

**RSPO PRINCIPLE AND CRITERIA
PUBLIC SUMMARY REPORT**

- Initial Assessment**
- Annual Surveillance Assessment** (Choose an item.)
- Recertification Assessment (RA 2)**
- Extension of Scope**

| |
|---|
| <p>Client Company name (Parent Company): Sime Darby Plantation Berhad</p> |
| <p>Client company Address: Level 5, Main Block, Plantation Tower, No 2, Jalan PJU 1A/7, Oasis Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia</p> |
| <p>Certification Unit: Strategic Operating Unit (SOU 2) Chersonese Palm Oil Mill</p> <p>Location of Certification Unit: Lot 4647, Jalan Gula, Kuala Gula, 34350 Kuala Kurau, Perak, Malaysia</p> |
| <p>Date of Final Report: 27/04/2022</p> |

| TABLE of CONTENTS | Page No |
|--|----------------|
| Section 1: Scope of the Assessment..... | 3 |
| 1. Company Details | 3 |
| 2. Certification Information | 3 |
| 3. Other Certifications..... | 4 |
| 4. Location(s) of Mill & Supply Bases | 4 |
| 5. Description of Supply Base | 4 |
| 6. Plantings & Cycle..... | 5 |
| 7. Summary of Certified Tonnage of FFB (Own Certified Scope) | 5 |
| 8. Summary of Certified Tonnage of FFB (from other certified unit(s)) | 5 |
| 9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate)..... | 6 |
| 10. Summary of Certified Tonnage (not applicable for ISS) | 7 |
| 11. Summary of Actual Volume sold | 8 |
| 12. Independent Smallholders Certified Tonnage / Volume | 10 |
| 13. Independent Smallholders Actual Sold Tonnage / Volume | 10 |
| Section 2: Assessment Process | 11 |
| 2.1 Assessment Methodology, Programme, Site Visits..... | 11 |
| 2.2 BSI Assessment Team | 12 |
| 2.3 Assessment Plan..... | 14 |
| Section 3: Assessment Findings | 20 |
| 3.1 Multiple Management Units and Time Bound Plan..... | 20 |
| 3.2 Progress of scheme smallholders and/or outgrowers..... | 24 |
| 3.3 Details of Nonconformities | 42 |
| 3.3.1 Status of Nonconformities Previously Identified and Observations..... | 45 |
| 3.3.2 Summary of the Nonconformities and Status | 53 |
| 3.4 Stakeholders and previous land owner / user consultation..... | 54 |
| 3.5 Impartiality and conflict of interest | 56 |
| Formal Signing-off of Assessment Conclusion and Recommendation | 57 |
| Appendix A: Summary of Findings | 58 |
| Appendix B: GHG Reporting Executive Summary | 147 |
| Appendix C: Location Map of Certification Unit and Supply bases..... | 149 |
| Appendix D: Estate Field Map..... | 150 |
| Appendix E: List of Smallholder Registered and sampled..... | 154 |
| Appendix F: List of Abbreviations..... | 155 |

Section 1: Scope of the Assessment

| 1. Company Details | | | |
|--|---|---------------------------------|--|
| Parent Company | Sime Darby Plantation Berhad | | |
| RSPO Membership Number | 1-0008-04-000-00 | Membership Approval Date | 07/09/2004 |
| Address | Level 5, Main Block, Plantation Tower, No 2, Jalan PJU 1A/7, Oasis Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia | | |
| Palm Oil Mill / Group Manager / Estate (Certification Unit) | Strategic Operating Unit (SOU 2) - Chersonese Palm Oil Mill | | |
| Location / Address | Lot 4647, Jalan Gula, Kuala Gula, 34350 Kuala Kurau, Perak, Malaysia | | |
| Website | www.simedarbyplantation.com | | |
| Management Representative | Mohd. Riza Mohd. Arif | E-mail | kks.chersonese@simedarbyplantation.com |
| Telephone | 019-7914122 & 019-4094121 | Facsimile | N/A |

| 2. Certification Information | | | |
|---|--|--------------------------------|------------|
| Certificate Number | RSPO 590800 | Certificate Start Date | 05/10/2021 |
| Date of First Certification | 05/10/2011 | Certificate Expiry Date | 04/10/2026 |
| Scope of Certification | Production of Palm Oil and Palm Kernel | | |
| Visit Objectives | <ul style="list-style-type: none"> • Determination of the conformity of the client's management system, or parts of it, with audit criteria. • Evaluation of the ability of the management system to ensure the client organization meets applicable statutory, regulatory and contractual requirements. • 70% continuation from 30% of remote assessment | | |
| Assessment Cycle | <input type="checkbox"/> Pre Assessment (Choose an item.) <input type="checkbox"/> Initial Assessment <input type="checkbox"/> Annual Surveillance Assessment (ASA Choose an item.) <input checked="" type="checkbox"/> Recertification Assessment (RA 2) <input type="checkbox"/> Scope Extension | | |
| Applicable Standards / Normative Reference | RSPO Certification System for P&C and RSPO ISH 2020 <input type="checkbox"/> Choose an item. <input checked="" type="checkbox"/> Malaysia National Interpretation 2019 for RSPO P&C 2018 for the Production of Sustainable Palm Oil | | |
| Supply Chain Module | <input type="checkbox"/> Identity Preserved; <input checked="" type="checkbox"/> Mass Balance | Mill Capacity | 45 mt/hr |
| ISH certification Phase | <input type="checkbox"/> Eligibility <input type="checkbox"/> Milestone A <input type="checkbox"/> Milestone B <input checked="" type="checkbox"/> Not Applicable | | |

RSPO P&C Public Summary Report

Revision 12 (Jun 2021)

| 3. Other Certifications | | | |
|-------------------------|--|---------------------------------|-------------|
| Certificate Number | Standard(s) | Certificate Issued by | Expiry Date |
| MSPO 682039 | MS 2530-4 Malaysian Sustainable Palm Oil (MSPO) Part 4 | BSI Services Malaysia Sdn. Bhd. | 09/01/2023 |
| MSPO 688334 | MS 2530-3 Malaysian Sustainable Palm Oil (MSPO) Part 3 | | 09/01/2023 |
| MSPO 714137 | MSPO Supply Chain Certification: 2018 | | 20/11/2024 |

| 4. Location(s) of Mill & Supply Bases | | | |
|---|---|-----------------|-------------------|
| Name (Mill / Supply Base / Group Manager / Smallholders) | Location | GPS Coordinates | |
| | | Latitude | Longitude |
| Chersonese Palm Oil Mill | Lot 4647, Jalan Gula, Kuala Gula, 34350 Kuala Kurau, Perak | 4° 58' 39.04" N | 100° 27' 41.00" E |
| Chersonese Estate | Ladang Chersonese, Lot 4647, Jalan Gula, Kuala Gula, 34350 Kuala Kurau, Perak | 4°59' 04.00" N | 100° 26' 59.00" E |
| Holyrood Estate | Ladang Holyrood, Off Jalan Taiping – Selama, Kubu Gajah, 34130 Selama, Perak | 5°07' 27.00" N | 100° 42' 36.03" E |
| Tali Ayer Estate | Ladang Tali Ayer, Off Jalan Ladang, Tali Air Kiri, 34350 Bagan Serai, Perak | 5°03' 30.02" N | 100° 31' 20.09" E |
| Kalumpong Estate | Ladang Kalumpong/Byram, Off Jalan Taiping – Bagan Serai, 34300 Bagan Serai, Perak | 4° 58' 11.09" N | 100° 36' 05.09" E |

| 5. Description of Supply Base | | | | | |
|--------------------------------|--|--------------|--|------------------|--------------|
| New Planting Development | <input checked="" type="checkbox"/> No (no change in total planted area) | | <input type="checkbox"/> Yes (please refer to Principle 7 for details) | | |
| Estate / Smallholders | Total Planted (Mature + Immature) (ha) | HCV (ha) | Infrastructure & Other (ha) | Total Area (ha) | % of Planted |
| Chersonese Estate ₁ | 2,896.32 | 25.87 | 371.53 | 3,293.72 | 87.93 |
| Holyrood Estate ₂ | 1,222.28 | 12.19 | 98.27 | 1,332.74 | 91.71 |
| Tali Ayer Estate | 3,023.96 | 24.24 | 707.90 | 3,756.10 | 80.51 |
| Kalumpong Estate | 2,529.28 | 21.09 | 166.43 | 2,716.80 | 93.10 |
| Total | 9,671.84 | 83.39 | 1,344.13 | 11,099.36 | 87.14 |

Note:

- Chersonese Estate : 130.45 ha from total planted converted to Coconut planting. Effective July 2021.
- Holyrood Estate : Reduced 12.91 ha from total planted & increased 12.91 in infrastructure and other based latest GPS survey conducted on 15th Jan 2021.

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| 6. Plantings & Cycle | | | | | | | |
|---------------------------------|-----------------|-----------------|-----------------|---------------|----------|-----------------|---------------|
| Estate / Smallholders | Age (Years) | | | | | Mature | Immature |
| | 0 - 3 | 4 - 10 | 11 - 20 | 21 - 25 | 26 - 30 | | |
| Chersonese Estate | 611.09 | 1,434.58 | 776.21 | 74.44 | - | 2,285.23 | 611.09 |
| Holyrood Estate | 154.32 | 606.76 | 461.2 | - | - | 1,067.96 | 154.32 |
| Tali Ayer Estate | 184.43 | 1,249.19 | 1,395.57 | 194.77 | - | 2,839.53 | 184.43 |
| Kalumpong Estate | 578.76 | 370.43 | 1,505.29 | 74.8 | - | 1,950.52 | 578.76 |
| Total (ha) | 1,528.60 | 3,660.96 | 4,138.27 | 344.01 | - | 8,143.24 | 1528.6 |

Note: *Only Mature area is considered as production area

| 7. Summary of Certified Tonnage of FFB (Own Certified Scope) | | | | |
|---|--|--|---|-------------------------------|
| Estate / Smallholders | Tonnage / year | | | |
| | Estimated last year (Oct 20 – Sep 21) | Actual (Jul 20 – Jun 21) | | Forecast (Oct 21 – Sep 22) |
| | | Previous license period (Jul 20 – Sep 20) | Current license period (Oct 20 – Jun 21) | |
| Chersonese Estate | 56,666.00 | 15,110.19 | 45,330.56 | 56,221.52 |
| Holyrood Estate | 26,237.40 | 7,429.90 | 22,289.71 | 30,783.93 |
| Tali Ayer Estate | 46,200.56 | 15,265.15 | 45,795.45 | 64,531.28 |
| Kalumpong Estate | 77,507.28 | 13,076.53 | 39,229.58 | 47,024.57 |
| Total | 206,611.24 | 50,881.77 | 152,645.30 | 198,561.30 |

Note: -

| 8. Summary of Certified Tonnage of FFB (from other certified unit(s)) | | | | |
|--|--|--|---|-------------------------------|
| Estate / Smallholders | Tonnage / year | | | |
| | Estimated last year (Oct 20 – Sep 21) | Actual (Jul 20 – Jun 21) | | Forecast (Oct 21 – Sep 22) |
| | | Previous license period (Jul 20 – Sep 20) | Current license period (Oct 20 – Jun 21) | |
| Nil | | N/A | N/A | |
| Total | | N/A | | |

Note: -

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| 9. Summary of Non-Certified Tonnage of FFB (outside supplier – excluded from certificate) | | | | |
|--|---------------------------------------|---|--|----------------------------|
| Out growers / smallholders | Tonnage / year | | | |
| | Estimated last year (Oct 20 – Sep 21) | Actual (Jul 20 – Jun 21) | | Forecast (Oct 21 – Sep 22) |
| | | Previous license period (Jul 20 – Sep 20) | Current license period (Oct 20 – Jun 21) | |
| Nil | N/A | N/A | N/A | *6,500.00 |
| Total | N/A | N/A | | *6,500.00 |

Note: * Chersonese POM downgraded its SCCS from IP to MB and started receiving uncertified FFB effective from 1/10/2021.

| 9A. Monthly Records of Certified and Uncertified FFB Received since the last audit | | | | |
|---|--------------|---|---|----------------------|
| No. | Month - Year | Volume of FFB from certified supply base (mt) | Volume of FFB from uncertified supply base (mt) | Total FFB/Month (mt) |
| 1 | Jul-20 | 18,872.45 | - | 18,872.45 |
| 2 | Aug-20 | 17,373.93 | - | 17,373.93 |
| 3 | Sep-20 | 14,635.39 | - | 14,635.39 |
| 4 | Oct-20 | 12,767.26 | - | 12,767.26 |
| 5 | Nov-20 | 11,855.01 | - | 11,855.01 |
| 6 | Dec-20 | 12,943.44 | - | 12,943.44 |
| 7 | Jan-21 | 16,047.94 | - | 16,047.94 |
| 8 | Feb-21 | 18,374.65 | - | 18,374.65 |
| 9 | Mar-21 | 20,853.34 | - | 20,853.34 |
| 10 | Apr-21 | 20,546.66 | - | 20,546.66 |
| 11 | May-21 | 19,943.18 | - | 19,943.18 |
| 12 | Jun-21 | 19,313.86 | - | 19,313.86 |
| | TOTAL | 203,527.07 | - | 203,527.07 |

Note: -

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| 10. Summary of Certified Tonnage (not applicable for ISS) | | | |
|--|--|---|---------------------------------------|
| Estimated last year (Oct 20 – Sep 21) | Actual (Jul 20 – Jun 21) | | Forecast (Oct 21 – Sep 22) |
| | Previous license period (Jul 20 – Sep 20) | Current license period (Oct 20 – Jun 21) | |
| FFB | FFB | | FFB |
| 206,611.24 mt | 50,881.77 mt | 152,645.30 mt | 198,561.30 mt |
| | 203,527.07 mt | | |
| CPO (OER: 20.24 %) | CPO (OER: 20.21 %) | | CPO (OER: 22.75 %) |
| 41,818.11 mt | 10,283.21 mt | 30,849.62 mt | 45,172.70 mt |
| | 41,132.83 mt | | |
| PK (KER: 5.23 %) | PK (KER: 5.29 %) | | PK (KER: 5.50 %) |
| 10,805.77 mt | 2,691.65 mt | 8,074.94 mt | 10,920.87 mt |
| | 10,766.59 mt | | |
| Note: - | | | |

| 10A. Monthly Records of Certified CPO & PK since the last audit | | | |
|--|---------------------|---------------------------|--------------------------|
| No. | Month - Year | Certified CPO (mt) | Certified PK (mt) |
| 1 | Jul-20 | 3,708.05 | 964.34 |
| 2 | Aug-20 | 3,500.26 | 923.83 |
| 3 | Sep-20 | 3,074.90 | 803.48 |
| 4 | Oct-20 | 2,682.40 | 700.92 |
| 5 | Nov-20 | 2,490.74 | 650.84 |
| 6 | Dec-20 | 2,719.42 | 710.59 |
| 7 | Jan-21 | 3,371.67 | 881.03 |
| 8 | Feb-21 | 3,639.35 | 953.49 |
| 9 | Mar-21 | 4,081.29 | 1,069.85 |
| 10 | Apr-21 | 4,016.85 | 1,053.01 |
| 11 | May-21 | 3,990.06 | 1,044.87 |
| 12 | Jun-21 | 3,857.84 | 1,010.33 |
| | TOTAL | 41,132.83 | 10,766.59 |
| Note: - | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| 11. Summary of Actual Volume sold | | | | | |
|--|----------------|-------------------------|--------|--------------|-----------|
| Current License period (Oct 20 – Jun 21) | | | | | |
| | RSPO Certified | Other Schemes Certified | | Conventional | Total |
| | | ISCC | Others | | |
| CPO (MT) | 19,609.59 | - | - | 10,123.11 | 29,732.70 |
| PK (MT) | 5,391.98 | - | - | 2,401.42 | 7,793.40 |
| Credits | - | - | - | - | - |
| Previous License period (Jul 20 – Sep 20) | | | | | |
| CPO (MT) | 8,336.67 | - | - | - | 8,336.67 |
| PK (MT) | 2,241.26 | - | - | - | 2,241.26 |
| Credits | - | - | - | - | - |

Note:
 Conventional is RSPO certified material but sold as non-RSPO.

| 11A. Records of Certified CPO & PK Sold under PalmTrace since the last audit (if any) | | | | |
|--|-------------|----------------------------------|-------------------------|------------------------|
| No. | Buyers Name | Palmtrace Trading License Number | Certified CPO Sold (mt) | Certified PK Sold (mt) |
| 1 | A | 574633060000 | 1,176.15 | - |
| 2 | B | 575338006000 | 2,128.98 | - |
| 3 | C | 500450306000 | - | 292.61 |
| 4 | D | 576125005000 | - | 433.20 |
| 5 | A | 574633060000 | 996.96 | - |
| 6 | B | 575338006000 | 1,814.85 | - |
| 7 | E | 500613105000 | 388.41 | 289.31 |
| 8 | C | 500450306000 | - | 355.04 |
| 9 | D | 576125005000 | - | 106.90 |
| 10 | A | 574633060000 | 160.50 | - |
| 11 | B | 575338006000 | 1,670.82 | - |
| 12 | E | 500613105000 | - | 38.80 |
| 13 | C | 500450306000 | - | 116.16 |
| 14 | D | 576125005000 | - | 519.81 |
| 15 | F | 500610705000 | - | 89.43 |
| 16 | E | 574633060000 | 234.16 | 163.40 |
| 17 | C | 575338006000 | 2,368.10 | 241.62 |
| 18 | D | 500613105000 | - | 401.59 |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | | | |
|--------------|---|---------------|------------------|-----------------|
| 19 | E | 500633600000 | 78.65 | 478.33 |
| 20 | A | 500450306000 | 2,419.67 | - |
| 21 | B | 575338006000 | 475.64 | - |
| 22 | C | 500450306000 | - | 107.07 |
| 23 | D | 576125005000 | - | 878.45 |
| 24 | B | 575338006000 | 2,313.20 | - |
| 25 | B | 575338006000 | 77.80 | - |
| 26 | D | 500613105000 | - | 470.80 |
| 27 | A | 500450306000 | 81.23 | - |
| 28 | B | 576125005000 | 1,319.55 | - |
| 29 | E | 500633600000 | - | 158.78 |
| 30 | D | 576125005000 | 1,232.58 | 523.99 |
| 31 | B | 575338006000 | 481.30 | - |
| 32 | A | 500450306000 | 199.14 | - |
| 33 | D | 576125005000 | - | 353.28 |
| 34 | B | 576125005000 | 1,588.09 | - |
| 35 | B | 576125005000 | 318.20 | - |
| 36 | A | 500450306000 | 756.11 | - |
| 37 | D | 576125005000 | - | 396.36 |
| 38 | B | 576125005000 | 637.81 | - |
| 39 | B | 576125005000 | 908.79 | - |
| 40 | A | 504503060000 | 1,548.35 | - |
| 41 | D | 576125005000 | - | 607.88 |
| 42 | B | 5761250050000 | 788.70 | - |
| 43 | A | 5045030600000 | 1,782.52 | - |
| 44 | D | 5761250050000 | - | 610.43 |
| TOTAL | | | 27,946.26 | 7,633.24 |

Note: -

11B. Records of CPO & PK Sold under other schemes since the last audit (if any)

| No. | Buyers Name | Scheme Name | CPO Sold (mt) | PK Sold (mt) |
|--------------|-------------|-------------|---------------|--------------|
| Nil | N/A | N/A | N/A | N/A |
| TOTAL | | | N/A | N/A |

Note: -

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| 11C. Records of CPO & PK Sold as conventional since the last audit (if any) | | | |
|---|-------------|------------------|-----------------|
| No. | Buyers Name | CPO Sold (mt) | PK Sold (mt) |
| 1 | B | 10,123.11 | - |
| 2 | D | - | 2,401.42 |
| TOTAL | | 10,123.11 | 2,401.42 |

Note: -

| 11D. Records of Certified CPO Sold under RSPO Credits since the last audit (if any) | | | |
|---|-------------|----------------------------------|---|
| No. | Buyers Name | PalmTrace Trading License Number | RSPO Credits of Certified CPO Sold (mt) |
| Nil | N/A | N/A | N/A |
| TOTAL | | | N/A |

Note: -

| 12. Independent Smallholders Certified Tonnage / Volume | | | | | | | | | |
|---|---|------|------|----------------------------|------|------|------------------------------|------|------|
| Phase | Estimated last year (Not applicable) | | | Actual (Not applicable) | | | Forecast (Not applicable) | | |
| | Eligibility | MS A | MS B | Eligibility | MS A | MS B | Eligibility | MS A | MS B |
| | 40% | 70% | 100% | 40% | 70% | 100% | 40% | 70% | 100% |
| FFB | | | N/A | | | N/A | | | N/A |
| IS-CSPO | N/A | N/A | | N/A | N/A | | N/A | N/A | |
| IS-CSPKO | N/A | N/A | | N/A | N/A | | N/A | N/A | |
| IS-CSPKE | N/A | N/A | | N/A | N/A | | N/A | N/A | |

| 13. Independent Smallholders Actual Sold Tonnage / Volume | | | | | | |
|---|-----|------------------|-------------------|---------|---------|----------|
| | FFB | FFB Conventional | FFB Other schemes | IS-CSPO | IS-CSPK | IS-CSPKE |
| Current License period (Not applicable) | | | | | | |
| Credits | | | | N/A | N/A | N/A |
| Physical | N/A | N/A | N/A | | | |

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn. Bhd. (ASI Accreditation Number: ASI-ACC-067)
Suite 29.01 Level 29, The Gardens North Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur, Malaysia.
Tel +60 (3) 9212 9638 Fax +60 (3) 9212 9639
Representative: Nicholas Cheong (Nicholas.Cheong@bsigroup.com)
Website: www.bsigroup.com

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 is the UK's National Standards Body. BSI provides independent, third-party certification of management systems. BSI is ASI Accredited (ASI-ACC-067) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia.

2.1 Assessment Methodology, Programme, Site Visits

The on-site assessment was conducted on 3 – 7 January 2022. The audit programme is included as Section 2.3. Where applicable, prior to the initial certification and recertification audit, 30 days Public Notification was made through the RSPO and BSI website on 30 June 2021 as following.

https://rspo.org/uploads/default/pnc/RSPO_Public_Notification_Recertification_Sime_Darby_SOU_2_Chersonese_OM_Supply_Base_English.pdf

Due to the COVID-19 pandemic, this assessment involved a partial remote audit as allowed by RSPO Secretariat – RSPO P&C On-site & Remote Audits dated 24th March 2020. The remote audit was conducted on 2 – 4 August 2021

The approach to the audit was to treat the mill and supply base as an RSPO Certification Unit. A range of occupational health and safety, environmental, best practice management, and social factors were covered. This includes consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas, local communities engagement and workers welfare and safety.

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. Malaysia National Interpretation 2019 of the RSPO P&C 2018 was used as the normative reference to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

The minimum sample size is four estates. Sample size for certification unit with more than four (4) estates were determined based on formula $N = (\sqrt{y}) \times (z)$ where y is the number of estates and where z is the multiplier defined by risk assessment. While, the sampling of smallholders were based on the formula $(\sqrt{y}) \times (z)$; where y is total number of group member and where z is the multiplier defined by the risk assessment. The sampled smallholder listed in Appendix E.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO 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 3.4.

