

MALYSIAN SUSTAINABLE PALM OIL
MSPO OPMC Public Summary Report

- Initial Assessment**
- Annual Surveillance Assessment** (Choose an item.)
- Recertification Assessment (RA 1)**
- 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: Strategic Operating Unit (SOU 20) - Chaah Palm Oil Mill and supply bases (Chaah Estate, North Labis Estate, and Simpang Kiri Estate)
Date of Final Report: 21/12/2022

Report prepared by:
Valence Shem (Lead Auditor)

Report Number: 3511615

Assessment Conducted by:
BSI Services Malaysia Sdn Bhd,
(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	4
1.7 Certified Tonnage of FFB	5
1.8 Uncertified Tonnage of FFB.....	5
1.9 Certified Tonnage	5
1.10 Actual Sold Volume (CPO).....	5
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	11
2.3 Accompanying Persons	11
2.4 Assessment Plan.....	11
Section 3: Assessment Findings	14
3.1 Details of audit results.....	14
3.2 Details of Nonconformities and Opportunity for improvement	14
3.3 Status of Nonconformities Previously Identified and OFI	18
3.4 Summary of the Nonconformities and Status	23
3.5 Issues Raised by Stakeholders	24
3.6 List of Stakeholders Contacted	25
Section 4: Assessment Conclusion and Recommendation	26
Appendix A: Summary of the findings by Principles and Criteria.....	27
Appendix B: Smallholder Member Details.....	122
Appendix C: Location and Field Map.....	123
Appendix D: List of Abbreviations	126

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
	Chaah POM	518940004000	28/02/2023
	Chaah Estate	518848002000	31/08/2022
	North Labis Estate (Main Div.)	522496002000	31/07/2023
	North Labis Estate (Sg Labis Div.)	520479102000	30/04/2023
	Sg Simpang Kiri Estate	532593002000	30/09/2022
Address	Head Office: Level 11, Main Block, Plantation Tower, No. 2, Jalan PJU 1A/7, 47301 Ara Damansara, Selangor, Malaysia		
Management Representative	Shylaja Devi Vasudevan Nair (Headquarters)		
Website	www.simedarbyplantation.com	E-mail	shylaja.vasudevan@simedarbplantation.com
Telephone	603-78484379 (Head Office)	Facsimile	-
1.2 Certification Information			
Certificate Number	Mill: MSPO 682047 Estate: MSPO 685287	Certificate Start Date	28/12/2022
Date of First Certification	28/12/2017	Certificate Expiry Date	27/12/2027
Scope of Certification	<input checked="" type="checkbox"/> Mill: Production of Sustainable Palm Oil and Palm Oil Products <input checked="" type="checkbox"/> Estate: Production of Sustainable Oil Palm Fruits		
Visit Objectives	1) Determination of the conformity of the client's management system, or parts of it, with audit criteria 2) 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		
Recertification Assessment Visit (RAV) 1	22-25/08/2022		
Continuous Assessment Visit Date (CAV) 1_1	-		
Continuous Assessment Visit Date (CAV) 1_2	-		
Continuous Assessment Visit Date (CAV) 1_3	-		

MSPO Public Summary Report

Revision 2 (Nov 2021)

Continuous Assessment Visit Date (CAV) 1_4	-
---	---

1.3 Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
RSPO 548299	RSPO Principles & Criteria of Sustainable Palm Oil Production: 2018; Malaysian National Interpretation: 2019	BSI Services Malaysia Sdn Bhd	17/11/2025
MSPO 714134	MSPO Supply Chain Certification Standard (MSPO SCCS) 1 October 2018	BSI Services Malaysia Sdn Bhd	03/09/2024

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
Chaah Palm Oil Mill	Kilang Kelapa Sawit Chaah, KM 16, Jalan Labis, 85400 Chaah, Johor, Malaysia	2° 08' 56.00" N	102° 58' 25.00" E
Chaah Estate	Pejabat Ladang Chaah, 85400 Chaah, Johor, Malaysia	2° 10' 31.00" N	102° 59' 53.00" E
North Labis Estate	Ladang North Labis, P.O. Box No. 501, 85300 Labis, Johor, Malaysia	2° 22' 29.00" N	103° 02' 42.00" E
Sg Simpang Kiri Estate	Ladang Sg. Simpang Kiri, K.B. No. 103, 85400 Chaah, Johor, Malaysia	2° 08' 54.00" N	103° 00' 10.00" E

1.5 Certified Area					
Estate	Total Planted (Mature + Immature) (ha)	HCV (ha)	Infrastructure & Other (ha)	Total Area (ha)	% of Planted
Chaah Estate	2,730.83	6.95	57.58	2,795.36	97.69
North Labis Estate	3,225.23	1.63	306.05	3,532.91	91.29
Sg Simpang Kiri Estate	2,095.25	62.11	214.30	2,371.66	88.35
Total (ha)	8,051.31	70.69	577.93	8,699.93	92.54

1.6 Plantings & Cycle							
Estate	Age (Years)					Mature	Immature
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30		
Chaah Estate	355.90	41.50	1,305.83	1,027.60	0	2,374.93	355.90

MSPO Public Summary Report
Revision 2 (Nov 2021)

North Labis Estate	351.06	1,198.19	992.28	683.70	0	2,874.17	351.06
Sg Simpang Kiri Estate	391.54	516.51	1,083.24	103.96	0	1,703.71	391.54
Total (ha)	1,098.50	1,756.20	3,381.35	1,815.26	0	6,952.81	1,098.50

1.7 Certified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Dec 21 - Nov 22)	Actual (Aug 21 - Jul 22)	Forecast (Dec 22 - Nov 23)
Chaah Estate	55,341.00	26,801.25	34,205.39
North Labis Estate	57,733.39	33,665.38	47,802.80
Sg Simpang Kiri Estate	34,652.03	23,461.30	32,604.00
Total (mt)	147,726.42	83,927.93	114,612.19

1.8 Uncertified Tonnage of FFB

Estate	Tonnage / year		
	Estimated (Dec 21 - Nov 22)	Actual (Aug 21 - Jul 22)	Forecast (Dec 22 - Nov 23)
Nil	N/A	N/A	N/A
Total (mt)	N/A	N/A	N/A

1.9 Certified Tonnage

	Estimated (Dec 21 - Nov 22)	Actual (Aug 21 - Jul 22)	Forecast (Dec 22 - Nov 23)
	Mill Capacity: 30 MT/hr	FFB	FFB
	147,726.42	83,927.93	114,612.19
SCC Model: SG	CPO (OER: 21.50%)	CPO (OER: 19.66%)	CPO (OER: 19.90%)
	31,761.18	16,503.77	22,807.71
	PK (KER: 5.50%)	PK (KER: 5.26%)	PK (KER: 5.27%)
	8,124.95	4,416.14	6,036.00

1.10 Actual Sold Volume (CPO)

CPO (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
16,503.77			15,043.75	1,397.94	16,441.69

MSPO Public Summary Report
Revision 2 (Nov 2021)

1.11 Actual Sold Volume (PK)					
PK (mt)	MSPO Certified	Other Schemes Certified		Conventional	Total
		ISCC	RSPO		
4,416.14			4,947.31		4,947.31
Notes: Total sales were more than production because the mill has balance of unused credits carried forward from the month before (July 2021).					

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 reassessment was conducted from 22-25/08/2022. The audit programme is included as Section 2.4. The approach to the audit was to treat the Chaah Palm Oil Mill, Chaah Estate, North Labis Estate and Sg Simpang Kiri Estate as a MSPo Certification Unit. A public announcement was made at BSI website; (https://www.bsigroup.com/globalassets/localfiles/en-my/mspo/Public%20Notification/2022/08-2-mspo-public-notification_recertification_sime-darby_sou-20-chaah-pom--supply-base_english.pdf) prior to the assessment. 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 2530-2:2013, MS 2530-3:2013 and MS 2530-4:2013 were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The Certification Unit was 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 were based on the formula $(r\sqrt{n})$; where r is the risk factor (may defers 1, 1.5 and 2 depending on risk), where n is total number of group members ($1\sqrt{3} = 2$). 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 reassessment are detailed in Section 4.2. Major non-conformities closed offsite as documentation were sufficient.

MSPO Public Summary Report
Revision 2 (Nov 2021)

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.

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 (Recertification)	Year 2 (ASA 1_1)	Year 3 (ASA 1_2)	Year 4 (ASA 1_3)	Year 5 (ASA 1_4)
Chaah Palm Oil Mill	✓	✓	✓	✓	✓
Chaah Estate	✓	✓		✓	✓
North Labis Estate	✓		✓	✓	
Sg Simpang Kiri Estate		✓	✓		✓

Tentative Date of Next Visit: August 7, 2023 - August 10, 2023

Total No. of Mandays: 11

2.1 BSI Assessment Team

Team Member Name	Role	Qualifications
Valence Shem (VSH)	Team Leader	<p>Education: BTech (Hons) Bachelor’s Degree in Industrial Technology, University of Science Malaysia.</p> <p>Work Experience:</p> <ol style="list-style-type: none"> 1) 9 years working experience in oil palm plantation industry; 2) Management system auditing since 2009 for various standards such as ISO 14001, RSPO P&C, RSPO SCCS, MSPO and SMETA. <p>Training attended:</p> <ol style="list-style-type: none"> 1) ISO 14001 Lead Auditor Course; 2) ISO 9001 Lead Auditor Course; 3) Endorsed RSPO P&C Lead Auditor Course; 4) Endorsed RSPO SCCS Lead Assessor Course; 5) MSPO Awareness Training; 6) ISO 45001 Lead Auditor Course; 7) SMETA Auditor training; 8) HCV-HCS training;

		<p>9) RSPO-endorsed RSPO ISH Standard 2019 Lead Auditors Course.</p> <p>Aspect covered in this audit: Legal, social aspects, employees’ welfare and stakeholders’ consultations & communications.</p> <p>Language proficiency: English and Bahasa Malaysia.</p>
Muhammad Fadzli bin Masran (MFM)	Team Member	<p>Education: Bachelor’s Degree in Forestry Science from University Putra Malaysia.</p> <p>Work Experience: He started his career as Assistant Manager at Kulim Plantations Sdn. Bhd. managing the day-to-day plantation operations. In his career at Kulim Plantation, Fadzli had accumulated more than 10 years of sustainability implementation experience including workers’ welfare, workers’ occupational, health & safety, environment conservation and protection at buffer areas and continuous improvement management plans. Fadzli had accumulated auditing experience when he was the internal auditor for ISO 9001 and ISO 14001 at Kulim Plantations.</p> <p>Training attended:</p> <ol style="list-style-type: none"> 1) ISO IMS 9001 Lead Auditor Course; 2) ISO 14001, ISO 45001 (OHS 18001) Lead Auditor Course; 3) Endorsed RSPO P&C Lead Auditor Course; 4) Endorsed RSPO SCCS Lead Assessor Course; 5) MSPO Awareness Training; 6) SMETA Auditor training; 7) HCV-HCS training; 8) RSPO-endorsed RSPO ISH Standard 2019 Lead Auditors Course. <p>Aspect covered in this audit: Legal, mill and estates best practices, OHS, contracts etc. long-term economic viability.</p> <p>Language proficiency: English and Bahasa Malaysia.</p>
Mohd Nur Amin bin Mohd Halim (MNA)	Team Member	<p>Education: Diploma Office Management & Technology, UiTM.</p> <p>Work Experience: He gained his career as sustainability practitioner in Government Link Company related to palm oil plantation for over 6 years and 10 months majorly handling operational excellent, environment, safety and health at the upstream and downstream operations. He then joining an international certification body over the last 3 years and started his auditing career as qualified lead auditor for MSPO (OPMC and SCCS) scheme; and qualified auditor for ISCC Waste and Residue scheme. Concurrent, he was also a document controller and scheme coordinator for MSPO (OPMC and SCCS) prior to DSM accreditation.</p>

MSPO Public Summary Report
Revision 2 (Nov 2021)

		<p>Training attended:</p> <ol style="list-style-type: none"> 1) Exemplar IMS (9001, 14001 & 45001) LA Course (2019) 2) SA 8000 Course (2019) 3) Endorse MSPO SCCS Course (2020) 4) Endorse MSPO LA Course (2020) 5) Endorse ISCC Waste and Residue Course (2020) 6) HCV & HCS Course (2020) 7) Endorse ISCC Basic & PLUS Course (2022) 8) CQI & IRCA ISO 14001:2015 LA Course (2022) 9) Endorse RSPO P&C LA Course (2022) 10) Endorse RSPO SCCS Course (2022) <p>Aspect covered in this Audit: Legal, land use right, traceability, biodiversity, wastes management, and environment.</p> <p>Language proficiency: English and Bahasa Malaysia</p>
<p>Muhammad Sufyan Azmi</p>	<p>Peer Reviewer</p>	<p>Education: Master’s in Business Administration (MBA) from Open University of Malaysia and Bachelor Degree in Bioindustry from UPM in 2006.</p> <p>Work Experience: He gained his working exposure in the plantation sector with 15 years’ experience, currently serving as a Plantation Manager with TSH Resources Berhad and previously as an Audit Executive with Kulim Malaysia Berhad.</p> <p>Training attended: He has attended MSPO Peer Reviewer 2 - 2017 by MPOCC.</p> <p>Expertise: General management, auditing, environment and plantation management.</p>
<p>Mohd Sabre Salim</p>	<p>Peer Reviewer</p>	<p>Education: Master’s in Business Administration (MBA) from UiTM in 2006 and Bachelor Science Agribusiness from UPM in 1986.</p> <p>Work Experience: He gained his working exposure in the plantation sector, serving as an Plantation Manager with Hap Seng Plantation Berhad and currently as consultant, free-lance lecturer, and trainer at MDV Management Sdn Bhd. He has more than 50 MSPO report that has been reviewed.</p> <p>Training attended: He has completed Endorsed Lead Auditor Course and Endorsed MSPO Lead Auditor Course and MSPO Peer Review certificate by MPOCC. He has attended MSPO Peer Reviewer 1 - 2017 by MPOCC.</p>

MSPO Public Summary Report
Revision 2 (Nov 2021)

		Expertise: General management, leadership & financial management, occupational safety & health management plantation (agriculture & agribusiness) Management Malaysian Sustainable Palm Oil (MSPO).
--	--	---

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.

Date	Time	Subjects	VSH	MFM	MNA
Monday 22/08/2022	0900 - 1300	Chaah POM Site visit, FFB receiving, warehouse, workshop, wastes 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. and stakeholder consultation	✓	✓	✓
	1300 - 1400	Lunch break	✓	✓	✓
	1400 - 1630	Chaah POM Document Review P1 – P6 (MSPO Part 4): SOPs, Review on SEIA documents and records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation, etc.	✓	✓	✓
	1630 - 1700	Interim closing briefing	✓	✓	✓
Tuesday 23/08/2022	0900 - 1300	North Labis 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, wastes management, workers housing, clinic, Landfill, etc. and stakeholder consultation	✓	✓	✓

MSPO Public Summary Report
Revision 2 (Nov 2021)

Date	Time	Subjects	VSH	MFM	MNA
	1300 - 1400	Lunch break	✓	✓	✓
	1400 - 1630	North Labis Estate Document review P1 – P7 (MSPO Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP, and implementation etc.	✓	✓	✓
Wednesday 24/08/2022	0900 - 1230	North Labis Estate Continue with outstanding elements	✓	✓	-
		Chaah Estate Document review P1 – P7 (MSPO Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP, and implementation etc.	-	-	✓
	1230 - 1300	Interim closing briefing	✓	✓	✓
	1300 - 1400	Lunch break	✓	✓	✓
	1400 - 1630	Chaah Estate Document review P1 – P7 (MSPO Part 3): General Documentation e.g., Legal, Manual and Procedure, production & monitoring records, IPM & HCV records, SEIA documents & records, OSH records, review pay documents, records of communication with stakeholder/workers representatives, new planting, CIP, and implementation etc.	✓	✓	✓
	1630 - 1700	Interim closing briefing	✓	✓	✓
Thursday 25/08/2022	0900 - 1300	Chaah 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, wastes management, workers housing, clinic, Landfill, etc. and stakeholder consultation	✓	✓	✓
	1300 - 1400	Lunch break	✓	✓	✓
	1400 - 1530	Chaah Estate Continue with outstanding elements	✓	-	-

**MSPO Public Summary Report
Revision 2 (Nov 2021)**

Date	Time	Subjects	VSH	MFM	MNA
	1530 - 1600	Interim closing briefing	✓	✓	✓
	1600 - 1630	Audit team discussion & preparation for 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 reassessment there were three (3) Major, zero (0) Minor and two (2) OFI raised. The SDPB SOU 20 Chaah Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

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

Non-Conformity Report			
NCR Ref #:	2238816-202208-M1	Issue Date:	25/08/2022
Due Date:	24/11/2022	Date of Closure:	31/10/2022
Area/Process:	North Labis Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.5.6 Major
Requirements:	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.		
Statement of Nonconformity:	The subsidy of water was not consistent with the employment contract.		
Objective Evidence:	Based on the employment agreement under "Accommodation" Item, the company shall provide free water up to 35 gallons per employee per day. However, based on practice, North Labis Estate is only subsidising its workers RM6.82/employee/month, which is equivalent to 3 m3/employee/month or 660 gallons/employee/month. Based on verification of the employees' pay slips, the excess usage of water was charged to them through deduction of wages.		
Corrections:	Estate to immediately briefing to PIC on water tariff and water deduction calculation. Estate to used correct water tariff by SAJ which is RM1.60. Estate to reimburse to worker from March 2022 until July 2022 on overcharge of water subsidies.		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Root cause analysis:	Estate provided free water up to 35 gallon (US gallon) per day as in the IOM-CEOUM-HSE-018-06-22 worker housing management procedure version 1(Revised). However, there is some misunderstanding on water tariff for water deduction by new Person in charge. As PIC incorrectly used water tariff which is RM2.40 as it should be RM1.60 (Bulk Domestic water tariff by SAJ).
Corrective Actions:	Estate to briefing training on water deduction to PIC. Estate to produce manual for PIC for references on water deduction calculation.
Assessment Conclusion:	Evidence verified: <ol style="list-style-type: none"> 1) Samples of three workers’ pay slips for the month of Aug and Sep 2022 that show the deduction of water is now based on RM1.60 and not RM2.60. From the pay slips submitted, there was no deduction of water usage since the consumption is less than 35 gallon/month. 2) List of workers that shows the workers will be reimbursed for the overcharge. The list has the information about name of workers and amount to be reimbursed. 3) Attendance records and training evaluation form dated 29/08/2022 that show the PIC (AM, field staff and chief clerk) have been trained on water deduction. The method of calculation has been explained through this session. 4) Reference Manual for PIC on water deduction calculation. It was endorsed by the Sr. Assistant Manager. <p>The evidence was found to be adequate to close the NCR. Continuous effective implementation of the of correction and corrective action shall be verified in the next assessment visit.</p>

Non-Conformity Report			
NCR Ref #:	2238816-202208-M2	Issue Date:	25/08/2022
Due Date:	24/11/2022	Date of Closure:	31/10/2022
Area/Process:	Chaah Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.6.4.1 Major
Requirements:	Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information.		
Statement of Nonconformity:	The monitoring of the contractors’ understanding on MSPO requirements was not satisfactorily demonstrated.		
Objective Evidence:	Based on site visit, the groceries shop at Chaah Estate was found to have been storing liquid petroleum gas cylinders and distributing them to the workers. However, there is no evidence that the shop has obtained legal permit from the relevant authority for this activity.		
Corrections:	<p>The grocery shop owner was called to the Chaah Estate office to brief on this issue on 26 August 2022. For the time being, until he gets the approval and permit, he will only assist in supplying the LPG cylinders from a supplier with a legal permit based on demand and will not keep the LPG cylinders in store.</p> <p>The grocery shop owner will send the application and get approval from the Fire and Rescue department, followed by applying for the permit from KPDNKK. Estate management will assist the grocery shop owner with the documentation required and frequently follow up.</p>		

MSP0 Public Summary Report
Revision 2 (Nov 2021)

Root cause analysis:	These issues happen due to lacking on monitoring of legal requirement on vendor (Sundry Shop) by Person-In charge (PIC). As facilitate the residents of Chaah Estate workers and upon demand, the grocery shop owner stored and sold the LPG cylinders without a valid license.
Corrective Actions:	PIC to monitor vendor (sundry shop) regarding on legal requirement (license validity for schedule controlled good license) in management review meeting yearly.
Assessment Conclusion:	<p>Evidence verified:</p> <ol style="list-style-type: none"> 1) Pictures that show the LPG cylinders are no longer kept in store of the grocery shop. 2) Supporting letter dated 23/10/2022 from the KPDNKK to Bomba that shows the application for permit has been received by the KPDNKK. The letter is to request Bomba to provide their view in term of safety aspects of the shop's store for keeping LPG. 3) Management plan that shows the plans, status of progress, PIC and expected time to obtain the permit. The plan has the information about the tasks need to be completed, PIC, and expected dates of completion. <p>The evidence was found to be adequate to close the NCR. Continuous effective implementation of the of correction and corrective action shall be verified in the next assessment visit.</p>

Non-Conformity Report			
NCR Ref #:	2238816-202208-M3	Issue Date:	25/08/2022
Due Date:	24/11/2022	Date of Closure:	31/10/2022
Area/Process:	North Labis Estate	Clause & Category: (Major / Minor)	MSP0 2530 Part 3: 4.4.5.4 Major
Requirements:	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.		
Statement of Nonconformity:	The employees of a contractor were not paid based on legal for their work on Sundays.		
Objective Evidence:	<p><u>North Labis Estate</u></p> <p>Based on the sampled FFB Dispatch Report, the FFB transport contractor (Rajandran Setia Sdn Bhd) has been transporting FFB to the mill on Sundays since January 2022. However, based on verification of its sampled four employees' (lorry drivers) pay slips, only the month of July 2022 they were paid on double rate basis. This has also been confirmed during the consultation with the four employees.</p>		
Corrections:	<ol style="list-style-type: none"> 1) Group procurement has approved the new rates for working on Sunday and public holiday for the FFB transporter started on July 2022. 2) Estate immediately informed the contractor to reimburse Sunday work paid based on a double rate for January to June 2022. 3) The contractor to reimburse the Sunday payment to his employees from January 2022 until June 2022. 		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Root cause analysis:	No double rate payment was made to the contractor worker before July 2022 due to insufficient monitoring of the contractors' compliance with legal labor requirements and the Employment Act of 1995.
Corrective Actions:	<ol style="list-style-type: none"> 1) Estate to monitor all the documentation of contractor workers by using contractor master list. 2) The Person in Charge to ensure monthly communication with the contractor to submit all documentation monthly.
Assessment Conclusion:	<p>Evidence verified:</p> <ol style="list-style-type: none"> 1) Appointment letter dated 05/09/2022 from the Estate Manager to the Sr. Assistant Manager that shows the appointed person is responsible in monitoring the compliance with legal requirements of all the engaged contractors. 2) Approval from the Group Procurement Logistic through email dated 07/07/2022 on new rates for working on Sundays, therefore the contractors have adequate financial resource to pay their workers for Sundays' works. 3) Pay slips of the contractor's workers dated 01/10/2022 that show the contractors have reimbursed their employees' working on Sundays for the month of January until June 2022. 4) Contractor master list dated September 2022 that shows the estate is monitoring all the documentation of contractors' workers. The master list has the information about, name of Contractors, name of contractors' workers, and list of supporting documents e.g., contract agreement, vendor COBC, workers' contract agreement, 3 months latest payslip, PPE record, and record of payment if workers working on holidays, to name a few. 5) Documents such as receipt of EPF & SOCSO contribution, and pay slips, that show the contractors have submitted all the relevant documentation on monthly basis to the estate management. <p>The evidence was found to be adequate to close the NCR. Continuous effective implementation of the of correction and corrective action shall be verified in the next assessment visit.</p>

Opportunity For Improvement			
Ref:	2238816-202208-I1	Clause:	MSPO 2530 Part 3: 4.5.2.1
Area/Process:	North Labis and Chaah Estate		
Objective Evidence:	The monitoring of non-renewable energy can be further improved by justifying the cause of actual usage trends with baseline values within an appropriate timeframe.		

