement of contractors, they shall be made to understand the MSPO requirements and shall provide the required documentation and information. - Major compliance -	The contractor has been informed that the Mill is under the MSPO certification. The contractor has agreed to adhere and comply with the MSPO standard requirements as stated in the Vendor Integrity Pledge. Guna Sons Earthwork Construction dated 1/1/2021 Kunaseelan Trading dated 1/1/2021 for loading EFB to estate Lorry	Complied
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Sampled contract agreements as mentioned in Indicator 4.6.3.2, between the estates and the contractors were available for verification. The agreements were signed by both parties. At the point of this assessment, all the agreements were still valid.	Complied

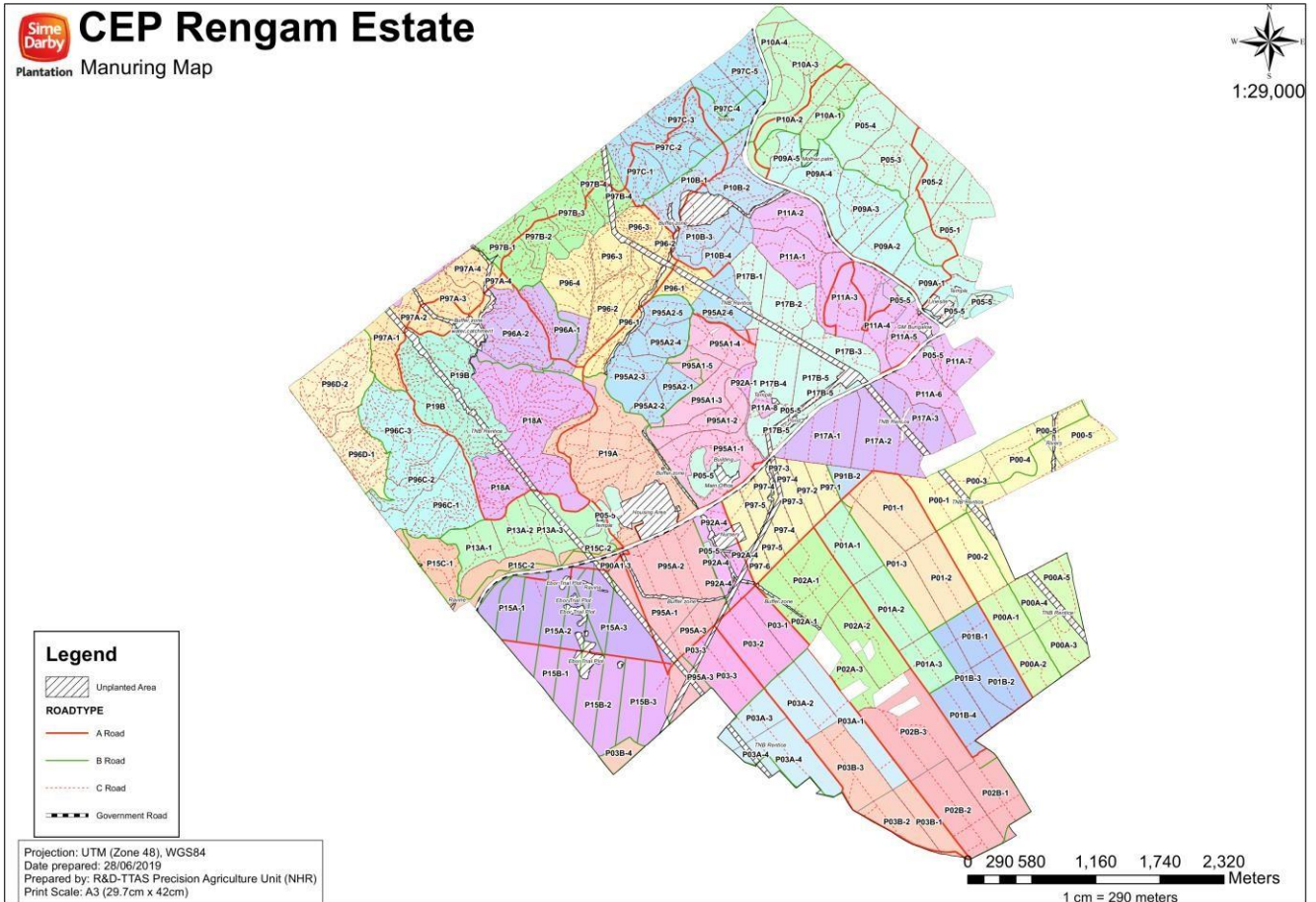
MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	The Mill was audited by BSI MSPO auditor and the Management accept the BSI MSPO Auditors to verify through a physical inspection if required for audit purposed. The Sustainable Palm Oil Department have briefed to all contractors on the verification assessment by Auditors through Taklimat RSPO & MSPO early this year.	Complied