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

The non-conformities for this audit are detailed in Section 3.3 and unless it is stated in this section, all previous nonconformities including minor nonconformities are remains closed.

This report is structured to provide a summary of assessment finding as provided in Appendix A. The assessment was conducted based on risk based approach sampling and therefore nonconformities may exist.

For Initial, Re-certification and Extension of Scope assessment, the report was externally reviewed by approved external peer reviewer prior to certification 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 / Supply Base) | Year 1 (Recertification) | Year 2 (ASA2_1) | Year 3 (ASA2_2) | Year 4 (ASA2_3) | Year 5 (ASA2_4) |
| Chersonese Palm Oil Mill | ✓ | ✓ | ✓ | ✓ | ✓ |
| Chersonese Estate | ✓ | ✓ | ✓ | ✓ | ✓ |
| Holyrood Estate | ✓ | ✓ | ✓ | ✓ | ✓ |
| Tali Ayer Estate | ✓ | ✓ | ✓ | ✓ | ✓ |
| Kalumpong Estate | ✓ | ✓ | ✓ | ✓ | ✓ |

Tentative Date of Next Visit: August 1, 2022 - August 5, 2022

Total Number of Mandays: 15

2.2 BSI Assessment Team

| Name | Role | Competency |
|--------------------------------|-------------|---|
| Hafriazhar Mohd. Mokhtar (HMM) | Team Leader | <p>Education: Holds a Bachelor of Engineering (Hons.) Chemical Engineering, University Technology Malaysia</p> <p>Work Experience: He has 20 years of working experience in multiple engineering disciplines emphasized on science, technology and sustainability. He acquired many skills from being involved in various industrial environments ranging from construction, plantation and mining before auditing. In summary, his started his career as Environmental Officer (2002-2003) in construction, Mill Engineer (2003-2008) in palm oil mill, Project Control Engineer (2008-2011) in mining and Auditor (2011-present) with accredited certification bodies.</p> <p>Training attended: He has completed Social Auditing & SMETA Training, HCV & HCS Introductory Training, ISO 45001 LA Training, MSPO LA Training, Endorsed RSPO SCCS LA Training, Endorsed RSPO P&C LA Training, ISO 9001 LA Training, ISO 50001 LA Training, and ISO 14001 LA Training</p> <p>Aspect covered in this audit: During this audit, he covered Policy and commitment, Social requirements, contract agreement, human rights, workers' welfare, smallholder welfare, Stakeholder Consultation, Legal</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | |
|--|--|---|
| | | <p>Requirements, land & Legal issue and RSPO Supply Chain, HCV, General Custody of Chain, Rules on Market Communications & Claims.</p> <p>Language proficiency: Fluent in English and Bahasa Malaysia</p> |
| <p>Yusof Khairan Nizar Ahmad Tarmizi (YKN)</p> | <p>Team Member</p> | <p>Education: Holds a Bachelor of Corporate Administration (Hons), MARA University of Technology and a Master of Science in Occupational Safety and Health Management-Northern University of Malaysia.</p> <p>Work Experience: Has more than 30 years of working experience in varies industries including as safety officer in manufacturing company; consultant and trainer for management systems including ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, OHSAS 18001:2007, MS1722:2011, Environmental Legislation; contract auditor with varies accredited certification bodies for scheme including Malaysia Sustainable Palm Oil (MSPO), RSPO Principles & Criteria; MPOCC Registered Peer Reviewer and was a Certificate of Safety and Health Officer-Malaysian Insurance Institute.</p> <p>Training attended: He has completed ISO 9001:2000 IRCA/IATC A Lead Auditor Training; ISO 14001:2004 IEMA Approved EMS Advanced Lead Auditor Training Course; OH&SMS IRCA Certified Lead Auditor Training Course; MS 1722 Lead Auditor Training; MSPO Auditing; Endorsed RSPO P&C 2018 Lead Auditor Course; SMETA Requirements Training; HCV & HCS Introductory Training. Also attended the Quality & Environmental MS Auditing Skills Based on Risk Management, Conformity Assessment – For Bodied Providing Audit and Certification (ISO/IEC 17021:2015) collaboration with Institute of Quality Malaysia, ISO/IEC 17021. MSPO Peer Reviewer Training (MPOCC).</p> <p>Aspect covered in this audit: During the assessment, he covered Economic management plan, mill best practices, estate best practices, natural and biodiversity conservation, Waste management, GHG, HCV, Occupation Health Safety requirement, HIRARC, Environment responsibility, training, environment impact assessment and management plan and RSPO supply chain requirements.</p> <p>Language proficiency: Fluent in English and Bahasa Malaysia</p> |
| <p>Mohd Razaleigh Mohamad (MRM)</p> | <p>Team Member (only 30% remote audit)</p> | <p>Education: Holds a Bachelor Degree in Plantation Management and Agrotechnology, University Technology Mara (UiTM).</p> <p>Work Experience: He has 5 years' experience in Oil Palm Estate Management with Tradewinds Plantation Berhad. The last position held was Senior Assistant Manager. He has more than 4 years of experience in Third Party Certification Audit with Control Union (M) Sdn Bhd for RSPO P&C, MSPO P&C and GLOBALG.A.P. IFA Fruits and Vegetables. Qualified as RSPO Lead Auditor and approved to conduct Environmental and Social elements.</p> <p>Training attended: He has completed ISO 9001-2015 Lead Auditor Course, ISO14001- 2015 Lead Auditor Course, ISO45001-2018 Lead Auditor Course, Endorsed RSPO P&C Lead Auditor Course, Endorsed MSPO P&C Lead Auditor Course, Social Accountability SA8000 Auditor Course, RSPO Independent Smallholder (IHS) Auditor Training.</p> <p>Aspect covered in this audit: During the remote audit, he covers Social aspects, legal requirements, employees' welfare, stakeholder management, Good agriculture practice, legal requirements, and continual improvement.</p> <p>Language proficiency: Fluent in English and Bahasa Malaysia</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | |
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| Dr. Suhaili Sahari | Peer Reviewer | <p>Education: Graduated from University Technology Mara (UiTM), Malaysia in Diploma in Science in 1990. He furthers his first degree in B.Sc (Hons) in Chemistry with Industrial Chemistry in 1995 from Liverpool University, England. He later advances his study in Master in Business Administration (General) in 2002 and graduated in 2005 from University of Multimedia, Malaysia. Completed his PhD from University Science Islam Malaysia (Faculty of Economy and Muamalat - Management) under the supervision of previous University Vice Chancellor Dato’ Mohd Muda.</p> <p>Work Experience: Worked with Hong Leong Group of Companies as a production executive cum TQM facilitator and continues to advance in his career as a manager and senior manager in management, production, training and quality for more than 11 years. During his tenure with Hong Leong Group of Companies, he heavily involved in strategic management decision issues such as developing SWOT analysis, Vision, Mission, Business and Corporate Strategy formulation, Acquisition and restructuring strategies. Strategic actions and implementation etc. Then he joint Kumpulan Guthrie and Sime Darby Group of Companies for more than 7 years as a manager, heads of department and Assistant Vice President in management, quality and training. Part of his duty is to strategies the departmental vision; mission, critical success factors and action plan into actions and support the corporate strategic plan.</p> <p>Training attended:</p> <ol style="list-style-type: none"> 1. ISO 9001:2015 Lead Auditor and Internal Auditor 2. ASI Peer reviewer training 3. Safety and Health training 4. ISO 14001:2015 Standard 5. RSPO Standards: RSPO P&C 2018 MY-NI 2019 6. MSPO Standards : MS 2530: 2013 part 1, 2 , 3 and 4 7. Problem Solving Technique: 8 D, ICC, QCC, Systematic PS 8. HACCP MS 1480:2019 <p>GAP Standard : GLOBALG.A.P., EURO GAP</p> |
|--------------------|---------------|--|

Accompanying Persons:

| Name | Role |
|------|------|
| Nil | N/A |

2.3 Assessment Plan

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

On-site (70%) assessment plan:

| Date | Time | Subjects | HMM | YKN |
|------------------|------|---|-----|-----|
| Sunday, 2/1/2022 | PM | Audit team travel to Taiping/Parit Buntar | ✓ | ✓ |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| Date | Time | Subjects | HMM | YKN |
|--|------------------------|--|-----|-----|
| Monday, 3/1/2022 Day 1 Chersonese Estate | 9:00 AM – 9:30 AM | Opening meeting • Opening presentation by audit team leader • Confirmation of assessment scope and finalize audit plan | ✓ | ✓ |
| | 9:30 AM – 1:00 PM | Field visit: Boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc. | ✓ | ✓ |
| | 10:30 AM – 11:30 PM | Meeting with stakeholders (Government, village representatives, smallholders, employee union representatives, vendor etc.) | ✓ | - |
| | 1:00 PM – 2:00 PM | Lunch break | ✓ | ✓ |
| | 2:00 PM – 4:30 PM | Document Review P1 – P7: 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.) | ✓ | ✓ |
| | 4:30 PM – 5:00 PM | • Auditors discussion • Day 1 Interim Closing Briefing | ✓ | ✓ |
| Tuesday, 4/1/2022 Day 2 Chersonese Palm Oil Mill | 9:00 AM – 1:00 PM | Plant visit: FFB receiving, warehouse, workshop, wastes management & Landfill, Effluent Ponds, OSH & ERP, Environment issues, POME application, water treatment. Laboratory, weighbridge and palm product storage area, staff, workers and contractor interview, housing and facility inspection, clinic, lab, weighbridge, and palm product storage area etc. | ✓ | ✓ |
| | 10:30 AM – 11:30 PM | Meeting with stakeholders (Government, village representatives, smallholders, employee union representatives, vendor etc.) | ✓ | - |
| | 1:00 PM – 2:00 PM | Lunch break | ✓ | ✓ |
| | 2:00 PM – 4:30 PM | Document Review P1 – P7: SOPs, review on management plans, SEIA documents, GHG records, wage records, employee data, training records, legal permits, mill inspection and internal monitoring records, CIP & implementation, RSPO SCC general requirements, supply chain for CPO mill, internal audit, management review, sales and purchasing documents, mass balance accounting and other relevant documents and records. | ✓ | ✓ |
| | 4:30 PM – 5:00 PM | • Auditors discussion • Day 2 Interim Closing Briefing | ✓ | ✓ |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| Date | Time | Subjects | HMM | YKN |
|--|------------------------|---|-----|-----|
| Wednesday, 5/1/2022 Day 3 Holyrood Estate | 9:30 AM – 1:00 PM | Field visit: Boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc. | ✓ | ✓ |
| | 10:30 AM – 11:30 PM | Meeting with stakeholders (Government, village representatives, smallholders, employee union representatives, vendor etc.) | ✓ | - |
| | 1:00 PM – 2:00 PM | Lunch break | ✓ | ✓ |
| | 2:00 PM – 4:30 PM | Document Review P1 – P7: 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.) | ✓ | ✓ |
| | 4:30 PM – 5:00 PM | <ul style="list-style-type: none"> Auditors discussion Day 3 Interim Closing Briefing | ✓ | ✓ |
| Wednesday, 6/1/2022 Day 4 Tali Ayer Estate | 9:30 AM – 1:00 PM | Field visit: Boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc. | ✓ | ✓ |
| | 10:30 AM – 11:30 PM | Meeting with stakeholders (Government, village representatives, smallholders, employee union representatives, vendor etc.) | ✓ | - |
| | 1:00 PM – 2:00 PM | Lunch break | ✓ | ✓ |
| | 2:00 PM – 4:30 PM | Document Review P1 – P7: 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.) | ✓ | ✓ |
| | 4:30 PM – 5:00 PM | <ul style="list-style-type: none"> Auditors discussion Day 3 Interim Closing Briefing | ✓ | ✓ |
| Friday, 7/1/2022 Day 5 Kalumpang Estate | 9:30 AM – 1:00 PM | Field visit: Boundary inspection, field operations, staff & workers interview, buffer zone, HCV area, IPM implementation, OSH & ERP, workshop, storage area (agrochemical, fertilizer, lubricant etc.), agrochemical mixing area, Schedule waste management, worker housing, clinic, Landfill etc. | ✓ | ✓ |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| Date | Time | Subjects | HMM | YKN |
|--------------------|---------------------|---|-----|-----|
| | 10:30 AM – 11:30 PM | Meeting with stakeholders (Government, village representatives, smallholders, employee union representatives, vendor etc.) | ✓ | - |
| | 1:00 PM – 2:00 PM | Lunch break | ✓ | ✓ |
| | 2:00 PM – 4:30 PM | Document Review P1 – P7: 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.) | ✓ | ✓ |
| | 4:30 PM – 5:00 PM | <ul style="list-style-type: none"> Auditors discussion Interim Closing Briefing (Kalumpang Estate) | ✓ | ✓ |
| | 5:00 PM – 5:30 PM | <ul style="list-style-type: none"> Closing meeting Presentation of findings and recommendation | ✓ | ✓ |
| Saturday, 8/1/2022 | AM | Audit team travel back to KL | ✓ | ✓ |

Remote (30%) assessment plan:

| Date | Time | Subjects | HMM | YKN | MRM | ICT Planned |
|---------------------------------------|---------------------|---|-----|-----|-----|------------------------------------|
| Monday, 26/7/2021 | 4:30 PM – 5:00 PM | <ul style="list-style-type: none"> Online teleconference trial/test call between client and BSI auditors Communication on document preparation for remote/ICT audit | ✓ | ✓ | ✓ | MS Teams Teleconference |
| Monday, 2/8/2021 Chersonese Estate | 9:00 AM – 9:20 AM | <ul style="list-style-type: none"> Opening meeting Opening presentation by audit team leader Confirmation of assessment scope and finalize audit plan | ✓ | ✓ | ✓ | MS Teams Teleconference |
| | 9:20 AM – 10:20 AM | Assessment and documentation review on: Good agriculture practice, legal requirements, OHS and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 10:20 AM – 10:30 AM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 10:30 AM - 11:30 PM | Assessment and documentation review on: Social aspects, legal requirements, employees' welfare and stakeholder management | ✓ | - | ✓ | MS Teams Teleconference & WhatsApp |
| | 11:30 AM – 11:40 AM | 10-minutes break | ✓ | ✓ | ✓ | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| Date | Time | Subjects | HMM | YKN | MRM | ICT Planned |
|-----------------------------------|---------------------|--|-----|-----|-----|------------------------------------|
| | 11:40 AM – 12:40 PM | Assessment and documentation review on: Good agriculture practice, legal requirements, environment, HCV and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 12:40 PM – 1:40 PM | Lunch break | ✓ | ✓ | ✓ | |
| Chersonese POM | 1:40 PM – 2:40 PM | Assessment and documentation review on: Mill practices, legal requirements, OHS, continual improvement and Supply Chain requirements | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 2:40 PM – 2:50 PM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 2:50 PM – 3:50 PM | Assessment and documentation review on: Social aspects, legal requirements, employees’ welfare, stakeholder management and Supply Chain requirements | ✓ | - | ✓ | MS Teams Teleconference & WhatsApp |
| | 3.50 PM – 4:00 PM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 4:00 PM – 5:00 PM | Assessment and documentation review on: Mill best practices, legal requirements, environment, GHG and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 5:00 PM – 5:20 PM | Day 1 closing/interim briefing | ✓ | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| Tuesday, 3/8/2021 Holyrood Estate | 9:00 AM – 10:00 AM | Assessment and documentation review on: Good agriculture practice, legal requirements, OHS and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 10:00 AM – 10:10 AM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 10:10 AM – 11:10 AM | Assessment and documentation review on: Social aspects, legal requirements, employees’ welfare and stakeholder management | ✓ | - | ✓ | MS Teams Teleconference & WhatsApp |
| | 11.10 AM – 11:20 AM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 11:20 AM – 12:20 PM | Assessment and documentation review on: Good agriculture practice, legal requirements, environment, HCV and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| Date | Time | Subjects | HMM | YKN | MRM | ICT Planned |
|---|---------------------|---|-----|-----|-----|------------------------------------|
| | 12:20 PM – 1:20 PM | Lunch break | ✓ | ✓ | ✓ | |
| Tali Ayer Estate | 1:20 PM – 2:20 PM | Assessment and documentation review on: Good agriculture practice, legal requirements, OHS and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 2:20 PM – 2:30 PM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 2:30 PM – 3:30 PM | Assessment and documentation review on: Social aspects, legal requirements, employees’ welfare and stakeholder management | ✓ | - | ✓ | MS Teams Teleconference & WhatsApp |
| | 3.30 PM – 3:40 PM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 3:40 PM – 4:40 PM | Assessment and documentation review on: Good agriculture practice, legal requirements, environment, HCV and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 4:40 PM – 5:00 PM | Day 2 closing/interim briefing | ✓ | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| Wednesday, 4/8/2021 Kalumpang Estate | 9:00 AM – 10:00 AM | Assessment and documentation review on: Good agriculture practice, legal requirements, OHS and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 10:00 AM – 10:10 AM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 10:10 AM – 11:10 AM | Assessment and documentation review on: Social aspects, legal requirements, employees’ welfare and stakeholder management | ✓ | - | ✓ | MS Teams Teleconference & WhatsApp |
| | 11.10 AM – 11:20 AM | 10-minutes break | ✓ | ✓ | ✓ | |
| | 11:20 AM – 12:20 PM | Assessment and documentation review on: Good agriculture practice, legal requirements, environment, HCV and continual improvement | - | ✓ | ✓ | MS Teams Teleconference & WhatsApp |
| | 12:20 PM – 1:00 PM | Closing meeting | ✓ | ✓ | ✓ | MS Teams Teleconference |

Section 3: Assessment Findings

3.1 Multiple Management Units and Time Bound Plan

| Requirement | Assessment | Compliance |
|---|---|------------|
| Does the time bound plan include all current subsidiaries, estates and mills that is under the control and/or minor shareholding of the holding company? | Yes. SDP TBP has included all its operating units in Malaysia, Indonesia, Papua New Guinea and Solomon Island. Refer to the Time Bound Plan table. As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI): http://www.simedarbyplantation.com/media/press-releases/sime-darby-plantation-completes-divestment-of-its-liberia-operations | Complied. |
| Have all the estates and mills certified within five (5) years after obtaining RSPO membership? | Yes. All estates and mill has been certified with RSPO. Some units with exemption cases such as poor financial or sold as property development has been taken out from the certification unit. In Malaysia, Pekaka Mill is being mothballed and all the supply bases certified to it (Pekaka Estate; Ruai Estate, Dulang Estate, Paroh Estate & Chartquest Estate) has been transferred to SOU Lavang while for Bintang Oil Mill, SDP acquired Bintang Palm Oil Mill in Johor in April 2017. As at Dec 2017, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on hold and on 1st Oct 2018, the mill has completed the selling off transaction. In Indonesia, PT Mitral Austral Sejahtera was sold and currently SDP have no control in the management. | Complied |
| Have there been any new acquisitions? If yes, the new acquisitions shall be certified within three (3) years from the date of acquisition. Certification plan for the new acquisition shall be available. | No. There is no new acquisitions as at latest TBP 2021. | Complied |
| Any deviations from the maximum periods requires approval by the RSPO Secretariat. | Although there are deviation has been identified at those Indonesia management units but it has been justified that these units are still awaiting to receive land titles. | Complied |
| Have there been any changes to the time-bound plan since the last audit (both new acquisition and existing)? If yes, justification is required. Is this consistent with the ACOP reporting? | Yes. Indonesia - PT Swadaya Andika: Mill closed down and all the supply bases was transferred to Rantau Mill - PT Laguna Mandiri. The Selabak Est, Randi Est, Sangkoh Est, Lanting Est is currently under PT Laguna Mandiri - Rantau Factory certification. PT Mitral Austral | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>Sejahtera: The properties was sold and currently Sime Darby Plantation Berhad have no control in the management. The property was disposed on 25/06/2019 and an official letter on disposal of PT MAS was sent to RSPO Secretariat on 27/06/2019. Malaysia - Pekaka Mill is being mothballed in year 2018 and all the certified supply base Pekaka Estate; Ruai Estate, Dulang Estate, Paroh Estate & Chartquest Estate has been transferred to SOU Lavang. Bintang Oil Mill: Sime Darby Plantation Berhad acquired Bintang Palm Oil Mill in Johor in April 2017. As at Dec 2017, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on hold. As at 01/10/2018, the mill has completed the selling off transaction.</p> <p>Papua New Guinea - Markham Farming Company Limited (MFCL)/Markham Agro Pte. Ltd: The Remediation and Compensation Process is at the submission of Compensation Plan. RSPO Main Assessment is planned on 10-14 March as public Notification letter: www.rspo.org/certification/public-announcement</p> <p>For Liberia operations: As at 16/01/2020, Sime Darby Plantation Berhad under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (Sime Darby Plantation Liberia) to Mano Palm Oil Industries Ltd (MPOI): www.simedarbyplantation.com/media/pressreleases/sime-darby-plantation-completesdivestment-of-its-liberia-operations. ACOP 2020 has been cross-referenced as below: www.rspo.org/members/29</p> | |
| <p>Have there been any isolated lapses in implementation of the plan? If yes a Minor non-compliance shall be raised</p> | <p>Although there lapses has been identified at those Indonesia management units but it has been justified that these units are still awaiting to receive land titles.</p> | <p>Complied</p> |
| <p>Have there been any fundamental failure (e.g. unable to justify delay in planning the assessments) to proceed with implementation of the plan? If yes a Major non-compliance shall be raised</p> | <p>No fundamental failure. Both Liberia and Indonesia (PT Mitral Austral Sejahtera) has been excluded in the latest TBP as these 2 assets were disposed.</p> | <p>Complied</p> |
| <p>Un-Certified Units or Holdings</p> | | |
| <p>No replacement of primary forest or any area required to maintain or enhance HCVs and HCS in accordance with RSPO P&C criterion 7.12.</p> | <p>Based on the time-bound plan, it was not identified that those uncertified units are due to RaCP. Mainly are due to awaiting to receive land titles at the Indonesia management units</p> | <p>Complied</p> |
| <p>Any new plantings since January 1st 2010 shall comply with the RSPO New Plantings Procedure.</p> | <p>New plantings within Sime Darby Plantation Berhad that have completed NPP notification 1. NBPOL (Poliamba Limited) 23/05/2020 – no</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>comments</p> <p>https://rspo.org/certification/new-plantingprocedure/public-consultations/sime-darbyplantation-berhad-nbpol-poliamba-limited</p> <p>2. NBPOL (Guadalcanal Plain Palm Oil Ltd) 06/04/2018 – no comments https://rspo.org/certification/new-plantingprocedure/public-consultations/new-britainpalm-oil-a-subsiary-of-sime-darby-plantationbhd-guadalcanal-plain-palm-oil-ltd</p> <p>3. NBPOL (Ragu Agri Industries Limited) 29/01/2018 – no comments https://rspo.org/certification/new-plantingprocedure/public-consultations/nbpol-ramuagri-industries-ltd</p> <p>4. NBPOL (Ragu Agri Industries Limited) 02/09/2016 – no comments https://rspo.org/certification/new-plantingprocedure/public-consultations/new-britainpalm-oil-ltd-ramu-agri-industries-limited</p> <p>5. NBPOL (Higaturu Oil Palms) 21/06/2016 – no comments https://rspo.org/certification/new-plantingprocedure/public-consultations/new-britainpalm-oil-ltd-higaturu-oil-palms</p> <p>6. NBPOL (Poliamba Limited – Lamawan) 07/04/2014 – no comments captured in RSPO Website https://rspo.org/certification/new-plantingprocedure/public-consultations/nbpol-poliambalimited-lamawan-png</p> <p>7. NBPOL (Poliamba Limited – Lamendauen) 07/04/2014 – no comments captured in RSPO Website https://rspo.org/certification/new-plantingprocedure/public-consultations/nbpol-poliambalimited-lamendauen-png</p> <p>8. NBPOL (Roka Mini estate) 04/11/2013 – no comments captured in RSPO website https://rspo.org/certification/new-plantingprocedure/public-consultations/new-britainpalm-oil-ltd.-roka-mini-estate</p> <p>9. NBPOL (J estate) 01/11/2013 – no comments captured in RSPO website https://rspo.org/certification/new-plantingprocedure/public-consultations/new-britainpalm-oil-ltd.-j-estate</p> <p>10. NBPOL (Higaturu Oil Palm) 14/12/2012 – no comments captured in RSPO website</p> | |
|--|--|--|