Opportunity For Improvement			
Ref:	2238816-202208-I2	Clause:	MSPO 2530 Part 3: 4.5.3.3
Area/Process:	North Labis and Chaah Estate		
Objective Evidence:	The monitoring of scheduled wastes disposal documents can be further improved to ensure all copies are kept and tally within delivery period.		

Noteworthy Positive Comments	
1	Good cooperation by management team/staff/sustainability team
2	Good documentation upkeep and retrieval
3	Good housekeeping at working places e.g., workshop, storage, mill operation areas, etc.

3.3 Status of Nonconformities Previously Identified and OFI

Non-Conformity Report			
NCR Ref #:	2096026-202108-N1	Issue Date:	25/08/2021
Due Date:	25/08/2022	Date of Closure:	25/08/2022
Area/Process:	Sg Simpang Kiri Estate	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.4.5.4 Minor
Requirements:	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee.		
Statement of Nonconformity:	Not all contractors were able to demonstrate compliance towards applicable legal requirements.		
Objective Evidence:	<p>During document verification and interview with contractor RSKP Brothers, there is no evidence that EIS contribution has been made as per verification of payslip for the month of January 2021 to May 2021. It was against Section 16(1) and Schedule 2 of the Employment Insurance System Act 2017. The sample employees of contractors as below:</p> <ol style="list-style-type: none"> 1. Nagarajesh A/L Veluthan 000728-XX-XXXX 2. Parameswaran A/L Shunmukan 880919-XX-XXXX 		
Corrections:	Estate will inform the contractor to ensure EIS contribution for the said workers.		
Root cause analysis:	The contractor did not fully understand on the requirement of contribution for EIS as they only contribute on SOCSO Employment Injury Scheme and not included the Employment Insurance System (EIS).		
Corrective Actions:	Estate will conduct briefing to the contractor on related sustainability certification requirements and include on the EIS contribution requirement.		
Assessment Conclusion:	CAP has been accepted on 08/09/2021 and evidence of CAP effectiveness to be verified in the next assessment.		
Verification Statement	<p>Evidence verified:</p> <ol style="list-style-type: none"> 1) Attendance records and acknowledgment slip dated 13/01/2022 that show the contractor has been explained about the correct means in making the SOCSO, EIS, and EPF contributions. 2) Pay slips of workers for the month of May & Jun 2022, Borang 8A (SOCSO & EIS) and Borang A (EPF) that show the contributions of SOCSO, EIS, and EPH have been correctly made by both employer and employees. <p>The evidence was found to be adequate to close the NCR. Continuous effective implementation of the of correction and corrective action shall be verified in the next assessment visit. Nonetheless, since there is another different issue of non-</p>		

MSPO Public Summary Report
Revision 2 (Nov 2021)

	conformance under the same indicator with another different contractor, this non-conformity report is escalated to Major. See NCR #2238816-202208-M3.
--	---

Non-Conformity Report			
NCR Ref #:	2096026-202108-N2	Issue Date:	25/08/2021
Due Date:	25/08/2022	Date of Closure:	25/08/2022
Area/Process:	Sg Simpang Kiri and Chaah estates	Clause & Category: (Major / Minor)	MSPO 2530 Part 3: 4.6.1.1 Minor
Requirements:	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.		
Statement of Nonconformity:	The implementation of Standard operating procedures was not satisfactorily demonstrated.		
Objective Evidence:	<p><u>Landfill Management in Estate</u></p> <p>Based on verification through Google Earth, the wastes landfill at Chaah Estate (GPS: 2° 9' 33.51" N; 102° 59' 10.73" E), and Sg Simpang Kiri Estate (GPS: 2° 6' 30.18" N; 103° 0' 31.56" E) have residential areas and/or river or waterways within their 3 km radius distance. This is not in-line with the Landfill Management in Estate procedure [SD/SDP/PSQM(ESH)/203-EN7, rev. 0, dated 13/03/2017], Clause 6.3.3 a) and b) which reads:</p> <ul style="list-style-type: none"> a) The landfill shall be located no less than 3 km away from nearest household area, offices or other premises b) The landfill shall be located no less than 3 km away from the nearest river or waterway <p><u>Water Quality Monitoring</u></p> <p>Sime Darby Plantation; Plantation Quality Management System; Sustainable Plantation Management System; SOP for Water Quality Monitoring; Date: 01/06/2016; 5.5 Evaluation of Laboratory Test Results.</p> <ul style="list-style-type: none"> – Upon receiving the complete results, the Head of Operating Unit shall check whether it exceeds, or no not meet the related requirement. If the results are off limit, an investigation shall be initiated to solve the issue. – Investigation shall be recorded in Corrective/Preventive Action Report for Non-Conforming Water Analysis Results. Refer Appendix H; Form Code WQ-01/CPAR (1) to (3). – Arrangement for a re-sampling and analysis of the parameter of concern shall be done concurrently with the investigation and sent to the laboratory within 1 week of receiving the results. <p><u>Sungai Simpang Kiri Estate</u></p> <p>The Incoming & Outgoing River water sampling report (Test report Number: IE555/2021) dated 11/06/2021 was available for verification. The results indicated that some of the parameters (pH, COD, AN and DO) did not conform with the Class IIA/IIB of NWQS for natural waterways. The resampling was done and sent to the laboratory on 8th July 2021 which is more than the 1 week as stated in the procedure. The results have not been obtained yet.</p>		

MSP0 Public Summary Report
Revision 2 (Nov 2021)

Corrections:	Estate will relocate the landfill accordingly in line with the landfill management procedure and water sampling result will be monitored accordingly to ensure resampling to be conducted for off-spec result as per stated in procedure.
Root cause analysis:	Person in charge from estates was not properly briefed on both landfill and water quality monitoring procedure has resulted it was not satisfactorily implemented.
Corrective Actions:	Training will be conducted on both landfill and water quality monitoring procedure for the Person in Charge.
Assessment Conclusion:	CAP has been accepted on 08/09/2021 and evidence of CAP effectiveness to be verified in the next assessment.
Verification Statement	<p><u>Landfill management in estate</u></p> <p>Sime Darby Plantation revised Waste Management Procedures for Upstream Malaysia, Doc. No.: SD/SDP/GSD/HSE/0522/01, dated May 2022.</p> <p>5.0 Internal landfill – selection and operation criteria</p> <p>5.3. The landfill site shall be prepared in accordance with the following criteria</p> <p>a) Location:</p> <ul style="list-style-type: none"> • Legal compliance in reference according to guideline for siting and zoning of industry and residential area of Peninsular, Sabah and Sarawak • Distance from residential, office or other premises (minimum) of 500 meters • Distance from nearest waterways, rivers (minimum) of 500 meters <p>The revise procedure is superseded the Landfill Management in Estate procedure [SD/SDP/PSQM(ESH)/203-EN7, rev. 0, dated 13/03/2017.</p> <p><u>Simpang Kiri Estate</u></p> <p>Based on document review, sighted the management decided to dispose domestic waste to municipal dumping site using external transporter (Perniagaan Khidmat Setia) with contract agreement document number; LSSK/PKS 01/2021 dated 01/06/2021. Latest disposal with invoice ticket R8876 and nett weight: 1.62 Mt dated 24/07/2022.</p> <p>Awareness briefing on landfill management procedure to person incharge conducted on 08/11/2022.</p> <p><u>Chaah Estate</u></p> <p>Site visit to the new landfill location through Google Earth with GPS coordinate of 2.167953°N; 102.971750°E, verify the area is 500 meters away from residential and waterways based on the revised procedure.</p> <p>Awareness briefing on landfill management procedure to person in-charge conducted on 10/01/2022.</p> <p><u>North Labis Estate</u></p> <p>Site visit to landfill location through Google Earth with GPS coordinate of 2.398381°N; 103.051577 E, verify the area is 500 meters away from residential and waterways based on the revised procedure.</p>

MSPO Public Summary Report
Revision 2 (Nov 2021)

	<p>Awareness briefing on landfill management procedure to person in-charge conducted on 21/05/2022. Thus, Minor NC was closed on 25/08/2022.</p> <p><u>Water Quality Monitoring</u> Sime Darby Plantation has established SOP for Water Quality Monitoring; Date: 01/06/2016</p> <p>5.5 Evaluation of Laboratory Test Results.</p> <ul style="list-style-type: none"> - Upon receiving the complete results, the Head of Operating Unit shall check whether it exceeds, or no not meet the related requirement. If the results are off limit, an investigation shall be initiated to solve the issue. - Investigation shall be recorded in Corrective/Preventive Action Report for Non-Conforming Water Analysis Results. Refer Appendix H; Form Code WQ-01/CPAR (1) to (3). - Arrangement for a re-sampling and analysis of the parameter of concern shall be done concurrently with the investigation and sent to the laboratory within 1 week of receiving the results. <p>Awareness for water sampling to person in-charge conducted as follow:</p> <ol style="list-style-type: none"> 1. Simpang Kiri Estate dated on 10/08/2022. 2. Chaah Estate dated on 01/08/2022. 3. North Labis Estate dated on 15/06/2022. <p>Water Analysis Test has been made every month for each estate.</p> <p><u>Simpang Kiri Estate</u> Refer Water Analysis report IE649/2022 sampled on 16/05/2022, the result indicates the incoming, midstream, and outgoing river water sampling of all parameters did conform with Class IIA/IIB of NWQS for natural waterways. Due to the no non-conformance of the water analysis result, no Preventive Action Report issued. Therefore, no action taken required to re-sample as follow as procedure.</p> <p><u>Chaah Estate</u> Based on document review of Water Analysis Report Test Report Number.: IE820/2022 dated 13/07/2022, the result indicates the incoming and outgoing river water sampling of some parameters (BOD, COD, SS and DO) did not conform with Class IIA/IIB of NWQS for natural waterways. Due to the non-conformance of the water analysis result, management had raised Preventive Action Report Document Number: WQ-01/CPAR dated 18/07/2022, to issue for 'Off-Spec Water Analysis Test (Nature Water Ways)' with corrective action to send for re-sampling based on procedure. However, with the delay of water re-sampling off-spec result test to laboratory had cause being raised as finding during internal audit on 21/07/2022 by headquarter. As correction, Chaah Estate had taken for water re-sampling and sent to laboratory on 04/08/2022. The results have not been received yet.</p>
--	--

MSPO Public Summary Report
Revision 2 (Nov 2021)

	<p><u>North Labis Estate:</u></p> <p>Refer Water Analysis report IE905/2022 sampled on 13/07/2022, the result indicates the incoming, midstream and outgoing river water sampling of some parameters (BOD, COD, SS and DO) did not conform with Class IIA/IIB of NWQS for natural waterways.</p> <p>Due to the non-conformance of the water analysis result, management had raised Preventive Action Report Document Number: WQ-01/CPAR dated 04/08/2022, to issue for 'Off-Spec Water Analysis Test (Nature Water Ways)' with corrective action to send for re-sampling based on procedure.</p> <p>Sighted evidence of 're-sampling sent on 05/08/2022 for test report no.: E134 002' has sent to laboratory within 7 days (1 week) of receiving the result as per stated in the procedure.</p> <p>The results have not been received yet.</p> <p>Thus, Minor NC was closed on 25/08/2022.</p>
--	---

Non-Conformity Report			
NCR Ref #:	2096026-202108-N3	Issue Date:	25/08/2021
Due Date:	25/08/2022	Date of Closure:	25/08/2022
Area/Process:	Chaah POM	Clause & Category (Major / Minor)	MSPO 2530 Part 3: 4.6.1.1 Minor
Requirements:	Standard operating procedures shall be appropriately documented and consistently implemented and monitored.		
Statement of Nonconformity:	The implementation of Standard operating procedures was not satisfactorily demonstrated.		
Objective Evidence:	<p>Water Quality Management System</p> <p>Sime Darby Plantation Berhad; Plantation Quality Management System; Sustainable Plantation Management System; SOP for Water Quality Monitoring; Date: 01/06/2016; 5.5 Evaluation of Laboratory Test Results.</p> <ul style="list-style-type: none"> - Upon receiving the complete results, the Head of Operating Unit shall check whether it exceeds, or no not meet the related requirement. If the results are off limit, an investigation shall be initiated to solve the issue. - Investigation shall be recorded in Corrective/Preventive Action Report for Non-Conforming Water Analysis Results. Refer Appendix H; Form Code WQ-01/CPAR (1) to (3). - Arrangement for a re-sampling and analysis of the parameter of concern shall be done concurrently with the investigation and sent to the laboratory within 1 week of receiving the results. - For samples sent to Sime Darby Research Laboratory, clearly indicate "Re-sampling" in the "Remark/Others" column of Sample Analysis Request form so that the laboratory can expedite the analysis. Results of the re-sampling shall be obtained within 2 weeks. Refer Appendix I; Form Code WQ-02/SARF <p>The incoming and Outgoing water at the river monitored by the Mill Management is sampled on a quarterly basis. Water Analysis Test Report (IE464/2021) sampled on 14/04/2021 was available for verification. The results dated 03/05/2021 indicated that the BOD an COD does not conform with the Class IIA/IIB of NWQS</p>		

MSPO Public Summary Report
Revision 2 (Nov 2021)

	for Natural Waterways. The management have generated the Corrective/Preventive Action Report for Non-Conforming Water Analysis Results on 10/05/2021. Nevertheless, the resampling was not conducted concurrently within 1 week of receiving the samples and samples were not sent to the SD Research Lab, Carey Island or Accredited Laboratory as stated in the SOP. Resampling was conducted only on 27/07/2021 and the results have not been obtained as of the audit date.
Corrections:	Mill will monitor the water sampling result and ensure off-spec water sampling result to be investigate and resampling to be sent to Sime Darby R&D lab or accredited lab in-line with the procedure.
Root cause analysis:	Mill has conducted re-sampling with internal mill’s laboratory and the result of sample shown within parameter. Thus, Mill not sent for re-sampling to SD Research Lab, Carey Island due to the result within parameter. However, it was not in line with the procedure due to the person in charge was not properly briefed on the water quality monitoring procedure.
Corrective Actions:	Training will be conducted on water quality monitoring procedure for the Person In Charge.
Assessment Conclusion:	CAP has been accepted on 08/09/2021 and evidence of CAP effectiveness to be verified in the next assessment.
Verification Statement	<p>Awareness for water sampling to person incharge conducted on 16/07/2022. Refer “Water Sampling Training”. Sighted proof of Training evaluation after training was conducted on 18/07/2022 to identify the understanding of the participants on water sampling procedure.</p> <p>Water Analysis Test has been made every month. Refer Water Analysis report IE895/2022 sampled on 14/07/2022. The result received from R&D department was on 01/08/2022 showing the result doesn’t not conform with Class IIA/IIB of NWQS for natural waterways.</p> <p>Chaah POM had conduct verification in Preventive Action Report for Non-Conforming Water Analysis Result, Form Code: WQ-01/CPAR, dated: 04/08/2022. Type of Complaint generated in form is ‘Off-Spec Water Analysis Test (Natural Water Ways)’. Corrective Action taken, ‘the sampling to be taken where there is no rain consecutively’.</p> <p>Sighted evidence of ‘re-sampling sent on 05/08/2022, test report no.: IE999/2022’ sent to R&D Department within 7 days. The action taken by the mill management is in line with water sampling procedure.</p> <p>Thus, Minor NC was closed on 25/08/2021.</p>

3.4 Summary of the Nonconformities and Status

CAR Ref.	Clause & Category (Major / Minor)	Issued Date	Status & Date (Closure)
2238816-202208-M1	4.4.5.6 Part 3 - Major	25/08/2022	Closed on 31/10/2022
2238816-202208-M2	4.6.4.1 Part 3 - Major	25/08/2022	Closed on 31/10/2022
2238816-202208-M3	4.4.5.4 Part 3 - Major	25/08/2022	Closed on 31/10/2022

3.5 Issues Raised by Stakeholders

IS #	Description
1	<p>Issues: <u>Contractor and supplier (Rajandran Setia Sdn Bhd, Perkhidmatan Khidmat Setia Sdn Bhd, RSKP Brothers Sdn Bhd)</u> Relationship with the company has been good so far. The company has also regularly invited to attend stakeholder meeting as a channel to discuss any issues. No issues in term of pricing mechanism, contract award, and timing on payment so far. They were also made to understand the mechanism to lodge complaint or grievance should there be any. Will do the best to commit in complying with all the legal obligations as required in the contract agreements.</p> <p>Management Responses: No further issue.</p> <p>Audit Team Findings: No further issue.</p>
2	<p>Issues: <u>Field workers (estates and mill)</u> The management has been very accommodative to the workers in term of welfare. Safety at the workplace is a top priority imposed by the management. Adequate trainings and free PPE were among the main needs given by the management. With regards to welfare, housing facilities, water & electricity supply were always maintained in good conditions. Workers were also made to understand the mechanism to lodge complaint or grievance should there be any. There has been no issue with regards to delivering the terms & conditions stipulated in the employment contract so far.</p> <p>Management Responses: No further issue.</p> <p>Audit Team Findings: No further issue.</p>
4	<p>Issues: <u>Gender committee representatives</u> Each of the operating unit has their own gender committee. Among the main objectives of the committee are:</p> <ul style="list-style-type: none"> - To raise awareness, identify and address issues of concerns, opportunities, and areas for improvement for workers especially women - To create a safe community within operations where women can raise issues and concerns at work and in their lives with a focus on zero tolerance to sexual harassment and gender-biased violence <p>The committee is required to plan annual activities to achieve the objectives. Among the important activity planned were briefing/training to female workers/employees on understanding the meaning of sexual harassment and domestic violence and method of reporting should it happen. The management has also been very supportive with the programmes in term of financial, facilities and other resources. Since the last audit, there has been no sexual harassment case reported.</p> <p>Management Responses: No further issue.</p>



MSP0 Public Summary Report
Revision 2 (Nov 2021)

	<p>Audit Team Findings: No further issue.</p>
4	<p>Issues: <u>Surrounding community (Honest SAM Development Sdn Bhd)</u> The certification unit has been transparent to Honest SAM should there be any issues of concern. There has been no undissolved issue so far. The company has also invited Honest SAM’s representative to attend meetings as a channel to discuss any social issues. Honest SAM was also made to understand the mechanism to lodge complaint or grievance should there be any. Relationship has been very good so far, and the company has allowed Honest SAM’s staff to use the estates’ internal roads to reach their destinations.</p>
	<p>Management Responses: No further issue.</p>
	<p>Audit Team Findings: No further issue.</p>

3.6 List of Stakeholders Contacted

<p>Government Officer: -</p>	<p>Community/neighbouring village: Honest Sam Development Sdn Bhd (mining company)</p>
<p>Suppliers/Contractors/Vendors: Rajandran Setia Sdn Bhd Perkhidmatan Khidmat Setia Sdn Bhd RSKP Brothers Sdn Bhd</p>	<p>Worker’s Representative/Gender Committee: Estates and Mill’s workers Gender committee representatives</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 Sime Darby SOU 20 Chaah Certification Unit complies with the MS 2530-2:2013 or MS 2530-3:2013 or MS 2530-4:2013. It is recommended that the certification of Sime Darby SOU 20 Chaah Certification Unit is continued.	
Report Prepared by	Acknowledgement of Assessment Findings
Name: Valence Shern	Name: HASNOL HISHAM BIN HAMDAN
Company name: BSI Services (Malaysia) Sdn Bhd	Company name: SIME DARBY PLANTATION BERHAD, CHA'AH ESTATE.
Title: Lead Auditor	Title: MANAGER ESTATE
Signature: 	Signature:  SIME DARBY PLANTATION BERHAD (647768-V) CHA'AH ESTATE ----- Hasnol Hisham B. Hamdan Manager
Date: 02/12/2022	Date: 06/12/2022.