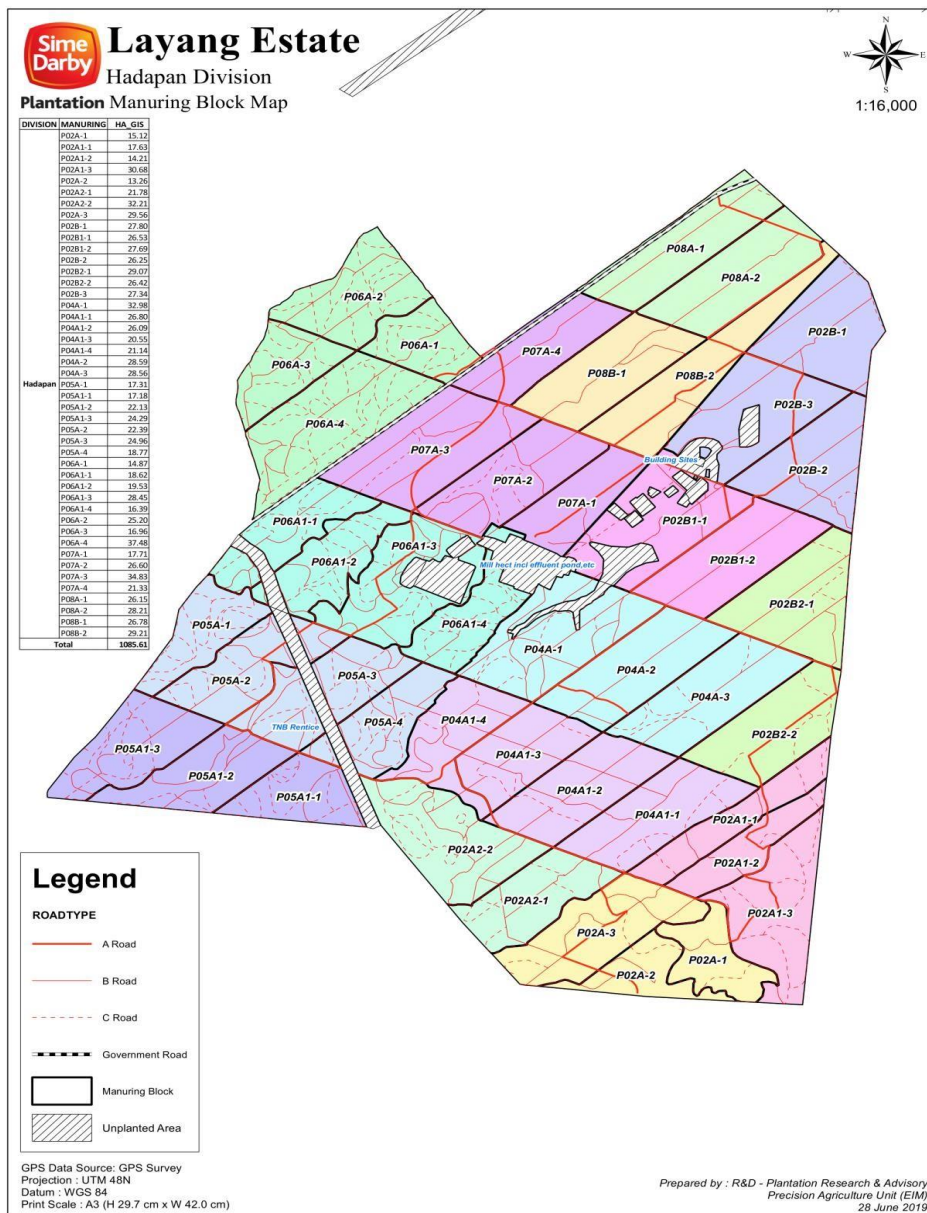
Appendix C: Location and Field Map



Appendix D: CEP Rengam Field Map



Appendix E: Layang Field Map



Appendix F: 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