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>https://rspo.org/certification/new-plantingprocedure/public-consultations/new-britainpalm-oil-limited-higaturu-oil-palm</p> <p>11. Sime Darby (Liberia) Plantation Inc 06/03/2012 – no comments captured in RSPO website</p> <p>https://rspo.org/certification/new-plantingprocedure/public-consultations/sime-darbyliberia-plantation-inc-new-planting-assessment</p> <p>12. Sime Darby (Liberia) Plantation Inc 06/03/2012 – no comments captured in RSPO website</p> <p>https://rspo.org/certification/new-plantingprocedure/public-consultations/sime-darbyliberia-plantation-inc.-new-planting-assessment1</p> <p>13. Sime Darby (Liberia) Plantation Inc 06/03/2012 – no comments captured in RSPO website</p> <p>https://rspo.org/certification/new-plantingprocedure/public-consultations/sime-darbyliberia-plantation-inc.-new-planting-assessment</p> <p>Management units for 11 – 13 above were disposed.</p> | |
| <p>Any Land conflicts are being resolved through a mutually agreed process, such as RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8.</p> | <p>No land conflicts. Both Liberia and Indonesia (PT Mitral Austral Sejahtera) has been excluded in the latest TBP as both sites was disposed. The RaCP tracker was checked. There are 21 Management units that have potential liabilities. There are some discrepancy between RaCP tracker and actual scenario due possibility of assets disposal. As per the data audited, there are 19 management units for the Indonesia Operations that requires LUCA. All LUCAs were submitted but the review was delayed due to change of RSPO reviewer. As of 14/07/2021, 10 LUCAs were approved with 0 conservation liability and remaining 9 are still pending from RSPO.</p> | <p>Complied</p> |
| <p>Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2</p> | <p>Sime Darby Plantation Berhad have published Grievance mechanism that is applied to all management units. Disputes related to labor, stakeholders and communities are to be dealt using this mechanism</p> | <p>Complied</p> |
| <p>Any Legal non- compliance is being addressed through measures consistent with the requirements of RSPO P&C criteria 2.1</p> | <p>Yes. The sustainability unit has conducted internal audits the uncertified units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. The issue are mainly awaiting for Land Titles. The last audit was conducted between July 2020 – August 2020. The Head of Sustainability has concluded in the uncertified unit compliance report that there is no land disputes and legal compliance is monitored during the internal audit as the positive assurance</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | |
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| <p>Did the company conduct internal audit for those uncertified estates against the uncertified management units requirement and covering the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12? If yes, a positive assurance statement shall be available and justified.</p> | <p>Yes. The sustainability unit has conducted internal audits the uncertified units and updated in the compliance status of uncertified management unit. There is no replacement of primary forest or HCV area and no new planting after January 1st 2010. The issue are mainly awaiting for Land Titles. The last audit was conducted between July 2020 – August 2020.</p> <p>The Head of Sustainability has concluded in the uncertified unit compliance report that there is no land disputes and legal compliance is monitored during the internal audit as the positive assurance.</p> | <p>Complied</p> |
| <p>Are there any Critical (Major) non-compliance raised against any of the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates? If yes is the NC(s) actively addressed with RSPO?</p> | <p>No any critical (Major) non-compliance raised against any of the RSPO P&C criterion 2.1 4.2, 4.4, 4.5, 4.6, 4.7, 4.8 and 7.12 during the last internal audit of the uncertified estates.</p> | <p>Complied</p> |
| <p>Have there been any stakeholder (including NGO) consultation conducted?</p> | <p>Respective sites maintained stakeholder engagements as part of the estates/mills operations. Especially in Indonesia, socialization of company</p> | <p>Complied</p> |

3.2 Progress of scheme smallholders and/or outgrowers

| <p>Progress of scheme smallholders or outgrowers towards compliance with relevant standards</p> | | |
|---|--|--------------------------|
| <p>Requirement</p> | <p>Remarks</p> | <p>Compliance</p> |
| <p>Has 100% of scheme smallholders and/or scheme outgrowers comply with the standard within three years of the mill's initial certification?</p> <p>OFI shall be raised if after one year where 100% of the scheme smallholders and scheme outgrowers are not in compliance, a minor NC after two years, and a major NC if this requirement is not met after three years.</p> | <p>There is no scheme smallholders and/ or outgrowers include in the scope of certification.</p> | <p>Complied</p> |

Approved Time Bound Plan

SDP - RSPO Certification for Time Bound Plan - Malaysia Operations

| No | Management Unit | Supply Base | Time Bound Plan | Location | Status | Certified Date | Remarks |
|----|-----------------|------------------------|-----------------|---------------------|-----------|----------------|---------|
| | SOU Name | | | | | | |
| 1 | Sungai Dingin | Sungai Dingin Oil Mill | - | Karangan, Kedah | Certified | 12/08/2011 | - |
| | | Anak Kulim Estate | | | | | |
| | | Sungai Dingin Estate | | | | | |
| | | Somme Estate | | | | | |
| | | Bukit Selarong Estate | | | | | |
| | | Padang Buluh Estate | | | | | |
| | | Bukit Hijau Estate | | | | | |
| | | Jentayu Estate | | | | | |
| 2 | Chersonese | Chersonese Oil Mill | - | Kuala Kurau, Perak | Certified | 05/10/2011 | - |
| | | Chersonese Estate | | | | | |
| | | Kalumpong Estate | | | | | |
| | | Tali Ayer Estate | | | | | |
| | | Holyrood Estate | | | | | |
| 3 | Elphil | Elphil Oil Mill | - | Sungai Siput, Perak | Certified | 16/08/2011 | - |
| | | Kamuning Estate | | | | | |
| | | Elphil Estate | | | | | |
| | | Kinta Kellas Estate | | | | | |
| 4 | Flemington | Flemington Oil Mill | - | Teluk Intan, Perak | Certified | 05/10/2011 | - |
| | | Flemington Estate | | | | | |
| | | Bagan Datoh Estate | | | | | |

| | | | | | | | |
|---|-------------------|------------------------------|---|---------------------------|-----------|------------|---|
| | | Sabak Bernam Estate | | | | | |
| | | Sg. Samak Estate | | | | | |
| 5 | Seri Intan/Selaba | Seri Intan Oil Mill | - | Teluk Intan, Perak | Certified | 03/03/2011 | - |
| | | Selaba Oil Mill | | | | | |
| | | Seri Intan (+ Selaba) Estate | | | | | |
| | | Sabrang Estate | | | | | |
| | | Sogomana Estate | | | | | |
| | | Sg. Wangi Estate | | | | | |
| | | Bikam Estate | | | | | |
| | | Cluny (+ Bedford) Estate | | | | | |
| 6 | Tennamaram | Tennamaram Oil Mill | - | Bestari Jaya, Selangor | Certified | 03/03/2011 | - |
| | | Tennamaram Estate | | | | | |
| | | Sungai Buluh Estate | | | | | |
| | | Bukit Talang Estate | | | | | |
| 7 | Bukit Kerayong | Bukit Kerayong Oil Mill | - | Kapar Selangor | Certified | 15/04/2011 | - |
| | | Bukit Kerayong Estate | | | | | |
| | | Bukit Cheraka Estate | | | | | |
| | | Elmina Estate | | | | | |
| 8 | East | East Oil Mill | - | Carey Island, Selangor | Certified | 19/05/2011 | - |
| | | East Estate | | | | | |
| | | Sepang Estate | | | | | |
| | | Dusun Durian Estate | | | | | |
| 9 | West | West Oil Mill | - | Carey Island, Selangor | Certified | 19/05/2011 | - |
| | | West Estate | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|---------------|--------------|-----------------------|---|-------------------------------|-----------|------------|--|
| 10 | Bukit Puteri | Bukit Puteri Oil Mill | - | Raub, Pahang | Certified | 07/07/2011 | - |
| | | Bukit Puteri Estate | | | | | |
| 11 | Kerdau | Kerdau Oil Mill | - | Temerloh, Pahang | Certified | 07/07/2011 | - |
| | | Kerdau Estate | | | | | |
| | | Jentar Estate | | | | | |
| | | Mentakab Estate | | | | | |
| | | Chenor Estate | | | | | |
| Sg Mai Estate | | | | | | | |
| 12 | Jabor | Jabor Oil Mill | - | Kuantan, Pahang | Certified | 07/07/2011 | - |
| | | Jabor Estate | | | | | |
| 13 | Labu | Labu Oil Mill | - | Nilai, Negeri Sembilan | Certified | 30/12/2011 | New Labu Estate has become a division of Labu Estate. |
| | | Labu Estate | | | | | |
| 14 | Tanah Merah | Tanah Merah Oil Mill | - | Port Dickson, Negeri Sembilan | Certified | 19/05/2010 | - |
| | | Tanah Merah Estate | | | | | |
| | | Bukit Pelandok Estate | | | | | |
| 15 | Sua Betong | Sua Betong Oil Mill | - | Port Dickson, Negeri Sembilan | Certified | 18/02/2014 | Siliao Estate has now been merged into Salak Estate and Bradwall Estate. |
| | | Sua Betong Estate | | | | | |
| | | Sengkang Estate | | | | | |
| | | Bradwall Estate | | | | | |
| | | PD Lukut Estate | | | | | |
| | | Tampin Linggi Estate | | | | | |
| | | Sg. Bahru Estate | | | | | |
| Salak Estate | | | | | | | |
| 16 | Kok Foh | Kok Foh Oil Mill | - | | Certified | 07/07/2011 | - |

| | | | | | | | |
|----|-----------------|-------------------------------|---|------------------------|-----------|------------|---|
| | | Muar River Estate | | Bahau, Negeri Sembilan | | | |
| | | Sg. Senarut Estate | | | | | |
| | | Sg. Gemas Estate | | | | | |
| | | Kok Foh Estate | | | | | |
| | | Bukit Pilah Estate | | | | | |
| | | St. Helier Estate | | | | | |
| | | Sungai Sabaling Estate | | | | | |
| | | Pertang Estate | | | | | |
| 17 | Kempas | Kempas Oil Mill | - | Jasin, Melaka | Certified | 19/05/2010 | - |
| | | Kempas Estate | | | | | |
| | | Tangkah Estate | | | | | |
| | | Kemuning Estate | | | | | |
| 18 | Diamond Jubilee | Diamond Jubilee Palm Oil Mill | - | Jasin, Melaka | Certified | 05/10/2011 | - |
| | | Serkam Estate | | | | | |
| | | Diamond Jubilee Estate | | | | | |
| | | Bukit Asahan Estate | | | | | |
| 19 | Pagoh | Pagoh Oil Mill | - | Muar, Johor | Certified | 28/1/2014 | - |
| | | Pagoh Estate | | | | | |
| | | Welch Estate | | | | | |
| | | Lanadron Estate | | | | | |
| | | Pengkalan Bukit Estate | | | | | |
| 20 | Chaah | Chaah Oil Mill | - | Chaah, Johor | Certified | 18/11/2010 | - |
| | | Chaah Estate | | | | | |
| | | Sg. Simpang Kiri Estate | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | | | | | | |
|----|--------------|-----------------------|---|----------------------|-----------|------------|---|
| | | North Labis Estate | | | | | |
| 21 | Gunung Mas | Gunung Mas Oil Mill | - | Kluang, Johor | Certified | 19/05/2010 | * SDP acquired Lian Seng Estate in Johor in April 2017. Lian Seng Estate is merged into Bkt Paloh Estate of SOU 21 Gunung Mas, Lian Seng has been incorporated in the RSPO Certification Scope of SOU Gunung Mas in 2018. |
| | | Gunung Mas Estate | | | | | |
| | | Kempas Klebang Estate | | | | | |
| | | Bukit Paloh Estate | | | | | |
| | | Yong Peng Estate | | | | | |
| 22 | Bukut Benut | Bukit Benut Oil Mill | - | Kluang, Johor | Certified | 05/11/2011 | * SDP acquired Talisman Estate in Johor in April 2017. Talisman Estate is merged into CEP Nyior Estate of SOU 22 Bk Benut and has been incorporated in the RSPO Certification Scope of SOU Bk Benut in 2018. |
| | | Bukit Benut Estate | | | | | |
| | | Lambak Elaeis Estate | | | | | |
| | | CEP Nyior Estate | | | | | |
| 23 | Ulu Remis | Ulu Remis Oil Mill | - | Layang-Layang, Johor | Certified | 11/04/2011 | - |
| | | Ulu Remis Estate | | | | | |
| | | Cenas Estate | | | | | |
| | | Bukit Badak Estate | | | | | |
| | | Tun Dr. Ismail Estate | | | | | |
| | | Pekan Estate | | | | | |
| | | Sembrong Estate | | | | | |
| 24 | Hadapan | Hadapan Oil Mill | - | Layang-Layang, Johor | Certified | 29/3/2011 | - |
| | | Sri Pulai Estate | | | | | |
| | | Kulai Estate | | | | | |
| | | Layang Estate | | | | | |
| | | CEP Renggam Estate | | | | | |
| 26 | Sandakan Bay | Sandakan Bay | - | Sandakan, Sabah | Certified | 01/10/2008 | - |
| | | Tun Tan Siew Sin | | | | | |

| | | | | | | | |
|----|---------|--------------------|---|------------------|-----------|------------|---|
| | | Tunku Estate | | | | | |
| | | Tigowis Estate | | | | | |
| | | Sentosa Estate | | | | | |
| | | Segaliud Estate | | | | | |
| 27 | Melalap | Melalap Oil Mill | - | Tenom, Sabah | Certified | 21/1/2011 | - |
| | | Melalap Estate | | | | | |
| | | Sapong Estate | | | | | |
| 28 | Binuang | Binuang Oil Mill | - | Kunak, Sabah | Certified | 16/1/2009 | - |
| | | Binuang Estate | | | | | |
| | | Sungang Estate | | | | | |
| | | Tingkayu Estate | | | | | |
| | | Jeleta Bumi Estate | | | | | |
| 29 | Giram | Giram Oil Mill | - | Kunak, Sabah | Certified | 16/1/2009 | - |
| | | Giram Estate | | | | | |
| | | Mostyn Estate | | | | | |
| 30 | Merotai | Merotai Oil Mill | - | Tawau, Sabah | Certified | 16/1/2009 | - |
| | | Merotai Estate | | | | | |
| | | Imam Estate | | | | | |
| | | Tiger Estate | | | | | |
| | | Table Estate | | | | | |
| 31 | Layang | Lavang Oil Mill | - | Bintulu, Sarawak | Certified | 30/12/2011 | - |
| | | Lavang Estate | | | | | |
| | | Rasan Estate | | | | | |
| | | Belian Estate | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|----|----------|-------------------------|---|------------------|-----------|------------|--|
| | | Kelida Estate | | | | | |
| | | Lavang (Special) Estate | | | | | |
| | | Pekaka Estate | | | | | |
| | | Ruai Estate | | | | | |
| | | Dulang Estate | | | | | |
| | | Charquest Estate | | | | | |
| | | Paroh Estate | | | | | |
| 32 | Rajawali | Rajawali Oil Mill | - | Bintulu, Sarawak | Certified | 30/12/2011 | - |
| | | Rajawali Estate | | | | | |
| | | Samudera Estate | | | | | |
| | | Semarak Estate | | | | | |
| | | Bayu Estate | | | | | |
| 33 | Derawan | Derawan Oil Mill | - | Bintulu, Sarawak | Certified | 30/12/2011 | - |
| | | Derawan Estate | | | | | |
| | | Sahua Estate | | | | | |
| | | Takau Estate | | | | | |
| | | Damai Estate | | | | | |
| 34 | Pekaka | Pekaka Mill | - | Bintulu, Sarawak | Withdrawn | NA | Pekaka Mill is being mothballed and all the supply bases certified to it (Pekaka Estate; Ruai Estate, Dulang Estate, Paroh Estate & Chartquest Estate.) has been transferred to SOU Lavang. |
| 35 | Bintang | Bintang Oil Mill | - | Johor | NA | NA | * SDP acquired Bintang Palm Oil Mill in Johor in April 2017. As at Dec 2017, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|--|--|--|--|--|--|--|---|
| | | | | | | | hold. As at 1st Oct 2018, the mill has completed the selling off transaction. |
|--|--|--|--|--|--|--|---|

SDP - RSPO Certification for Time Bound Plan - Indonesia Operations

| No | Management Unit | Mill and Supply Base | Time Bound Plan | Latest Internal / External | Location | Status | Certified Date | Remarks (for uncertified unit) |
|----------------------|----------------------------|-----------------------------|-----------------|----------------------------|---|-----------|----------------|---|
| | SOU Name | | | Audit Date | | | | |
| 1 | PT Lahan Tani Sakti | Alur Dumai Mill | - | - | Rokan Hilir District – Riau | Certified | 16/01/2012 | - |
| | | Alur Dumai Estate | | | | | | |
| 2 | PT Sajang Heulang | Mustika Mill | - | - | Tanah Bumbu District – South Kalimantan | Certified | 03/07/2013 | KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| | | Mustika Estate | | | | | | |
| | | KKPA-2 PT.SHE Estate | | | | | | |
| | | KKPA-3 PT.SHE Estate | | | | | | |
| | | KKPA-5 PT.SHE Estate | | | | | | |
| Pantai Bonati Estate | 06/07/2011 | | | | | | | |
| 3 | PT Ladangrumpun Suburabadi | Angsana Mill | - | - | Tanah Bumbu District – South Kalimantan | Certified | 06/07/2021 | KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| | | Angsana Estate | | | | | | |
| | | Pantai Bonati Estate | | | | | | |
| | | Gunung Sari Estate | | | | | | |
| | | KKPA-1 PT.SHE Estate | | | | | | |
| | | KKPA-4 PT.SHE Estate | | | | | | |
| | | Subur Abadi Plasma 1 Estate | | | | | TBC | |
| 4 | PT Langgeng Muaramakmur | Bebunga Mill | - | - | | Certified | 16/03/2012 | KKPA & Plasma is not under the management control of Sime Darby |
| | | Bebunga Estate | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|---|------------------------------|-----------------------|-----|-----|---|-----------|------------|--|
| | | Sungai Cengal Estate | | | Kotabaru District – South Kalimantan | | | Plantation. The decision of certification is from KKPA / Plasma themselves. |
| | | Bakau Estate | | | | | | |
| | | KKPA LMR | TBC | TBC | | TBC | TBC | |
| 5 | PT Kridatama Lancar | Sukamandang Mill | - | - | Seruyan and East–Kotawaringin District Central Kalimantan | Certified | 05/07/2011 | - |
| | | Sukamandang Estate | | | | | | |
| | | Sapiri Estate | | | | | | |
| | | Barasdanum Estate | | | | | | |
| | | Kuala Kuayan Estate | | | | | | |
| 6 | PT Bahari Gembira Ria | Ladang Panjang Mill | - | | Muaro Jambi District - Jambi | Certified | 09/07/2012 | Only Division 3 is certified (1,202 Ha). Total Areas of Division 1 and 2 (1,796.19 ha) HGU still in process KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| | | Ladang Panjang Estate | | | | | | |
| | | Plasma BGR Estate | TBC | TBC | | TBC | TBC | |
| 7 | PT Tunggal Mitra Plantations | Manggala Mill | - | - | Rokan Hilir District – Riau | Certified | 25/11/2010 | - |
| | | Manggala 1 Estate | | | | | | |
| | | Manggala 2 Estate | | | | | | |
| | | Manggala 3 Estate | | | | | | |
| 8 | PT Paripurna Swakarsa | Pondok Labu Mill | - | - | Kotabaru District – South Kalimantan | Certified | 16/03/2012 | - |
| | | Pondok Labu Estate | - | - | | | | |
| | | Binturung Estate | | | | | | |
| | | Rampa Estate | | | | | | |
| | | Sesulung Estate | | | | | | |
| 9 | PT Bersama Sejahtera Sakti | Gunung Aru Mill | - | | | Certified | 05/07/2011 | - |
| | | Gunung Aru Estate | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|----|-------------------------|--|------|-----|--|-----------|------------|---|
| | | Gunung Kemas Estate | | | Kotabaru District – South Kalimantan | | | |
| | | Laut Timur Estate | | | | | | |
| | | Pantai Timur Estate | | | | | | |
| | | KKPA MBP | TBC | TBC | | TBC | TBC | KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| 10 | PT Guthrie Pecconina | Rantau Panjang Mill | - | - | Musu Banyuasin District – South Sumatera | Certified | 16/03/2012 | Remarks: Land legalisation process for 4152.70 ha is still in process. |
| | | Rantau Panjang Estate | | | | | | |
| | | Bumi Ayu Estate | | | | | | |
| | | Karang Ringin Estate | | | | | | |
| | | Napal Estate | | | | | | |
| | | Mangun Jaya Estate | | | | | | |
| | | Sungai Jernih Estate and GPI KKPA Estate | 2023 | - | - | - | - | 890.98 Ha – Still under Land legalisation process - Process Kadastral. Sg Jernih estate and KKPA was separated in 2022 and recorded separately. KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| 11 | PT Laguna Mandiri | Rantau Mill | - | - | Kotabaru District – South Kalimantan | Certified | 30/12/2011 | |
| | | Rantau Estate | | | | | | |
| | | Matalok Estate | | | | | | |
| | | Betung Mill | | | | | | |
| | | Betung Estate | | | | | | |
| | | Sekayu Estate | | | | | | |
| 12 | | Sekunyir Mill | - | - | | Certified | 23/11/2010 | - |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|----|---------------------------|--|---|---|---|-----------|--------------------------|---|
| | PT Indotruba Tengah | Sekunyir Seruyan Estate | | | Seruyan and West Kotawaringin District – Central Kalimantan | | | |
| 13 | PT Swadaya Andika | Selabak Mill Selabak Estate Randi Estate Sangkoh Estate Lanting Estate | - | - | Kotabaru District – South Kalimantan | Certified | 16/03/2012 | Mill closed down and all the supply bases was transferred to Rantau Mill – PT Laguna Mandiri. The Selabak Est, Randi Est, Sangkoh Est, Lanting Est is currently under PT Laguna Mandiri – Rantau Factory certification. |
| 14 | PT Bina Sains Cemerlang | Sungai Pinang Mill Sungai Pinang Estate Bukit Pinang Estate | - | - | Musi Rawas District – South Sumatera | Certified | 11/09/2012 | Remarks: Land legalisation process for 308.35 ha is still in process. |
| 15 | PT Teguh Sempurna | Pemantang Mill Pemantang Estate Kawan Batu Estate Hatan Tiring Estate Batang Garing Estate | - | - | Seruyan and East Kotawaringin District – Central Kalimantan | Certified | 05/07/2011 | - |
| 16 | PT Bhumireksa Nusa Sejati | Teluk Bakau Mill Teluk Bakau Estate Nusa Lestari Estate Nusa Perkasa Estate Mandah Mill Mandah Estate Rotan Semelur Estate | - | - | Indra Giri Hilir District – Riau | Certified | 11/10/2011 01/04/2014 | - |
| 17 | | Teluk Siak Mill | - | - | | Certified | 11/10/2011 | - |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | | | | | | | |
|----|--|---------------------------------|------|-----|---|-----------|------------|---|
| | PT Intipersada Aneka | Teluk Siak Estate | | | Pekanbaru, Siak District – Riau | | | |
| | | Pinang Sebatang Estate | | | | | | |
| | | Aneka Persada Estate | | | | | | |
| 18 | PT Tamaco Graha Krida | Ungkaya Mill | - | - | Morowali District – Sulawesi Tengah | Certified | 10/7/2012 | - |
| | | Ungkaya Estate | | | | | | |
| | | Plasma TGK Estate | TBC | TBC | | TBC | TBC | KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| 19 | PT SIME Indo Agro | Bukit Ajong Mill | - | - | Sanggau District – West Kalimantan | Certified | 18/10/2010 | Land legalisation process for East Est for 5815.64 ha is still in process. |
| | | West Estate | | | | | | |
| | | East Estate | | | | | | |
| | | East* Estate /Sei Mawang Estate | 2023 | - | | - | | Land legalisation for Sei Mawang is still in process |
| | | East Plasma Estate | - | - | | Certified | 18/7/2016 | - |
| | | West Plasma Estate | | | | | | |
| 20 | PT Padang Palma Permai /PT Perkasa Subur Sakti | Blang Simpo Mill | - | - | Aceh Tamiang and East Aceh District – Nangroe Aceh Darussalam | Certified | 03/05/2013 | - |
| | | Tamiang (PT PPP) Estate | - | - | | | | |
| | | Batang Ara (PT PSK) Estate | | | | | | |
| | | Blang Simpo-01 Estate | | | | | | |
| | | Blang Simpo-02 Estate | | | | | | |
| 21 | PT Natapalma Sandika | Lembiru Mill | - | - | Ketapang District – West Kalimantan | Certified | 03/07/2014 | PT Sandika Natapalma and PT Budidaya Agro Lestari is sharing one mill i.e. Lembiru Mill. |
| | | Lembiru Estate | | | | | | |
| | | Awatan Estate | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|----|-----------------------------|------------------------------|------|-----|-------------------------------------|-----------|------------|---|
| | | Karya Palma Estate | TBC | TBC | | TBC | TBC | KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| | | KKPA SNP Estate | TBC | TBC | | TBC | TBC | |
| 22 | PT Budidaya Agro Lestari | Pelanjau (PT BAL) Estate | - | - | Ketapang District – West Kalimantan | Certified | 03/07/2019 | - |
| | | Sungai Putih (PT BAL) Estate | 2023 | - | | - | | Land Approval is obtained in 2015 while the other approvals are still in processing HGU obtained as per May 2018 KKPA & Plasma is not under the management control of Sime Darby Plantation. The decision of certification is from KKPA / Plasma themselves. |
| | | Beturus (PT BAL) Estate | 2023 | - | | - | | |
| | | KKPA BAL Estate | TBC | TBC | | TBC | TBC | |
| 23 | PT Mitral Austral Sejahtera | MAS Mill | NA | NA | Sanggau District – West Kalimantan | NA | NA | The properties was sold and currently SDP have no control in the management. Please find latest information on 'Updates on PT MAS' worksheet and updates to RSPO Secretariat. |
| | | MAS 1 Estate | | | | | | |
| | | MAS 2 Estate | | | | | | |
| | | MAS 4 Estate | | | | | | |
| | | Plasma MAS Estate | | | | | | |