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 Berhad (SDPB) has established Group Sustainability and Quality Policy Statement signed by the Group Managing Director dated 02/12/2019.	Complied
4.1.1.2	The policy shall also emphasize commitment to continual improvement. - Major compliance -	The Group Sustainability and Quality Policy was developed in line with Nations Sustainable Development Goals (UNSDG) 2030. In the policy statement stated the company commitment to: <ol style="list-style-type: none"> 1. Promoting good governance and transparency 2. Contributing to a better society 3. Minimising environmental harm 4. Delivering sustainability quality This policy being guided by the commitments spelt out in the Company's: - <ol style="list-style-type: none"> 1. Responsible Agriculture Charter (RAC) 2. Human Rights Charter (HRC) 3. Innovation and Productivity Charter (IPC) 	Complied
Criterion 4.1.2 – Internal Audit			

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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 -	SDPB has established SOP for Internal Audit documented in Sime Darby Plantation, PSQM, Internal audit Procedure. Refer document no. SD/SDP/PSQM/IAP dated 01/11/2017. Based on the procedure, the internal audit is to be conducted annually as per Internal Audit Procedure.	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 -	SDPB has established SOP for Internal Audit documented in Sime Darby Plantation, PSQM, Internal audit Procedure. Refer document no. SD/SDP/PSQM/IAP dated 01/11/2017. <u>Chaah Estate</u> Latest internal audit was conducted on 21/07/2022. The internal audit was conducted by Internal Auditors Sustainability and Quality Management Department, Certification Unit. The audit was conducted together with RSPO P&C, MSPO Part 4 and MSPO SCCS. 3 Major and 2 Minor non-conformity was raised during the audit. <u>North Labis Estate</u> Latest internal audit was conducted on 20/07/2022. The internal audit was conducted by Internal Auditors Sustainability and Quality Management Department, Certification Unit. The audit was conducted together with RSPO P&C, MSPO Part 4 and MSPO SCCS. 3 Major and 2 Minor non-conformity was raised during the audit.	Complied
4.1.2.3	Report shall be made available to the management for their review. - Major compliance -	The internal audit report was documented and made available for management review. As evidence, all findings from internal audit were responded by Estate Management within the acceptable timeframe. <u>Chaah Estate</u> Latest internal audit was conducted on 21/07/2022. The internal audit was conducted by Internal Auditors Sustainability and Quality Management Department, Certification Unit. The audit was conducted	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>together with RSPO P&C, MSPO Part 4 and MSPO SCCS. 3 Major and 2 Minor non-conformity was raised during the audit. The estate has submitted the Corrective Action Plan and evidence to close the non-conformity raised and accepted by the auditors on 17/08/2022.</p> <p><u>North Labis Estate</u></p> <p>Latest internal audit was conducted on 20/07/2022. The internal audit was conducted by Internal Auditors Sustainability and Quality Management Department, Certification Unit. The audit was conducted together with RSPO P&C, MSPO Part 4 and MSPO SCCS. 3 Major and 2 Minor non-conformity was raised during the audit. The estate has submitted the Corrective Action Plan and evidence to close the non-conformity raised and accepted by the auditors on 19/08/2022.</p>	
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>SDPB has established SOP for Management Review documented in Standard Operation Manual, Sub-Section 5.6, dated: 25/5/2015. Based on the SOP established, the frequency for management review needs to be carried out at least once a year.</p> <p>The Management Review Meeting covers:</p> <ol style="list-style-type: none"> 1. Matters Arising 2. Process Performance Review 3. Results of Internal Audits 4. Status of preventive and corrective action 5. Follow up action from management review 6. Customer feedbacks 7. Changes that could affect the management system 	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		8. Recommendation for improvement 9. Others matters Reviewed the minute meeting conducted on 15/08/2022 for Chaah Estate and 16/08/2022 for North Labis Estate.	
Criterion 4.1.4 – Continual Improvement			
4.1.4.1	The action plan for continual improvement shall be based on consideration of the main social and environmental impact and opportunities of the company. - Major compliance -	In consideration to of environmental and social impact, the operating units has established continuous improvement plan. Reviewed the sampled established FY 2022 as follows: <u>Chaah Estate</u> 1. To identify unsafe act and condition to minimize near misses/accident occurrences 2. To keep tracks on task allocation by workers 3. Reporting on accidents, OSH programme (HIRARC Review, accidents reports) 4. To reduce circle racking cost by using Circle Blower <u>North Labis Estate</u> 1. To improve cutter productivity especially on basal pruning at immature and young mature area 2. To keep tracks on the FFB movement from the field up to the mill 3. Reporting on accidents, OSH programmes, alert on expiring date of permits and license 4. To reduce circle racking cost by using Zenoah Blower	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		5. To give workers freedom to go anywhere by provide metal cabinet for passport keeping 6. To centralize housing repairs and effective monitoring 7. To provide emergency cash at every FPE The continuous improvement plan was also documented in Environmental Management Plan Social Management Plan.	
4.1.4.2	The company shall establish a system to improve practices in line with new information and techniques or new industry standards and technology (where applicable) that are available and feasible for adoption. - Major compliance -	Any new technology and/or innovation equipment is subject to approval by Regional Offices and Headquarters. The new information is updated to employees through morning briefings, memo, meetings, station training. Whenever new technology or system are introduced, awareness briefing is provided to the employees at all levels prior to the implementation. Chaah Estate has implemented mechanization spray using ST-GEO machine attached to compact tractor. The system was for application of strip spray for weeds control. The objective of the system was to in reduce usage of manpower for spraying application compared to conventional spraying method. The system productivity was estimated to be at 18 ha/ day.	Complied
4.1.4.3	An action plan to provide the necessary resources including training, to implement the new techniques or new industry standard or technology (where applicable) shall be established. - Major compliance -	Implementation of new techniques or industry standard will be conducted thru briefing and set of training provided by the estate management or by the third parties. These new trainings and briefing will be included into their annual training program whenever necessary.	Complied

**MSPO Public Summary Report
Revision 2 (Nov 2021)**

Criterion / Indicator	Assessment Findings	Compliance	
4.2 Principle 2: Transparency			
Criterion 4.2.1 – Transparency of information and documents relevant to MSPO requirements			
4.2.1.1	The management shall communicate the information requested by the relevant stakeholders in the appropriate languages and forms, except those limited by commercial confidentiality or disclosure that could result in negative environmental or social outcomes. - Major compliance -	The Standard Operation Manual dated 01/11/2008 documented the process for Procedure for External Communication (sub-section 5.5, Appendix 5.5.3.2). The time frame to provide feedback to the stakeholder is documented to be 2 weeks of the date receiving the queries. The Estate Managers are responsible to address all communication and request for documentations that could be made available to public/stakeholders.	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 -	SDPB continued to use the group website for disseminating public information. The Sustainability Report and Group Annual report is available in website. Information relating to land titles, safety and health plans, pollution prevention plans, and annual report are available at the estate. In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates and muster ground notice boards for employees and visitors to view. Procedures for complaints and grievances were available through SDPB website at https://simedarbyplantation.com/sustainability/reports-policies-and-statements/	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			

Criterion / Indicator		Assessment Findings	Compliance
4.2.2.1	Procedures shall be established for consultation and communication with the relevant stakeholders. - Major compliance -	The Standard Operation Manual dated 01/11/2008 documented the process for Procedure for External Communication (sub-section 5.5, Appendix 5.5.3.2). The Sustainable Plantation Management System Appendix 5 (Flowchart and Procedures on handling Social Issues) dated 01/11/2008 documented the process for handling communication regarding social issues.	Complied
4.2.2.2	A management official should be nominated to be responsible for issues related to Indicator 1 at each operating unit. - Minor compliance -	As stated in the procedure, the Estate Managers are responsible to deal with the external communication for the respective estates under their management.	Complied
4.2.2.3	List of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders should be properly maintained. - Major compliance -	List of stakeholders was available at all the visited estates. In general, they consist of surrounding communities, neighbouring estates, refinery, suppliers, contractors, government agencies, etc. The external stakeholder consultation is conducted from time to time. The last meeting was conducted on 17/01/2022 covering all the management units under the certification unit. Minutes of meeting were available for verification. The objective of the meeting to discuss the current issues pertaining to social aspects such as legal compliance by contractors and occupational safety.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall establish, implement and maintain a standard operating procedure to comply with the requirements for traceability of the relevant product(s). - Major compliance -	SDPB has developed Standard Operating Procedure (SOP) entitled Sustainable Supply Chain and Traceability for Upstream Malaysia ver. 01, dated May 2022 to ensure the handling of incoming FFB and outgoing CPO and PK are carried out in a proper manner to meet the sustainability requirements for traceability and mass balance. The following subjects were included in the procedure:	Complied

Criterion / Indicator		Assessment Findings	Compliance
		4.0 Responsibilities 5.0 Control of Documents & Records 6.0 Delivery of FFB from the Estate 7.0 Receiving FFB at the Mill 9.0 Process Monitoring 10.0 Products Despatch 11.0 Non-conforming Products and/ or Documents 12.0 Product Claims 13.0 Outsourced Contractor 14.0 Training 15.0 Reclassification of Mill's Supply Chain Model 16.0 Production Volume 17.0 Conversion Factors 18.0 Internal Audit 19.0 Complaints 20.0 Management Review	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	SIME Semua 2.0 (CRS system) for traceability. Electronic tag/chip is used for each and every load/consignment. Chip is linked to Semua apps and scanned and before weigh and despatch. All information were recorded in the system which traceable to identify [field, crop type, harvesting date, number of bunches, weight etc]. Person in charge for each load/consignment is harvesting mandore and bunch counter.	Complied
4.2.3.3	The management should identify and assign suitable employees to implement and maintain the traceability system.	<u>Chaah Estate</u>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance		
	- Minor compliance -	<p>The estate has appointed the Sr. Asst. Manager as person responsible for to implement and maintain the traceability system as per appointment letter dated 01/01/2021 signed by the Estate Manager.</p> <p><u>North Labis Estate</u></p> <p>The estate has appointed the Sr. Asst. Manager as person responsible for to implement and maintain the traceability system as per appointment letter dated 01/01/2022 signed by the Estate Manager.</p>			
4.2.3.4	<p>Records of sales, delivery or transportation of FFB shall be maintained.</p> <p>- Major compliance -</p>	<p>The estates send the FFB harvested to the Chaah POM. The estate maintains the records of FFB sale/dispatch to the mill. Reviewed the records of FFB dispatch as follows:</p> <table border="1"> <tr> <td> <p>Supplier: Chaah Estate, field 2003A FFB Count Chit No.: 210 No. of Bunch: 1002 C/N. No.: 40954 Product ID: 0001-FFB A Crop Nett weight: 12,410 kg Delivery date: 22/08/2022 Weighbridge ticket no.: 171499 MSPO certificate no.: MSPO 685287 MSPO certificate validity: 27/12/2022</p> </td> <td> <p>Supplier: Chaah Estate FFB Count Chit No.: 218 No. of Bunch: 1076 C/N. No.: 40956 Product ID: 0001-FFB A Crop Nett weight: 12,870 kg Delivery date: 22/08/2022 Weighbridge ticket no.: 171506</p> </td> </tr> </table>	<p>Supplier: Chaah Estate, field 2003A FFB Count Chit No.: 210 No. of Bunch: 1002 C/N. No.: 40954 Product ID: 0001-FFB A Crop Nett weight: 12,410 kg Delivery date: 22/08/2022 Weighbridge ticket no.: 171499 MSPO certificate no.: MSPO 685287 MSPO certificate validity: 27/12/2022</p>	<p>Supplier: Chaah Estate FFB Count Chit No.: 218 No. of Bunch: 1076 C/N. No.: 40956 Product ID: 0001-FFB A Crop Nett weight: 12,870 kg Delivery date: 22/08/2022 Weighbridge ticket no.: 171506</p>	Complied
<p>Supplier: Chaah Estate, field 2003A FFB Count Chit No.: 210 No. of Bunch: 1002 C/N. No.: 40954 Product ID: 0001-FFB A Crop Nett weight: 12,410 kg Delivery date: 22/08/2022 Weighbridge ticket no.: 171499 MSPO certificate no.: MSPO 685287 MSPO certificate validity: 27/12/2022</p>	<p>Supplier: Chaah Estate FFB Count Chit No.: 218 No. of Bunch: 1076 C/N. No.: 40956 Product ID: 0001-FFB A Crop Nett weight: 12,870 kg Delivery date: 22/08/2022 Weighbridge ticket no.: 171506</p>				

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>MSPO certificate no.: MSPO 685287 MSPO certificate validity: 27/12/2022</p> <p>Supplier: North Labis Estate, field 2010A FFB Count Chit No.: N/A No. of Bunch: 699 C/N. No.: 29737 Product ID: 0001-FFB A Crop Nett weight: 10,670 kg Delivery date: 24/06/2022 Weighbridge ticket no.: 256523 MSPO certificate no.: MSPO 685287 MSPO certificate validity: 27/12/2022</p> <p>S Supplier: North Labis Estate, field 2010A FFB Count Chit No.: N/A No. of Bunch: 682 C/N. No.: 29736 Product ID: 0001-FFB A Crop Nett weight: 11,270 kg Delivery date: 24/06/2022 Weighbridge ticket no.: 256513 MSPO certificate no.: MSPO 685287 MSPO certificate validity: 27/12/2022</p>	
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.	The estates had continued to comply with the legal requirements. Compliance to each applicable law and regulation is monitored by the operating units and SQM sustainability team.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<p>- Major compliance -</p>	<p>The mill had obtained and renewed license and permits as required by the law. Among others the licenses/permit viewed were:</p> <p><u>Chah Estate</u></p> <ol style="list-style-type: none"> 1. MPOB License no. 518848002000, valid till 28/02/2023 2. MPOB License for nursery no. 6176100111000, valid till 31/08/2023 3. Scheduled Control Goods Permit for Diesel no. P J 006154), ref. no. JH(SGT) 0123/05 PSK, valid till 06/08/2023 4. Weighbridge Calibration Permit no. B 344935462 with safety sticker. No. DE18 003856, valid till 07/06/2023 5. Air compressor certificate of fitness no. PMT-JH/21 142673 valid till 24/08/2022. The renewal application has been done on 22/06/2022 through MyKKP website as per application ref. no. JH/ML/22/39751. <p><u>North Labis Estate</u></p> <ol style="list-style-type: none"> 1. MPOB License no. 520479102000, valid till 30/04/2023 2. MPOB License no. 522496002000, valid till 31/07/2023 3. Scheduled Control Goods Permit for Diesel no. P J 006113, ref. no. JH(SGT) 0028/83 PSK and P J 006051, ref. no. JH(SGT) 0149/09 PSK, valid till 10/06/2024 4. Air compressor certificate of fitness no. PMT-JH/22 178500 and PMT-JH/22 178499 valid till 25/08/2023. 5. Weighbridge Calibration Permit no. B 435963340 with safety sticker. No. DE18 010302, valid till 21/06/2023 	
<p>4.3.1.2 The management shall list all laws applicable to their operations in a legal requirements register.</p>	<p>All operating units have Legal & Other Requirements Register (LORR) covering all the necessary regulatory requirements.</p>	<p>Complied</p>

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Reviewed the latest Legal & Other Requirements Register (LORR) updated as of June 2022 and Summary of Compliance dated 28/06/2022.	
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 -	The estates have established list of all relevant laws and requirement and documented in Legal and Requirement Register (LORR). The lists were updated on annually basis or if there are new updates on the register or additional applicable legal. Reviewed the latest register reviewed in June 2022. Among the latest updated on the register are: 1. Minimum Wages Order 2022 2. Fire Services Act 1988 (Act 341) Amendment 2020 3. Pembangunan Sumber Manusia Act 2001	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 -	Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008. A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual Group Sustainability Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. The person responsible appointed at the operating units will update the changes in the Legal Register. <u>Chaah Estate</u> The estate has appointed the Sr. Asst. Manager as person responsible for tracking changes in regulatory requirement as per appointment letter dated 01/01/2021 signed by the Estate Manager.	Complied

Criterion / Indicator		Assessment Findings	Compliance
		<p><u>North Labis Estate</u></p> <p>The estate has appointed the Sr. Asst. Manager as person responsible for tracking changes in regulatory requirement as per appointment letter dated 01/01/2022 signed by the Estate Manager.</p>	
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm cultivation activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	<p>The management ensure that their oil palm cultivation activities do not diminish the land use rights of other users by ensuring the legal boundary is correct through land survey during the development. There is no land dispute raised by any stakeholder at the point of this assessment.</p>	Complied
4.3.2.2	<p>The management shall provide documents showing legal ownership or lease, history of land tenure and the actual use of the land.</p> <p>- Major compliance -</p>	<p>Management was able to provide the land titles of the sampled estates as evidence of legal ownership of the company. Copies of land titles were made available for verification. Chaah Estate has a 2 land titles with a total of 2,795.3616 Ha, while North Labis Estate has 5 land titles with a total of 3,532.91 Ha</p>	Complied
4.3.2.3	<p>Legal perimeter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable.</p> <p>- Major compliance -</p>	<p>Although only some of the boundary stones were managed to be found by the company, the demarcation of boundaries at the visited estates using concrete pole painted with red and white was obvious, especially at the boundaries with third parties.</p> <p>The Estates have maps showing the locations of boundary stones that have been physically located and marked. Boundaries stones/markers/trenching at the 2 estates, during the audit document inspection confirmed that they were clearly marked and maintained.</p> <p><u>Chaah Estate</u></p> <p>Site visit sighted boundary stones managed to be found by the estate management and physically located.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Sample of the boundary stones found being allocated with GPS Coordinate; 2.179486° N, 103.009261° E.</p> <p><u>North Labis Estate</u></p> <p>Site visit sighted boundary stones managed to be found by estate management and physically located.</p> <p>Sample of the boundary stones found being allocated with GPS Coordinate; 2.378549° N, 103.027068° E.</p>	
4.3.2.4	<p>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).</p> <p>- Minor compliance -</p>	<p>There was no land dispute at all visited estates. The company has the legal ownership documents as demonstrated by possessing land titles.</p>	Complied
Criterion 4.3.3 – Customary rights			
4.3.3.1	<p>Where lands are encumbered by customary rights, the company shall demonstrate that these rights are understood and are not being threatened or reduced.</p> <p>- Major compliance -</p>	<p>There is no customary land or negotiated agreements at all the sampled estates.</p>	Not applicable
4.3.3.2	<p>Maps of an appropriate scale showing extent of recognized customary rights land, if any, should be made available.</p> <p>- Minor compliance -</p>	<p>There is no customary land or negotiated agreements at all the sampled estates.</p>	Not applicable
4.3.3.3	<p>Negotiation and FPIC shall be recorded and copies of negotiated agreements should be made available.</p> <p>- Major compliance -</p>	<p>There is no customary land or negotiated agreements at all the sampled estates.</p>	Not applicable

Criterion / Indicator	Assessment Findings	Compliance	
4.4 Principle 4: Social responsibility, health, safety and employment condition			
Criterion 4.4.1: Social Impact Assessment (SIA)			
4.4.1.1	Social impact should be identified and plans are implemented to mitigate the negative impacts and promote the positive ones. - Minor compliance -	The Social Impact Assessment for SOU 20 Chaah for all operating units (i.e., Chaah POM, Chaah Estate, North Labis Estate and Sg Simpang Kiri Estate) was conducted internally by the Plantation Sustainable and Quality Management (PSQM) Team, now known as Group Sustainability Department, based at Sime Darby Plantation Bhd HQ. The last SIA was conducted on 6-9/4/2015. The impacts reported in category i.e., working condition, housing condition/living improvement, transportation and gender committee for internal. For external stakeholders, the impacts mainly were obtained from interview inputs. The recommendation from the SIA report was transferred to action plan. The latest Action Plans for Social Impact Assessment 2022 dated Jan 2022 for all the sampled estates were available for verification. The action plan identified the issues & strategies, action plan, responsible persons, and time frame. Action plan from the regular stakeholder consultation was also available.	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 -	System for dealing with complaints and grievances has been established and documented through: <ul style="list-style-type: none"> • Under the Sustainable Plantation Management System Appendix 5, procedure on handling social issue (version 1; year 2008) 	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<ul style="list-style-type: none"> Under Group policies and authority's GPA No 85, Whistleblowing provides an internal mechanism for reporting, investigating, and remedying any wrongdoing. 	
4.4.2.2	The system shall be able to resolve disputes in an effective, timely and appropriate manner that is accepted by all parties. - Major compliance -	It was noted that the estates managed to handle other complaints and requests from its stakeholders in timely manner especially from workers regarding repair of their houses. Crosschecking with some of the affected workers through line-site visit confirmed that their issues were addressed accordingly.	Complied
4.4.2.3	A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint. - Minor compliance -	The estates are using the PalmPal application to record any defects related to housing facilities reported by their workers (tenants). There is also communication book which is used to record any request by stakeholders.	Complied
4.4.2.4	Employees and the surrounding communities should be made aware that complaints or suggestions can be made any time. - Minor compliance -	Based on interview with the stakeholders such as contractors, local communities, and workers, it has shown that the stakeholders are aware of how to forward their complaints or suggestions to the management. There was no grievance recorded since the last assessment. Nonetheless, records of request for housing maintenance by workers were available at all the visited estates.	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 previous complaints and requests records for the past 24 months were still available at all the sampled estates.	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.	Since the last assessment, among the contribution made to local development were:	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Minor compliance -	<ol style="list-style-type: none"> 1) Allowing religious ceremony on 14/08/2022 at a temple inside Chaah Estate where most of the participants were outsiders. 2) Post flood aid for communities in Johore & Malacca on 01/06/2022 at Chaah Estate community hall. 3) Allowing the neighbouring estate to use the football field facility in North Labis Estate on 30/06/2022. 4) Allowing North Labis Estate premise to be used as cross-country activity of a neighbouring schools in May 2022. 	
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>SDPB has established environmental policy Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 01/06/2020.</p> <p>In the Policy Statement stated as follows:</p> <p>“Upstream Malaysia is committed to providing safe and healthy workplaces and operating in an environmentally responsible manner at all our operations in Malaysia.”</p> <p>The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate.</p> <p>The GSQM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.</p> <p>The mill has established Safety and Health Plan and reviewed on annually basis. The plan covers on OSH Legal Compliance, Emergency Response Plan, OSH Management System and Risk Management,</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
	<p>HIRADC, training, OSH committee meeting, workplace inspection, medical surveillance and etc.</p> <p>Reviewed the implementation of the management plan FY 2022 as follows:</p> <p><u>Chaa Estate</u></p> <ol style="list-style-type: none"> 1. The estate conducted Workplace Inspection on quarterly basis prior to the Safety and Health committee meeting. Reviewed the inspection records dated 21/03/2022 and 20/06/2022. The results of inspection were discussed during the committee meeting. Reviewed the minutes meeting dated 28/03/2022 and 27/06/2022 2. As per CHRA report the estate were recommended to conduct medical surveillance at interval not more than 12 months. Latest medical surveillance was conducted on 18 – 20/07/2022 by OHD with DOSH reg. no. HQ/08/DOC/00/545. 18 workers were sent for surveillance and found fit to works as chemical handlers. 3. The estate conducted medical screening for sprayers on monthly basis by Estate Medical Assistant. Reviewed the screening records for the month of April, May and June 2022. 4. As per NRA report, the mill recommended to conduct Audiometric Test on annually basis. Latest test was conducted on 01/09/2021 by assessor with DOSH reg. no. HQ/16/DOC/00/454. From the test, 2 workers were found with abnormal results. Refer report no. PRO/SEP/21 (LC/20) JKPP/2020/11-04/00001. Retest was conducted 13/12/2021. Refer report no. 19/MEA/2021. <p><u>North Labis Estate</u></p> <ol style="list-style-type: none"> 1. As per baseline audiometric test report, the worker attended were required to undergo Annual Audiometric Test. The test has been 	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>conducted on 19/08/2022 with 26 workers were send for test. The results have yet to be received by the estate during the audit.</p> <p>2. As per baseline audiometric test report, 10 workers were required to be examined by OHD. The examination was conducted on 08 – 10/08/2022. 2 workers were found with hearing impairment due to non-occupational cause.</p> <p>3. As per CHRA report the estate were recommended to conduct medical surveillance at interval not more than 12 months. Latest medical surveillance was conducted on 19/01/2022 – 15/02/2022 by OHD with DOSH reg. no. HQ/08/DOC/00/545. 53 workers were sent for surveillance and found fit to works as chemical handlers.</p> <p>4. The estate conducted workplace inspection on quarterly basis prior to safety and health committee meeting. Reviewed the inspection records dated 25/07/2022, 29/04/2022 and 29/01/2022.</p> <p>5. The estate conducted Medical Health Screening for all workers on annually basis. Reviewed the screening records FY 2022 conducted on 23/06/2022.</p>	
4.4.4.2	<p>The occupational safety and health plan shall cover the following:</p> <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> <p>i. all employees involved shall be adequately trained on safe working practices</p>	<p>a) SDPB has established Safety and health policy as per Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.</p> <p>The policy is written in Bahasa and English language that can be easily understood by all levels of its employees.</p> <p>The policy has been communicated to the workers through induction training for new workers, morning briefing, iCARE Safety and Health Townhall meeting, and displayed at various notice board within the mill.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<ul style="list-style-type: none"> ii. all precautions attached to products shall be properly observed and applied d) The management shall provide the appropriate PPE at the place of work to cover all potentially hazardous operations as identified in the risk assessment and control such as Hazard Identification, Risk Assessment and Risk Control (HIRARC). e) The management shall establish Standard Operating Procedure for handling of chemicals to ensure proper and safe handling and storage in accordance to Occupational Safety Health (Classification Packaging and Labeling) Regulation 1997 and Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust must have knowledge and access to latest national regulations and collective agreements. g) The management shall conduct regular two-way communication with their employees where issues affecting their business such as employee's health, safety and welfare are discussed openly. Records from such meeting are kept and the concerns of the employees and any remedial actions taken are recorded. h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. 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>b) The operating units sampled has conducted assessment for risk on all the operations. Reviewed the risk assessment as follows:</p> <p><u>Chaah Estate</u></p> <ol style="list-style-type: none"> 1. Latest CHRA was conducted on 25/06/2020 by assessor with DOSH reg. no. HQ/06/ASS/00/363. Refer report no. HQ/06/ASS/00/363-2020-151. As per report the estate were recommended to conduct medical surveillance at interval not more than 12 months. Latest medical surveillance was conducted on 18 – 20/07/2022 by OHD with DOSH reg. no. HQ/08/DOC/00/545. 18 workers were sent for surveillance and found fit to works as chemical handlers. 2. Baseline Noise Risk Assessment was conducted on 26/08/2020 by assessor with DOSH reg. no. HQ/16/PEB/00/158. Refer report no. HQ/LPROYKPEB/21/00322. As per report, the mill recommended to conduct Audiometric Test on annually basis. Latest test was conducted on 01/09/2021 by assessor with DOSH reg. no. HQ/16/DOC/00/454. From the test, 2 workers were found with abnormal results. Refer report no. PRO/SEP/21 (LC/20) JKKP/2020/11-04/00001. Retest was conducted 13/12/2021. Refer report no. 19/MEA/2021. 3. HIRARC review was conducted at minimum of once a year, during accident occur or changes in operation. FY 2022 HIRARC review was conducted as follows: <ul style="list-style-type: none"> i. On 17/02/2022 with changes at ST-GEO spraying operation due to accident occur on 17/02/2022 	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<ul style="list-style-type: none"> ii. On 24/06/2022 with changes at ST-GEO spraying operation for annual risk review iii. 21/03/2022 with changes at harvesting operation for annual risk review iv. 28/05/2022 with changes at harvesting operation due to accident occur on 26/05/2022 v. 13/06/2022 with changes at harvesting operation due to accident occur on 12/06/2022 vi. 01/07/2022 with additional operation on Drone Flight due to incident reported in Social Dialogue Meeting dated 30/06/2022 <p>4. For new contract activities, the contractor was required to submit Job Safety Analysis to the operating units. Reviewed the JSA for Construction and Completion of Loose Fruit Segregator at Chaah Estate Johor dated 11/05/2022</p> <p><u>North Labis Estate</u></p> <p>1. CHRA was conducted on 24/06/2020 by assessor with DOSH reg. no. HQ/06/ASS/00/363. Refer report no. HQ/06/ASS/00/363-2020-150. Latest review on the CHRA report was conducted on 05/03/2022. Refer report ref. no. HQ/06/ASS/00/363-2022-039.</p> <p>As per report the estate were recommended to conduct medical surveillance at interval not more than 12 months. Latest medical surveillance was conducted on 19/01/2022 – 15/02/2022 by OHD with DOSH reg. no. HQ/08/DOC/00/545. 53 workers were</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
	<p>sent for surveillance and found fit to works as chemical handlers.</p> <p>2. Baseline Noise Risk Assessment was conducted on 05/10/2020 by assessor with DOSH reg. no. HQ/16/PEB/00/158. Refer report no. HQ/LPROYKPEB/21/00318.</p> <p>As per report, the estate recommended to conduct Baseline Audiometric Testing. The baseline test was conducted on 26/08/2021 by assessor with DOSH reg. no. JKPP/2021/11-04/00011. Refer report ref. no. R2021/0809/LADANGNORTHLABIS. The baseline report involves 30 workers. From the report, all the workers were required to undergo audiometric test every year while 10 workers were required to be examined by OHD.</p> <p>3. HIRARC review was conducted at minimum of once a year, during accident occur or changes in operation. FY 2022 HIRARC review was conducted as follows:</p> <ul style="list-style-type: none"> i. 18/07/2022 with addition of carpenter roofing works due to new housing roof replacement work. ii. 12/07/2022 with review on harvesting operation due to accident occur on 29/06/2022 and 21/05/2022 iii. 28/07/2022 with review on harvesting operation due to accident occur on 15/07/2022 <p>c) The estates have established training program for employees exposed to pesticides used at the palm oil mill to ensure the continuous awareness to the employee. Reviewed the training plan and record as per criteria 4.4.6.1.</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
	<p>d) The mill provided appropriate PPE to all workers according to the job type. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) dated 17/03/2008.</p> <p>Reviewed the PPE issuance records for workers working at the sprayers and harvesters recorded in the PPE issuance records book.</p> <p>e) Procedure for chemical handling was address in the Chemical Safety management Procedure, ver. 0, dated 09/03/2021. Refer doc. no. UM/HSE/OCP/04.</p> <p>f) The respective Sr. Managers/ Managers in Operating Unit in SOU 2 has been appointed as Person Responsible / Chairman for Safety and Health in the estate as per Safety and Health Committee Procedures, ver. 0 dated 17/11/2021 under section 4. Roles & Responsibilities and section 6. Composition of Safety and Health Committee under subsection 6.2. Appointment of Chairman, Secretary and Other Members. Refer doc. No. UM/HSE/OCP/08.</p> <p><u>Chaah Estate</u></p> <p>The Estate Manager has been appointed as person Person Responsible / Chairman for Safety and Health as per appointment letter dated 01/10/2022 signed by the Regional General Manager, Southern Region.</p> <p><u>North Labis Estate</u></p> <p>The Estate Manager has been appointed as person Person Responsible / Chairman for Safety and Health as per appointment letter dated 01/01/2022 signed by the Regional General Manager, Southern Region.</p>	

**MSPO Public Summary Report
Revision 2 (Nov 2021)**

Criterion / Indicator		Assessment Findings	Compliance															
		<p>g) The management has established Safety Committee Member consist of Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Estate/Mill Manager. The OSH committee discussed regarding the safety and health of the workers on quarterly basis during the OSH committee meeting. In the meeting discussed on the matters arising from the previous meetings, accident and incident report, workplace inspection, and training.</p> <p>The operating units conducted safety and health committee meeting as per Safety and Health Committee Procedures, ver. 0 dated 17/11/2021 under section 7. Meetings of Safety and health Committee under subsection 7.1. Frequency of Meetings of Committee. Reviewed the latest 4 minutes meeting conducted for every operating units as follows:</p> <table border="1"> <thead> <tr> <th></th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> </tr> </thead> <tbody> <tr> <td>Chaah Estate</td> <td>17/09/2021</td> <td>10/12/2021</td> <td>28/03/2022</td> <td>27/06/2022</td> </tr> <tr> <td>North Labis Estate</td> <td>09/10/2022</td> <td>29/01/2022</td> <td>29/04/2022</td> <td>27/07/2022</td> </tr> </tbody> </table>		1	2	3	4	Chaah Estate	17/09/2021	10/12/2021	28/03/2022	27/06/2022	North Labis Estate	09/10/2022	29/01/2022	29/04/2022	27/07/2022	
	1	2	3	4														
Chaah Estate	17/09/2021	10/12/2021	28/03/2022	27/06/2022														
North Labis Estate	09/10/2022	29/01/2022	29/04/2022	27/07/2022														
		<p>h) SDPB has established Accident and emergency procedures under procedure as follows:</p> <ol style="list-style-type: none"> 1. Incidents, Accidents and Non-compliance Management Procedures, ver. 1, dated 01/06/2022. Refer doc. no. UM/HSE/SP/03 																

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
	<p>2. Emergency Preparedness Response Procedure, ver. 0, dated 17/11/2021. Refer doc. no. UM/HSE/SP/02</p> <p>The mill maintains the records of accidents including JKPP 6 forms reported to DOE, medical leaves certificates, accidents investigations reports and HIRARC review. The accidents occurrence was reported to the Headquarters through Rapid 4 systems and DOSH by submitting the JKPP 6 form through MyKKP system.</p> <p>Reviewed the Accident Investigation Reports, RAPID 4 report and/or JKPP 6 reported to DOE for accident as follows:</p> <p><u>Chaah Estate</u></p> <ol style="list-style-type: none"> 1. Accident occurs at FFB in field evacuation operation (MTG driver) dated 12/06/2022 2. Accident occurs at Harvesting operation dated 26/05/2022 3. Accident occurs at mechanized chemical spraying operation dated 17/02/2022 <p><u>North Labis Estate</u></p> <ol style="list-style-type: none"> 1. Accident occurs at harvesting operation dated 15/07/2022 2. Accident occurs at harvesting operation dated 29/06/2022 3. Accident occurs at harvesting operation dated 21/05/2022 <p>The estates sampled conducted firefighting training/ Fire Drill on annually basis. Reviewed the training plan and record as per criteria 4.4.6.1.</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance								
		<p>i) SDPB has established First Aid in Workplace Procedure, ver. 0, dated 09/03/2021. Refer doc. No. UM/HSE/OCP/01</p> <p>First aid kit and first aider present at various workstation at the estates. The estates continuously provided training to the appointed first aider to enhance the knowledge training for appointed First Aider. Reviewed the training plan and record as per criteria 4.4.6.1.</p> <p>The Estate Hospital/Medical Assistant conducted First Aid monitoring on monthly basis.</p> <p><u>Chaah Estate</u></p> <p>Reviewed the first aid kit monitoring records conducted by Medical Assistant dated FY 2022 as at 20/07/2022.</p> <p><u>North Labis Estate</u></p> <p>Reviewed the first aid kit monitoring records conducted by Medical Assistant as todate August 2022</p> <p>j) Records of all accidents are kept. Accident incidences are reviewed during the safety meetings. Records on Lost Time Accident (LTA) metrics was maintained. Accident records are found to be updated. JKPP 8 form were submitted to DOE through MyKKP systems. Sighted the samples of accident statistic FY 2021 as reported to DOSH as follows:</p> <table border="1"> <thead> <tr> <th>Operating units</th> <th>Accident Cases</th> <th>LTA</th> <th>Ref. No.</th> </tr> </thead> <tbody> <tr> <td>Chaah Estate</td> <td>7</td> <td>31</td> <td>JKKP 8/ 89718/ 2021 dated 26/01/2022</td> </tr> </tbody> </table>	Operating units	Accident Cases	LTA	Ref. No.	Chaah Estate	7	31	JKKP 8/ 89718/ 2021 dated 26/01/2022	
Operating units	Accident Cases	LTA	Ref. No.								
Chaah Estate	7	31	JKKP 8/ 89718/ 2021 dated 26/01/2022								

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings				Compliance
		North Labis Estate	1	7	JKKP 8/ 102472/ 2021 dated 17/01/2022	
Criterion 4.4.5: Employment conditions						
4.4.5.1	The management shall establish policy on good social practices regarding human rights in respect of industrial harmony. The policy shall be signed by the top management and effectively communicated to the employees. - Major compliance -	SDPB has incorporated its policy on good social practices regarding human rights in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2 where the management is committed to respect, support and uphold fundamental human rights. It was communicated to the employees through various methods such as training, meeting, and briefing.				Complied
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	SDPB has incorporated its policy on discriminatory in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2 where the management is committed to treat all employees fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, sexual orientation, union membership, political view, religion and/or age. Interview with the workers showed that there was no evidence of discrimination among the employees.				Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards and as per agreed Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	SDPB is a member of the Malayan Agricultural Producers Association (MAPA) and subscribed to the collective agreement between MAPA and the National Union of Plantation Workers (NUPW). The latest agreement is effective for three years starting from 1/1/2019. Employment contracts for workers were available for verification. The terms of salary are referred to the NUPW-MAPA collective agreement. It was found to be in line with the Minimum Wage Order 2018. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the workers. Sampled				Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		workers ID number whose payslips for Aug 2021, Dec 2021, and May 2022 were verified is as follows: Chaah Estate: 165114, 156793, 124586, 139484, 157175, 13549, 13596, 13597, 52180, 120425 North Labis Estate: 129927, 139726, 156179, 78199, 74998, 156776, 15213, 92828, 108903, 125520, 163128	
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. - Minor compliance -	The management obtains the payslip from the contractors and check the pay against the minimum standard. Payslips from Rajandran Setia Sdn Bhd (North Labis Estate) and Perkhidmatan Khidmat Stia (Chaah Estate) were available for verification. Nonetheless, it was found that the employees of a contractor were not paid based on legal for their work on Sundays. Based on the sampled FFB Dispatch Report, the FFB transport contractor (Rajandran Setia Sdn Bhd) has been transporting FFB to the mill on Sundays since January 2022. However, based on verification of its sampled four employees' (lorry drivers) pay slips, only the month of July 2022 they were paid on double rate basis. This has also been confirmed during the consultation with the four employees. Thus, a non-conformity report was assigned due to this lapse. Since this has been raised in the previous assessment, this non-conformity has been escalated to Major.	Major Non-conformity
4.4.5.5	The management shall establish records that provide an accurate account of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	There is a list of employees consist of employee number, name, check roll type, joining date and status in the SAP system – Sime Estate Mill Upstream Application (SEMUA) System Employee Master Listing.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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>Every employee had been provided with employment contract which referred to the collective agreement between MAPA & NUPW. The collective agreement document was available for verification. Nonetheless, the subsidy of water was not consistent with the employment contract. Based on the employment agreement under "Accommodation" Item, the company shall provide free water up to 35 gallons per employee per day. However, based on practice, North Labis Estate is only subsidising its workers RM6.82/employee/month, which is equivalent to 3 m3/employee/month or 660 gallons/employee/month. Based on verification of the employees' pay slips, the excess usage of water was charged to them through deduction of wages. Thus, a Major non-conformity report was assigned due to this lapse.</p>	Major Non-conformity
4.4.5.7	<p>The management shall establish a time recording system that makes working hours and overtime transparent for both employees and employer.</p> <p>- Major compliance -</p>	<p>Time recording at the estates was implemented through recording of check-roll book. The records were updated on daily basis and attendance of workers was monitored regularly through field supervision from morning muster until the working time is over.</p>	Complied
4.4.5.8	<p>The working hours and breaks of each individual employee as indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed and shall always be compensated at the rate applicable and shall meet the applicable legal requirement.</p> <p>- Major compliance -</p>	<p>Working time found to be in accordance with legal requirement: Working hours i.e.: Daily rated workers (1 shift): Working hours = 0600 – 1430 Break time = 1000 to 1130 (flexible)</p> <p>Auxiliary police (3 shifts): Shift 1 working hours = 0700 to 1500 Shift 2 working hours = 1500 to 2300</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		Shift 3 working hours = 2300 to 0700	
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 -	Interview with the workers confirmed that they have rest time in between of the working hours. Overtimes were paid according to the rate stated in the agreement and regulatory requirements.	Complied
4.4.5.10	Other forms of social benefits should be offered by the employer to employees, their families or the community such as incentives for good work performance, bonus payment, professional development, medical care and health provisions. - Minor compliance -	Among the benefits offered by the company: <ul style="list-style-type: none"> • Productivity incentive • turn-out incentive • transport allowance • telephone allowance • motorcycle allowance 	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 -	The estates workers are provided with free housing facilities which includes water. Electricity is supplied by TNB and workers are required to pay the bill based on meter reading. Based on the visit to the labour quarters, it was noted that the housing condition was accordance to the Workers’ Minimum Standards Housing and Amenities Act 1990 (Act 446). Each house has a living room, 2-3 bedrooms, 1 bathroom, 1 toilet and a kitchen. The visits by Visiting Medical Office (VMO) to the housing were also well organised by the management, where records of visits were maintained for reference. Apart from that, housing inspection by the medical assistants was also carried out on weekly basis which criteria is mainly focussing on cleanliness and safety.	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.	SDPB has incorporated its policy on violence and sexual harassment in the “Group Sustainability & Quality Policy Statement” mentioned in Indicator 4.1.1.2 where the management is committed to prevent sexual harassment and other forms of violence. Interview with some	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	of the workers and gender committee showed no evidence of sexual harassment or violence happened so far.	
4.4.5.13	The management shall respect the right of all employees to form or join trade union and allow workers own representative(s) to facilitate collective bargaining in accordance with applicable laws and regulations. Employees shall be given the freedom to join a trade union relevant to the 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. - Major compliance -	SDPB has incorporated its policy on freedom of association in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2 where the management is committed and respect the rights of all personnel to join or form any organizations of their choice and to bargain collectively. Interview with the workers confirmed that they are allowed to join any trade union freely.	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. Work by children is acceptable on family farms, under adult supervision, and when not interfering with their education programmes. Children shall not exposed to hazardous working conditions. - Major compliance -	SDPB has incorporated its policy on protecting the rights of children in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2. Based on verification of workers register, there was no evidence that anyone below 18 years of age was recruited for employment.	Complied
Criterion 4.4.6: Training and competency			
4.4.6.1	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. - Major compliance -	The estates maintained the training records conducted. Reviewed the training records as follows: <u>Chaah Estate</u> 1. Beneficial plant for bagworm control training dated 20/04/2022 2. Safety and SOP for rat baiting training dated 28/03/2022	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
	<ol style="list-style-type: none"> 3. Maintenance and usage of Interpump training dated 07/03/2022 4. Safety and PPE for manuring training dated 09/02/2022 5. Safety and PPE for spraying training dated 09/02/2022 6. First aid training dated 19/01/2022 7. Code of Business Conduct briefing dated 30/03/2022 8. New workers induction training dated 29/06/2022 9. RSPO, MSPO, prohibition of open burning, HCV and RTE briefing dated 08/04/2022 10. Company policies and charter briefing dated 31/03/2022 11. Fire drill and firefighting with Fire Department dated 25/07/2022 <p><u>North Labis Estate</u></p> <ol style="list-style-type: none"> 1. Manuring SOP and safety training dated 16/03/2022 2. Spraying SOP and PPE training dated 20/01/2022 3. Spraying SOP, safety, chemical handling and PPE training dated 11/07/2022 4. Safety, chemical handling, premixing and circle spraying training dated 14/07/2022 and 15/07/2022 5. Safety, chemical handling and rat baiting training dated 15/07/2022 6. OPP, Grievances and safety briefing dated 20/08/2022 7. E-SIME Card training dated 18/08/2022 8. Hours of work, rest day and overtime briefing dated 23/07/2022 9. Sustainability policy briefing dated 20/01/2022 	

Criterion / Indicator		Assessment Findings	Compliance
		10. Maintenance and usage of Interpump training dated 24/03/2022 11. First aid training dated 18/07/2022 12. ERP for fire, oil spillage, flood, land slide and storm training dated 25/07/2022	
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance -	The estates visited has conducted training need analysis for all employee, management and contractors. The need analysis was conducted based on the job designation and training required by the job type.	Complied
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 -	The estates have established training schedule FY 2021 based on training need analysis conducted. The training program covers Policy, operation and OSH/others. The program involves the executive, staff/ supervisor, workers and contractors. The identified training was programmed throughout the year.	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 -	SDPB has established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO of Upstream Malaysia dated on 1/6/2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate. Review briefing records, sampled estates conduct the briefing to workers as follow:	Complied

Criterion / Indicator		Assessment Findings	Compliance
		1. Chaah Estate: 16/07/2022 2. North Labis Estate: 18/03/2022	
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 -	Chaah and North Labis estates have established the environmental plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The management plan was established for the activity which give significant impact for the environment and documented in Pollution Prevention Plan. Chaah and North Labis estates reviewed Environmental Aspect Impact (EAI) and Environmental Impact Evaluation (EIE) on annually basis. Among the objectives stated in the Environmental Management Plan for the year 2022 are as below. 1. To ensure compliance to the EQA (Scheduled Waste) 2005 2. To monitor on fuel usage in the estates 3. To reduce chemical usage 4. No open burning in the estates	Complied
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 -	Chaah and North Labis Estates have established environmental management plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was established for the activity which give significant impact for the environment. The plan stated the objectives of the environmental issue, mitigating measures, person responsible and monitoring period. The performance progress of the plan monitored on quarterly basis. Review the plan includes Objectives, Category, Location, Mitigation Plan, and Monitoring frequency as follows: 1. Among other improvement plans were:	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		2. To reduce run-off pesticides to land/ waterways during chemical mixing or washing of chemical container 3. To reduce traces of oil spillage at the workshop/tractors parking bay 4. To reduce released exhaust emission to air 5. To manage scheduled waste as per requirements 6. To avoid any blocked drainage system at workers housing areas 7. To reduce massive land contamination at the landfill area 8. Monitoring on the land preparation i.e during replanting (slope stability, to avoid soil erosion, buffer zone, subsidence and compaction) 9. To reduce GHG emission from replanting or oil palm	
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Chaah and North Labis Estate have established the environmental management plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. All positive impact will continuously promote to workers by providing awareness through training, briefing and signages.	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 -	Chaah and North Labis Estate have established training program and updated on a yearly basis or revised as per the management requirement. Review the program, includes subjects related to environmental policy, scheduled waste management, environmental responsibility, HCV & Biodiversity training. SQM from Headquarter will provide guidance prior to the approval and implementation by the estates. Trainings conducted as follows:	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p><u>Chaah Estate</u></p> <ol style="list-style-type: none"> 1. HCV & Biodiversity Awareness Training: 11/04/2022 2. Scheduled Waste handling: 18/02/2022 3. Awareness of Diesel saving: 18/02/2022 4. Awareness of Electrical saving: 10/03/2022 5. Awareness of Open Burning: 05/02/2022 6. Landfill Management procedure: 10/01/2022 7. Water Sampling: 01/08/2022 <p><u>North Labis Estate</u></p> <ol style="list-style-type: none"> 1. HCV & Biodiversity training – 18/03/2022 2. Awareness of waste training – 21/05/2022 3. Awareness of water saving training – 31/03/2022 4. Fire extinguished infield training – 21/05/2022 5. Open Burning – 21/05/2022 6. Awareness of landfill training – 21/05/2022 7. Awareness of water sampling to person incharge on 15/06/2022. 	
4.5.1.6	<p>Management shall organize regular meetings with employees where their concerns about environmental quality are discussed.</p> <p>- Major compliance -</p>	<p>Chaah and North Labis Estate discuss environmental related issues in the JKKP Meetings that are conducted on a quarterly basis. The Environmental Issues were included in the meeting agenda and sighted in the meeting minutes.</p>	Complied
<p>Criterion 4.5.2: Efficiency of energy use and use of renewable energy</p>			