SDP - RSPO Certification for Time Bound Plan – New Britain Palm Oil (NBPOL) Operations (as at March 2021)

| No | Management Unit | Mill and Supply Base | Time Bound Plan | Location | Status | Certified Date | Remarks (for uncertified unit) |
|----|---|----------------------------------|-----------------|---------------------------------------|-----------|----------------|--------------------------------|
| | SOU Name | | | | | | |
| 1 | Guadalcanal Plains Palm Oil Limited (GPPOL) | Tetere Oil Mill | - | Guadalcanal Province, Solomon Islands | Certified | 18/03/2011 | - |
| | | Tetere Estate | | | | | |
| | | Ngalimbiu Estate | | | | | |
| | | Mbalisuna Estate | | | | | |
| | | Smallholders – West Zone (83) | | | | | |
| | | Smallholders – Central Zone (53) | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | | | | | | |
|---|---|--|---|---------------------------|-----------|------------|---|
| | | Smallholders – MBA East Zone (59) | | | | | |
| | | Smallholders – MBE East Zone (37) | | | | | |
| 2 | Milne Bay Estate (MEB) | Hagita Oil Mill | - | Milne Bay Province, PNG | Certified | 15/02/2018 | - |
| | | Giligili Estate | | | | | |
| | | Hagita Estate | | | | | |
| | | Waigani Estate | | | | | |
| | | Sagarai Estate | | | | | |
| | | Padipadi Estate | | | | | |
| | | Mariawatte Estate | | | | | |
| | | Smallholders – East Gurney Estate (264) | | | | | |
| | | Smallholders – West Gurney Estate (229) | | | | | |
| | | Smallholders – East Sagarai Estate (157) | | | | | |
| | | Smallholders – West Sagarai Estate (221) | | | | | |
| 3 | Poliamba (POL) | Poliamba Oil Mill | - | New Ireland Province, PNG | Certified | 19/03/2012 | - |
| | | Kara Estate | | | | | |
| | | Nalik Estate | | | | | |
| | | West Coast Estate | | | | | |
| | | Noatsi Estate | | | | | |
| | | Madak Estate | | | | | |
| | | Smallholders -North Division (615) | | | | | |
| | | Smallholders- South Division (868) | | | | | |
| | | Smallholders -West Division (309) | | | | | |
| 4 | Ramu Agricultural Industrial Ltd (RAIL) | Gusap Mill | - | Morobe Province, PNG | Certified | 05/08/2010 | - |
| | | Gusap East (Gusap) Estate | | | | | |
| | | Gusap West (Paddock) Estate | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|---|-------------------------|--|---|------------------------------|-----------|------------|---|
| | | Surinam Estate | | | | | |
| | | Dumpu Estate | | | | | |
| | | Ngaru Estate | | | | | |
| | | J Estate (Jephcott) Estate | | | | | |
| | | Smallholders - Madang VOPs (71) | | | | | |
| | | Smallholders - Morobe VOPs (253) | | | | | |
| 5 | Higaturu Oil Palm (HOP) | Sangara Oil Mill | - | Oro Bay Province, PNG | Certified | 01/02/2013 | - |
| | | Mamba Oil Mill | | | | | |
| | | Embi Estate | | | | | |
| | | Ambogo Estate | | | | | |
| | | Sangara Estate | | | | | |
| | | Sumbiripa Estate | | | | | |
| | | Mamba Estate | | | | | |
| | | Sambogo Estate | | | | | |
| | | Scheme Smallholder Sorovi Division(2019) | | | | | |
| | | Scheme Smallholder Saiho Division(842) | | | | | |
| | | Scheme Smallholder Aeka Division (911) | | | | | |
| | | Scheme Smallholder Igora Division (1367) | | | | | |
| | | Scheme Smallholder Ilimo Division (671) | | | | | |
| 6 | West New Britain (WNB) | Mosa Oil Mill | - | Kimbe, West New Britain, PNG | Certified | 10/09/2008 | - |
| | | Kumbango Oil Mill | | | | | |
| | | Kapiura Mill | | | | | |
| | | Numundo Mill | | | | | |

| | | | | | | |
|--|--|---|--|--|--|--|
| | | Waraston Mill | | | | |
| | | Bebere Estate | | | | |
| | | Kumbango Estate | | | | |
| | | Togulo Estate | | | | |
| | | Dami Estate | | | | |
| | | Waisisi Estate | | | | |
| | | Kautu Estate | | | | |
| | | Karaisu Estate | | | | |
| | | Moroa Estate | | | | |
| | | Bilomi Estate | | | | |
| | | Loata Estate | | | | |
| | | Haella Estate | | | | |
| | | Garu Estate | | | | |
| | | Daliavu Estate | | | | |
| | | Sapuri Estate | | | | |
| | | Malilimi Estate | | | | |
| | | Rigula Estate | | | | |
| | | Numundo Estate | | | | |
| | | Navarai / Karato ME /KDC EU Estate | | | | |
| | | Volupai / Lotomgam / Natupi / Goruru Estate | | | | |
| | | Lolokoru Estate | | | | |
| | | Ove Estate | | | | |
| | | Tamare Estate | | | | |
| | | Smallholders LSS Mosa (1822) | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|---|---|--|---|---------------|-----------|-----------|--|
| | | Smallholders VOP East (1817) | | | | | |
| | | Smallholders VOP Central (1964) | | | | | |
| | | Smallholders VOP West (1279) | | | | | |
| | | Smallholders LSS Kapiura (551) | | | | | |
| | | Smallholders VOP Kapiura (850) | | | | | |
| | | Smallholder Kaulong / Akami / Pushiki / Repamira / Sakapei | | | | | |
| 7 | Markham Farms Company Limited (MFCL) / Markham Agro Pte Ltd | Erap Mill | - | Markham Farms | Certified | 27/3/2020 | There is total area NPP: 710.30ha which is currently excluded from the certification scope until the NPP is approved |
| | | Munum Estate | | | | | |
| | | Maralumi Estate | | | | | |
| | | Erap Estate | | | | | |

3.3 Details of Nonconformities

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

During this Assessment there was one (1) Major nonconformity, one (1) Minor nonconformity and two (2) Opportunity For Improvement raised. The Sime Darby Plantations SOU 2 Chersonese Palm Oil Mill & Supply Base Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted.

The implementation of the Corrective Actions for the Critical Nonconformity(ies) has been verified for its effectiveness and closed accordingly. Due to the nature of Major NC CAP able to verified off-site and restrictions of on-site visit due to COVID-19. The below is the summary of the non-conformity raised during this assessment.

| Non-conformity | | | |
|---|--|--------------------------------------|-----------|
| NCR Ref # | 2087601-202108-M1 | Date Issued | 4/8/2021 |
| Due Date | 2/11/2021 | Date of nonconformity Closure | 1/10/2021 |
| Clause & Category (Critical / Minor) | 3.4.1 (Critical) | | |
| Statement of Nonconformity: | As sampled found Environmental aspect identification and impact assessment for existing operation not properly conducted where identification of environmental impact not consistent and legal references stated found not properly stated and accurate. | | |
| Requirement Reference: | In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/out-grower scheme, is documented. | | |
| Objective Evidence: | <p>Found Environmental Aspect and Impact Identification Form:</p> <p>Holyrood Estate Serial No. EAI/2019/01 Aspect: Use of Resources with load of Fuel/Lubricant not considered impact (7. Depletion of Nat. Resources) Legal Reference: EQ Regulations 1996 found non-existence. No Date specifically stated as required in the document.</p> <p>Serial No. EAI/2019/02 Aspect: Use of machine with load of Exhaust Gas not correctly considered I impact (7. Depletion of Nat. Resources). Exhaust gas is an emission release to atmosphere. Legal Reference: EQ Regulations 1996 found non-existence and EQ (Clean Air) Regulations 1978 was revoked and currently under EQ (Clean Air) Regulations 2014. No Date specifically stated as required in the document.</p> <p>Serial No. EAI/2019/03 Aspect: Use of Resources with load of Energy/Manpower not correctly considered as impact categorized as (7. Depletion of Nat. Resources). Manpower used is not relevant to environmental aspect.</p> | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>Aspect: Use of Resources – transport with load of Exhaust Gas not correctly considered impact categorized as (7. Depletion of Nat. Resources). Exhaust gas is an emission release to atmosphere.</p> <p>Aspect: Use of Resources – transport with load of Fuel/Lubricant not considered potential impact (7. Depletion of Nat. Resources)</p> <p>Legal Reference: EQ Regulations 1996 found non-existence and EQ (Clean Air) Regulations 1978 was revoked and currently under EQ (Clean Air) Regulations 2014.</p> <p>No Date specifically stated as required in the document.</p> <p>Tali Ayer Estate FY2017/2018 (Zenoah Blower)</p> <p>Aspect: Spillage with load of Petrol not considered impact (7. Depletion of Nat. Resources) as it a waste of natural resources if spill.</p> <p>Legal Reference: EQ Regulations 1996 found non-existence.</p> <p>Aspect: Release to Air with load of Exhaust Gas not correctly considered impact (7. Depletion of Nat. Resources). Exhaust gas is an emission release to atmosphere.</p> <p>Aspect: Equipment with load of Noise referred to Legal EQ (EQA (Noise Exposure) Regulations 1987 which non-existence.</p> <p>Prepared on 02/07/18</p> <p>Kalumpong Estate Serial No. EAI 2019/WTP/01 Area: Water Pump</p> <p>Aspect: Power consumption with load of electricity not considered impact (7. Depletion of Nat. Resources)</p> <p>Prepared date: 30/01/19</p> <p>Serial: EAI 2016-17/02 Area: Harvesting</p> <p>Aspect: Spillage with load of Loose fruit not correctly considered impact (5. Land Contamination). Loose fruit is not an impact to environment.</p> <p>Approved date 01/10/17.</p> |
| Corrections: | Arrange the training to review Environmental Aspect & Impact Identification |
| Root Cause Analysis: | Environmental Aspect & Impact Identification was reviewed by Estate Management without proper training conducted |
| Corrective Actions: | Conduct evaluation training Environmental Aspect & Impact Identification and review Environmental Aspect & Impact Identification. Reviewed Environmental Aspect & Impact Identification shall be verified by RSQM-NTR |
| Assessment Conclusion: | Due to the nature of Major NC CAP able to verified off-site and restrictions of on-site visit due to COVID-19 NRP, all evidences were requested to submitted for off-line verification. Documented evidences received as following: |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>- Revised Environmental Aspect and Impact Identification Form; Serial # EAI/2021/SWS/01 and Environmental Impact Evaluation Form Serial # EIE/2021/SW/02; both dated 24/9/2021 on the Scheduled Waste receiving, storage and disposal activity revised environmental aspects, impacts and controls.</p> <p>- Training slides entitled ENVIRONMENTAL ASPECT IMPACT IDENTIFICATION (EAI) & ENVIRONMENTAL IMPACT EVALUATION (EIE) REFRESHER TRAINING; Dated 23rd September 2021; Conducted by Northern RSQM personnel attended by all operating unit of SOU 2 person in-charge for Scheduled Waste. Total attendance = 19.</p> <p>Based on the documented evidences provided, the CAP verified to be sufficient to address the Major NC. Hence, Major NC closed on 1/10/2021.</p> |
|--|---|

| Non-conformity | | | |
|---|--|--------------------------------------|----------|
| NCR Ref # | 2150004-202201-N1 | Date Issued | 7/1/2022 |
| Due Date | Next assessment | Date of nonconformity Closure | Open |
| Clause & Category (Critical / Minor) | 6.7.2 (Minor) | | |
| Statement of Nonconformity: | Found missed understanding of workers on the usage of emergency equipment and unpreparedness of fire-fighting facilities such as Boiler Sub-alarm Panel during site visit at Chersonese POM. | | |
| Requirement Reference: | Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. | | |
| Objective Evidence: | <ul style="list-style-type: none"> Observed during site visit, a worker using at least 2 hose reels looked alike (not from fire-fighting system piping) for cleaning floor and drain. Sighted misused of emergency equipment such as a Nozzle was coupled to a fire hydrant near EFB storage yard and few hose reels without nozzles. Sub-alarm Panel in Boiler Control Room in isolated position due to battery faulty and not in position to detect any potential smoke or fire if occurred. | | |
| Corrections: | <ul style="list-style-type: none"> To paint (blue colour) the re-used hose reel for cleaning hose reel. Painting job for re-used hose reel have been completed on 4th Jan 2022. To remove nozzle from fire hydrant and store in Fire Hydrant Box (locked) and re-installed nozzle (plastic) for hose reels. Nozzle have been removed on 4th Jan 2022 and safely store in Fire Hydrant Box and nozzle for hose reel have been installed. To replace faulty battery. Faulty battery has been replaced on 5th Jan 2022. Mill work progress to restoring Fire Fighting Equipment and System are at 80% as to renew Bomba Certificate. | | |
| Root Cause Analysis: | <ul style="list-style-type: none"> Mill re-used BOMBA hose reel for cleaning hose pipe housekeeping. Nozzle was coupled to a fire hydrant misused by contractor's workers for their hand cleaning and brass's nozzle at hose reel have been stolen with cut effect. | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <ul style="list-style-type: none"> Mill in progress to restoring Fire Fighting Equipment and System as to renew certificate of BOMBA license. |
| Corrective Actions: | <ul style="list-style-type: none"> To ensure all firefighting system (Emergency Properness Response) ready to use during emergency, to conduct periodically inspection with proper report. To ensure complied with fire certificates. To conduct training to all workers and to ensure no misused of emergency equipment. |
| Assessment Conclusion: | CAP has been accepted. Evidence of implementation and the CAP effectiveness to address the Minor NC to be verified during next assessment. |

| Opportunity for Improvements | |
|------------------------------|---|
| OFI # | Description |
| 2150004-202201-I1 | 6.2.4: Provision of NEST's (Nursery For Estate's Toddlers) amenities such as toys and play items, mattress and pillow as well as educational material including posters, television, DVD player, books, magazines etc. could be further enhanced among estates within SOU 2. |
| 2150004-202201-I2 | 6.3.2: The minutes of meetings copy for meeting between the unit of certification management with trade unions (NUPW) or workers representatives, could be further provided digitally/electronically (WhatsApp, email, etc.) for ease of workers' representative safekeeping or distribution among workers as an alternative to public signboard display. |

| Positive Findings | |
|-------------------|--|
| PF # | Description |
| 1 | Good cooperation among the team. |
| 2 | Good document retrieval. |
| 3 | Positive feedbacks from interviewed external stakeholders. |

3.3.1 Status of Nonconformities Previously Identified and Observations

| Non-conformity | | | |
|---|--|--------------------------------------|------------|
| NCR Ref # | 1923274-202004-M1 | Date Issued | 26/06/2020 |
| Due Date | 23/09/2020 | Date of nonconformity Closure | 08/09/2020 |
| Clause & Category (Critical / Minor) | 6.2.3 Critical (Major) | | |
| Statement of Nonconformity: | i) Holyrood Estate and Chersonese POM has deducted the salary of workers for water bill without approval from JTK. ii) The overtime wages paid for the sampled worker (Employee No.: 47879) was not as actual overtime that have been carried out and not complied with the overtime limit approved by JTK. | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| Requirement Reference: | There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements. | | | | | | | | | | |
|---|--|---------------|--------------|-------------------------|--|--|------------------------|------------------------|--|---|------------------------------|
| Objective Evidence: | <p>i) Holyrood Estate and Chersonese POM has yet to obtain approval for water bill deduction from authority. The last correspondence on follow-up was conducted on 13/6/2020 in Holyrood Estate and 17/6/2020 in Chersonese POM for the application. However, deduction of water bill is still on-going without approval from JTK. Sampled of workers that have been deducted as below:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Estate/ Month</th> <th style="text-align: left;">Employee No.</th> </tr> </thead> <tbody> <tr> <td colspan="2">Holyrood Estate:</td> </tr> <tr> <td>January 2020, March 2020, April 2020, May 2020</td> <td>131142, 154676, 119165</td> </tr> <tr> <td colspan="2">Chersonese POM:</td> </tr> <tr> <td>November 2019, March 2020, April 2020, May 2020</td> <td>79268, 88320, 122299, 132397</td> </tr> </tbody> </table> <p>ii) Besides, sampled one of the workers (Employee No.: 47879) in Chersonese POM where he has worked 134 hours of overtime for March 2020 as verified in Punch Card and Daily Input Form. However, verified the payslip on March 2020 found that the worker was only paid 110 hours of overtime instead of 134 hours. Furthermore, the mill is only allowing to have overtime not more than 130 hours as per the approval letter from JTK. (Ref. No.: BHG. PU/9/134 JLD9(11) dated 27/3/2017).</p> | Estate/ Month | Employee No. | Holyrood Estate: | | January 2020, March 2020, April 2020, May 2020 | 131142, 154676, 119165 | Chersonese POM: | | November 2019, March 2020, April 2020, May 2020 | 79268, 88320, 122299, 132397 |
| Estate/ Month | Employee No. | | | | | | | | | | |
| Holyrood Estate: | | | | | | | | | | | |
| January 2020, March 2020, April 2020, May 2020 | 131142, 154676, 119165 | | | | | | | | | | |
| Chersonese POM: | | | | | | | | | | | |
| November 2019, March 2020, April 2020, May 2020 | 79268, 88320, 122299, 132397 | | | | | | | | | | |
| Corrections: | <p>i) To stop immediately the water supply deduction on all workers prior to no approval from JTK.</p> <p>ii) Mill management has paid the variance in June 2020 salary. Mill has employed 6 new workers to replace insufficient manpower and to avoid OT exceed 130 hours.</p> | | | | | | | | | | |
| Root Cause Analysis: | <p>i) Approval for water supply deduction made to JTK Taiping is pending due to person in-charged on the matters was transfer to Ipoh branch. New request need to be send for approval.</p> <p>ii) Wrongly input overtime (OT) data/details by shift supervisor. The root cause of OT exceed 130 hours is replacing operator on leave, MC and insufficient manpower (foreign workers left and in progress of recruitment of new local workers).</p> | | | | | | | | | | |
| Corrective Actions: | <p>i) To sending new request to JTK Taiping on the water supply deduction matters for approval.</p> <p>ii) Input by shift supervisor for OT data/details need to be verified by check roll clerk and assistant with punch card. Assistant on weekly basis checking overtime and daily monitoring for each employee by shift supervisor to ensure overtime to-date complied.</p> | | | | | | | | | | |
| Assessment Conclusion: | <p>Major Close out verification:</p> <p>i) Verified the pay slips for June, July and August 2020 found that no deduction of water bill for the sampled workers in Holyrood Estate and Chersonese POM.</p> | | | | | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>Resubmission of the application for salary deduction for water bill to JTK was done on 28/7/2020 by Holyrood Estate’s management and seen the letter dated 28/7/2020, application form and the consent from the workers to allow the management to make deduction. Chersonese POM has follow-up with JTK Taiping on the status of application via email and phone call submitted on June 2020. Awaiting JTK’s reply. Phone interviewed with the workers (Employee No.: 96119 and 119165 – Holyrood Estate and Employee No.: 47849)) confirmed that no salary deduction has been made for water bill for July and August 2020.</p> <p>ii) Verified the June 2020’s payslip for worker (Employee No.: 47849) found that variance of the total 24 hours were paid back under A057 – Adjustment of Wages – ATTR EPF & SOCSO for total RM 197.95. Phone interviewed with the worker confirmed that the balance of the wages were paid. Besides, the mill has recruited 6 workers (Employee No.: 158550, 158551, 158552, 158554, 158555 and 158571) on 4/5/2020 and 5/5/2020 to replace the insufficient manpower as verified in the Employee Master Listing. Phone interviewed with the sampled new workers confirmed that no overtime has exceeded 130 hours for July and August 2020. The daily input form and punch card for July and August 2020 was verified by Supervisor and approved by Assistant Manager. Seen both of the records found that no overtime has exceeded 130 hours. Total 50 hours for July 2020 and 54 hours for August 2020 of overtime has been done by the worker (Employee No.: 47849).</p> <p><u>RC2 assessment verification:</u> Verification of evidence confirmed that the CAP implemented effectively to address the nonconformity. Hence, Major NC remained closed.</p> |
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| Non-conformity | | | |
|---|--|--------------------------------------|------------|
| NCR Ref # | 1923274-202004-M2 | Date Issued | 26/06/2020 |
| Due Date | 23/09/2020 | Date of nonconformity Closure | 08/09/2020 |
| Clause & Category (Critical / Minor) | 3.8.16 Critical (Major) | | |
| Statement of Nonconformity: | The shipping announcement was made more than 3 months after the last dispatch on 2/1/2020. | | |
| Requirement Reference: | Registration of Transactions i. Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date. | | |
| Objective Evidence: | One of the announcements was made more than 3 months after the last batch of delivery of CSPO. The Transaction ID: TR-3805399d-aa93 which created on 18/5/2020 and confirmed on 23/6/2020. The last batch of delivery of CSPO was on 2/1/2020 for total 123 MT. | | |
| Corrections: | GTM already inform refinery to ensure all CSPO product which already been dispatch must be announce within three month period. Refer to SOP on Sustainable Supply Chain & Traceability - CPO and PK Dispatch. | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | |
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| Root Cause Analysis: | Miscommunication between refinery and GTM, whereby refinery staff did not inform GTM personnel after dispatch CSPO to client and that contribute to late announcement in the Palm Trace system. |
| Corrective Actions: | GTM already remind to refinery and to ensure the announcement of CSPO product must be made within three month period. Attached herewith the monitoring system by GTM to ensure it must be in three month basis to all refinery. |
| Assessment Conclusion: | <p>Major Close out verification:</p> <p>GTM informed refinery and mill based on contract basis after the contract has been fulfilled through email for announcement. Excel monitoring sheet from GTM sent to the refinery after the contract has been fulfilled. Seen the email communication from GTM where reminder will be given to the refinery to make announcement within 3 months. The email communication dated 20/07/2020 was sighted.</p> <p>RC2 assessment verification:</p> <p>Verification of evidence confirmed that the CAP implemented effectively to address the nonconformity. Hence, Major NC remained closed.</p> |