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance																																																															
<p>4.5.2.1</p> <p>Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within 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>ChaaH and North Labis Estate monitor the non-renewable energy usage is done on a monthly basis.</p> <p>Review the sampled monitoring records for diesel usage per FFB production for 2022 as follows:</p> <p><u>ChaaH Estate</u></p> <table border="1"> <thead> <tr> <th>Month</th> <th>Diesel (Liters)</th> <th>Electricity (kWh)</th> <th>Water (m³)</th> </tr> </thead> <tbody> <tr><td>Jan 2022</td><td>3,065.00</td><td>18,053.00</td><td>4,750.00</td></tr> <tr><td>Feb 2022</td><td>2,796.00</td><td>15,342.00</td><td>4,515.00</td></tr> <tr><td>Mar 2022</td><td>2,957.00</td><td>22,917.00</td><td>4,685.00</td></tr> <tr><td>Apr 2022</td><td>3,224.00</td><td>22,917.00</td><td>4,327.00</td></tr> <tr><td>May 2022</td><td>3,221.00</td><td>19,345.00</td><td>4,660.00</td></tr> <tr><td>Jun 2022</td><td>3,627.00</td><td>17,619.00</td><td>2,874.00</td></tr> <tr><td>Jul 2022</td><td>3,570.00</td><td>19,479.00</td><td>2,124.00</td></tr> </tbody> </table> <p><u>North Labis Estate</u></p> <table border="1"> <thead> <tr> <th>Month</th> <th>Diesel (Liters)</th> <th>Electricity (kWh)</th> <th>Water (m³)</th> </tr> </thead> <tbody> <tr><td>Jan 2022</td><td>4,193.00</td><td>17,862.00</td><td>5,751.00</td></tr> <tr><td>Feb 2022</td><td>1,545.00</td><td>36,385.00</td><td>5,410.00</td></tr> <tr><td>Mar 2022</td><td>5,180.00</td><td>84,728.00</td><td>4,515.00</td></tr> <tr><td>Apr 2022</td><td>5,043.00</td><td>91,792.00</td><td>4,438.00</td></tr> <tr><td>May 2022</td><td>3,816.00</td><td>2,234.00</td><td>4,070.00</td></tr> <tr><td>Jun 2022</td><td>4,055.00</td><td>11,666.00</td><td>4,223.00</td></tr> <tr><td>Jul 2022</td><td>3,467.00</td><td>21,654.00</td><td>3,744.00</td></tr> </tbody> </table> <p>The monitoring of non-renewable energy can be further improved by justifying the cause of actual usage trends with baseline values within an appropriate timeframe (OFI).</p>	Month	Diesel (Liters)	Electricity (kWh)	Water (m ³)	Jan 2022	3,065.00	18,053.00	4,750.00	Feb 2022	2,796.00	15,342.00	4,515.00	Mar 2022	2,957.00	22,917.00	4,685.00	Apr 2022	3,224.00	22,917.00	4,327.00	May 2022	3,221.00	19,345.00	4,660.00	Jun 2022	3,627.00	17,619.00	2,874.00	Jul 2022	3,570.00	19,479.00	2,124.00	Month	Diesel (Liters)	Electricity (kWh)	Water (m ³)	Jan 2022	4,193.00	17,862.00	5,751.00	Feb 2022	1,545.00	36,385.00	5,410.00	Mar 2022	5,180.00	84,728.00	4,515.00	Apr 2022	5,043.00	91,792.00	4,438.00	May 2022	3,816.00	2,234.00	4,070.00	Jun 2022	4,055.00	11,666.00	4,223.00	Jul 2022	3,467.00	21,654.00	3,744.00	<p>OFI</p>
Month	Diesel (Liters)	Electricity (kWh)	Water (m ³)																																																															
Jan 2022	3,065.00	18,053.00	4,750.00																																																															
Feb 2022	2,796.00	15,342.00	4,515.00																																																															
Mar 2022	2,957.00	22,917.00	4,685.00																																																															
Apr 2022	3,224.00	22,917.00	4,327.00																																																															
May 2022	3,221.00	19,345.00	4,660.00																																																															
Jun 2022	3,627.00	17,619.00	2,874.00																																																															
Jul 2022	3,570.00	19,479.00	2,124.00																																																															
Month	Diesel (Liters)	Electricity (kWh)	Water (m ³)																																																															
Jan 2022	4,193.00	17,862.00	5,751.00																																																															
Feb 2022	1,545.00	36,385.00	5,410.00																																																															
Mar 2022	5,180.00	84,728.00	4,515.00																																																															
Apr 2022	5,043.00	91,792.00	4,438.00																																																															
May 2022	3,816.00	2,234.00	4,070.00																																																															
Jun 2022	4,055.00	11,666.00	4,223.00																																																															
Jul 2022	3,467.00	21,654.00	3,744.00																																																															
<p>4.5.2.2</p> <p>The oil palm premises shall estimate the direct usage of non-renewable energy for their operations, including fossil fuel, and</p>	<p>ChaaH and North Labis Estate estimation for the direct usage of non-renewable energy for their operations, including fossil fuel and</p>	<p>Complied</p>																																																																

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	electricity to determine energy efficiency of their operations. This shall include fuel use by contractors, including all transport and machinery operations. - Major compliance -	electricity to determine energy. Review on the estimation records, verify the respective estate budgeted fuel consumption of their operations includes contractors' transportation and machineries.	
4.5.2.3	The use of renewable energy should be applied where possible. - Minor compliance -	<u>Chaah Estate</u> Interview with estate management informed they installed 3 units of solar lamp for estate internal road user. The installation was due to the increase of electricity usage and paid by estate. <u>North Labis Estate</u> Interview with estate management informed they has no renewable energy used within the complex.	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 -	Chaah and North Labis Estate have identified the waste products and source pollution and documented in the Waste Management Plan 2022. The type of wastes been identified as follow; 1. Scheduled waste (SW306, SW305, SW410, SW409 and SW404) 2. Domestic waste (rubbish, garden waste and sewage) 3. Recycle waste (tires) 4. Clinical waste (syringe) 5. Industrial waste (scrap iron)	Complied
4.5.3.2	A waste management plan to avoid or reduce pollution shall be developed and implemented. The waste management plan should include measures for:	Chaah and North Labis Estate have established the waste management plan and the plan was reviewed on annually basis. All the sampled estates have identified all waste products and source	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	a) Identifying and monitoring sources of waste and pollution b) Improving the efficiency of resource utilization and recycling of potential wastes as nutrients or converting them into value-added by-products - Major compliance -	of pollution and documented in the Waste Management Plan. The waste identified has been categorized as follows: 1. Schedule Waste: SW306, SW305, SW410, SW404 & SW 409 2. Domestic waste: Rubbish, Garden Waste and Sewage 3. Recycle waste: Tires 4. Clinical waste: Syringe 5. Industrial waste: Scrap iron Review the management plan, includes the type of waste, source of waste, mitigation plan and person responsible.	
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 -	SDPB has established Procedure for Scheduled Waste Management was established (SD/SDP/PSQM (ESH)/203-EN1) dated 26/02/2016. Chaah and North Labis Estate have properly disposed waste material as per the company procedures. The procedures are fully understood by workers staffs and executives. Site visit observed scheduled waste are stored, handle, maintain and inspected accordingly until disposal with DOE authorized and licensed waste disposal contractor. Review of scheduled waste disposal records verified, Chaah and North Labis Estate manage adequate as per required by EQA (Scheduled Waste) Regulations 2005. The monitoring of scheduled wastes disposal documents can be further improved to ensure all copies are kept and tally within delivery period (OFI). Sampled scheduled waste disposal as below: <u>Chaah Estate</u>	OFI

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<ol style="list-style-type: none"> SW305: Mineral Oil; Date: 30/05/2022; Quantity: 200Kgs; Consignment Note Number: 26533; Disposal Operator: Rengkas Maju Sdn Bhd. SW410: Oil Filter; Date: 30/05/2022; Quantity: 20kgs; Consignment Note Number: 26534; Facility Operator: Rengkas Maju Sdn Bhd. SW404: Clinical; Date: 30/06/2022; Quantity: 6.36 kgs; Consignment Note Number: 201749-001-0012; Facility Operator: Kualiti Alam Sdn Bhd. <p><u>North Labis Estate</u></p> <ol style="list-style-type: none"> SW305 – Mineral Oil; Date: 24/05/2022; Quantity: 100 Litres; Serial Number: 23499; Facility Operator: Rengkas Maju (M) Sdn Bhd. SW410 – Oil Filter; Date: 24/05/2022; Quantity: 5 Kgs; Serial Number: 23497; Facility Operator: Rengkas Maju (M) Sdn Bhd. SW305 – Mineral Oil; Date: 24/05/2022; Quantity: 135 Litres; Serial Number: 23498; Facility Operator: Rengkas Maju (M) Sdn Bhd. SW410 – Oil Filter; Date: 24/05/2022; Quantity: 10 Kgs; Serial Number: 23500; Facility Operator: Rengkas Maju (M) Sdn Bhd. 	
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.	<p>Excess chemical containers that were not used for premixing have been triple rinsed and punctured was categorized under scheduled waste and disposed through scheduled waste contractor as below:</p> <p><u>Chaah Estate</u> Date: 07/06/2022; Contractor: SS Setia Teknologi Enterprise;</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Quantity: 20L Chemical Containers: 400 pcs. <u>North Labis Estate</u> Date: 15/07/2022; Contractor: SS Setia Teknologi Enterprise; Quantity: 20L Chemical Container: 123 pcs Empty bags: 1,210 pcs Paper: 557 pcs.	
4.5.3.5	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourses. - Minor compliance -	Chaah and North Labis Estates have disposed scheduled waste properly as per the company procedures. The procedures are fully understood by workers and managers. Site visit and site interview with sampled estates management informed domestic waste was disposed at designated landfill within the estate area located more than 500 meters away from watercourse and housing areas according to the procedures.	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, scheduled wastes, solid wastes and effluent. - Major compliance -	Chaah and North Labis Estate have established Environmental Management Plan / Pollution Prevention Plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. The plan was reviewed on annual basis.	Complied
4.5.4.2	An action plan to reduce identified significant pollutants and emissions shall be established and implemented. - Major compliance -	Chaah and North Labis Estate have established the Environmental Management Plan / Pollution Prevention Plan. The management plan includes objectives on the environmental issue	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>and mitigating as follow;</p> <ol style="list-style-type: none"> 1. To recycle all plastic bags and cotton boxes 2. To use tray if any leak on vehicles 3. To ensure oil sumps always in good condition. 4. To recycle water at mixing area. 5. To maintain good records of schedule waste and dispose schedule on time by using license contractor. 	
Criterion 4.5.5: Natural water resources			
4.5.5.1	<p>The management shall establish a water management plan to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <ol style="list-style-type: none"> 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 planting or replanting, along all natural waterways within the estate. 	<p>Chaah and North Labis Estate have established Water Management Plan in accordance to Group basis and amended to meet demands of specific issue.</p> <p>The plan reviewed on annually basis with latest updated for year 2022. Water for domestic use is obtained from Syarikat Air Johor (SAJ) and provided to all houses for daily usage. Monitoring of water usage is done monthly, and data is provided in indicator 4.5.2.1.</p> <p>Documented in SDPB Slope and River Protection Policy dated 15/01/2015 signed by the Managing Director stated that buffer zone shall be maintained on both side of the riverbanks.</p> <p>Chaah and North Labis Estate have established water management plans and the plans are reviewed annually. The management plan focuses on activities with impact to natural water sources, such as water contamination and action plans during water shortage. The action plan states no chemical interventions and manuring shall be carried out in the riparian reserved. Only manual weeding/slashing is allowed. It also states to maintain terrace bund along the waterways.</p> <p>The quality of out-going water into rivers was monitored quarterly by</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<p>e. Where natural vegetation in riparian areas has been removed, a plan with a timetable for restoration shall be established and implemented.</p> <p>f. Where bore well is being use for water supply, the level of the ground water table should be measured at least annually.</p> <p>- Major compliance -</p>	<p>carrying out water analysis. River water sampling for analysis was done for upstream, midstream and downstream.</p> <p>Awareness for water sampling to person incharge conducted as follow:</p> <ol style="list-style-type: none"> 1. Chaah Estate dated on 01/08/2022. 2. North Labis Estate dated on 15/06/2022. <p>Water Analysis Test has been made every month for each estate.</p> <p><u>Chaah Estate</u></p> <p>Based on document review of Water Analysis Report Test Report Number.: IE820/2022 dated 13/07/2022, the result indicate the incoming and outgoing river water sampling of some parameters (BOD, COD, SS and DO) did not conform with Class IIA/IIB of NWQS for natural waterways.</p> <p>Due to the non-conformance of the water analysis result, management had raised Preventive Action Report Document Number: WQ-01/CPAR dated 18/07/2022, to issue for 'Off-Spec Water Analysis Test (Nature Water Ways)' with corrective action to send for re-sampling based on procedure.</p> <p>However, with the delay of water re-sampling off-spec result test to laboratory had cause being raised as finding during internal audit on 21/07/2022 by headquarter. As correction, Chaah Estate had taken for water re-sampling and sent to laboratory on 04/08/2022.</p> <p>The results have not been received yet.</p> <p><u>North Labis Estate</u></p> <p>Refer Water Analysis report IE905/2022 sampled on 13/07/2022, the result indicates the incoming, midstream and outgoing river water</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>sampling of some parameters (BOD, COD, SS and DO) did not conform with Class IIA/IIB of NWQS for natural waterways.</p> <p>Due to the non-conformance of the water analysis result, management had raised Preventive Action Report Document Number: WQ-01/CPAR dated 04/08/2022, to issue for 'Off-Spec Water Analysis Test (Nature Water Ways)' with corrective action to send for re-sampling based on procedure.</p> <p>Sighted evidence of 're-sampling sent on 05/08/2022 for test report no.: E134 002' has sent to laboratory within 7 days (1 week) of receiving the result as per stated in the procedure.</p> <p>The results have not been received yet.</p>	
4.5.5.2	<p>No construction of bunds, weirs and dams across main rivers or waterways passing through an estate.</p> <p>- Minor compliance -</p>	<p>Chaah and North Labis Estate have not construct bunds across main rivers and waterways. There was a total of 3 sampling points of each estate and verified with the Sampling Points map.</p>	Complied
4.5.5.3	<p>Water harvesting practices should be implemented (e.g. water from road-side drains can be directed and stored in conservation terraces and various natural receptacles).</p> <p>- Minor compliance -</p>	<p>Chaah and North Labis Estate practice of water harvesting as evidence to Action plan in optimize water usage for financial year 2022.</p> <p>Review action plan as below.</p> <p>Rainwater Collection:</p> <ol style="list-style-type: none"> 1. Large containers are to be placed at strategic locations to collect rainwater through rain gutter. 2. The rainwater shall be recycled for washing heavy machinery 3. Usage for chemical mixing and daily operation. 	Complied
Criterion 4.5.6: Status of rare, threatened, or endangered species and high biodiversity value			

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance																	
<p>4.5.6.1</p> <p>Information shall be collated that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors). This information should cover:</p> <p>a) Identification of high biodiversity value habitats, such as rare and threatened ecosystems, that could be significantly affected by the grower(s) activities.</p> <p>b) Conservation status (e.g. The International Union on Conservation of Nature and Natural Resources (IUCN) status on legal protection, population status and habitat requirements of rare, threatened, or endangered species), that could be significantly affected by the grower(s) activities.</p> <p>- Major compliance -</p>	<p>SDPB has conduct Biodiversity Reassessment & HCV for Strategic Operating Unit (SOU) 20 by PSQM Department in August 2016.</p> <p>The assessment report is available and has identified the Biodiversity Values, Ecosystem Services and Social & Cultural Values available within the SOU 20 landscape.</p> <p>Among the HCV areas that have been identified are as below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">Estate</th> <th style="width: 30%;">Biodiversity Area</th> <th style="width: 10%;">Ha</th> <th style="width: 40%;">Potential HCV</th> </tr> </thead> <tbody> <tr> <td rowspan="3" style="text-align: center;">Chaah Estate</td> <td>Water catchment</td> <td style="text-align: center;">0.47</td> <td rowspan="3" style="text-align: center;">HCV 4</td> </tr> <tr> <td>Water catchment</td> <td style="text-align: center;">1.61</td> </tr> <tr> <td>Bund</td> <td style="text-align: center;">4.87</td> </tr> <tr> <td rowspan="2" style="text-align: center;">North Labis Estate</td> <td>River reserve (Sungai Gatam)</td> <td style="text-align: center;">0.78</td> <td rowspan="2" style="text-align: center;">HCV 4</td> </tr> <tr> <td>Water catchment</td> <td style="text-align: center;">0.85</td> </tr> </tbody> </table>	Estate	Biodiversity Area	Ha	Potential HCV	Chaah Estate	Water catchment	0.47	HCV 4	Water catchment	1.61	Bund	4.87	North Labis Estate	River reserve (Sungai Gatam)	0.78	HCV 4	Water catchment	0.85	<p>Complied</p>
Estate	Biodiversity Area	Ha	Potential HCV																	
Chaah Estate	Water catchment	0.47	HCV 4																	
	Water catchment	1.61																		
	Bund	4.87																		
North Labis Estate	River reserve (Sungai Gatam)	0.78	HCV 4																	
	Water catchment	0.85																		
<p>4.5.6.2</p> <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>SDPB has conduct Biodiversity Reassessment & HCV. The report stated that SOU 20 identified HCV 4 consist of River buffer zone, water catchment area and swamps.</p> <p>Biodiversity conservation action plan established includes:</p> <ol style="list-style-type: none"> 1. Signage showing this area is value for conservation to be placed at the strategic point of the area. 2. Briefing and training to the estate workers/stakeholders is being carried out from time to time on the awareness of high conservation value area in the estate. 3. Educating and raising awareness. 4. Communicating with staff, workers, stakeholders and neighbors regarding objective of conservation area. 5. To protect the water bodies which is source of drinking water for 	<p>Complied</p>																		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>domestic use of estates community.</p> <p>6. To protect animals that is in the wet habitats, no hunting, poaching or fishing allowed at the pond.</p> <p>7. No spraying and chemical activities allowed at the areas.</p> <p>8. To add more mark for buffer zone area.</p>	
4.5.6.3	<p>A management plan to comply with Indicator 1 shall be established and effectively implemented, if required.</p> <p>- Major compliance -</p>	<p>SDPB established their own disciplinary measures if found any staff or workers found to capture, harm, collect or kill the RTE species in the estate.</p> <p>Chaah and North Labis Estate have developed Management Plan for the HCV and conservation area to protect from any encroachment. Habitat protection includes prevention of disturbance by workers through awareness campaigns and regular patrols of the area.</p> <p>Monitoring is carried out by the security and staff in charge for the respective area. On-going monitoring for HCV areas for Chaah and North Labis Estate has been verified. The monitoring was conducted on monthly basis.</p> <p>Chaah and North Labis Estate have installed signboards at prominent areas to prohibit hunting, disturbance of protected areas and the lighting of fires.</p> <p>Site interview with workers informed they were aware of the company policy that prohibits hunting and collecting activities.</p>	Complied
Criterion 4.5.7: Zero burning practices			
4.5.7.1	<p>Use of fire for waste disposal and for preparing land for oil palm cultivation or replanting shall be avoided except in specific situations, as identified in regional best practice.</p>	<p>SDPB established Zero Open Burning Policy and SOP with Section B2 state the guidelines for Felling, Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>environmental law of EQA and Regulations 1974.</p> <p>The procedure stated land clearing and preparation for replanting will used method of felling & chipping, cambering / land forming and path construction.</p> <p>Review replanting program as at 2022.</p> <ol style="list-style-type: none"> 1. Chaah Estate: Total replanting of 230.36 ha. 2. North Labis Estate: Total replanting of 77.91ha. <p>Site visit observed, no open burning applied at the replanting area.</p> <p>Records of land clearing and felling for the replanting at sampled estates being reviewed. Based on the review, sighted the method of land clearing and preparation was used such as felling & chipping, cambering / land forming and path construction.</p> <p>Site visit observed, Chaah and North Labis Estate have no risk of diseases spread that required special treatment of using fire with special request from the relevant authorities.</p> <p>Therefore, no special request for special treatment needed.</p>	
4.5.7.2	<p>A special approval from the relevant authorities shall be sought in areas where the previous crop is highly diseased and where there is a significant risk of disease spread or continuation into the next crop.</p> <p>- Major compliance -</p>	<p>SDPB established Zero Open Burning Policy and SOP with Section B2 state the guidelines for Felling, Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian environmental law of EQA and Regulations 1974.</p> <p>The procedure stated land clearing and preparation for replanting will used method of felling & chipping, cambering / land forming and path construction.</p> <p>Review replanting program as of 2022.</p> <ol style="list-style-type: none"> 1. Chaah Estate: Total replanting of 230.36 ha 2. North Labis Estate: Total replanting of 77.91ha. 	Not applicable

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Site visit observed, no open burning applied at the replanting area.</p> <p>Records of land clearing and felling for the replanting at sampled estates being reviewed. Based on the review, sighted the method of land clearing and preparation was used such as felling & chipping, cambering / land forming and path construction.</p> <p>Site visit observed, Chaah and North Labis Estate have no risk of diseases spread that required special treatment of using fire with special request from the relevant authorities.</p> <p>Therefore, no special approval from the relevant authorities for special treatment needed.</p>	
4.5.7.3	<p>Where controlled burning is allowed, it shall be carried out as prescribed by the Environmental Quality (Declared Activities) (Open Burning) Order 2003 or other applicable laws.</p> <p>- Major compliance -</p>	<p>Review replanting program as of 2022.</p> <ol style="list-style-type: none"> 1. Chaah Estate: Total replanting of 230.36 ha 2. North Labis Estate: Total replanting of 77.91ha. <p>Site visit observed, no open burning applied at the replanting area.</p> <p>Records of land clearing and felling for the replanting at sampled estates being reviewed. Based on the review, sighted the method of land clearing and preparation was used such as felling & chipping, cambering / land forming and path construction.</p> <p>Site visit observed, Chaah and North Labis Estate have no risk of diseases spread that required special treatment of using fire with special request from the relevant authorities.</p> <p>Therefore, no special approval from the relevant authorities for special treatment needed.</p>	Not applicable
4.5.7.4	<p>Previous crops should be felled or mowed down, chipped and shredded, windrowed or pulverized or ploughed and mulched.</p> <p>- Minor compliance -</p>	<p>SDPB established Zero Open Burning Policy and SOP with Section B2 state the guidelines for Felling, Land Clearing & Land Preparation dated November 2008. Management complying with the Malaysian</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>environmental law of EQA and Regulations 1974.</p> <p>The procedure stated land clearing and preparation for replanting will used method of felling & chipping, cambering / land forming and path construction.</p> <p>Review replanting program as of 2022.</p> <ol style="list-style-type: none"> 1. Chaah Estate: Total replanting of 230.36 ha 2. North Labis Estate: Total replanting of 77.91ha. <p>Site visit observed, no open burning applied at the replanting area.</p> <p>Records of land clearing and felling for the replanting at sampled estates being reviewed. Based on the review, sighted the method of land clearing and preparation was used such as felling & chipping, cambering / land forming and path construction.</p>	
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Site Management			
4.6.1.1	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>SOP was established for the Estates. SDPB SOP issued 02/01/2008 and Agricultural Reference Manual, Sustainability Plantation Management System and EQMS (Estate Quality Management System) were distributed to all operating units under SOU 20 as a guidance document to conduct estate operation. The SOP covers land preparation, planting material, upkeep, harvesting, FFB transportation and etc.</p> <p>SDPB has established mechanism to monitor the implementation of their procedure by Plantation Advisor Visit, Performance Monitoring Visit and Agronomist Visit. The visit focusing on Yield Improvement,</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Crop Recovery, Replanting and Immature Palms Maintenance and Mature Upkeep.</p> <p>Reviewed the monitor reports as follows:</p> <p><u>Chaah Estate</u></p> <ol style="list-style-type: none"> 1. Performance Monitoring Visit Summary report dated 14/04/2022 2. Estate Structured Crop Recovery Assessment Report for visit conducted on 20/04/2022 dated 25/04/2022 <p><u>North Labis Estate</u></p> <ol style="list-style-type: none"> 1. Performance Monitoring Visit Summary report dated 11/04/2022 2. Estate Structured Crop Recovery Assessment Report for visit conducted on 21 – 22/04/2022 dated 25/04/2022 	
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>SDPB has established policy on slope protection and documented in Group Sustainability and Quality Policy Statement and Responsible Agriculture Charter (RAC) signed by the signed by the Group Managing Director dated 02/12/2019.</p> <p>SDPB has also established Standard Operation Procedure for replanting documented in Estate Quality Management System, Level 3, Section B1 Planning for Replanting/ New Planting, ver. 1, issue 1, dated 01/08/2008.</p> <p>As per policy and standard operating procedure, slope more than 25 degree must be excluded from any new plantation development and replanting program and. All the existing crop and vegetation shall be maintained accordingly and reserved for biodiversity purposes.</p> <p>The policy was communicated to the employee during master briefing, townhall training and displayed in several notice board in the estate.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance																		
4.6.1.3	A visual identification or reference system shall be established for each field. - Major compliance -	The estates sampled had a visual identification/reference system for each established field/block and maps established. Field numbers and hectare were marked on palms and in some areas on concrete slaps.	Complied																		
Criterion 4.6.2: Economic and financial viability plan																					
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	SOU 20 has continued its commitment to long term sustainability and improvements through a capital expenditure program. The management has forecasted 5 years business plan from FY 2022 – 2026.	Complied																		
4.6.2.2	Where applicable, an annual replanting programme shall be established. Long term replanting programme should be established and review annually, where applicable every 3-5 years. - Major compliance -	SOU 20 has long range replanting program until FY 2026. Replanting planned for the palm older than 25 years, non-performance field (yield) and Ganoderma infected palm. Observed the replanting program for the next financial year as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Estate</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> </tr> </thead> <tbody> <tr> <td>Chaah Estate</td> <td>230.36</td> <td>0.00</td> <td>186.07</td> <td>55.74</td> <td>269.00</td> </tr> <tr> <td>North Labis Estate</td> <td>234.32</td> <td>87.10</td> <td>277.93</td> <td>134.59</td> <td>118.76</td> </tr> </tbody> </table>	Estate	2022	2023	2024	2025	2026	Chaah Estate	230.36	0.00	186.07	55.74	269.00	North Labis Estate	234.32	87.10	277.93	134.59	118.76	Complied
Estate	2022	2023	2024	2025	2026																
Chaah Estate	230.36	0.00	186.07	55.74	269.00																
North Labis Estate	234.32	87.10	277.93	134.59	118.76																
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	All relevant information contained in the annual budget plan for as sighted in annual budget FY2022 such as: i. Total crop projection and yield potential ii. Activity direct cost a. Mature upkeep b. Manuring c. Harvesting and collection d. Transportation	Complied																		

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ul style="list-style-type: none"> e. Nursery iii. Estate administration <ul style="list-style-type: none"> a. Admin Cost iv. Labour overhead <ul style="list-style-type: none"> a. Road and bridges vi. Cost of production. 	
4.6.2.4	<p>The management plan shall be effectively implemented and the achievement of the goals and objectives shall be regularly monitored, periodically reviewed and documented.</p> <p>- Major compliance -</p>	The budget plan was reviewed annually with both actual and forecasted amount for 5 years (up to 2026) and well documented. The document was available for review upon request.	Complied
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>Awarding of contract and pricing mechanism is guided by a procedure GPA No. E4 Procurement, version 29/8/2019.</p> <ul style="list-style-type: none"> - All tender and pricing exercises are handled by the HQ management. 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 operating units' personnel and representatives from HQ for major projects 	Complied
4.6.3.2	<p>All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner.</p> <p>- Major compliance -</p>	The contract agreements between the management and the contractors [e.g., Perniagaan Khidmat Setia and Rajandran Setia Sdn Bhd] were verified. The rate of payment was clearly stated in the agreement. The payment was made on timely manner by the Head Quarter after received invoice from the contractor.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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 -	This requirement has been specified in a letter on RSPO/ISCC/MSPO awareness on to all the contractors, vendors of the estates. This letter was sighted and has stated that all Contractors need to follow RSPO/ISCC/MSPO guideline in accordance with the SDPB Estate Quality Management System. Nonetheless, the monitoring of the contractors' understanding on MSPO requirements was not satisfactorily demonstrated. Based on site visit, the groceries shop at Chaah Estate was found to have been storing liquid petroleum gas cylinders and distributing them to the workers. However, there is no evidence that the shop has obtained legal permit from the relevant authority for this activity. Thus, a Major non-conformity report was assigned due to this lapse.	Major Non-conformity
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 (LOA) (contract agreement) which spelt out the conditions such as commencement, service contract, bank guarantee, insurance policies, failure to provide service, responsibility and indemnity, termination, governing laws, transportation rate and rate adjustment mechanism.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify assessments through a physical inspection if required. - Minor compliance -	This is specified in the letter as shown in item 4.6.4.1 above. The requirement of accepting MSPO accredited auditors to audit against the contractors was communicated through the session between contractors. This was verified through minutes of meeting.	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.	All works performed by the contractors at the estates are checked and verified by the estate's personnel. Projects where tenders are issued by HQ are checked by representative from HQ usually from the Engineering Dept.	Complied

Criterion / Indicator		Assessment Findings	Compliance
- Major compliance -			
4.7 Principle 7: Development of new planting			
Criterion 4.7.1: High biodiversity value			
4.7.1.1	Oil palm shall not be planted on land with high biodiversity value unless it is carried out in compliance with the National and/or State Biodiversity Legislation. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
4.7.1.2	No conversion of Environmentally Sensitive Areas (ESAs) to oil palm as required under Peninsular Malaysia's National Physical Plan (NPP) and the Sabah Forest Management Unit under the Sabah Forest Management License Agreement. For Sabah and Sarawak, new planting or replanting of an area 500ha or more requires an EIA. For areas below 500ha but above 100ha, a Proposal for Mitigation Measures (PMM) is required. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
Criterion 4.7.2: Peat Land			
4.7.2.1	New planting and replanting may be developed and implemented on peat land as per MPOB guidelines on peat land development or industry best practice. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
Criterion 4.7.3: Social and Environmental Impact Assessment (SEIA)			

**MSPO Public Summary Report
Revision 2 (Nov 2021)**

Criterion / Indicator		Assessment Findings	Compliance
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 -	NA as no new planting at the sampled estates.	Not applicable
4.7.3.2	SEIAs shall include previous land use or history and involve independent consultation as per national and state regulations, via participatory methodology which includes external stakeholders. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
4.7.3.3	The results of the SEIA shall be incorporated into an appropriate management plan and operational procedures developed, implemented, monitored and reviewed. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
4.7.3.4	Where the development includes smallholder schemes of above 500ha in total or small estates, the impacts and implications of 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 -	NA as no new planting at the sampled estates.	Not applicable
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 -	NA as no new planting at the sampled estates.	Not applicable
4.7.4.2	Topographic information shall be adequate to guide the	NA as no new planting at the sampled estates.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
	planning of planting programmes, drainage and irrigation systems, roads and other infrastructure. - Major compliance -		
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 -	NA as no new planting at the sampled estates.	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 -	NA as no new planting at the sampled estates.	Not applicable
4.7.5.3	Marginal and fragile soils, including excessive gradients and peat soils, shall be identified prior to conversion. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
Criterion 4.7.6: Customary land			
4.7.6.1	No new plantings are established on recognised customary land without the owners' free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
4.7.6.2	Where new plantings on recognised customary lands are acceptable, management plans and operations should maintain sacred sites. - Minor compliance -	NA as no new planting at the sampled estates.	Not applicable
4.7.6.3	Where recognized customary or legally owned lands have been taken-over, the documentary proof of the transfer of rights and of payment or provision of agreed compensation shall be made available. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
4.7.6.4	The owner of recognised customary land shall be compensated for any agreed land acquisitions and relinquishment of rights, subject to their free prior informed consent and negotiated agreement. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
4.7.6.5	Identification and assessment of legal and recognised customary rights shall be documented. - Major compliance -	NA as no new planting at the sampled estates.	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. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable
4.7.6.7	The process and outcome of any compensation claims shall be documented and made publicly available. - Major compliance -	NA as no new planting at the sampled estates.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
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 -	NA as no new planting at the sampled estates.	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 -	SDPB has established Group Sustainability and Quality Policy Statement signed by the Group Managing Director dated 02/12/2019.	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 Group Sustainability and Quality Policy was developed in line with Nations Sustainable Development Goals (UNSDG) 2030. In the policy statement stated the company commitment 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
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.	SDPB has established SOP for Internal Audit documented in Sime Darby Plantation, PSQM, Internal audit Procedure. Refer document no. SD/SDP/PSQM/IAP dated 1/11/2017.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	Based on the procedure, the internal audit is to be conducted annually as per Internal Audit Procedure.	
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 -	SDPB has established SOP for Internal Audit documented in Sime Darby Plantation, PSQM, Internal audit Procedure. Refer document no. SD/SDP/PSQM/IAP dated 1/11/2017. Latest internal audit was conducted on 19/07/2022. The internal audit was conducted by Internal Auditors Sustainability and Quality Management Department, Certification Unit. The audit was conducted together with RSPO P&C, MSPO Part 4 and MSPO SCCS. 5 Major and 1 Minor non-conformity and 1 OFI was raise during the audit.	Complied
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 were responded by Estate Management within the acceptable timeframe. Reviewed the latest internal audit conducted on 19/07/2022. 5 Major and 1 Minor non-conformity and 1 OFI was raise during the audit. The mill has submitted the Corrective Action Plan and evidence to close the non-conformity raised and accepted by the auditors on 15/08/2022.	Complied
Criterion 4.1.3 – Management Review			
4.1.3.1	The management shall periodically review the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of MSPO and decide on any changes, improvement and modification. - Major compliance -	SDPB has established SOP for Management Review documented in Standard Operation Manual, Sub-Section 5.6, dated: 25/5/2015. Based on the SOP established, the frequency for management review needs to be carried out at least once a year.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>Latest Management Review Meeting was conducted on 09/08/2022. The agenda discussed during the meeting as follows:</p> <ol style="list-style-type: none"> 1. Previous Minutes Meeting Review and Matters Arising from Previous Meeting 2. Objective/Management Program 3. Process performance and product conformity 4. Results from Audits: RSPO & MSPO 5. Non-conformity, Corrective and Preventive Action 6. Customer/ Stakeholders feedbacks/complaints 7. Changes that could affect the management system 8. Recommendation for improvement (Improvement of the effectiveness of the management system and process) 9. Other matters 	
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>In consideration to of environmental and social impact, the operating units has established continuous improvement plan. Reviewed the sampled established FY 2022 as follows:</p> <ol style="list-style-type: none"> 1. To minimize using clean water for dilution and ex-centrifuge discharge. 2. To monitor the steriliser time and flow of condensate through daily checking and cleaning of strainer inside each units. 3. To avoid any other water source of water to flow into sludge pit in order to reduce effluent ratio. 	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		4. To properly records and track the usage of hydraulic and lubricant oil for each machinery. 5. To implement total productive maintenance and 5s activity at all station. 6. To improve communication or grievances channel to mill workers. 7. Locate proper oil trap to avoid chemical went into monsoon drain. 8. To fully utilised turbine power to reduce on TNB consumption.	
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 -	Any new technology and/or innovation equipment is subject to approval by Regional Offices and Headquarters. The new information is updated to employees through morning briefings, memo, meetings, station training. Whenever new technology or system are introduced, awareness briefing is provided to the employees at all levels prior to the implementation.	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 -	The Standard Operation Manual dated 01/11/2008 documented the process for Procedure for External Communication (sub-section 5.5, Appendix 5.5.3.2). The time frame to provide feedback to the stakeholder is documented to be 2 weeks of the date receiving the queries. The Mill Manager is responsible to address all communication and request for documentations that could be made available to public/stakeholders.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.2.1.2	<p>The management documents shall be publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.</p> <p>- Major compliance -</p>	<p>SDPB continued to use the group website for disseminating public information. The Sustainability Report and Group Annual report is available in website.</p> <p>Information relating to land titles, safety and health plans, pollution prevention plans, and annual report are available at the estate.</p> <p>In addition to the website, the policies were also displayed at various locations including the main notice boards of the estates and muster ground notice boards for employees and visitors to view.</p> <p>Procedures for complaints and grievances were available through SDPB website at https://simedarbyplantation.com/sustainability/reports-policies-and-statements/</p>	Complied
Criterion 4.2.2 – Transparent method of communication and consultation			
4.2.2.1	<p>Procedures shall be established for consultation and communication with the relevant stakeholders.</p> <p>- Major compliance -</p>	<p>The Standard Operation Manual dated 01/11/2008 documented the process for Procedure for External Communication (sub-section 5.5, Appendix 5.5.3.2).</p> <p>The Sustainable Plantation Management System Appendix 5 (Flowchart and Procedures on handling Social Issues) dated 01/11/2008 documented the process for handling communication regarding social issues.</p>	Complied
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>As stated in the procedure, the Mill Manager is responsible to deal with the external communication for the respective estates under their management.</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
4.2.2.3	A list of stakeholders, records of all consultation and communication and records of action taken in response to input from stakeholders shall be properly maintained. - Major compliance -	List of stakeholders was available at all the visited estates. In general, they consist of surrounding communities, neighbouring estates, refinery, suppliers, contractors, government agencies, etc. The external stakeholder consultation is conducted from time to time. The last meeting was conducted on 17/01/2022 covering all the management units under the certification unit. Minutes of meeting were available for verification. The objective of the meeting to discuss the current issues pertaining to social aspects such as legal compliance by contractors and occupational safety.	Complied
Criterion 4.2.3 – Traceability			
4.2.3.1	The management shall commit itself to implement and maintain the requirements for the traceability and shall establish a standard operation procedure for traceability. - Major compliance -	SDPB has developed Standard Operating Procedure (SOP) entitled Sustainable Supply Chain and Traceability for Upstream Malaysia ver. 01, dated May 2022 to ensure the handling of incoming FFB and outgoing CPO and PK are carried out in a proper manner to meet the sustainability requirements for traceability and mass balance. The following subjects were included in the procedure: 4.0 Responsibilities 5.0 Control of Documents & Records 6.0 Delivery of FFB from the Estate 7.0 Receiving FFB at the Mill 9.0 Process Monitoring 10.0 Products Despatch 11.0 Non-conforming Products and/ or Documents 12.0 Product Claims 13.0 Outsourced Contractor	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		14.0 Training 15.0 Reclassification of Mill's Supply Chain Model 16.0 Production Volume 17.0 Conversion Factors 18.0 Internal Audit 19.0 Complaints 20.0 Management Review	
4.2.3.2	The management shall conduct regular inspections on compliance with the established traceability system. - Major compliance -	The mill implemented its MSPO SCCS based on SDPB established Standard Operating Procedure to demonstrate compliance to MSPO SCCS. The SOP was documented in Standard Operating Procedure (SOP) entitled Sustainable Supply Chain and Traceability for Upstream Malaysia ver. 01, dated May 2022 Under section 6.0: Delivery of FFB from Estate, 7.0: Receiving FFB at mill and 10.0: Products dispatch stated that Estate/Mill to ensure sufficient information of certified products. As of the date of assessment, no sales of MSPO certified products were sold by Chaah POM except for purchase of MSPO certified FFB only. Plantation Monitoring units conducted the Structured Oil Recovery Assessment on timely basis. Reviewed the report for visit dated 18 – 22/4/2022.	Complied
4.2.3.3	The management shall identified and assign suitable employees to implement and maintain traceability system. - Minor compliance -	The mill has appointed the Assistant Engineer as Person Responsible for Supply Chain Certification System as per appointment letter dated 01/01/2022 signed by the Mill Manager.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance		
4.2.3.4	Records of storage, sales, delivery or transportation of crude palm oil and palm kernel shall be maintained. - Major compliance -	<p>The mill maintains the records of CPO/PK storage and recorded in the Daily Production Summary Report.</p> <p>For CPO and PK dispatch, the mill maintains records in Oil Dispatch Summary form. Sighted the CPO and PK dispatch as follows:</p> <p>CPO</p> <table border="1"> <tr> <td> Date: 10/05/2022 Customer: SDOC – Nuri Edible Oil Product: Crude Palm Oil (CPO) – RSPO IP DO. No. 14815 Weighbridge ticket. No.: 011465 Contract no. S/PSD/2205/CPO0061A Weight: 40,330 kg </td> </tr> </table> <p>PK</p> <table border="1"> <tr> <td> Date: 06/04/2022 Customer: SDO Carey KCP Product: Palm Kernel – RSPO IP DO. No.: 60996 Weighbridge ticket. No.: 011430 Contract no.: S/PSD/2204/PKO123, S/PSD/2204/PKO127 Weight: 37,880 kg </td> </tr> </table>	Date: 10/05/2022 Customer: SDOC – Nuri Edible Oil Product: Crude Palm Oil (CPO) – RSPO IP DO. No. 14815 Weighbridge ticket. No.: 011465 Contract no. S/PSD/2205/CPO0061A Weight: 40,330 kg	Date: 06/04/2022 Customer: SDO Carey KCP Product: Palm Kernel – RSPO IP DO. No.: 60996 Weighbridge ticket. No.: 011430 Contract no.: S/PSD/2204/PKO123, S/PSD/2204/PKO127 Weight: 37,880 kg	Complied
Date: 10/05/2022 Customer: SDOC – Nuri Edible Oil Product: Crude Palm Oil (CPO) – RSPO IP DO. No. 14815 Weighbridge ticket. No.: 011465 Contract no. S/PSD/2205/CPO0061A Weight: 40,330 kg					
Date: 06/04/2022 Customer: SDO Carey KCP Product: Palm Kernel – RSPO IP DO. No.: 60996 Weighbridge ticket. No.: 011430 Contract no.: S/PSD/2204/PKO123, S/PSD/2204/PKO127 Weight: 37,880 kg					
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 mill had continued to comply with the legal requirements. Compliance to each applicable law and regulation is monitored by the operating units and SQM sustainability team.	Complied		

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>The mill had obtained and renewed license and permits as required by the law. Among others the licenses/permit viewed were:</p> <ol style="list-style-type: none"> 1. MPOB License no. 518940004000, valid till 28/02/2023. 2. DOE license no. 004721 with compliance schedule no. JAS.JHQ.600-3/1/31(02), valid till 30/06/2023 3. Scheduled Control Goods Permit for Diesel no. P (J 000748), ref. no. JH(SGT) 0130/06 P/.SK, valid till 06/03/2024 4. Private Installation License no. 2021/02501, valid till 11/11/2022 5. Boiler certificate of fitness no. PMD-JH/22 174243 valid till 17/07/2023 6. Air Receiver certificate of fitness no. PMT-JH/22 174244 valid till 17/07/2023 7. Air compressor certificate of fitness no. PMT-JH/22 1742455 valid till 17/07/2023 8. Weighbridge Calibration Permit no. B 844688361 with safety sticker. No. DE18 003809. 9. Water abstraction and diversion license no. 08/A/BP/035, valid till 31/12/2022 	
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>All operating units have Legal & Other Requirements Register (LORR) covering all the necessary regulatory requirements.</p> <p>Reviewed the latest Legal & Other Requirements Register (LORR) and Summary of Compliance dated 18/07/2022.</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>The mill has established list of all relevant laws and requirement and documented in Legal and Requirement Register (LORR). The lists were updated on annually basis or if there are new updates on</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<p>the register or additional applicable legal. Reviewed the latest register reviewed in June 2022. Among the latest updated on the register are:</p> <ol style="list-style-type: none"> 1. Minimum Wages Order 2022 2. Fire Services Act 1988 (Act 341) Amendment 2020 3. Pembangunan Sumber Manusia Act 2001 	
4.3.1.4	<p>The management should assign a person responsible to monitor compliance and to track update the changes in regulatory requirements.</p> <p>- Minor compliance -</p>	<p>Documented procedure has been established and implemented; refer to Estate/Mill Quality Management System, Level 2: Standard Operating Manual, Appendix 5.2.4: Procedure for Legal and Other Requirements dated 10 December 2008. A mechanism to ensure compliance to legal and other requirement has been documented in EQMS & MQMS (Estate & Mill Quality Management System) under Standard Operation Manual Group Sustainability Department and respective operating units will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance. The person responsible appointed at the operating units will update the changes in the Legal Register.</p> <p>The mill has appointed the Asst. Manager as person responsible for tracking changes in regulatory requirement as per appointment letter dated 01/01/2022 signed by the Mill Manager.</p>	Complied
Criterion 4.3.2 – Lands use rights			
4.3.2.1	<p>The management shall ensure that their oil palm milling activities do not diminish the land use rights of other users.</p> <p>- Major compliance -</p>	Land use right for mill is under the land title of Chaah Estate.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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 -	Land title for Chaah Estate was available. Land title No.: H.S.(D) 7746, where the mill acquired around 7 Ha of the land Lease: Sime Darby Plantation Bhd	Complied
4.3.2.3	Legal parameter boundary markers should be clearly demarcated and visibly maintained on the ground where practicable. - Major compliance -	Chaah POM's fencing parameters established around the mill building complex to separate the management boundary of estate and the mill. The housing and other recreational facilities are located within the same vicinity for ease of employees' management.	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 -	NA. Land issue is under the management of Chaah Estate.	Not applicable
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 -	No land is encumbered by customary rights.	Not applicable
4.3.3.2	Maps of an appropriate scale showing extent of recognized customary rights shall be made available. - Minor compliance -	No land is encumbered by customary rights.	Not applicable