| Non-conformity | | | | | | | | | | | | |
|---|--|--------------------------------------|------------|---------|------------|-------------------|-------------------------|--------------|--------------|-----------------------|------------|-----------|
| NCR Ref # | 1923274-202004-M3 | Date Issued | 26/06/2020 | | | | | | | | | |
| Due Date | 23/09/2020 | Date of nonconformity Closure | 08/09/2020 | | | | | | | | | |
| Clause & Category (Critical / Minor) | 3.8.12 (iii) Critical (Major) | | | | | | | | | | | |
| Statement of Nonconformity: | The mill has yet to record and balance all the deliveries of RSPO certified CPO and PK. | | | | | | | | | | | |
| Requirement Reference: | Record keeping iii. For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. | | | | | | | | | | | |
| Objective Evidence: | <p>Verified the Mass Balance sheet record found that the volume of despatch of certified CPO and PK is different from the actual palm trace records.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Product</th> <th>Mass Sheet</th> <th>Actual Palm Trace</th> </tr> </thead> <tbody> <tr> <td>RSPO Certified CPO Sold</td> <td>25,312.38 MT</td> <td>16,870.11 MT</td> </tr> <tr> <td>Conventional CPO Sold</td> <td>3,949.1 MT</td> <td>12,075.17</td> </tr> </tbody> </table> <p>Besides, there is no monitoring on the PK sold for certified and conventional in the Mass Balance Sheet.</p> | | | Product | Mass Sheet | Actual Palm Trace | RSPO Certified CPO Sold | 25,312.38 MT | 16,870.11 MT | Conventional CPO Sold | 3,949.1 MT | 12,075.17 |
| Product | Mass Sheet | Actual Palm Trace | | | | | | | | | | |
| RSPO Certified CPO Sold | 25,312.38 MT | 16,870.11 MT | | | | | | | | | | |
| Conventional CPO Sold | 3,949.1 MT | 12,075.17 | | | | | | | | | | |
| Corrections: | Mill already create password for Palm Trace and appoint person in-charge to monitor movement trading of certified product. Mill will monitor through mass balance. | | | | | | | | | | | |
| Root Cause Analysis: | Mill do not have any access to monitor on RSPO IT Platform through Palm Trace. | | | | | | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | |
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| Corrective Actions: | Mill to ensure monitoring of palm trace in regular basis to alleviate any discrepancies regarding palm trace figure. Mill already appointed Mill Assistance (person in-charge) to monitor record of certified CPO and PK . Refer to SOP on Sustainable Supply Chain & Traceability. |
| Assessment Conclusion: | <p>Major Close out verification:</p> <p>The QA Supervisor has been appointed by Mill Manager to monitor the mass balance incoming and outgoing, sustainable and non-sustainable material. Appointment letter dated 1/7/2020 was sighted. KKS Chersonese – Sustainable Palm Product Inventory FYR 2020 was updated accordingly by included the PK sales for certified and conventional in the mass balance sheet. All the announcement made by GTM will be sent to the mill to ensure the mass balance sheet is tally with the palm trace.</p> <p><u>RC2 assessment verification:</u></p> <p>Verification of evidence confirmed that the CAP implemented effectively to address the nonconformity. Hence, Major NC remained closed.</p> |

| Non-conformity | | | |
|---|--|--------------------------------------|------------|
| NCR Ref # | 1923274-202004-M4 | Date Issued | 26/06/2020 |
| Due Date | 23/09/2020 | Date of nonconformity Closure | 08/09/2020 |
| Clause & Category (Critical / Minor) | 6.7.3 Critical (Major) | | |
| Statement of Nonconformity: | <ol style="list-style-type: none"> Workers use PPE which was not provided free of charge to them. Sanitation facilities for those applying pesticides to change out of PPE, wash and put on their personal clothing were not used by Nursery Sprayers. | | |
| Requirement Reference: | Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing. | | |
| Objective Evidence: | <ol style="list-style-type: none"> During the interview session with Holyrood Estate’s Sprayers, it was acknowledged that the workers were not provided with Safety Boots/Shoes (Safety Wellington Boots/ Rubber Boots/Shoes) free of charge for the operation purposes. The workers were wearing Safety Yellow Wellington Boots claimed to be purchased by themselves. The records of PPE issuance were sighted and traced as far back as January 2018 and there were no records of safety shoes/boots being issued to the mentioned workers during that period. The ID of the workers sampled are BN 0410496, AE 865961, BP 0007067, BP 0007066, BP0007535. It was acknowledged during the interview with the Nursery Sprayers at Chersonese Estate that the sanitation facilities provided for them to change out of the PPE, wash and put on their clean personal clothing was too far away for them to access. Therefore, the workers take their contaminated PPE and | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | clothing back home, which is located nearer to the nursery, to be washed and dried. |
| Corrections: | <ol style="list-style-type: none"> To provide the safety shoes on yearly basis and keep the record of issuance. Estate management to make transport arrangement for nursery workers to sanitation area for bath and clean their personal clothing. |
| Root Cause Analysis: | <ol style="list-style-type: none"> Estate already issued for harvester on Jan 2020 of 40 pairs. Estate planning for the sprayer/general workers for the following month, but due to MCO, estate was unable to provide for the rest of the workers. Sanitation facilities only available at Division Office area. |
| Corrective Actions: | <ol style="list-style-type: none"> To provide the safety shoes for remaining balance workers i.e. field workers and general workers. Estate management to ensure nursery sprayers bath and clean their belongings before go back to home. Record of bath must records properly and verify by Staff/Asst In charge. |
| Assessment Conclusion: | <p>Major Close out verification:</p> <ol style="list-style-type: none"> Seen the Rubber Boot issuance record for the Main Division Daily Rated workers (Gang 22) for total 31 workers that they have been issued with the rubber boot by the management from 16 – 20/07/2020. The workers have acknowledged on the recipient of the rubber boots and seen the photo evident. Phone interviewed with the workers (Employee No.: 117777 and 107648) confirmed that the rubber boot was issued free of charge to the workers. The management has provided tractor to send the nursery workers to the sanitation area for shower and clean their clothing after work. This has verified with the worker (Employee No.: 82977) through phone interview and seen the shower attendance record in the Checkroll record book for July and August 2020. Besides, training on the SOP for Spraying was conducted on 24/06/2020 for the nursery workers and they have been briefed on the Workers Shower Records book during the training as well. Seen the training record where 2 general workers in nursery and store keeper were attended. <p><u>RC2 assessment verification:</u></p> <p>Verification of evidence confirmed that the CAP implemented effectively to address the nonconformity. Hence, Major NC remained closed.</p> |

| Non-conformity | | | |
|---|--|--------------------------------------|------------|
| NCR Ref # | 1923274-202004-N1 | Date Issued | 26/06/2020 |
| Due Date | Next surveillance assessment | Date of nonconformity Closure | 02/08/2021 |
| Clause & Category (Critical / Minor) | 3.3.2 Non-critical (Minor) | | |
| Statement of Nonconformity: | The estate did not have a mechanism to ensure the requirements by CHRA were implemented accordingly. | | |
| Requirement Reference: | A mechanism to check consistent implementation of procedures is in place. | | |
| Objective Evidence: | Chersonese Estate – CHRA Recommendations; Nursery Operator; 4. To ensure training is conducted on chemical handling by competent person or trained | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>personnel in interval not more than 2 years or if there are any changes of the chemical usage and record of training shall be kept.</p> <p>The training for Nursery Sprayers were not conducted and training records unavailable at the estate. The estate did not have a mechanism to ensure the requirements stated in by CHRA were implemented accordingly. Sampled the worker with ID (BK 0404480) and (841123-08-5152).</p> |
| Corrections: | To conduct chemical safety refresher training to all workers involved with chemical activity and to ensure record of training documented properly. |
| Root Cause Analysis: | Chersonese Estate was conducted Chemical Handling Training to nursery sprayers on 11th February 2020, however no proper record for the training conducted. |
| Corrective Actions: | Estate management to carry out chemical handling training to all workers involved with chemical (e.g. sprayers, nursery operators, foreman and etc.) on yearly basis and record properly. |
| Assessment Conclusion: | <p><u>RC2 assessment verification:</u></p> <p>Chersonese Estate</p> <p>Pesticide operators are given training on the safe handling and application of the pesticides. Training was conducted on 25/02/21 and attended by 28 workers (Sprayers, mandores, Storekeeper). In SOP for Spraying stated at the end of the explanation that: Only trained Workers/Sprayers allowed to handle chemicals or pesticides. Others not permitted</p> <p>Holyrood Estate.</p> <p>Spraying Training was conducted for Sprayers on 10/03/21 and 10/03/21 attended by 11 Sprayers. Training by Mycrop, attended by 6 Sprayers.</p> <p>Kalumpong Estate has conducted Spraying and PPE Training for Sprayers on 10/06/21 and 18/06/21 by Mycrop.</p> <p>Verification of evidence confirmed that the CAP implemented effectively to address the nonconformity. Hence, Minor NC closed on 2/8/2021.</p> |

| Non-conformity | | | |
|---|---|--------------------------------------|------------|
| NCR Ref # | 1923274-202004-N2 | Date Issued | 26/06/2020 |
| Due Date | Next surveillance assessment | Date of nonconformity Closure | 02/08/2021 |
| Clause & Category (Critical / Minor) | 6.7.4 Non-critical (Minor) | | |
| Statement of Nonconformity: | Kalumpong Estate have not done the SOCSO Contribution for 46 of their workers for the month of April and March 2020. | | |
| Requirement Reference: | All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents leading to injury or sickness are covered in accordance with Malaysian law. | | |
| Objective Evidence: | Employees' Social Security Act,1969 and Employees' Social Security (General) Regulations, 1971 states effective 1st January 2019, employees who hire foreign workers (excluding domestic servants) shall register their employees with Social | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>Security Organization (SOCSCO) and contribute to the Employment Injury Scheme under the Employees’ Social Security Act,1969 (Act 4). All foreign workers with valid insurance coverage under the Foreign Workers Compensation Scheme (FWCS), the Department of Labour Peninsular Malaysia (JTKSM), Sabah and Sarawak will continue to be covered under the FWCS until the expiry date in 2019. If the maturity date of FWCS extends beyond 2019, the Employment Injury Scheme will automatically apply to all employers who employ foreign workers starting from 1 January 2020.</p> <p>It was noted that Kalumpang Estate did not contribute SOCSCO for a total of 46 workers for the sampled month of April 2020 and March 2020. Interview with the Asst. Manger indicated that the management had overlooked the contribution and realized the error in May hence the contribution was commenced as of May 2020.</p> |
| Corrections: | Register immediately contribution to SOCSCO and to repay the outstanding amount of contribution from January 2020. |
| Root Cause Analysis: | Previously all foreign workers are contributed under FWCS insurance scheme. Starting January 2020 the scheme was replaced by SOCSCO. To our understanding, the FWCS still not expired and therefore the migration to SOCSCO can be deferred until its expired date. |
| Corrective Actions: | Registration with SOCSCO in progress. For new intake foreign workers would be register directly into the SOCSCO website so that no one left behind. |
| Assessment Conclusion: | <p><u>RC2 assessment verification:</u></p> <p>Evidence of equal pay sighted based on passports & work permit, work agreement, payslip, attendance & checkroll and Socso 8A form of November 2020, February 2021 & March 2021 for sample female and male employees as following:</p> <p>Chersonese POM:</p> <ul style="list-style-type: none"> - Employee # 26683; M; General - Employee # 26709; F; General - Employee # 52708; F; General - Employee # 88313; M; A-Shift - Employee # 136711; M; B-Shift - Employee # 158551; M; Workshop <p>Chersonese Estate:</p> <ul style="list-style-type: none"> - Employee # 25871; F; DR @ GW - Employee # 26076; F; DR @ GW - Employee # 25881; F; Piece Rated Workers (Field Agrmnt) - Employee # 25913; M; Oil Palm Harvesters - Employee # 102032; M; DR @ GW - Employee # 161250; M; DR @ GW - Employee # 123216; M; Oil Palm Harvesters - Employee # 112118; M; Piece Rated Workers (Field Agrmnt) <p>Holyrood Estate:</p> <ul style="list-style-type: none"> - Employee # 026199; F; DR @ GW - Employee # 030152; F; DR @ GW |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <ul style="list-style-type: none"> - Employee # 116306; F; DR @ GW - Employee # 043429; M; Oil Palm Harvesters - Employee # 090790; M; Piece Rated Workers (Field Agrmnt) - Employee # 107658; M; Piece Rated Workers (Op Agrmnt) - Employee # 108878; M; Oil Palm Harvesters - Employee # 131146; M; DR @ GW <p>Kalumpong Estate:</p> <ul style="list-style-type: none"> - Employee # 029073; F; DR @ GW - Employee # 029180; F; DR @ GW - Employee # 055107; F; DR @ GW - Employee # 029128; M; Oil Palm Harvesters - Employee # 147831; M; Piece Rated Workers (Field Agrmnt) - Employee # 093996; M; DR @ GW - Employee # 102604; M; Oil Palm Harvesters - Employee # 117307; M; Piece Rated Workers (Op Agrmnt) <p>Tali Ayer Estate:</p> <ul style="list-style-type: none"> - Employee # 80288; F; Piece Rated Workers (OP Agrmnt) - Employee # 28804; F; Piece Rated Workers (OP Agrmnt) - Employee # 74126; F; DR @ GW - Employee # 153175; M; Oil Palm Harvesters - Employee # 120870; M; DR @ GW - Employee # 133507; M; DR @ GW - Employee # 161876; M; Oil Palm Harvesters - Employee # 143922; M; Piece Rated Workers (Op Agrmnt) <p>Verification of evidence confirmed that the CAP implemented effectively to address the nonconformity. Hence, Minor NC closed on 2/8/2021.</p> |
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| Opportunity for Improvement | |
|-----------------------------|--|
| OFI# | Description |
| OFI 1 | <p>OFI Statement: Nil</p> <p>Verification / Follow-up actions: N/A</p> |

3.3.2 Summary of the Nonconformities and Status

| CAR Ref. | Category (Critical / Minor) | P&C Indicator | Issued Date | Status & Date (Closure) |
|-------------------|-----------------------------|---------------|-------------|--------------------------|
| 1923274-202004-M1 | Major (Critical) | 6.2.3 | 26/06/2020 | Closed out on 23/09/2020 |
| 1923274-202004-M2 | Major (Critical) | 3.8.16 | 26/06/2020 | Closed out on 23/09/2020 |
| 1923274-202004-M3 | Major (Critical) | 3.8.12 (iii) | 26/06/2020 | Closed out on 23/09/2020 |

| | | | | |
|-------------------|------------------|-------|------------|--------------------------|
| 1923274-202004-M4 | Major (Critical) | 6.7.3 | 26/06/2020 | Closed out on 23/09/2020 |
| 1923274-202004-N1 | Minor | 3.3.2 | 26/06/2020 | Closed out on 02/08/2021 |
| 1923274-202004-N2 | Minor | 6.7.4 | 26/06/2020 | Closed out on 02/08/2021 |
| 2087601-202108-M1 | Major (Critical) | 3.4.1 | 4/8/2021 | Closed out on 01/10/2021 |
| 2150004-202201-N1 | Minor | 6.7.2 | 7/1/2022 | Open |

3.4 Stakeholders and previous land owner / user consultation

Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Sime Darby Plantations SOU 2 Chersonese Palm Oil Mill & Supply Base Certification Unit’s environmental and social performance, legal and any known dispute issues.

Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO 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 later was verified with the management team. Any comment which is not complying to the RSPO P&C requirements have been incorporated as an assessment finding.

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 below.

| Stakeholders contacted | | |
|--|---|---|
| Type of Stakeholder (e.g. Internal, Union, Contractor, Governmental Department, NGO, External, Communities) | Stakeholder name / organization | Means of communication (e.g. face to face interview, email, phone interview, comment from public notice) |
| Estate NUPW representatives | Estate Mandores | Face to face interview |
| School Headmaster/Representative | - SK Seri Pinang - SJKT Ladang Chersonese - SJKT Ladang Sg. Bogak | Face to face interview |
| Estate Vendors (Supplier & Contractor) | - Jasa Asas Maju Enterprise - Bagan Samak Enterprise - Pengangkutan Selamat | Face to face interview |
| Neighbouring Smallholder | Kampung Kuala Gula | Face to face interview |
| Gender Committee Representatives | - Chief Clerk - Creche Ayah - Office Clerk | Face to face interview |
| Mill NUPW representative | Mill Mandores | Face to face interview |
| Neighbouring Estate Representative | Eng Thye Plantations Berhad | Face to face interview |
| Mill Vendors (Supplier & Contractor) | - Seri Untung Construction - Ranzo Engineering | Face to face interview |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| Local Village Representatives | - PSKT Kuala Gula - JPJK Simpang Empat | Face to face interview |
| Foreign Workers' (FW) Representatives | All estates and mill FW | Face to face interview |
| Estate Shop Keeper | - Kedai Runcit Holyrood - Kedai Runcit Hing | Face to face interview |
| Auxiliary Police | Sergeant in-charge | Face to face interview |
| Estate Healthcare Assistant | All estates | Face to face interview |

All consulted stakeholders provided positive feedbacks as per sample as following:

| Stakeholders comment | |
|----------------------|--|
| 1 | <p>Feedbacks: Local workers & foreign workers NUPW representatives No restrictions by management to all mill and estate employees to join union. Almost all local workers associated with NUPW while more than 50% foreign workers become member. Required fees paid by company with no issue.</p> <p>Audit Team verification and response: No further issue.</p> |
| 2 | <p>Feedbacks: School Headmaster/Representative Estate management always participated in school events except during Covid-19 Movement Control Orders. A lot of contributions received from estate management including school children's excellent award</p> <p>Audit Team verification and response: No further issue</p> |
| 3 | <p>Feedbacks: Mill & Estate vendors (contractors & suppliers) No issue in contractual matters since company always give priority to locals and/or long-served contractor to provide service/contract work. Contract pricing fair to both parties for direct award contract unless involve tendering that need to be negotiated. Nevertheless, negotiated price for specific contract/tender work if awarded still fair to both parties.</p> <p>Audit Team verification and response: No further issue.</p> |
| 4 | <p>Feedbacks: Neighbouring smallholder and neighbour estate Estate management been very considerate in allowing access within their area with agreed conditions. No issue within boundaries of both smallholder and neighbour estate with Sime Darby's Estate.</p> <p>Audit Team verification and response: No further issue</p> |
| 5 | <p>Feedbacks: Local Village Representatives Both mill and estate management always helpful and contributed a lot to local villagers. Contributions including food basket to Covid-19 quarantined families and recently house cleaning with foods and clothes to families affected by flood.</p> <p>Audit Team verification and response: No further issue</p> |

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| 6 | <p>Feedbacks: Gender committee representatives</p> <p>No new mothers at any of the Estates and Mill within Teluk Sengat Business Unit. In case of any, the committee representative will take actions to address any needs that have been identified.</p> |
| | <p>Audit Team verification and response:</p> <p>No further issue.</p> |

| List of land owner / user contacted | | | | | |
|---|---------------------------|----------------|----------------------|---------------------------------|--|
| Name | Years of ownership / used | Land area (ha) | Agreement (Yes / No) | Agreement base on FPIC (Yes/No) | Compliance on the agreement terms and conditions |
| Not applicable as the estates have undergone 2nd cycle of replanting. | | | | | |


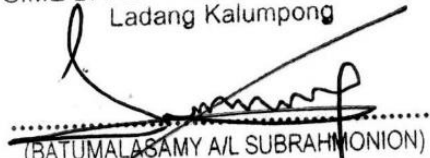
| Previous land owner / user comment | |
|------------------------------------|--|
| Nil | <p>Feedbacks: N/A</p> <p>Audit Team verification and response: N/A</p> |

3.5 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.