Criterion / Indicator		Assessment Findings	Compliance
4.3.3.3	Negotiation and FPIC shall be recorded and copies of the relevant agreements should be made available. - Major compliance -	No land is encumbered by customary rights.	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 -	<p>The Social Impact Assessment for SOU 20 Chaah for all operating units (i.e., Chaah POM, Chaah Estate, North Labis Estate and Sg Simpang Kiri Estate) was conducted internally by the Plantation Sustainable and Quality Management (PSQM) Team, now known as Group Sustainability Department, based at SDPB HQ. The last SIA was conducted on 6-9/4/2015. The impacts reported in category i.e., working condition, housing condition/living improvement, transportation and gender committee for internal. For external stakeholders, the impacts mainly were obtained from interview inputs.</p> <p>The recommendation from the SIA report was transferred to action plan. The latest Action Plans for Social Impact Assessment 2022 dated Jan 2022 for all the sampled estates were available for verification. The action plan identified the issues & strategies, action plan, responsible persons, and time frame. Action plan from the regular stakeholder consultation was also available.</p>	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.	System for dealing with complaints and grievances has been established and documented through:	Complied

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<ul style="list-style-type: none"> Under the Sustainable Plantation Management System Appendix 5, procedure on handling social issue (version 1; year 2008) Under Group policies and authority's GPA No 85, Whistleblowing provides an internal mechanism for reporting, investigating, and remedying any wrongdoing. 	
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 -	It was noted that the mill managed to handle other complaints and requests from its stakeholders in timely manner especially from workers regarding repair of their houses. Crosschecking with some of the affected workers through line-site visit confirmed that their issues were addressed accordingly.	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 mill is using the PalmPal application to record any defects related to housing facilities reported by their workers (tenants). There is also communication book which is used to record any request by stakeholders.	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 -	Based on interview with the stakeholders such as contractors, local communities, and workers, it has shown that the stakeholders are aware of how to forward their complaints or suggestions to the management. There was no grievance recorded since the last assessment. Nonetheless, records of request for housing maintenance by workers were available at all the visited estates.	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 -	The previous complaints and requests records for the past 24 months were still available at all the sampled estates.	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>Since the last assessment, most of the requests from stakeholders were addressed to the estates. Nonetheless, the mill had organized a couple of gotong-royong activities on 31/03 and 19/08/2022 at the nearby villages</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>SDPB has established environmental policy Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 01/06/2020.</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." The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice board within the estate. The GSQM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition. The mill has established Safety and Health Plan and reviewed on annually basis. The plan covers on OSH Legal Compliance, Emergency Response Plan, OSH Management System and Risk Management, HIRADC, training, OSH committee meeting, workplace inspection, medical surveillance and etc. Reviewed the implementation of the management plan FY 2022 as follows:</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		<ol style="list-style-type: none"> 1. Latest local exhaust ventilation test was conducted on 17/02/2022. Refer report no. HQ/16/JHII/00/27-2022/005 The results found complied with ACGIH standards and ISECHH regulation 2000. 2. Latest Chemical Exposure Monitoring was conducted in July 2022. The report has yet to be received by the mill. Previous monitoring was conducted on 11/01/2022 by Hygiene Tech. with DOSH reg. no. HQ/19/JHI/00/00039. The results of exposure were below PEL. Refer report no PR22-CHM-0004. 3. Latest Audiometric Test was conducted on 01/09/2021 by assessor with DOSH reg. no. HQ/16/DOC/00/454. From the test, 7 workers were found with abnormal results. Refer report no. PRO/SEP/21 (KKSC/65) /2020/11-04/00001. Retest was conducted 18 – 25/11/2021. Refer report no. 15/MEA/2021. 4. Workplace inspection was conducted on quarterly basis prior to Safety and Health Committee meeting and discussed during the meeting. Reviewed the minutes meeting dated 10/03/2022 and 10/06/2022. 	
4.4.4.2	<p>The occupational safety and health plan should cover the following:</p> <ol 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: <ol style="list-style-type: none"> i. All employees involved are adequately trained on safe working practices; 	<p>a) SDPB has established Safety and health policy as per Upstream Malaysia Health, Safety and Environment (HSE) Policy Statement signed by CEO Upstream Malaysia dated 1/6/2020.</p> <p>The policy is written in Bahasa and English language that can be easily understood by all levels of its employees.</p> <p>The policy has been communicated to the workers through induction training for new workers, morning briefing, iCARE Safety and Health Townhall meeting, and displayed at various notice board within the mill.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<ul style="list-style-type: none"> 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 Labelling) Regulation 1997 Occupational Safety Health (Use and Standard of Exposure of Chemical Hazardous to Health) Regulation 2000. f) The management shall appoint responsible person(s) for workers' safety and health. The appointed person(s) of trust shall have knowledge and access to latest national regulations and collective agreements. g) The management shall conduct regular two-way communication with their employees where issues that affect their business such as those related to employees' safety, health and welfare are discussed openly. Records from such meeting shall be kept and the concerns of employees and any remedial actions taken shall be recorded. h) Accident and emergency procedures shall exist and instructions shall be clearly understood by all employees. i) Employees trained in First Aid shall be present at all mill operations. First Aid equipment should be available at each worksite. 	<p>b) The operating units sampled has conducted assessment for risk on all the operations. Reviewed the risk assessment as follows:</p> <ol style="list-style-type: none"> 1. Latest CHRA was conducted on 12/07/2018 by assessor with DOSH reg. no. HQ/06/ASS/00/223. Refer report no. HQ/06/ASS/00/223-2018/005. As per report, the mill required to conduct Chemical Exposure Monitoring for n-Hexane. Latest monitoring was conducted in July 2022. The report has yet to be received by the mill. Previous monitoring was conducted on 11/01/2022 by Hygiene Tech. with DOSH reg. no. HQ/19/JHI/00/00039. The results of exposure were below PEL. Refer report no PR22-CHM-0004. As per report the mill were recommended to conduct medical surveillance on annually basis. Latest medical surveillance was conducted on 08 – 10/12/2021. 33 workers were sent for surveillance and found fit to works as chemical handlers. 2. Baseline Noise Risk Assessment was conducted on 02 – 03/10/2020 by assessor with DOSH reg. no. HQ/16/PEB/00/158. Refer report no. HQ/LPROYKPEB/21/00303. Review on the Noise Risk Assessment was conducted on 18/03/2022. Refer report no. HQ/LPROYKPEB/21/00406. As per report, the mill recommended to conduct Audiometric Test on annually basis. Latest test was conducted on 01/09/2021 by assessor with DOSH reg. no. HQ/16/DOC/00/454. From the test, 7 workers were find with abnormal results. Refer report no. PRO/SEP/21 (KKSC/65) 	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
<p>j) Records shall be kept of all accidents and be reviewed periodically at quarterly intervals.</p> <p>- Major compliance -</p>	<p>/2020/11-04/00001. Retest was conducted 18 – 25/11/2021. Refer report no. 15/MEA/2021.</p> <p>3. HIRARC review was conducted at minimum of once a year, during accident occur or changes in operation. Latest HIRARC review was conducted on 04/07/2022 with changes on fruit handling station, sterilization station and threshing station due to planning to change from conventional sterilizer to continuous sterilizer.</p> <p>c) The mill has established training program for employees exposed to chemicals used at the palm oil mill to ensure the continuous awareness to the employee. Reviewed the training plan and record as per criteria 4.4.6.1.</p> <p>d) The mill provided appropriate PPE to all workers according to the job type. The PPE given as per HIRARC and Pictorial Safety Standard (PSS) dated 17/03/2008.</p> <p>Reviewed the PPE issuance records for workers working at the kernel plant, boiler station, workshop and laboratory.</p> <p>e) Procedure for chemical handling was address in the Chemical Safety management Procedure, ver. 0, dated 09/03/2021. Refer doc. no. UM/HSE/OCP/04.</p> <p>f) The respective Sr. Managers/ Managers in Operating Unit in SOU 2 has been appointed as Person Responsible / Chairman for Safety and Health in the estate as per Safety and Health Committee Procedures, ver. 0 dated 17/11/2021 under section 4. Roles & Responsibilities and section 6. Composition of Safety and Health Committee under subsection 6.2. Appointment of Chairman, Secretary and Other Members. Refer doc. No. UM/HSE/OCP/08.</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance										
		<p>The manager has been appointed as person Person Responsible/ Chairman for Safety and Health as per appointment letter dated 18/07/2022 signed by the Regional General Manager, Southern Region.</p> <p>g) The management has established Safety Committee Member consist of Secretary, representatives from Employer and representatives from Employee as per appointment letter by the Estate/Mill Manager. The OSH committee discussed regarding the safety and health of the workers on quarterly basis during the OSH committee meeting. In the meeting discussed on the matters arising from the previous meetings, accident and incident report, workplace inspection, and training.</p> <p>The operating units conducted safety and health committee meeting as per Safety and Health Committee Procedures, ver. 0 dated 17/11/2021 under section 7. Meetings of Safety and health Committee under subsection 7.1. Frequency of Meetings of Committee. Reviewed the minutes meeting conducted for every operating units as follows:</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th></th> <th>03/2021</th> <th>04/2021</th> <th>01/2022</th> <th>02/2022</th> </tr> </thead> <tbody> <tr> <td>Chaah POM</td> <td>06/08/2021</td> <td>05/11/2021</td> <td>10/03/2022</td> <td>10/06/2022</td> </tr> </tbody> </table> <p>h) SDPB has established Accident and emergency procedures under procedure as follows:</p> <p>a) Incidents, Accidents and Non-compliance Management Procedures, ver. 1, dated 01/06/2022. Refer doc. no. UM/HSE/SP/03</p>		03/2021	04/2021	01/2022	02/2022	Chaah POM	06/08/2021	05/11/2021	10/03/2022	10/06/2022	
	03/2021	04/2021	01/2022	02/2022									
Chaah POM	06/08/2021	05/11/2021	10/03/2022	10/06/2022									

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator	Assessment Findings	Compliance
	<p>b) Emergency Preparedness Response Procedure, ver. 0, dated 17/11/2021. Refer doc. no. UM/HSE/SP/02</p> <p>The mill maintain the records of accidents including JKKP 6 forms reported to DOE, medical leaves certificates, accidents investigations reports and HIRARC review. The accidents occurrence were reported to the Headquarters through Rapid 4 systems and DOSH by submitting the JKKP 6 form through MyKKP system.</p> <p>The mill conducted firefighting training on annually basis. ERT and fire drill training dated 31/03/2022 with evacuation time recorded at 06:20 minutes</p> <p>i) SDPB has established First Aid in Workplace Procedure, ver. 0, dated 09/03/2021. Refer doc. No. UM/HSE/OCP/01</p> <p>First aid kit and first aider present at various work station at the mill. The mill continuously provided training to the appointed first aider to enhance the knowledge training for appointed First Aider. Reviewed the training plan and record as per criteria 4.4.6.1.</p> <p>The mill has appointed the Laboratory Supervisor as person responsible for First Aid Kit. The monitoring was conducted on monthly basis. Reviewed the monitoring records FY 2022.</p> <p>j) Records of all accidents are kept. Accident incidences are reviewed during the safety meetings. Records on Lost Time Accident (LTA) metrics was maintained. Accident records are found to be updated. JKKP 8 form were submitted to DOE through MyKKP systems. Sighted the samples of accident statistic FY 2021 as reported to DOSH as follows:</p>	

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings				Compliance
		Operating units	Accident Cases	LTA	Ref. No.	
		Chaah POM	2	13	JKKP 8/ 105777/ 2021 dated 25/01/2022	
Criterion 4.4.5: Employment conditions						
4.4.5.1	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. - Major compliance -	SDPB has incorporated its policy on good social practices regarding human rights in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2 where the management is committed to respect, support and uphold fundamental human rights. It was communicated to the employees through various methods such as training, meeting, and briefing.				Complied
4.4.5.2	The management shall not engage in or support discriminatory practices and shall provide equal opportunity and treatment regardless of race, colour, sex, religion, political opinion, nationality, social origin or any other distinguishing characteristics. - Major compliance -	SDPB has incorporated its policy on discriminatory in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2 where the management is committed to treat all employees fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, sexual orientation, union membership, political view, religion and/or age. Interview with the workers showed that there was no evidence of discrimination among the employees.				Complied
4.4.5.3	Management shall ensure that employees' pay and conditions meet legal or industry minimum standards as per Collective Agreements. The living wage should be sufficient to meet basic needs and provide some discretionary income based on minimum wage. - Major compliance -	SDPB is a member of the Malayan Agricultural Producers Association (MAPA) and subscribed to the collective agreement between MAPA and the National Union of Plantation Workers (NUPW). The latest agreement is effective for three years starting from 1/1/2019. Employment contracts for workers were available for verification. The terms of salary are referred to the NUPW-MAPA collective				Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		agreement. It was found to be in line with the Minimum Wage Order 2018. Sampled of employment contracts confirmed that terms and conditions are clearly outlined and have been signed by the workers. Sampled workers ID number whose payslips for Aug 2022, Dec 2022, and May 2022 were verified is as follows: 116096, 116098, 142861, 155412, 157445, 162718, 164332, 165439, 165207, 167402	
4.4.5.4	Management should ensure employees of contractors are paid based on legal or industry minimum standards according to the employment contract agreed between the contractor and his employee. - Minor compliance -	The contractors have signed the contract agreement prior commencement of work in the mill area. In the agreement, it was clearly stated that the contractors shall be responsible to comply any applicable legal requirements including the labour law.	Complied
4.4.5.5	The management shall establish records that provide an accurate overview of all employees (including seasonal workers and subcontracted workers on the premises). The records should contain full names, gender, date of birth, date of entry, a job description, wage and the period of employment. - Major compliance -	There is a list of employees consist of employee number, name, check roll type, joining date and status in the SAP system – Sime Estate Mill Upstream Application (SEMUA) System Employee Master Listing.	Complied
4.4.5.6	All employees shall be provided with fair contracts that have been signed by both employee and employer. A copy of employment contract shall be made available for each and every employee indicated in the employment records. - Major compliance -	Every employee had been provided with employment contract which referred to the collective agreement between MAPA & NUPW. The collective agreement document was available for verification.	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.	Time recording at the mill was implemented through recording of punch card system, which records the time-in and time-out of an	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	employee. The records were updated on daily basis and attendance of workers was monitored regularly through site supervision.	
4.4.5.8	<p>The working hours and breaks of the individual worker indicated in the time records shall comply with legal regulations and collective agreements. Overtime shall be mutually agreed upon and shall meet the legal requirements applicable.</p> <p>- Major compliance -</p>	<p>Working time found to be in accordance with legal requirement: Working hours i.e.:</p> <p>Daily rated workers (2 shifts):</p> <p><u>Shift A</u> Working hours = 0800 to 1600 Break time = 1100 to 1200</p> <p><u>Shift B</u> Working hours = 1600 to 0000 Break time = 2000 to 2100</p> <p>Auxiliary police (3 shifts):</p> <p>Shift 1 working hours = 0700 to 1500 Break time = 1200 to 1230</p> <p>Shift 2 working hours = 1500 to 2300 Break time = 1800 to 1830</p> <p>Shift 3 working hours = 2300 to 0700 Break time = 0400 to 0430</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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 -	Hours of overtime were recorded in the payslip and rate was paid according to the regulatory requirements and collective agreements.	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 -	Among the benefits offered by the company: <ul style="list-style-type: none"> • Productivity incentive • turn-out incentive • transport allowance • telephone allowance 	Complied
4.4.5.11	In cases where on-site living quarters are provided, these quarters shall be habitable and have basic amenities and facilities. - Major compliance -	The mill workers are provided with free housing facilities which includes water. Electricity is supplied by TNB and workers are required to pay the bill based on meter reading. Based on the visit to the labour quarters, it was noted that the housing condition was accordance to the Workers' Minimum Standards Housing and Amenities Act 1990 (Act 446). Each house has a living room, 2-3 bedrooms, 1 bathroom, 1 toilet and a kitchen. The visits by Visiting Medical Office (VMO) to the housing were also well organised by the management, where records of visits were maintained for reference. Apart from that, housing inspection by the medical assistants was also carried out on weekly basis which criteria is mainly focussing on cleanliness and safety.	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 -	SDPB has incorporated its policy on violence and sexual harassment in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2 where the management is committed to prevent sexual harassment and other forms of violence. Interview with some of the workers and gender committee showed no evidence of sexual harassment or violence happened so far.	Complied

Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p> <p>- Major compliance -</p>	<p>SDPB has incorporated its policy on freedom of association in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2 where the management is committed and respect the rights of all personnel to join or form any organizations of their choice and to bargain collectively. Interview with the workers confirmed that they are allowed to join any trade union freely.</p>	<p>Complied</p>
<p>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.</p> <p>- Major compliance -</p>	<p>SDPB has incorporated its policy on protecting the rights of children in the "Group Sustainability & Quality Policy Statement" mentioned in Indicator 4.1.1.2. Based on verification of workers register, there was no evidence that anyone below 18 years of age was recruited for employment.</p>	<p>Complied</p>
<p>Criterion 4.4.6: Training and competency</p>		
<p>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.</p> <p>- Major compliance -</p>	<p>The mill maintained the training records conducted. Reviewed the training records as follows:</p> <ol style="list-style-type: none"> 1. E-Sime Card, new incident, accident and compliance management dated 16/08/2022 2. General response for inquiries relating to minimum wages briefing dated 04/08/2022 3. Learning from incident, briefing and safety briefing dated 27/07/2022 4. PPE and working at height and incident briefing dated 14/07/2022 	<p>Complied</p>

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		5. Company policy training dated 14/07/2022 6. HIRARC briefing dated 14/07/2022 7. HIRARC and method of statement review and working at height training dated 12/07/2022 8. Code of business conduct and LOTO system briefing dated 12/07/2022 9. HCV and biodiversity awareness, hearing conservation, safety at workstation, PPE, Waste management and scheduled waste training dated 06/07/2022 10. Biocatalyst training dated 07/06/2022 11. SCCS and traceability procedure training dated 07/06/2022 12. Manual operating for sterilizer door training dated 02/06/2022 13. HACCP training dated 08/04/2022 14. ERP for earthquake, spillage and traumatize accident dated 13/12/2021 15. ERP training dated 25/07/2022 16. Fire drill, emergency response and first aid training dated 31/03/2022	
4.4.6.2	Training needs of individual employees shall be identified prior to the planning and implementation of the training programmes in order to provide the specific skill and competency required to all employees based on their job description. - Major compliance -	The mill conducted training need analysis to identify training required for the employee and documented in Training Matrix FY 2022. The mill has also conducted assessment to the training attendees to assess the training efficiency.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
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 established training schedule FY 2022 based on training need analysis conducted. The training program covers Policy, operation and OSH/others.</p> <p>The program involves the executive, staff/field supervisor, workers and contractors. The identified training was programmed throughout the year.</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>SDPB has established the Group Policy on Health, Safety & Environment (HSE) Policy Statement signed by the CEO on 01/06/2020. The policy has been communicated to the workers through induction training for new workers, morning briefing and displayed at various notice boards within the mill.</p> <p>The GSM team is also committed in establishing various working standards through procedures or pictorial method to improve safe working condition.</p> <p>Review the briefing record, Chaah POM conduct briefing on the policy to workers on 23/07/2022.</p>	Complied
4.5.1.2	<p>The environmental management plan shall cover the following:</p> <p>a) An environmental policy and objectives;</p> <p>b) The aspects and impacts analysis of all operations</p> <p>- Major compliance -</p>	<p>Chaah POM has established Environmental Impact Plan and Pollution Prevention Plan was established based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation.</p> <p>Chaah POM has established the plan and implement to monitor the effectiveness of the mitigation measures.</p> <p>This plan incorporated a monitoring protocol, which is adaptive to</p>	Complied

Criterion / Indicator		Assessment Findings	Compliance
		operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts. Review the plan, verified Chaah POM has reviewed on 04/07/2022.	
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 -	Chaah POM has established Environmental Impact Plan and Pollution Prevention Plan based on the Environmental Aspect Impact Identification and Environmental Impact Evaluation. Chaah POM has established the plan and implement to monitor the effectiveness of the mitigation measures. This plan incorporated a monitoring protocol, which is adaptive to operational changes and is reviewed every year to reflect the results of monitoring operational changes that may have positive and negative environmental impacts.	Complied
4.5.1.4	A programme to promote the positive impacts should be included in the continual improvement plan. - Minor compliance -	Chaah POM has established Continual Improvement Plan which is incorporated with various programmes to promote the positive impacts towards the environment such as: <ol style="list-style-type: none"> 1. To monitor the activity of mill processing accordance to legal compliance from Department of Environmental (DOE) and Department of Safety and Health (DOSH) 2. Proper Disposal of Waste in accordance with SOP and Legal requirements. 3. Waste management- towards waste utilization (where possible) 4. Water Management – to monitor the quality of main water inlet/outlet for pollutants from mill’s operations. 5. Contingency during water shortage and to monitor the usage of treated water on monthly basis. 	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance																								
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 -	Chaah POM has established annual ESH Training Plan from FY 2022. Review the training plan, verified covers the environmental awareness and compliance related trainings to the executives, staffs and workers.	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 -	Chaah POM conduct quarterly Environment Performance Monitoring Committee (EPMC) Meetings to address the environment quality, issues, and opportunity for improvements. Review on the EPMC Meeting Minutes verified is available and has been conducted on 10/06/2022.	Complied																								
Criterion 4.5.2: Efficiency of energy use and use of renewable energy																											
4.5.2.1	Consumption of non-renewable energy shall be optimized and closely monitored by establishing baseline values and trends shall be observed within appropriate timeframe. There should be a plan to assess the usage of non-renewable energy including fossil fuel, electricity in the operations over the base period - Major compliance -	<p>Chaah POM maintains records of energy usage, which is reported monthly to head office through SAP system. The use of the steam turbine for electricity generation has been optimized in order to reduce the dependence on diesel fossil fuel.</p> <p>Chaah POM has established baseline for non-renewable energy base on average of last 3 years usage/FFB produce. The monitoring of non- renewable energy usage was conducted annually.</p> <p>Sampled monitoring records for diesel, electricity and water usage at Chaah POM for 2022 as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Month</th> <th>Diesel (L)</th> <th>Electricity (kWh)</th> <th>Water (m³)</th> </tr> </thead> <tbody> <tr> <td>Jan 2022</td> <td>734.66</td> <td>90,419.00</td> <td>8,802.55</td> </tr> <tr> <td>Feb 2022</td> <td>854.61</td> <td>88,802.00</td> <td>8,591.07</td> </tr> <tr> <td>Mar 2022</td> <td>700.18</td> <td>107,653.00</td> <td>8,930.02</td> </tr> <tr> <td>Apr 2022</td> <td>886.11</td> <td>62,337.00</td> <td>8,876.30</td> </tr> <tr> <td>May 2022</td> <td>1,057.45</td> <td>47,598.00</td> <td>8,180.94</td> </tr> </tbody> </table>	Month	Diesel (L)	Electricity (kWh)	Water (m ³)	Jan 2022	734.66	90,419.00	8,802.55	Feb 2022	854.61	88,802.00	8,591.07	Mar 2022	700.18	107,653.00	8,930.02	Apr 2022	886.11	62,337.00	8,876.30	May 2022	1,057.45	47,598.00	8,180.94	Complied
Month	Diesel (L)	Electricity (kWh)	Water (m ³)																								
Jan 2022	734.66	90,419.00	8,802.55																								
Feb 2022	854.61	88,802.00	8,591.07																								
Mar 2022	700.18	107,653.00	8,930.02																								
Apr 2022	886.11	62,337.00	8,876.30																								
May 2022	1,057.45	47,598.00	8,180.94																								