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

Formal Signing-off of Assessment Conclusion and Recommendation

| <p>The audit objectives have been achieved and the certificate scope is appropriate. Based on the results of this audit, it is concluded that Sime Darby Plantations SOU 2 Chersonese Palm Oil Mill & Supply Base has complied with the Malaysia National Interpretation 2019 of the RSPO P&C 2018 and audit criteria identified within the audit report. It is deemed that the management system has achieved its intended outcomes. Therefore, it is recommended that Sime Darby Plantations SOU 2 Chersonese Palm Oil Mill & Supply Base is remain certified.</p> | |
|--|--|
| Report prepared by | Acceptance of Assessment Conclusion |
| Name: Hafriazhar Mohd. Mokhtar | Name: |
| Company Name: BSI Services Malaysia Sdn. Bhd. | Company Name: |
| Title: Lead Auditor | Title: SOU CHAIRMAN (SOU 2) |
| <p>Signature:</p>  | <p>Signature: <i>(I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents of this report and accept the liability in execution of the procedure in the report.)</i></p> <p>SIME DARBY PLANTATION BERHAD Ladang Kalumpang</p>  (BATUMALABAMY A/L SUBRAHMIONION) Manager |
| Date: 7/3/2022 | Date: 8/3/2022 |

Appendix A: Summary of Findings

| Criterion / Indicator | Assessment Findings | Compliance | |
|---|---|--|----------|
| Principle 1: Behave ethically and transparently | | | |
| Criterion 1.1: The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making. | | | |
| 1.1.1 | <p>(C) Documents that are specified in the RSPO P&C are made available to the public.</p> <p>- Critical (Major) compliance -</p> | <p>Documents specified for mill and all estates within SOU 2 Certification Unit made available as per sample as following:</p> <ul style="list-style-type: none"> - Land titles/user rights - Occupational health and safety plans - Plans and impact assessments relating to environmental and social impacts - HCV documentation - Pollution prevention and reduction plans - Details of complaints and grievances - Continuous improvement plans - Public summary of certification assessment report - Group Sustainability Policy - Record of contributions to community development | Complied |
| 1.1.2 | <p>Information is provided in appropriate languages and accessible to relevant stakeholders.</p> <p>- Minor compliance -</p> | <p>Interview conducted on-site with sampled internal and external stakeholders confirmed that the information provided in appropriate languages and accessible to them.</p> <p>As per sample Tender Grass Cutting and Spraying at KKS Chersonese Mill and Housing Compound; MSG Enterprise; Ref. # 2021/M176/MP08200/GCS; Date: 7/1/2021.</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| <p>1.1.3</p> | <p>(C) Records of requests for information and responses are maintained. - Critical (Major) compliance -</p> | <p>SOU 2 maintained records of request for information and responses as per sample sighted as following:</p> <ul style="list-style-type: none"> - Chersonese POM DOSH inspection visit report requests dated 19/1/2021 - Chersonese Estate DOSH inspection visit requests dated 15/7/2021 - Holyrood Estate DOSH inspection visit requests dated 8/2/2021 - Kalumpong Estate workers' housing repair request dated 27/2/2021 <p>All requests found to be responded within short time by respective recipients.</p> | <p>Complied</p> |
| <p>1.1.4</p> | <p>(C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative. - Critical (Major) compliance -</p> | <p>Consultation and communication procedure documented as the Sustainable Plantation Management System Appendix 5 (Flowchart and Procedures on handling Social Issues) dated 01/11/2008 for handling communication regarding social issues. Additionally, there's Mill Quality Management System 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>Procedures were briefed to external stakeholders during the consultation meeting and to all workers during workers meeting and assembly sessions from time to time.</p> <p>The person in charge for communication and consultation for Chersonese POM is Mr. Wan Ahmad Hafifuddin, Assistant Mill Manager as per appointment letter dated 1/5/2021, for Chersonese Estate is Mr. Thomas Alwa Edison, Estate Manager as per letter dated 2/1/2021, for Holyrood Estate is Mr. Mohammad Fakhrolrodzi, Estate Manager as per letter dated 1/7/2021, for Kalumpong Estate is Mr. Batumalasamy, Estate Manager as per</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | letter dated 2/1/2021 and for Tali Ayer Estate is Mr. Ahmarul Asuwad, Estate Manager as per letter dated 1/7/2021. | |
| 1.1.5 | There is a current list of contact and details of stakeholders and their nominated representatives. - Minor compliance - | The latest Stakeholders Lists for all operating units within SOU 2 sighted available as updated on July 2021. Information of stakeholders' details available included person in charge, address, e-mail and contact number for various stakeholders' category among internal and external stakeholders including local communities, authorities, vendors and neighbours etc. | Complied |
| Criterion 1.2: The unit of certification commits to ethical conduct in all business operations and transactions. | | | |
| 1.2.1 | A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts. - Minor compliance - | <p>SOU 2 has implemented policy on code of ethical conduct and integrity (Code of Business Conduct - COBC) which covered all operations in the plantation operation. Briefing session was given to all workers of audited operating units.</p> <p>For example, Chersonese POM briefing of policies to the workers were latest conducted on 9/3/2021, Chersonese Estate on 22/5/2021, Holyrood Estate on 3/5/2021, Kalumpang Estate on 27/3/2021 and Tali Ayer Estate on 28/6/2021.</p> <p>For labour agent and contractors, Sime Darby has applied its Vendor COBC (30 May 2018), It includes the Fair Business practices-ensuring that we promote fair business practices and compete in an ethical manner, labour & human rights, ethics & management practices.</p> <p>The Vendor Integrity Pledge sighted available for sampled Chersonese POM vendor Mayang Bayumas Sdn. Bhd.; CPO Transport Contract LOA Date: 12/12/2020 and for sampled Kalumpang Estate contractor Yih Construction Sdn. Bhd.; Machinery Rental Contract date: 1/6/2021; contract agreement # E162/2021/001.</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| 1.2.2 | <p>A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.</p> <p>- Minor compliance -</p> | <p>Monitoring included the internal audit conducted by Regional SQM internal auditors for SOU 2. Latest internal audit was conducted on 3-7/5/2021 found no issues in the implementation of the policy and overall ethical business practice.</p> | Complied |
| <p>Principle 2: Operate legally and respect rights</p> | | | |
| <p>Criterion 2.1: There is compliance with all applicable local, national and ratified international laws and regulations.</p> | | | |
| 2.1.1 | <p>(C) The Unit of Certification complies with legal requirements</p> <p>- Critical (Major) compliance -</p> | <p>Estates and mill found in SOU2 declared after reviewed and continued complied with the legal requirements. Compliance to each applicable law and regulation is monitored by the operating units and SQM sustainability team. As sampled a compliance status were reviewed as below:</p> <ul style="list-style-type: none"> • Chersonese Estate: 100% Compliance. Reviewed on 12/06/21 by Thomas Alwa Edison (Estate Manager). • Chersonese POM: 100% Compliance. Reviewed on May 2021. • Holyrood Estate: 100% Compliance. Reviewed on 08/07/21 by M. Fakhrolrodzi Aziz (Estate Manager). • Tali Ayer Estate:100% Compliance. Reviewed on 18/02/21 by Kamay Jeraiee (Estate Manager) • Kalumpong Estate: 100% Compliance. Reviewed in FY 2021. <p>Chersonese Estate</p> <p>The renewed license and permits as required by the law. Among others the licenses/permit viewed were:</p> <ul style="list-style-type: none"> • License Air receiver, PK PMT 7992 14/10/22 (Inspected on 15/07/21 by DOSH). • MPOB license no: 5265300-2000 (31/01/22) & 5373200011000 (31/08/22) | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <ul style="list-style-type: none"> • KPDNKK A000711 Permit Khas Barangan Berjadual (Diesel 9,000 lit and Petrol 400 lit). (31/12/21) • Lesen Menggaji Pekerja Bkn P/statin JTK 10802 25/3/2019 • SKMM 0805125 Peruntukan Radas (31/12/21) <p>Chersonese POM</p> <ul style="list-style-type: none"> • MPOB license: 533667104000 valid till 31/10/21. • Fume hood in lab having Written Approval from DOE since 10/04/12 • Water tube boiler –PMD 8698 18/12/21. • Vacuum oil dryer – PMT 131394 20/12/21. • Steriliser no 1 PK PMT 576 18/6/21. • Steriliser no 3 PK PMT 578 18/6/21. • KPDNKK Permit for Diesel Storage Quantity of 9,100 Litres A0 000701 03/09/21 • Registered CePPOME Mr Md Nur Faiz (Mill Engineer siri no: CePPOME/00050). <p>Holyrood Estate</p> <ul style="list-style-type: none"> • A Diesel Permit (KPDNHEP.TPG.003/PB(PD)044/16/ (BL22020048459) from KPDNKK for quantity of 600 litres valid till 20/01/22. • MPOB license No: 5307-3300-2000 valid till 30/6/2022 • Air Compressor (No.1) CF No.: PK PMT 5004 valid till 08/05/22. • Air Compressor (No.2) CF No.: PK PMT 1217 valid till 08/05/22. <p>Kalumpong Estate</p> <ul style="list-style-type: none"> • Permit Khas applied for Ron 95 in barrel and stock keep 60 Lit/day dated 29/10/21. • Diesel Permit from KPDNKK for 10,000 litres valid till 15/12/23. | |
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RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <ul style="list-style-type: none"> • Certificate of Fitness of Air Compressor at Workshop PMT116519 valid till 10/04/22 and PK PMT 4097 valid till 10/04/22. • MPOB License 542021011000 for Ladang Kalumpong valid till 31/08/22. | |
| 2.1.2 | <p>A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.</p> <p>- Minor compliance -</p> | <p>All estates and mill in SOU2 as sampled in Chersonese Estate, Holyrood Estates, Tali Ayer Estate, Kalumpong Estate and Chersonese POM continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable to them. The Legal and Other Requirements Register (LORR) and were being evaluated for compliance and updated by Muhammad Hafiz b. Ramli (Asst. Manager) on 12/06/21 (Chersonese Estate), M. Amirul Fariz b. Amir (Asst. Manager) on 08/07/21 (Holyrood Estate). Mohd Syafreen b. Radzali on 18/05/21 (Tali Ayer Estate). PSQM Department (HQ) is responsible to track changes and the information was disseminated to all mills and estates. Among the applicable legal and included in the LORR are:</p> <ul style="list-style-type: none"> • Occupational Safety and Health Act 1994 and its Regulations. • Factories and Machinery Act 1967 and its Regulations and its Regulations. • Pesticides Act 1974 and its Regulations. • Environmental Quality Act 1974 and its Regulations. • Employment Act 1955. • Aboriginal Peoples Act 1954. • Industrial Relations Act 1967. • Children and Young Persons (Employment) Act 1966. • MPOB Regulations (Licensing) 2005. • Min retirement age Act 2012. | Complied |

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| | | <ul style="list-style-type: none"> Passport Act 1996 | |
| <p>2.1.3</p> | <p>Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.</p> <p>- Minor compliance -</p> | <p>Chersonese Estates</p> <p>Available maps showing the locations of boundary stones that have been physically located and marked. On the top boundary adjacent to Sg. Kuala Kurau. Inspection of boundary stones/markers/trenching at the 4 estates, during the field inspection confirmed that they were clearly marked and maintained. All the physical markers/Boundary stones along the legal boundaries between was visibly available. No planting sighted over the boundary.</p> <p>Holyrood Estate</p> <p>Available maps showing the locations of boundary stones that have been physically located and marked for main Division and Bkt Rhona Division. Site visit done at Main Division found all estate were fenced and trenches found in between estate of Holyrood and Segar Estate. No over planting sighted. In Bukit Rhona Division adjacent to Boustead Estate found fence and trenches in between to separate both estates. A boundary marking with red and white pool.</p> <p>Tali Ayer Estate</p> <p>Available maps showing the locations of boundary stones for Portion A, B, C and D that have been physically located and marked. The estate is adjacent (Portion A, B, C) to a land of KTMB railway track. On the north of Portion B and D is adjacent to Sg. Krian. On the south of Portion B, the border is adjacent to Sg. Samagahah.</p> <p>Kalumpong Estate</p> <p>Available a coordinate showing boundary marking as sighted at Field : 2021A Neighbour to Government road, Field : 2021A Neighbour to Government road, Field : 2002A2 Neighbour to Government road / Masjid Hijau and photos showing actual location</p> | <p>Complied</p> |

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| | | marking of the boundaries and clearly seen. Also no planting beyond the boundary as sampled during site visit. | |
| Criterion 2.2: All contractors providing operational services and supplying labour, and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements. | | | |
| 2.2.1 | A list of contracted parties is maintained. - Minor compliance - | The estates (Chersonese, Holyrood, Tali Ayer and Kalumpong) and Chersonese POM maintained a list of all contractors that are contracted with them updated FY 2021 and as when there is a new addition of contractors. Vendors, suppliers, local communities, government agencies and etc. | Complied |
| 2.2.2 | All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/ accredited) for migrant workers, service providers and labour contractors, is available. - Minor compliance - | Chersonese Estate Specific clause in meeting applicable legal requirements, labour requirements found under clause No. 16 as sampled in the contract of: <ul style="list-style-type: none"> Supply workers to do general works in estate – Nathan A/L Subiah (PG 0204069) dated 01/01/21-31/12/21. Land preparation for replanting at Field 2021CA. Rajan Excavator and Contractor Sdn. Bhd. (500620-W) dated 01/06/21. However the estate has established another documents communicated to all contractors dated 01/06/21 signed by Estate Manager on compliance to legal obligation in RSPO/MSPO requirements that will be explained during Stakeholder Consultation Sessions in details. Chersonese POM Contract signed with MVKS Enterprise. As stated, the vendor will comply with the relevant provisions of Sime Darby's code of Business Conduct (COCB) which is made available online at www.simedarby.com . Kalumpong Estate | Complied |

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| | | <p>A contract signed with YIH Construction Sdn. Bhd dated 10/03/21 for rental of machinery, Bagan Samak Enterprise dated 12/07/21 for Transportation of FFB.</p> <p>Holyrood Estate</p> <p>A contract signed on 30/08/19 with Trading Ar Rasam Enterprise dated for transportation of FFB until 31/08/21. Resam Padu Enterprise signed on 06/04/21 and JS Asas Maju Enterprise dated 05/03/21 for EFB Transportation. All contained specific clauses on meeting applicable legal requirements including complying with Labour requirements as agreed.</p> | |
| 2.2.3 | <p>All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.</p> <p>- Minor compliance -</p> | <p>The sampled contract signed with contractors as sighted in Chersonese POM. For contractors, the clause 5.8 abolishment of child labour & protecting the rights of children available in the Vendor COBC and Human Rights Charter protecting the rights of children.</p> | Complied |
| <p>Criterion 2.3: All FFB supplies from outside the unit of certification are from legal sources.</p> | | | |
| 2.3.1 | <p>(C) For all directly sourced FFB, the mill requires:</p> <ul style="list-style-type: none"> • Information on geo-location of FFB origins • Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder • One or more supporting documents for claims • Valid MPOB license <p>- Critical (Major) compliance -</p> | <p>The Chersonese POM received crop only from the Sime Darby Plantation Estates, mainly from Chersonese Estate, Tali Ayer Estate, Kalumpong Estate & Holyrood Estate. All estates from the same SOU 2 possessed the following information sighted and resulted:</p> <ul style="list-style-type: none"> • All FFB from the SDP estates supported by the delivery documents. • Valid land title with ownership status (refer indicator 4.4.1). • Valid MPOB licence (refer criteria indicator 2.1.1) • All delivery documents were verified with volumes of FFBS received by the mill | Complied |

| | | | |
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| 2.3.2 | <p>For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.</p> <p>- Minor compliance -</p> | <p>All FFB received by Chersonese POM are from Sime Darby Plantation Estates within the SOU 2 and no third party, smallholders or indirectly sourced FFB sold to Chersonese POM until end September 2021. Effective from 1st October 2021, Chersonese POM downgraded its SCCS from IP to MB and started receiving uncertified FFB effective from at least 5 Outside Crop Purchased (OCP) suppliers. Due to newly downgraded its SCCS status, the mill in the process to obtain all information as listed in indicator 2.3.1 above from 2 of its OCP among collection centres. Other 3 direct OCP information was obtained.</p> | Complied |
| <p>Principle 3: Optimise productivity, efficiency, positive impacts and resilience</p> | | | |
| <p>Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.</p> | | | |
| 3.1.1 | <p>(C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.</p> <p>- Critical (Major) compliance -</p> | <p>For Chersonese Estate, Tali Ayer Estate, Kalumpang and Holyrood Estate as sampled found available a Business Plan/Budget as actual from 2017-2021 and Plan 2021-2025 documented for all estates. The budget covers activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. The budget also included projections on yield/ha, and total cost of production per m ton & per ha and Capital expenditure mainly for buildings, furniture and others asset related expenses.</p> <p>Chersonese POM</p> <p>Available a business plan prepared annually in the form of year budget and the projection for 5 years prepared as guidance for future planning. The business plan among others contains FFB yield & CPO production forecast, Extraction Ratios (OER / KER), Cost of production (administration and labour overhead, processing cost, labour, maintenance, consumables, depreciation and head office charges), Capital expenditure and etc</p> | Complied |

| <p>3.1.2</p> | <p>An annual replanting programme projected for a minimum of five years with yearly review, is available. - Minor compliance -</p> | <p>Chersonese Estate The estate has established a long-term replanting programs (LRRP) until 2026 was sighted. The program was reviewed once a year and incorporated into their annual financial budget.</p> <table border="1"> <thead> <tr> <th>Field No.</th> <th>Year Planting</th> <th>Ha</th> <th>FY22</th> <th>FY23</th> <th>FY24</th> <th>FY25</th> <th>FY26</th> </tr> </thead> <tbody> <tr> <td>01A</td> <td>2001</td> <td>77.09</td> <td>77.09</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>01C</td> <td>2001</td> <td>68.36</td> <td>68.36</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>02J1</td> <td>2002</td> <td>41.72</td> <td></td> <td></td> <td>41.72</td> <td></td> <td></td> </tr> <tr> <td>06J</td> <td>2006</td> <td>12.00</td> <td></td> <td></td> <td>12.00</td> <td></td> <td></td> </tr> <tr> <td>04J</td> <td>2004</td> <td>58.42</td> <td></td> <td></td> <td></td> <td>58.42</td> <td></td> </tr> <tr> <td>Total</td> <td></td> <td>257.59</td> <td>145.45</td> <td>0.00</td> <td>53.72</td> <td>58.42</td> <td></td> </tr> </tbody> </table> <p>Holyrood Estate Annual Replanting Programme found established and available as sampled:</p> <table border="1"> <thead> <tr> <th>Field No.</th> <th>Year Planting</th> <th>Ha</th> <th>FY22</th> <th>FY23</th> <th>FY24</th> <th>FY25</th> <th>FY26</th> </tr> </thead> <tbody> <tr> <td>P01B</td> <td>2001</td> <td>17.97</td> <td>-</td> <td>-</td> <td>-</td> <td>17.97</td> <td>-</td> </tr> <tr> <td>Total</td> <td></td> <td>17.97</td> <td>-</td> <td>-</td> <td>-</td> <td>17.97</td> <td>-</td> </tr> </tbody> </table> <p>Tali Ayer Estate</p> <table border="1"> <thead> <tr> <th>Field No.</th> <th>Year Planting</th> <th>Ha</th> <th>FY22</th> <th>FY23</th> <th>FY24</th> <th>FY25</th> <th>FY26</th> </tr> </thead> <tbody> <tr> <td>97A</td> <td>1997</td> <td>11.37</td> <td>11.37</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>01K2</td> <td>2001</td> <td>17.72</td> <td>17.72</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> | Field No. | Year Planting | Ha | FY22 | FY23 | FY24 | FY25 | FY26 | 01A | 2001 | 77.09 | 77.09 | | | | | 01C | 2001 | 68.36 | 68.36 | | | | | 02J1 | 2002 | 41.72 | | | 41.72 | | | 06J | 2006 | 12.00 | | | 12.00 | | | 04J | 2004 | 58.42 | | | | 58.42 | | Total | | 257.59 | 145.45 | 0.00 | 53.72 | 58.42 | | Field No. | Year Planting | Ha | FY22 | FY23 | FY24 | FY25 | FY26 | P01B | 2001 | 17.97 | - | - | - | 17.97 | - | Total | | 17.97 | - | - | - | 17.97 | - | Field No. | Year Planting | Ha | FY22 | FY23 | FY24 | FY25 | FY26 | 97A | 1997 | 11.37 | 11.37 | - | - | - | - | 01K2 | 2001 | 17.72 | 17.72 | - | - | - | - | <p>Complied</p> |
|--------------|--|--|-----------|---------------|-------|-------|------|------|------|------|-----|------|-------|-------|--|--|--|--|-----|------|-------|-------|--|--|--|--|------|------|-------|--|--|-------|--|--|-----|------|-------|--|--|-------|--|--|-----|------|-------|--|--|--|-------|--|-------|--|--------|--------|------|-------|-------|--|-----------|---------------|----|------|------|------|------|------|------|------|-------|---|---|---|-------|---|-------|--|-------|---|---|---|-------|---|-----------|---------------|----|------|------|------|------|------|-----|------|-------|-------|---|---|---|---|------|------|-------|-------|---|---|---|---|-----------------|
| Field No. | Year Planting | Ha | FY22 | FY23 | FY24 | FY25 | FY26 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01A | 2001 | 77.09 | 77.09 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01C | 2001 | 68.36 | 68.36 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 02J1 | 2002 | 41.72 | | | 41.72 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 06J | 2006 | 12.00 | | | 12.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 04J | 2004 | 58.42 | | | | 58.42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | | 257.59 | 145.45 | 0.00 | 53.72 | 58.42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Field No. | Year Planting | Ha | FY22 | FY23 | FY24 | FY25 | FY26 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| P01B | 2001 | 17.97 | - | - | - | 17.97 | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | | 17.97 | - | - | - | 17.97 | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Field No. | Year Planting | Ha | FY22 | FY23 | FY24 | FY25 | FY26 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 97A | 1997 | 11.37 | 11.37 | - | - | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01K2 | 2001 | 17.72 | 17.72 | - | - | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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|-------|------|--------|--------|--------|--------|-------|--------|
| 98 | 1998 | 34.98 | 34.98 | - | - | - | - |
| 01K3 | 2001 | 51.90 | 51.90 | | - | - | - |
| 2000A | 2000 | 67.89 | - | 67.89 | - | - | |
| 05K | 2005 | 33.67 | - | 33.67 | - | - | - |
| 02K1 | 2002 | 68.87 | - | | 68.87 | | - |
| 01K1 | 2001 | 74.66 | - | - | 74.66 | - | - |
| 2000 | 2000 | 80.53 | - | - | - | 80.53 | - |
| 2001 | 2001 | 99.52 | - | - | - | - | 99.52 |
| 2001A | 2001 | 87.31 | - | - | - | - | 87.31 |
| Total | | 628.42 | 115.97 | 101.96 | 143.53 | 80.53 | 186.83 |