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings				Compliance												
		Jun 2022	845.00	15,334.00	9,157.55													
		Jul 2022	937.57	54,726.00	9,268.10													
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>Chaah POM has estimation of total energy required. This estimation was compared to the actual usage on a monthly basis and reported to the head office for monitoring purposes.</p> <p>Review on the estimation of total energy, verified the information required is available in the annual budget prepared by the management of Chaah POM.</p>				Complied												
4.5.2.3	<p>The use of renewable energy should be applied where possible.</p> <p>- Minor compliance -</p>	<p>Chaah POM has established monthly record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimize use of renewable energy. Data was being compiled for comparison and control for future improvement. Apart from use of diesel for electricity, palm fiber and shells were also used to generate electricity through steam turbine and boiler.</p> <p>Review document, use of energy in Chaah POM and line site was monitored monthly to compare the energy usage against the production of CPO. Electricity generation was through steam turbine and boiler where palm fiber and PK shells were used as renewable energy / fuel. Monthly records of energy consumption of non-renewable and renewable fuel per metric ton of palm product at the Chaah POM were available.</p> <p><u>Renewable Energy Summary</u></p> <table border="1"> <thead> <tr> <th>Month</th> <th>Fiber</th> <th>Shell</th> </tr> </thead> <tbody> <tr> <td>Jan 2022</td> <td>914.48</td> <td>365.79</td> </tr> <tr> <td>Feb 2022</td> <td>862.70</td> <td>345.08</td> </tr> <tr> <td>Mar 2022</td> <td>977.36</td> <td>390.94</td> </tr> </tbody> </table>				Month	Fiber	Shell	Jan 2022	914.48	365.79	Feb 2022	862.70	345.08	Mar 2022	977.36	390.94	Complied
Month	Fiber	Shell																
Jan 2022	914.48	365.79																
Feb 2022	862.70	345.08																
Mar 2022	977.36	390.94																

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings			Compliance
		Apr 2022	871.28	348.51	
		May 2022	767.48	306.99	
		Jun 2022	885.44	354.17	
		Jul 2022	802.26	320.19	
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>Chaah POM has identified the waste products and source pollution and documented in the Waste Management Plan 2022. The waste has been identified as follows:</p> <ol style="list-style-type: none"> 1. Scheduled waste: SW 305, SW 306, SW 410, SW 102, SW 322 & SW 409 2. Domestic waste: Rubbish 3. Industrial waste: POME, EFB, scrap metal & compost <p>Review records on the usage and disposal, Chaah POM was well recorded and documented.</p> <p>Site visit observed secondary containment for the diesel skid tanks, chemical and scheduled waste storage areas were maintained and locked.</p>			Complied
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> <ol style="list-style-type: none"> a) Identifying and monitoring sources of waste and pollution. b) Improving the efficiency and recycling potential of mill by-products by converting them into value-added products. <p>- Major compliance -</p>	<p>Chaah POM has established the waste management plan and the plan was reviewed on an annual basis.</p> <p>Chaah POM has identified the waste products and source pollution and documented in Waste Management Plan 2022. The waste has been identified as follows:</p> <ol style="list-style-type: none"> 1. Scheduled waste: SW 305, SW 306, SW 410, SW 102, SW 322 & SW 409 2. Domestic waste: Rubbish 			Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		3. Industrial waste: POME, EFB, scrap metal & compost Review document, the management plan stated the type of waste, source of waste, mitigation plan and person responsible.	
4.5.3.3	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 - Major compliance -	SDPB has established Procedure for Scheduled Waste Management, doc. No.: (SD/SDP/PSQM (ESH)/203-EN1, dated 26/02/2016. Chaah POM disposed of waste material as per the company procedures and according to EQA (Scheduled Waste) Regulation 2005. The procedures are fully understood by workers staffs and executives. Site visit observed scheduled wastes are stored, handle, maintain and inspected accordingly until disposal with DOE authorized and licensed waste disposal contractor. Site interview with storekeeper informed manage waste generated and disposal from operation area according to the requirement.	Complied
4.5.3.4	Domestic waste should be disposed as such to minimize the risk of contamination of the environment and watercourse. - Minor compliance -	Chaah POM shared the location of landfill facility inside Chaah Estate's field. All domestic wastes are collected two to three times per week and sent to the designated landfill. Collections are made from a centralized point accumulated internally by the mill management from the living quarters and office complex.	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.	Chaah POM has established the Environment Aspect and Impact assessment plan to identified polluting activities.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	- Major compliance -	<p>Polluting activities were monitored based on DOE license compliance schedule which include scheduled waste storage and disposal record, POME final discharge BOD and boiler stack sampling.</p> <p>Chaah POM monitor the Green House Gas emission and recyclable waste generated based on operation activities within the mill compound.</p> <p>Chaah POM monitor the dust emission based on monitoring report by Spectrum Laboratories (Johore) Sdn Bhd, as follows: Boiler No.3, Dated 13/06/2022</p> <p>The emission level of Total Particulate matter @ 6.2% CO₂ for the boilers monitored were within the Malaysian Environmental Quality (Clean Air) Regulations 2014.</p>	
4.5.4.2	<p>An action plan to reduce identified significant pollutants and emissions shall be established and implemented.</p> <p>- Major compliance -</p>	<p>Chaah POM has established a GHG Reduction Plan for the year 2022 reviewed on Jan 2022.</p> <p>Review the plan, Chaah POM has identified the possible issues within the mill that may lead towards pollution. The plan consists of the issues, action plan to be taken, person in charge to monitor the action plan, time frame and status of compliance.</p> <p>Among the pollution issues identified are as follows:</p> <ol style="list-style-type: none"> 1. Diesel: Optimization of diesel usage for the tractors available. 2. Diesel: Monitoring on the usage of diesel use. 	Complied
4.5.4.3	<p>Palm oil mill effluent (POME) shall be treated to ensure compliance with standards as stipulated in the relevant Environmental Quality (Prescribed Premises) (Crude Palm Oil) Regulations 1977. POME discharge limits and method should be in accordance with the</p>	<p>Chaah POM has treat POME generate by using open anaerobic, aerobic and stabilization lagoon. Monthly monitoring on the final discharge is conducted. The additional facility used in Chaah POM is the installation of:</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance																				
	<p>respective state and national policies and regulations.</p> <p>- Major compliance -</p>	<p>1. Belt press operation</p> <p>2. Evaporator mixer system</p> <p>Both machineries are to reduce the suspended solid and BOD to the targeted level of 200 and 2500 ppm respectively. The effluent at the final discharge is tested to ensure it compliance to the DOE license approved limits.</p> <p>Review of all results, Chaah POM are able to meet compliance to the DOE standards. Monthly and quarterly report was submitted to DOE accordingly. Sighted the Analysis Test Report Results as follows:</p> <table border="1"> <thead> <tr> <th>Parameter</th> <th>1st Week of 1st month</th> <th>5th Week of 2nd Month</th> <th>9th Week of 3rd month</th> </tr> </thead> <tbody> <tr> <td>Sample Date</td> <td>15/04/2022</td> <td>18/05/2022</td> <td>16/06/2022</td> </tr> <tr> <td>Total Discharge over 24 hrs (m³)</td> <td>356.12</td> <td>466.30</td> <td>418.31</td> </tr> <tr> <td>Maximum Discharge 1 Hrs (m³)</td> <td>41.28</td> <td>45.87</td> <td>42.78</td> </tr> <tr> <td>BOD at 30°</td> <td>67.00</td> <td>53.00</td> <td>49.00</td> </tr> </tbody> </table>	Parameter	1 st Week of 1 st month	5 th Week of 2 nd Month	9 th Week of 3 rd month	Sample Date	15/04/2022	18/05/2022	16/06/2022	Total Discharge over 24 hrs (m ³)	356.12	466.30	418.31	Maximum Discharge 1 Hrs (m ³)	41.28	45.87	42.78	BOD at 30°	67.00	53.00	49.00	
Parameter	1 st Week of 1 st month	5 th Week of 2 nd Month	9 th Week of 3 rd month																				
Sample Date	15/04/2022	18/05/2022	16/06/2022																				
Total Discharge over 24 hrs (m ³)	356.12	466.30	418.31																				
Maximum Discharge 1 Hrs (m ³)	41.28	45.87	42.78																				
BOD at 30°	67.00	53.00	49.00																				
Criterion 4.5.5: Natural water resources																							
4.5.5.1	<p>The management shall establish water management plans to maintain the quality and availability of natural water resources (surface and ground water). The water management plan may include:</p> <p>a) Assessment of water usage and sources.</p>	<p>Chaah Estate established Water Management and verified to state the following:</p> <ol style="list-style-type: none"> To monitor the quality of main water inlet/outlet for pollutants from mill's operations. Contingency during water shortage. 	Complied																				

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
	<p>b) Monitoring of outgoing water which may have negative impacts into the natural waterways at a frequency that reflects the mill’s current activities.</p> <p>c) Ways to optimize water and nutrient usage and reduce wastage (e.g. having in place systems for re-use, night application, maintenance of equipment to reduce leakage, collection of rainwater, etc.).</p> <p>- Major compliance -</p>	<p>3. To monitor the usage of treated water on monthly basis. Water Quality for Domestic use is monitored on a monthly basis, The Water Analysis Test report (Test Report Number: IE615/2021) sampled on 02/06/2021 was available for verification. The results stated the Domestic – Workers Residential Area water conforms with NSDWQ for domestic use.</p> <p>The incoming and Outgoing water at the river under the care of the Mill Management is monitored on a quarterly basis. Water Analysis Test Report (IE895/2022) sampled on 14/07/2022 was available for verification. The results indicated that the BOD and COD does not conform with the Class IIA/IIB of NWQS for natural Waterways. The management have generated the Corrective/Preventive Action Report for Non-Conforming Water Analysis Results on 04/08/2022.</p>	
4.5.5.2	<p>Where open discharge of POME into water course is practiced, mills should undertake to gradually phase it out in accordance to the applicable state or national regulations.</p> <p>- Major compliance -</p>	<p>Details of effluent treatment and report as per item 4.5.4.3 above. The effluent is retained for treatment in a flow through 7 ponds before being discharged to land application in Chaah Estate field no 98A, 99A and 2000 total 130.76 ha. In addition, there is belt press facility to further reduce to the suspended solid in the effluent.</p>	Complied
4.6 Principle 6: Best Practices			
Criterion 4.6.1: Mill Management			
4.6.1.1	<p>Standard operating procedures shall be appropriately documented and consistently implemented and monitored.</p> <p>- Major compliance -</p>	<p>SOP available for the Palm Oil Mill and the Estates. Palm Mill holds two SOPs: sustainability Plantation Management System (MQMS/SOM/08 v.1 dated 1/11/2008) includes mill SOP and Mill Quality Management Manual v.1 2008/MQMS/QMM/08 as a guidance document to operate the mill.</p>	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		SDPB has established a system to monitor the mill operation. The Mill advisor, Structured Oil Recovery Assessment (SORA) and Planning and Monitoring Unit visited the operating units on timely basis. Their reports cover on all aspect of operation.	
4.6.1.2	All palm oil mills shall implement best practices. - Major compliance -	The monitoring of the mill process is made through the shift supervision headed by an Engineer. All process parameters are documented and summarized in a daily report. The Mill advisor, Structured Oil Recovery Assessment (SORA) and Planning and Monitoring Unit visited the operating units on timely basis. Their reports cover on all aspect of operation. Reviewed the visit reports as follows: Structured Oil Recovery Assessment (SORA) for visit report dated 18 – 22/-4/2022.	Complied
Criterion 4.6.2: Economic and financial viability plan			
4.6.2.1	A documented business or management plan shall be established to demonstrate attention to economic and financial viability through long-term management planning. - Major compliance -	Annual business plan in the form of annual budget and the projection for 5 years prepared as guidance for future planning. Sighted the annual budget FY 2022 and business plan FY 2022 – FY 2026 In the 5 years business plan include items as follows: i. Mill intake – FFB input ii. Production of CPO iii. Production of PK iv. Total Palm Oil Extraction v. Total Palm Kernel Extraction vi. Mill cost	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
		The business plan for FY2021 contains FFB yield, CPO, OER, and KER, costs of production, milling utilization, etc. It also includes environment, social (workers and staff's welfare), and health and safety component and associated capital expenditure.	
Criterion 4.6.3: Transparent and fair price dealing			
4.6.3.1	Pricing mechanisms for the products and other services shall be documented and effectively implemented. - Major compliance -	Awarding of contract and pricing mechanism is guided by a procedure GPA No. E4 Procurement, version 29/8/2019. - All tender and pricing exercises are handled by the HQ management. 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 operating units' personnel and also representatives from HQ for major projects	Complied
4.6.3.2	All contracts shall be fair, legal and transparent and agreed payments shall be made in timely manner. - Major compliance -	All contracts were awarded through tendering system at Zone Level. Approved contractors will be given the LOA. Payments were all made in timely manner and no complaint from the contractor so far.	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 -	This requirement has been specified in a letter on RSPO/ISCC/MSPO awareness on to all the contractors, vendors of the mill. This letter was sighted and has stated that all Contractors need to follow RSPO/ISCC/MSPO guideline in accordance with the SDPB Estate Quality Management System.	Complied

MSPO Public Summary Report
Revision 2 (Nov 2021)

Criterion / Indicator		Assessment Findings	Compliance
4.6.4.2	The management shall provide evidence of agreed contracts with the contractor. - Major compliance -	Contract agreements between the mill and its contractors were made available. Generally, the elements of sustainability such as obligations to legal compliance, workers' welfare, safety, and environmental issues. Contracts between Rashid Agro, RSKP Brothers, and Syarikat Wijaya Sdn Bhd, were verified.	Complied
4.6.4.3	The management shall accept MSPO approved auditors to verify the assessments through a physical inspection, if required. - Minor compliance -	All works performed by the contractors at the estates are checked and verified by the estate's personnel. Projects where tenders are issued by HQ are checked by representative from HQ usually from the Engineering Dept.	Complied

MSP0 Public Summary Report
Revision 2 (Nov 2021)

Appendix B: Smallholder Member Details

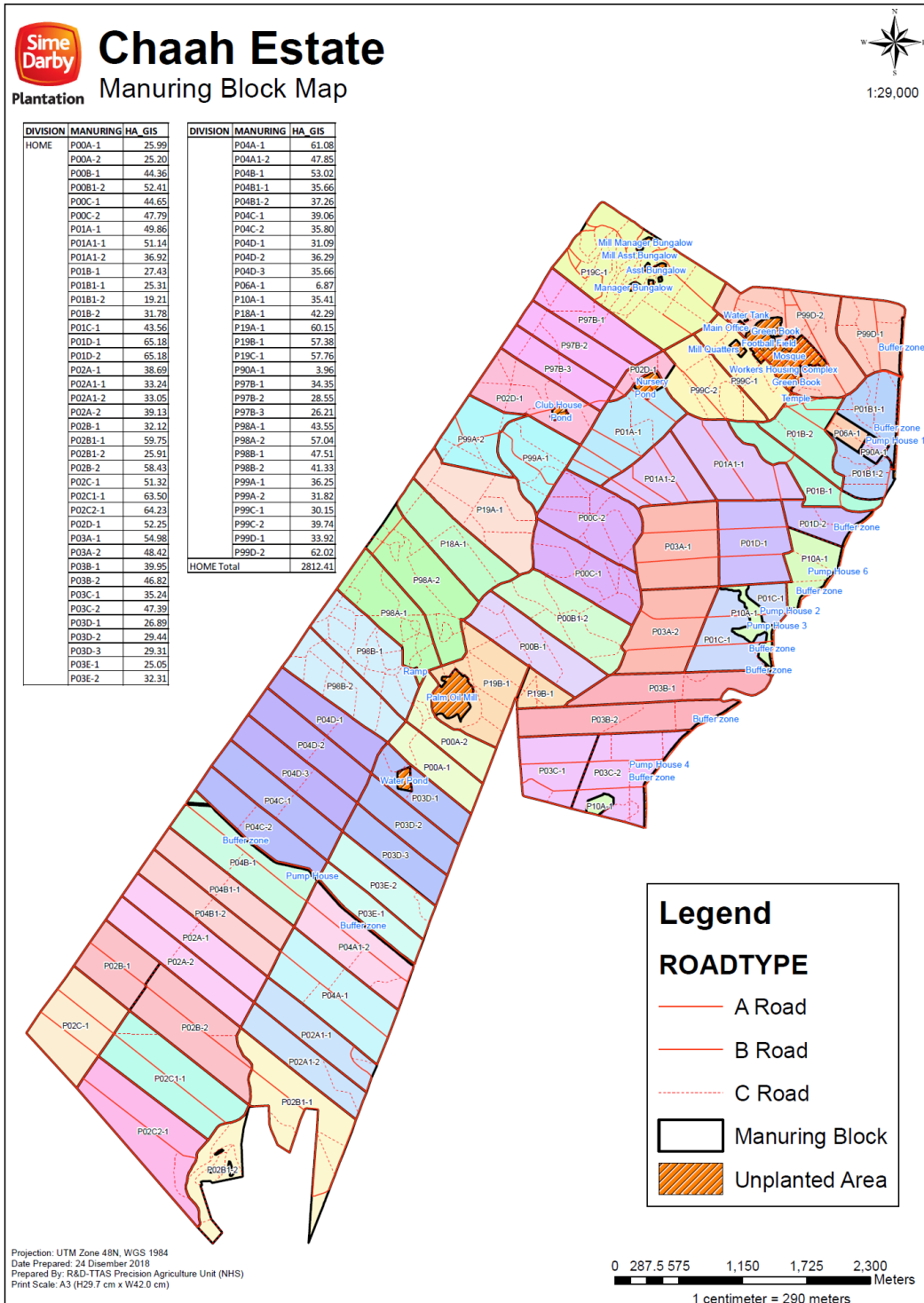
No.	Smallholder		Location of Planted Area (District)	GPS Coordinates		Certified Area (ha)	Planted Area (ha)
	Name	MPOB License Number		Latitude	Longitude		
	NA						

Appendix C: Location and Field Map

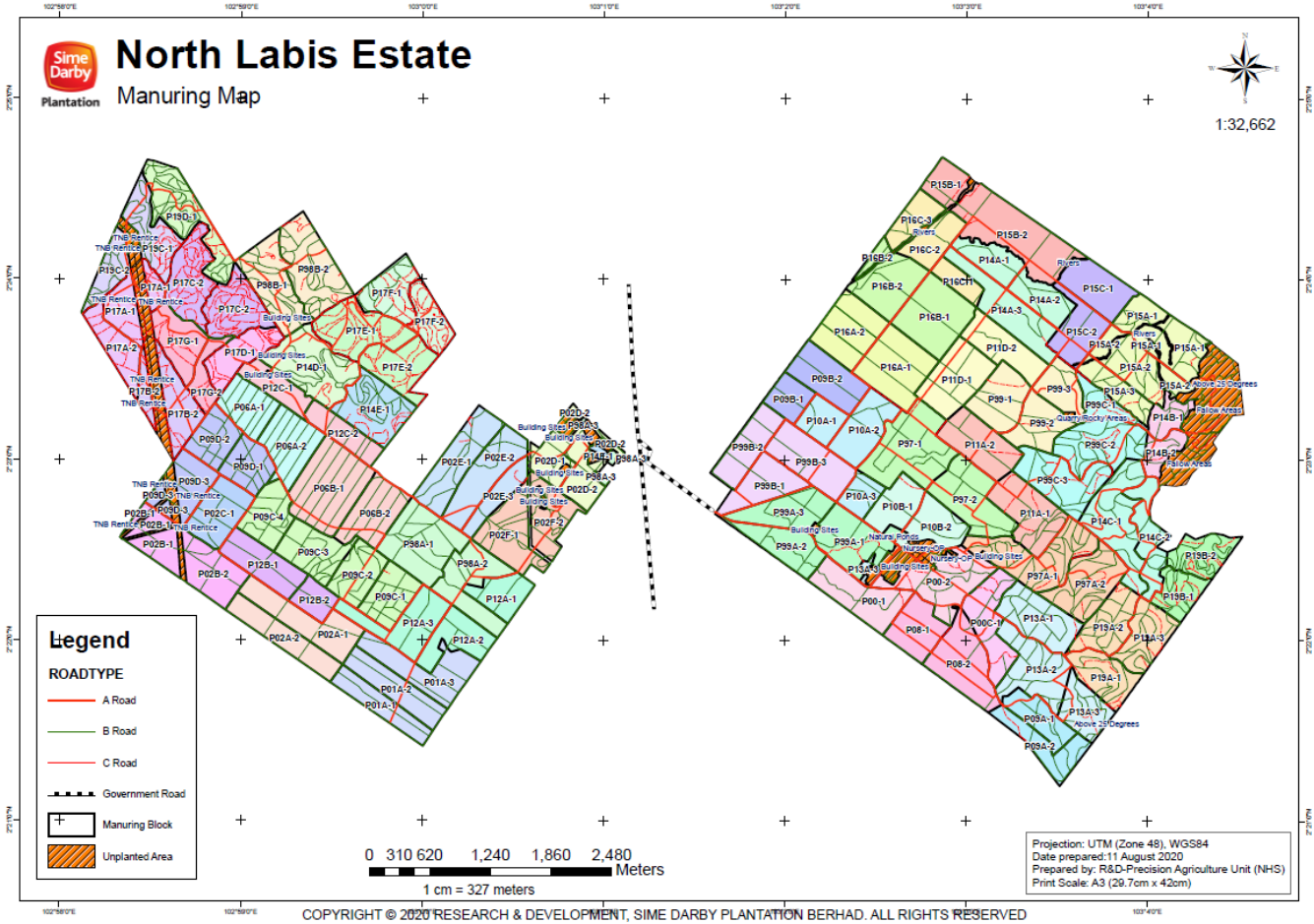
Chaah Oil Mill



Chaah Estate



North Labis Estate



Appendix D: 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
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
SDS	Safety Data Sheet
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SOP	Standard Operating Procedure