Kalumpong Estate

| Field No. | Year Planting | Ha | FY22 | FY23 | FY24 | FY25 | FY26 |
|----------------|---------------|-------|-------|-------|-------|-------|-------|
| 1998 | 1998 | 67.51 | 67.51 | | - | - | - |
| 2002B | 2002 | 90.01 | 90.01 | | - | - | - |
| 2002B2 001A | 2000 | 62.51 | - | 62.51 | - | - | - |
| 2001B | 2001 | 30.91 | - | - | 30.91 | - | - |
| 2002A | 2002 | 75.64 | - | - | 75.64 | - | - |
| 2001A1 | 2001 | 52.93 | - | - | - | 52.93 | - |
| 2001A2 | 2001 | 54.22 | - | - | - | 54.22 | - |
| 2001A3 | 2001 | 66.30 | - | | - | - | 66.30 |
| 2002A1 | 2002 | 71.24 | - | - | - | - | 71.24 |

| | | 2002B | 2002 | 31.50 | - | - | - | - | 31.50 | |
|-------|---|--|------|--------|--------|-------|--------|--------|--------|----------|
| | | Total | | 602.77 | 157.21 | 62.51 | 106.55 | 107.15 | 169.04 | |
| 3.1.3 | <p>The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertake.</p> <p>- Minor compliance -</p> | <p>Chersonese Estate Management Review was conducted on 19/03/21 at Meeting Room Chersonese Estate at 4.00 pm. Among discussed included previous outstanding issues, objectives and programmes, process performances, audit results, customer feedback and complaints, Resources needed, changes needed and etc. Meeting attended by Estate Manager, Assistants, Supervisor, Mandores, Clerk, Security. (13 attendees)</p> <p>Chersonese POM Management Review was conducted on 11/06/20 at Conference Room and attended by Mill Manager, Assistants and other related staff.</p> <p>Tali Ayer Estate Management Review Meeting was conducted on 17/06/21 at Tali Ayer Estate Meeting Room at 3.30pm. Attended by Estate Manager, Assistant Managers, Supervisors, Mandores, Clerk, Medical Assistant (18 attendees).</p> <p>Kalumpong Estate Management Review was conducted on 12/06/21 at Kalumpong Estate Meeting Room at 11.0am. Attended by Estate manager, Assistant, Supervisors, Mandores, Clerk and Security (13 attendees)</p> <p>Holyrood Estate Management Review Meeting was conducted on 12/06/21 at Meeting Room at 10.00 am attended by Estate manager, Assistant, Supervisors, Mandores, Clerk and Security (10 attendees).</p> | | | | | | | | Complied |

| | | | |
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| <p>Criterion 3.2: The unit of Certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable Continuous improvement in key operations.</p> | | | |
| <p>3.2.1</p> | <p>(C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese POM and all estates (Chersonese, Tali Ayer, Holyrood and Kalumpong) in SOU2 established individually the Social and Environment Improvement Plans based on the consideration of main social and environmental impact issues of concern that have been raised. With actions to be implemented, designated responsibilities and time frame of action.</p> <p>Amongst all, generally established action by mill and estates for continuous improvement FY2021 as sampled contained:</p> <ul style="list-style-type: none"> - Reduce Consumption of fuel for Back Hoe Operation. - Power Conservation by maximize Mill utilization (longer period for steam turbine operation) which require higher volume of crop received. - Maximize consumption of steam and reduce steam leakages. - Future intake of 100% EFB into Compost Plant via proposed extended conveyor shal completely alleviate leachates issue ad EFB yard. - Workers' Housing Condition/Living Improvement - Workers' Working Condition - External stakeholders feedbacks <p>Improvements conducted by individual operating units within SOU 2 including housing improvement programs, minimum wages achievement monitoring and community contribution programs.</p> | <p>Complied</p> |
| <p>3.2.2</p> | <p>As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the [RSPO metrics template].</p> | <p>RSPO metrics template for SOU 2 made available for verification found to be consistent with evidence sighted.</p> | <p>Complied</p> |

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| | <p>PROCEDURAL NOTE:</p> <p>The RSPO metrics template is awaiting decision/agreement by RSPO and the issue is still being discussed.</p> <p>Until such metrics is agreed and developed, companies will carry on with existing reporting e.g. PalmGHG, Annual Communication of Progress (ACOP) reporting, and information provided to Certification Body and feedback via RSPO Secretariat is required.</p> <p>- Minor Compliance -</p> | | |
| <p>Criterion 3.3: Operating procedures are Appropriately documented, consistently implemented and monitored.</p> | | | |
| <p>3.3.1</p> | <p>(C) Standard Operating Procedures (SOPs) for the unit of certification are in place.</p> <p>- Critical (Major) compliance -</p> | <p>As sampled in Chersonese Estate, Holyrood Estate, Tali Ayer Estate and Kalumpong Estate found established separated SOP called Sime Darby Agricultural Reference Manual (Oil Palm Planting) that covered Planting material, Nursery techniques, Replanting, Land preparation, Planting density, Canopy management, Water management, Harvesting, Loose fruit collection, Weed control and Transport.</p> <p>Chersonese POM</p> <p>Available a Mill Quality Management Manual Version 01 dated 2008 as a guidance document to operate the mill and Sustainability Plantation Management System 2008, Version 01, dated 1/11/2008) that included mill SOPs. Sighted SOP for FFB Handling Station, Sterilization Station, Threshing Station, Pressing Station, Kernel Recovery Station, Boiler Station and Effluent Treatment Plant and etc.</p> | <p>Complied</p> |
| <p>3.3.2</p> | <p>A mechanism to check consistent implementation of procedures is in place.</p> <p>- Minor Compliance -</p> | <p>Sime Darby Plantation Berhad SOU 2 Mill and Estates ensured consistent implementation of procedures/SOPs by conducting internal audits annually to ensure the Organization, RSPO criteria's and Requirements of Procedures/SOPs are continuously met. The Plantation Advisory Department conducts regular visits to check on the operations of the estates where reports are generated based on their observations. There was audit conducted by</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>Planning and Monitoring Department to confirm consistent records of implementation of SOPs.</p> <p>The Chersonese POM is annually visited by the Mill Advisor to ensure operations are done based on the procedures implemented by Sime Darby Plantations. The latest Mill Advisor visit was done on 2nd to 3rd July 2019. The MA has given a score of 83% for Chersonese POM. In 2020 and 2021 no visit was done yet due to restriction of movement.</p> | |
| 3.3.3 | <p>Records of monitoring and any actions taken are maintained and available.</p> <p>- Minor Compliance -</p> | <p>Chersonese Estate, Holyrood Estate, Tali Ayer Estate, Kalumpong Estate and Chersonese POM are maintaining records of monitoring. All report from Plantation Advisor (PA) and Mill Advisor (MA) of monitoring the estates compliance towards the SOP, Budget and Productivity maintained and kept individually. RSQM & GSM conduct yearly internal audits to ensure the Organization, RSPO criteria's and procedures are continuously met. The Plantation Advisory Department conducts regular visits to check on the operations of the estates where reports are generated based on their observations. There were audit conducted by Planning and Monitoring Department to confirm consistent records of implementation of SOPs. During estates visit it was noted that that operating parameters were consistently recorded by the operators. As sighted a Report No NCR SOU2/CE01/2020 as visited on 02-04/06/20.</p> <p>Available a copy of slides from PMU, Upstream Malaysia on Structured Oil Recovery Assessment (SORA) for SOU2 – KKS Chersonese dated 17-21/05/21 with date of Assessment Report, Critical Control Parameters, Oil Losses & Kernel Losses, Nonconformance and Other Observation. Overall Score is 78 Points and performances were satisfactory.</p> | Complied |

| Criterion 3.4: A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations. | | | |
|---|---|--|----------|
| 3.4.1 | <p>(C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/out-grower scheme, is documented.</p> <p>- Critical (Major) compliance -</p> | <p>No new planting in all estates within SOU 2. For existing operations, the operating unit of SOU 2 documented the continual improvement plan for social in the Social Management Plan. Identified main social aspects and impacts from SIA considered in the plan including the following categories:</p> <ul style="list-style-type: none"> - Workers' Housing Condition/Living Improvement - Workers' Working Condition - External stakeholders feedbacks <p>Improvements conducted by individual operating units within SOU 2 including housing improvement programs, minimum wages achievement monitoring and community contribution programs.</p> <p>Sampled Environmental Aspects and Impacts Identification and Assessment conducted for existing operation by SOU2 as below: Chersonese POM</p> <p>EIA Review was conducted effective from 01/01-31/12/21. Stated as currently no changes.</p> <p>Holyrood Estate Found Environmental Aspect and Impact Identification Form FY 2019</p> <p>1. Serial No. EAI/2019/01 Aspect: Use of Resources with load of Fuel/Lubricant not considering potential impact (7. Depletion of Nat. Resources) Legal Reference: EQ Regulations 1996 found non-existence.</p> | Complied |

| | | | |
|--|--|--|--|
| | | <p>No Date specifically stated (blank)</p> <p>2. Serial No. EAI/2019/02</p> <p>Aspect: Use of machine with load of Exhaust Gas not correctly considering potential impact (7. Depletion of Nat. Resources). Exhaust gas is an emission release to atmosphere.</p> <p>Legal Reference: EQ Regulations 1996 found non-existence and EQ (Clean Air) Regulations 1978 was revoked and currently under EQ (Clean Air) Regulations 2014.</p> <p>No Date specifically stated (blank)</p> <p>3. Serial No. EAI/2019/03</p> <p>Aspect: Use of Resources with load of Energy/Manpower not correctly considered as potential impact categorized as (7. Depletion of Nat. Resources).</p> <p>Aspect: Use of Resources – transport with load of Exhaust Gas not correctly considered impact categorized as (7. Depletion of Nat. Resources). Exhaust gas is an emission release to atmosphere.</p> <p>Aspect: Use of Resources – transport with load of Fuel/Lubricant not considering potential impact (7. Depletion of Nat. Resources)</p> <p>Legal Reference: EQ Regulations 1996 found non-existence and EQ (Clean Air) Regulations 1978 was revoked and currently under EQ (Clean Air) Regulations 2014.</p> <p>No Date specifically stated (blank)</p> <p>Tali Ayer Estate</p> <p>No New Planting in the estate.</p> <p>Environmental Aspect and Impact Identification FY 2021 was reviewed and approved on 01/07/21 by Ahmarul Aswad Ahmad Rashib (Estate Manager)</p> | |
|--|--|--|--|

| | | | |
|--|--|--|--|
| | | <p>1. FY2017/2018 (Zenoah Blower)</p> <p>Aspect: Spillage with load of Petrol not considering potential impact (7. Depletion of Nat. Resources)</p> <p>Legal Reference: EQ Regulations 1996 found non-existence.</p> <p>No Date specifically stated (blank)</p> <p>Aspect: Release to Air with load of Exhaust Gas not correctly considering potential impact (7. Depletion of Nat. Resources). Exhaust gas is an emission release to atmosphere.</p> <p>Aspect: Equipment with load of Noise referred to Legal EQ (EQA (Noise Exposure) Regulations 1987 which non-existence.</p> <p>Kalumpong Estate</p> <p>Serial No. EAI 2019/WTP/01</p> <p>Area: Water Pump</p> <p>Aspect: Power consumption with load of electricity not considered impact (7. Depletion of Nat. Resources)</p> <p>Prepared date: 30/01/19</p> <p>Serial: EAI 2016-17/02</p> <p>Area: Harvesting</p> <p>Aspect: Spillage with load of Loose fruit not correctly considered impact (5. Land Contamination). Loose fruit is not an impact to environment.</p> <p>Approved date 01/10/17.</p> <p>All estates and POM in SOU2 had reviewed the Environmental Aspect Identification and Assessment for FY 2022 as verified during visit from documents sampled.</p> | |
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| <p>3.4.2</p> | <p>For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.</p> <p>- Minor Compliance -</p> | <p>No new planting in all estates within SOU 2. For existing operations, the operating unit of SOU 2 documented the continual improvement plan for social in the Social Management Plan. Identified main social aspects and impacts from SIA considered in the plan including the following categories:</p> <ul style="list-style-type: none"> - Workers’ Housing Condition/Living Improvement - Workers’ Working Condition - External stakeholders feedbacks <p>Improvements conducted by individual operating units within SOU 2 including housing improvement programs, minimum wages achievement monitoring and community contribution programs.</p> <p>All estates as sampled found available Environmental Management Plan FY2021 and monitoring plans were included. The Environmental Aspect and Impact Assessment was conducted with view and participation of workers and action plans to minimize and mitigate the environmental impacts were established accordingly as sampled.</p> <p>Chersonese POM has established an Environmental Improvement Plan for Perion Jan-Dec 2021. Among issues included Disposal of Crude Kernel Oil, Storage of Crude kernel Oil, Solids from Effluent Ponds, Leachate in monsoon drain and mitigating measures, time frames and designated responsibilities for each issue.</p> | <p>Complied</p> |
| <p>3.4.3</p> | <p>(C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.</p> <p>- Critical (Major) compliance -</p> | <p>No new planting in all estates within SOU 2. For existing operations, the operating unit of SOU 2 documented the continual improvement plan for social in the Social Management Plan. Identified main social aspects and impacts from SIA considered in the plan including the following categories:</p> <ul style="list-style-type: none"> - Workers’ Housing Condition/Living Improvement - Workers’ Working Condition | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>- External stakeholders feedbacks</p> <p>Improvements conducted by individual operating units within SOU 2 including housing improvement programs, minimum wages achievement monitoring and community contribution programs.</p> <p>Chersonese POM</p> <p>As sighted in the Environmental Improvement Plan for Period Jan-Dec 2021 found status of action and progress stated accordingly</p> <p>Similarly for all estates (Chersonese, Tali Ayer, Holyrood and Kalumpong), the Environmental Management Plans FY 2021 were implemented and monitored as sighted a progress recorded on the sampled document.</p> | |
| <p>Criterion 3.5: A system for managing human resources is in place.</p> | | | |
| 3.5.1 | <p>Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable.</p> <p>- Minor Compliance -</p> | <p>Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented as the SOP for workforce management unit (Doc no: WMU/TOC-SOPP/March 2016) dated 30/03/2016 for foreign worker while for locals, the employment recruitment included liason and recruitment, documentation and processing (Doc no: WMU/DP SOPP/JAN2016/R1), workforce management centre (WMC) Sua Betong, Careline and estate are available upon request.</p> | Complied |
| 3.5.2 | <p>Employment procedures are implemented, and records are maintained.</p> <p>- Minor Compliance -</p> | <p>Employment procedures are well implemented with records well maintained as per information reported in indicator 6.1.1 to 6.6.2 below.</p> | Complied |
| <p>Criterion 3.6: An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.</p> | | | |
| 3.6.1 | <p>(C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.</p> <p>- Critical (Major) compliance -</p> | <p>Hazard Identification, Risk Assessment and Control (HIRARC) as revised due to accident occurred on 25/02/21 under Harvesting Activity. Reviewed was done on 12/03/21 and approved by Ahmarul Asuwad b. Ahmad Rashid (Estate Manager in Charge).</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>Chersonese Estate Hazard Identification, Risk Assessment and Control was conducted for activities and operation in estate. The latest review of Hirarc was conducted on 04/04/21 as sighted as a result of motorcycle accident on 09/04/21.</p> <p>Chersonese POM Hazard Identification, Risk Assessment and Control was established for all processes in mill as sighted under Reception Station, FFB Handling, Sterilization Station, Threshing Station, Pressing Station, Kernel Recovery Station, Boiler Station and Effluent Treatment Plant, Product Storage and Despatch and etc. Available a Table of Risk Assessment as guidance and Control Measures Category under Hierarchy of Control.</p> <p>Kalumpong Estate The management of estate has reviewed the Hazard Identification, Risk Assessment and Control (HIRARC) for FY2021 as evidence sighted which approved by Batumalasamy Subramaniam (Estate Manager). A revision was made due to accident (Class 3A) on 22/08/20 for Sect Manual Weeding Nursery activity. Existing control mentioned as Wearing PPE and Safety Awareness Training (also as newly proposed measure).</p> | |
| <p>3.6.2</p> | <p>(C) The effectiveness of the H&S plan to address health and safety risks to people is monitored. - Critical (Major) compliance -</p> | <p>Available HSE Program for FY2021 established under Kalumpong Estate, Tali Ayer Estate, Chersonese Estate, Holyrood Estate and Chersonese POM. This program contained a clear and comprehensive plan action, activities, related legal requirements, frequency of activity to be held, PIC and timeline.</p> <p>Chersonese Estate Available 2 documents namely OSH Plan FY 2021 and Environment, Safety and Health Program FY 2021. Both contained</p> | <p>Complied</p> |

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| | | similar action plan and programme to be implemented covering OH&S and environment. Enhancement by considering to standardize both documents can provide better reference. | |
| Criterion 3.7: All staff, workers, Scheme Smallholders, out-growers, and contract workers are appropriately trained. | | | |
| 3.7.1 | <p>(C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and out-growers, taking into account gender-specific needs, and which covers applicable aspects of the RSPOP&C, in a form they understand, and which includes assessments of training.</p> <p>- Critical (Major) compliance -</p> | <p>Sime Darby Plantation established a Standard Operating manual (SOM) Version 1:2008 defined competence, training and awareness requirements in estate operations. Proses of developing Training Needs and Plan were included. Chersonese Estate, Holyrood Estate, Tali Ayer Estate and Kalumpang Estate found established Annual Training Matrix for FY 2021 ensuring training for all level of workers and Training Plan FY 2021 for Plan/Actual training implementation as sampled.</p> <p>Chersonese POM</p> <p>Established a Training Matrix FY 2021 as indicator and ensuring training for all level of workers and Training Plan FY 2021 for Plan/Actual training implementation as sampled.</p> <p>Holyrood Estate</p> <p>Available A training Plan FY 2021 as sampled. Among included:</p> <ul style="list-style-type: none"> • Legal and other requirements (July 2021 actual July 2021) • SDB Policies (Jun 2021 actual May 2021) • HCV Training (Mac 2021 actual July 2021) • Tractor Driver (Jun 2021 actual July 2021) • Basic First Aid (Apr 2021 actual May 2021) • Scheduled waste Management (May 2021 actual Jan 2021) • PPE Training (May 2021 actual Mac 2021) etc. | Complied |
| 3.7.2 | <p>Records of training are maintained.</p> <p>- Minor Compliance -</p> | <p>Chersonese Estate</p> <p>Evidence of training available such as:</p> | Complied |

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| | | <ul style="list-style-type: none"> • Training for Sprayers conducted on 09/04/21 by Mycrop attended by 3 Asst Managers, 1 Field Supervisor and 17 Spray Operators. <p>Chersonese POM</p> <p>Among records of training included:</p> <ul style="list-style-type: none"> • Chemicals Handling Training by NALCO on 03/09/20 • EAI/EIA Refresher training conducted on 25/03/20 • NRA-HCP refresher conducted on 28/01/20 attended by 16 workers and staff. • Palm Trace training conducted on 26/06/20 • Suara Kami training by HR attended by 14 workers and staff on 07/07/20. • SW management Training conducted on 10/01/20 • Toolbox Briefing dated 09/03/21 on Policies <p>Holyrood Estate</p> <p>Among records of training as sighted Included:</p> <ul style="list-style-type: none"> • Fire Training was conducted on 25/10/20 ad attended by 53 workers. • Tractors Driver Competency Training was conducted on 12/07/21 attended by Muhamad Nizam as record from training Evaluation Form • Briefing Payslip Calculation/Term from CA on 25/03/21 attended by 29 workers. • Induction Training was conducted on 28/07/21 for 3 new workers. <p>Tali Ayer Estate</p> <p>Among training records sighted and sampled:</p> | |
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RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <ul style="list-style-type: none"> • Bins Safety Training conducted on 28/07/21 attended by 12 workers. • 1st Aid training was conducted on 27/07/21 and attended by 13 workers included mandores. • RSPO Refresher training was conducted on 03/04/21 and attended by 23 workers. • Wistleblower/Suara Kami Briefing was conducted on 24/03/21. Attended by workers of Gang 1, 2, 8, 30. <p>Kalumpong Estate</p> <p>Among records of training sighted:</p> <ul style="list-style-type: none"> • 1st Aider Training was conducted on 04/06/21, attended by 11 workers. • Spraying and PPE Training was conducted on 10/06/21 attended by 7 sprayers. • Spraying training under MyCrop on 18/06/21 attended by 6 sprayers, Storekeeper, Staff and Sr. Asst. Manager. • 1st Aid training (BOFA) was conducted on 04/06/21 attended by 11 workers and staff. • HCV and Biodiversity Training was conducted on 14/07/21 and attended by 5 staff. | |
| 3.7.3 | <p>Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.</p> <p>- Minor Compliance -</p> | <p>As stated in the Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability issued April 2019, Mills shall have a training plan on RSPO Supply Chain Standards and requirements. Mills shall ensure training is provided for relevant personnel carrying out the tasks at each critical control point. Training shall be specific and relevant to the task(s) performed/critical control points to ensure the personnel is able to demonstrate awareness for the implementation of the relevant standard. However a training was conducted on RSPO SCCS as</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>record dated 12.06.2020 for all relevant personnel involved in supply chain management and attended by Mill Managers, Mill Assistants, QA Supervisors and Chief Clerks.</p> | |
| <p>Criterion 3.8: Supply chain requirement for mills (note: All supply chain requirements are considered as Critical (C). However it will not contribute to suspension if there is more than 5 non-compliance within a principle)</p> | | | |
| <p>3.8.1</p> | <p>Identity Preserved Module A mill is deemed to be Identity Preserved (IP) if the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO Principles and Criteria (RSPO P&C), or against the Group Certification scheme. Certification for CPO mills is necessary to verify the volumes and sources of certified FFB entering the mill, the implementation of any processing controls (for example, if physical separation is used), and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, then only Mass Balance Module is applicable.</p> | <p>Chersonese POM was originally certified as IP since implementing its RSPO SCCS. Based on the top management directive as per Inter-Office Mail; Ref. No.: OCP/IOM/Aug2021/Proposal/001; Date: 8/8/2021, Para 3.2: The Conversion of KKS Chersonese (CSM); there was mainly request to secure a minimum 15k mt monthly crop from Biogas team to sustain the plant at CSM.</p> <p>As of the date of this assessment, there is still no uncertified FFB received and processed in Chersonese POM as verified through the Monthly Crop Report for period since the last audit until 26/8/2021. This was verified from the records of FFB received and daily production report. The mill planned to start receiving external uncertified FFB from 1/10/2021 onwards. External FFB purchasing, namely Outside Crop Purchase (OCP) will be undertaken by Global Trading & Marketing (GTM) department of Sime Darby Plantation.</p> <p>GTM has identified few potential suppliers for its OCP to be initiated from 1/10/2021. Currently, GTM in the midst of completing the purchase agreement to be executed between Chersonese POM and identified OCP suppliers.</p> <p>The FFB database system including weighbridge system able to verify the volumes and sources of both certified and uncertified FFB entering the mill to be process without physically separating</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | them. Hence, effective from 1/10/2021, Mass Balance Module will be implemented by Chersonese POM SCCS. | |
| 3.8.2 | <p>Mass Balance Module</p> <p>A mill is deemed to be Mass Balance (MB) if the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB.</p> | <p>As of the date of this assessment, there is still no uncertified FFB received and processed in Chersonese POM as verified through the Monthly Crop Report for period since the last audit until 26/8/2021. This was verified from the records of FFB received and daily production report. The mill planned to start receiving external uncertified FFB from 1/10/2021 onwards. External FFB purchasing, namely Outside Crop Purchase (OCP) will be undertaken by Global Trading & Marketing (GTM) department of Sime Darby Plantation.</p> <p>GTM has identified few potential suppliers for its OCP to be initiated from 1/10/2021. Currently, GTM in the midst of completing the purchase agreement to be executed between Chersonese POM and identified OCP suppliers.</p> <p>The FFB database system including weighbridge system able to verify the volumes and sources of both certified and uncertified FFB entering the mill to be process without physically separating them. Hence, effective from 1/10/2021, Mass Balance Module will be implemented by Chersonese POM SCCS.</p> | Complied |
| 3.8.3 | <p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the certification body (CB) in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p> | <p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill is recorded in this public summary report.</p> | Complied |

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| 3.8.4 | The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO IT platform. | The mill license available at PalmTrace as following: - Member ID: RSPO_PO1000000302 - Member category: Oil Mill - RSPO Membership No.: 1-0008-04-000-00 | Complied |
| 3.8.5 | <p>Documented procedures</p> <p>The mill shall have written procedures and/or work instructions or equivalent to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> a) Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. b) Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). c) Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the mill’s procedures for the implementation of this standard. d) The mill shall have documented procedures for receiving and processing certified and non-certified FFBS including ensuring no contamination in the IP mill. | <p>Available a Procedure under Sime Darby Plantation – Plantation Quality Management System – Sustainable Plantation Management System: Appendix 15; Standard Operating Procedure (SOP) for Sustainability Supply Chain and Traceability; Version 2; Issue no.: 3; Issue date: Feb 2018.</p> <p>This procedure has been established to covers responsibility, reporting of certified CPO/PK, non-conformance material, FFB delivery Plantation to Mill, CPO/PK delivery Mill to customer, Record keeping, Training, Complaint Communication and Claim and etc.</p> | Complied |
| 3.8.6 | <p>Internal Audit</p> <ul style="list-style-type: none"> i) The mill shall have a written procedure to conduct annual internal audit to determine whether the mill: <ul style="list-style-type: none"> a. Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. | As sampled, Sime Darby Plantation Berhad has established requirement for Internal Audit in SOP for Sustainable Supply Chain and Traceability of SPMS Appendix 15 (18: Internal Audit); Version 2; Issue # 5; Date: April 2019. The procedure conforms to the requirements in the RSPO SCCS. The latest Internal Audit for RSPO SCCS was done on 07/05/21 conducted by GSM Malaysia & Northern RSQM. 3 NCRs major and 2 OFIs were raised. Root | Complied |

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| | <p>b. Effectively implements and maintains the standard requirements within its organisation.</p> <p>ii) Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The mill shall maintain the internal audit records and reports.</p> | <p>causes and Corrective Action were taken accordingly as reported by Group Sustainability Department.</p> | |
| <p>3.8.7</p> | <p>Purchasing and Goods In</p> <p>i) The mill shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>ii) The mill shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>iii) The mill shall have a mechanism in place for handling non-conforming FFB and/or documents.</p> | <p>Sime Darby Plantation Berhad has established a Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability, Version 2, Issue No.: 5 dated 04/19. For incoming FFB delivered to mill from the estates, the transporters presented the FFB Consignment Note or Weighbridge Tickets to the mill weighbridge operator in order the FFB to be received by the mill. The weighbridge operator will check the source of FFB before received to ensure they are certified FFB. A copy of the RSPO certificate for the supplying estates is kept. All the incoming of FFBs will be recorded in the Daily Production Summary Report. The SOP under Section 11. Non-Conforming Products and Documents explained the handling of non-conforming products and/ or documents</p> | <p>Complied</p> |
| <p>3.8.8</p> | <p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation):</p> <p>a) The name and address of the buyer;</p> <p>b) The name and address of the seller;</p> | <p>Information for RSPO certified products is made available in document Shipping Announcement as sampled below:</p> <p>CSPO</p> <ul style="list-style-type: none"> - Contract No.: S/TTH/2104/CP10032C - The name and address of the buyer: Sime Darby Trading Sdn. Bhd - The name and address of the seller: Chersonese POM, 34350 Kuala Kurau, Perak - The loading or shipment/ delivery date: 26/03/21 | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <ul style="list-style-type: none"> c) The loading or shipment / delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation; i) A unique identification number. | <ul style="list-style-type: none"> - The date on which the documents were issued: 26/03/21 - RSPO certificate number: RSPO PO100000032 (SC Model: IP) - A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations): Crude Palm Oil (CPO) - RSPO IP - The quantity of the products delivered: 80.21 MT - Any related transport documentation: No Attachment is stated. - A unique identification number: Contract No.: S/C-PSD/2103/CPO0065C <p>CSPK</p> <ul style="list-style-type: none"> - Contract No.: S/C-PSD/2004/PK0425 – 300 MT - The name and address of the buyer: Sime Darby Plantation Berhad-Kernel Crushing Plant, Pulau Carey - The name and address of the seller: Chersonese POM, 34350 Kuala Kurau, Perak - The loading or shipment/ delivery date: 20/04/2021 - The date on which the documents were issued: 20/04/21 - RSPO certificate number: RSPO PO100000032 (SC Model: IP) - A description of the product, including the applicable supply chain model (Identity Preserved or Mass Balance or the approved abbreviations): Palm Kernel – RSPO IP - The quantity of the products delivered: 400 MT - Any related transport documentation: No Attachment Documents as stated. - A unique identification number: Contract No.: S/C-PSD/20104/PK0145 | |
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| <p>3.8.9</p> | <p>Outsourcing Activities</p> <ul style="list-style-type: none"> i) The mill shall not outsource its milling activities. In cases where he mill outsources activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO Supply Chain Certification ii) The mill shall ensure the following: <ul style="list-style-type: none"> a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that certification body (CB) has access to the outsourcing contractor or operation if an audit is deemed necessary. c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to their respective operations, systems, and all information, when this is announced in advance. | <p>The mill is only outsourcing the transportation services to third party and the transporters remain the same as last surveillance audit. The record of FFB supplier will be verified during next assessment. Training for transporter planned to be conducted on 3/9/2021.</p> <p>The list of outsourced contractors was sighted, "list of stakeholder as at 2021" include the transport contractor for CPO transporter Mayang Bayumas Sdn Bhd.</p> <p>Sighted the sampled contracts between The Sime Darby Plantation Bhd. with CPO transporter Mayang Bayumas Sdn Bhd dated 1/6/2021. Requirement to adhere to RSPO supply chain standard is clearly defined in the agreement and the contractors have acknowledged on the requirements to be complied.</p> | <p>Complied</p> |
| <p>3.8.10</p> | <p>The mill shall record the names and contact details of all contractors used for the physical handling of RSPO certified oil palm products.</p> | <p>Stated in the contract agreement between The Sime Darby Plantation Bhd. with Mayang Bayumas Sdn. Bhd. dated 1/6/2021, mentioned the site has legal ownership of all input material to be included in outsourced processes as per Annexure 5, RSPO Supply Chain Certification Standard.</p> | <p>Complied</p> |

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| 3.8.11 | The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products. | The outsource parties remain unchanged since last surveillance assessment. | Complied |
| 3.8.12 | <p>Record keeping</p> <ul style="list-style-type: none"> i) The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements. ii) Retention times for all records and reports shall be a minimum of two (2) years and shall comply with relevant legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock. iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. iv) For Mass Balance Module, the mill: <ul style="list-style-type: none"> a) Shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock. | <ul style="list-style-type: none"> i) Sime Darby has established Standard Operating Procedure to maintain all records of evidence on the implementation of MSPO SCCS. The SOP was documented in Sustainability Plantation Management System, SOP for Sustainability Supply Chain and Traceability, ver. 2, issue no. 5 dated April 2019 under section 5.0: Control of Documents and Records. ii) As stated in SOP for Sustainability Supply Chain and Traceability, ver. 2, issue no. 5 dated April 2019 under section 5.0: Control of Documents and Records all traceability records should be maintained at minimum period of 3 years. iii) Chersonese POM receives and process only certified FFB. Therefore, it uses the Identity Preserve supply chain system and module. iv) a. Chersonese POM has established the SCCS Mass balance sheet document to records and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. <ul style="list-style-type: none"> b. All volumes of certified CPO and PK that were delivered were deducted from the material accounting system according to conversion ratios of OER and KER as per sample records of Mill production report Jun 2020 – Jul 2021 and FFB summary Jun 2020 – Jul 2021. c. Positive stock deliveries maintained through the SCCS Mass balance sheet document to records and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. No short selling made by Chersonese POM. | Complied |

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| 3.8.13 | <p>Extraction Rate</p> <p>The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.</p> | <p>Addressed in the Plantation Quality Management System, Sustainable Plantation Management System, Appendix 15: Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability ver. 2, year 2018, issue no. 5 dated April 2019 under section 17.0 Conversion Factor.</p> <p>Extraction rates were derived from actual production output that were measured daily by the mill and recorded in the daily production report. Actual rates for the period since last audit were available in the Mill production report Jun 2020 – Jul 2021.</p> <p>Volume estimates for next period were based on historical extractions and FFB projection from estates.</p> | Complied |
| 3.8.14 | <p>Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.</p> | <p>Extraction rates updated daily based on actual measurement of production output. Projected rates were based on historical extractions and FFB projection from estates.</p> | Complied |
| 3.8.15 | <p>Processing</p> <p>For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.</p> | <p>Addressed in the Plantation Quality Management System, Sustainable Plantation Management System, Appendix 15: Standard Operating Procedure (SOP) for Sustainable Supply Chain and Traceability ver. 2, year 2018, issue no. 5 dated April 2019 under section 7.0 receiving FFB at the mill and 9.0 Process Monitoring.</p> <p>Chersonese POM received only certified FFB. Therefore qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.</p> | Complied |
| 3.8.16 | <p>Registration of Transactions</p> <p>i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after</p> | <p>i) Based on the downloaded transactions register from the certification unit's Palmtrace, the company was able to demonstrate that it has been registering its transactions in the Palmtrace accordingly.</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform.</p> | <p>ii) Based on the announcement (transaction) summary, all the registrations were found to be in order.</p> | |
| 3.8.17 | <p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p> | <p>RSPO trademark was not use. Nonetheless, the facility is aware with the requirements of the RSPO Rules on Market Communications and Claims.</p> | Complied |
| General corporate communications | | | |
| 4.1 | <p>A corporate communication is one made by any RSPO member that highlights its membership of the RSPO and/or its commitment to the principles of the RSPO. Corporate communication is an 'off-product' claim.</p> | <p>Not Applicable as no "off-product" claim made by Chersonese POM in the industry public domain.</p> | Not Applicable |
| 4.2 | <p>In corporate communications a member is allowed to:</p> <ul style="list-style-type: none"> a. Display its RSPO membership status b. Display the RSPO web address (www.rspo.org) c. State that the member supports the work of the RSPO d. State the member's history with regard to the RSPO. e. Use the RSPO trademark to promote its membership of the RSPO. <p>Additionally, where an RSPO member displays the RSPO trademark in digital format this must be accompanied by the text 'Check our progress at www.rspo.org' where the link must lead to the member's profile page.</p> | <p>Not applicable as no "off-product" claim made by Chersonese POM in the industry public domain.</p> | Not Applicable |
| 4.3 | <p>In corporate communications RSPO members must not make any statement that may lead consumers to believe that RSPO membership by itself implies the selling of RSPO-certified oil palm products.</p> | <p>Not applicable as no "off-product" claim made by Chersonese POM in the industry public domain.</p> | Not Applicable |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| 4.4 | Members must ensure that all communication is consistent, clear and cannot mislead consumers or other stakeholders as to the certified content of oil palm products in the member's own products. | Not applicable as no "off-product" claim made by Chersonese POM in the industry public domain. | Not Applicable |
| 4.5 | Members are not allowed to use the RSPO corporate logo as shown in the RSPO Rules on Market Communications & Claims document. This is for the sole use of the RSPO secretariat. | Mill does not use the RSPO Corporate logo. | Not Applicable |
| Business to business communications | | | |
| 5.1 | Business to Business communication relates to RSPO members in the supply chain selling to and/or communicating with other organizations in the supply chain about the use of certified sustainable oil palm products. | Business to business communication is demonstrated via shipping documentation and invoices to the next supply chain actor or buyer. | Complied |
| 5.2 | When confirming the sale of certified oil palm products, members must adhere to the requirements of the RSPO SCCS. This includes stating the supply chain model and certificate number under which the claim is being made. | Shipping documentation verified and conformance with the requirements of RSPO SCCS. In the weighbridge ticket, it stated that i.e. product/commodity with SCC model (CPO/Palm Kernel RSPO IP) and RSPO certificate number; RSPO 591224. | Complied |
| 5.3 | Where a distributor or wholesaler takes title to products containing certified sustainable oil palm products, the requirements of the RSPO SCCS can follow either of two options: a. If the distributor or wholesaler holds only a Distributor license, it may only communicate RSPO-certified oil palm products by linking the product to the manufacturer using the manufacturer's SCCS certificate number. This covers both brand and own brand products. However, in the case of own brand products it is essential that customers are aware that the product has been made on behalf of the distributor or wholesaler, with specific evidence either through on-pack claims or documentation. b. If the distributor or wholesaler is supply chain-certified they should follow the requirements outlined in section 5.2. | Chersonese POM is not under distributor or wholesaler category. Thus, this requirement is not applicable | Not Applicable |

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| 5.4 | <p>A certified member can provide information to its customers detailing the presence of certified palm oil contained within a product even if it is not eligible for a product-specific under RSPO rules. The end product must not be labelled as certified or sold in such a way that implies RSPO certification.</p> <p>For example, a retailer or food service company may require a breakdown of all palm based ingredients within an end product and the certified status of each. This information may be provided by a certified RSPO member without constituting a product-specific claim.</p> | <p>Chersonese POM is not under distributor or wholesaler category. Thus, this requirement is not applicable</p> | Not Applicable |
| Business to consumer communication | | | |
| 6.1 | <p>Only RSPO members that have supply chain certification are allowed to make business to consumer claims about the certified sustainable oil palm products contained within product(s), which are known as 'product-specific' claims. Product-specific claims are voluntary.</p> | <p>Not applicable to Chersonese POM as they do not conduct business to consumer claims.</p> | Not Applicable |
| 6.2 | <p>Only RSPO members who have supply chain certification are authorised to use the RSPO trademark and/or RSPO label, with the exception of RSPO Credits and of retailers in accordance with 6.8 below.</p> | <p>Not applicable to Chersonese POM as they do not conduct business to consumer claims.</p> | Not Applicable |
| 6.3 | <p>When on-pack claims on RSPO-certified sustainable oil palm products are used, the RSPO trademark and associated identification number must be present.</p> | <p>Not applicable to Chersonese POM as no on-pack claims on RSPO-certified sustainable oil palm products are used</p> | Not Applicable |
| 6.4 | <p>Business to consumer communication shall not include information about the claimant's RSPO membership status.</p> | <p>Not applicable to Chersonese POM as they do not conduct business to consumer claims.</p> | Not Applicable |
| 6.5 | <p>Members shall not communicate to consumers' information about their suppliers' RSPO membership status.</p> | <p>Not applicable to Chersonese POM as they do not conduct business to consumer claims.</p> | Not Applicable |
| 6.6 | <p>Use of the RSPO trademark is restricted to claims about RSPO-certified sustainable palm oil products and it is not authorised for use in relation to any other ingredient.</p> | <p>There was no use of RSPO Trademark logo.</p> | Complied |

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| 6.7 | Use of any other trademark or logo to highlight the presence of RSPO-certified sustainable oil palm products is an unauthorised product-specific claim. | There was no use of RSPO Trademark logo. | Complied |
| 6.8 | RSPO members who are retailers or food service companies can apply for an RSPO trademark license for use in business to consumer communications, provided they can demonstrate the validity of these claims to an RSPO-accredited certification body (CB). This will be undertaken via a remote audit, prior to the trademark use, during which the retailer or food service company will need to demonstrate that the use of the trademark is in compliance with the rules contained within this document and that the claim itself can be supported through a certified supply chain. Any other palm oil claims, including those highlighting the absence of palm oil, must be highlighted to the CB during the audit to ensure that all claims comply with the requirements of these rules. The CB will confirm the outcome of these audits, to be conducted annually, to RSPO who may continue to grant a trademark license or withdraw permission based upon the audit findings. This is in keeping with the rules applying to RSPO supply chain certified members. The guidance document for audits is available on www.rsपो.org . | Not applicable as Chersonese POM do not fall under the category of retailers or food service companies. | Not Applicable |
| MODULE B – MASS BALANCE SPECIFIC RULES | | | |
| Minimum Mass Balance content | | | |
| | 95% or above of the oil palm content must be RSPO MB-certified. | Chersonese POM is producing crude palm product and does not involved in any labelling of end product. | Complied |
| | Where there is any percentage of non-certified oil palm within the product, the reason for this must be fully justified and an action plan for moving to fully certified oil palm must be in place, in accordance with the requirements of the RSPO SCCS. In addition, the non-certified volume must be covered by equivalent volume of RSPO Credits. | Chersonese POM is producing crude palm product and does not involved in any labelling of end product. | Complied |

| Labelling and trademark (MB) | | | |
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| | <p>Members are allowed to use the RSPO label in one of the following ways:</p> <ul style="list-style-type: none"> Surrounded by the text: 'Certified sustainable palm oil'. The RSPO label MUST contain the tag 'MIXED'. The tag MIXED designates oil palm products sourced under the Mass Balance (MB) supply chain system, which administratively balances inputs and outputs of certain palm oil volumes. The tag 'MIXED' on a product does not guarantee that the product itself contains the certified material; some or all of it may reside in a product that does not carry a claim. The RSPO label can also include the statement: '[The palm oil contained in this product] contributes to the production of certified sustainable palm oil'. Wherever the RSPO trademark is displayed, the applicable trademark license number must be shown immediately under or next to the trademark or the 'statement'. Font must be Calibri, font size must be at least 4 pt (1.4 mm or 0.06 inch). In on-pack communications, the RSPO trademark can be printed anywhere on the pack. Further guidance on use of the trademark is provided in the RSPO Trademark License Terms and Conditions and in Annex 1 of the Rules on Market Communications & Claims document. | <p>Chersonese POM is producing crude palm product and does not involved in any labelling of end product.</p> | <p>Complied</p> |
| Messaging (MB) | | | |
| | <p>Messaging ALLOWED in storytelling in product-related communications includes:</p> <ul style="list-style-type: none"> [Oil palm products]/[palm oil]/[palm kernel oil] from RSPO-certified mills and plantations were mixed with non-certified oil palm products in the supply chain. | <p>Chersonese POM is producing crude palm product and does not involved in any labelling of end product.</p> | <p>Complied</p> |

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| | <ul style="list-style-type: none"> The volume of [oil palm products][palm oil]/[palm kernel oil] in this product reflects an equivalent volume of palm oil or palm kernel oil produced by RSPO certified mills and plantations. <p>In off-product communications, reference to (or images of) particular RSPO-certified production units, if the relationship to those units can be shown in company records is allowed.</p> <p>Messaging NOT ALLOWED in storytelling in product-related communications:</p> <ul style="list-style-type: none"> Anything that can lead consumers to believe that RSPO-certified palm products are (certified to be) part of the product. | | |
| <p>Principle 4: Respect community and human rights and deliver benefits</p> | | | |
| <p>Criterion 4.1: The unit of Certification respects human rights, which includes respecting the rights of Human Rights Defenders.</p> | | | |
| <p>4.1.1</p> | <p>(C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders (HRD), is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.</p> <p>- Critical (Major) compliance -</p> | <p>SOU 2 has implemented the Sime Darby’s Human Rights Charter where they committed to recognizing the role of Human Rights Defenders in accordance to the United Nations declaration on Human Rights Defender.</p> <p>Awareness and training to all workers in order for them to understand their responsibility in respect of human rights were conducted by Chersonese POM on 9/3/2021, Chersonese Estate on 22/5/2021, Holyrood Estate on 3/5/2021, Kalumpang Estate on 27/3/2021 and Tali Ayer Estate on 28/6/2021.</p> | <p>Complied</p> |
| <p>4.1.2</p> | <p>The unit of certification does not instigate violence or use any form of harassment in their operations.</p> <p>- Minor compliance -</p> | <p>Based on the interview of internal stakeholders among workers as well relevant external stakeholders, the mill and estates within SOU 2 do not instigate violence or use any form of harassment in their operations.</p> | <p>Complied</p> |
| <p>Criterion 4.2: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties</p> | | | |

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| 4.2.1 | <p>(C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistle-blowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.</p> <p>- Critical (Major) compliance -</p> | <p>Based on the records of complaints and grievances no issue of whistle-blowing that requires anonymity of complainants and/or grievance parties. Interview conducted with internal stakeholders among workers and relevant external stakeholders also confirmed the information.</p> | Complied |
| 4.2.2 | <p>Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.</p> <p>- Minor 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> <p>Under Sime Darby website, there is Whistleblowing e-form provide a mechanism for reporting, investigating and remedying any wrongdoing.</p> | Complied |
| 4.2.3 | <p>The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.</p> <p>- Minor compliance -</p> | <p>Neither any complaints nor land dispute occurred in the SOU 2 Certification Unit since the last audit.</p> | Complied |
| 4.2.4 | <p>The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.</p> <p>- Minor compliance -</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. The negotiation process involving the estate management, representatives from the disputed parties, zone heads, third parties and stakeholders shall be carried out. Upon failure of the negotiation process, legal proceedings may follow.</p> | Complied |

Criterion 4.3: The unit of Certification contributes to local sustainable development as agreed by local communities.

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| 4.3.1 | <p>Contributions to community development that are based on the results of consultation with local communities are demonstrated.</p> <p>- Minor compliance -</p> | <p>Contributions made as per sample as following:</p> <ul style="list-style-type: none"> - Yayasan Sime Darby Kami Prihatin program for Kampung Tersusun Kuala Gila villagers affected by Covid-19; Date: 9/12/2021 - Sime Darby Food Basket contribution to selected local community affected by COVID-19; Date: 19/7/2021 - Inter-Office Memo on Self-Declaration: Compliance to Foreign Worker Passport Handover and Individual Passport Locker Safekeeping; Date: 20/9/2021; From: Central West Region CEO; Acknowledgement by BAE Manager date: 24/9/2021 | Complied |
| Criterion 4.4: Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent. | | | |
| 4.4.1 | <p>(C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents Related to the history of land tenure and the actual legal or customary use of the land are available.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese POM located within Chersonese Estate Lot # 4647; Area: 652.1 ha; Land title # 71380; District: Kerian, Sub-district: Mukim Kuala Kurau.</p> <p>Chersonese Estate hold a total of 35 land titles as per sample sighted as following:</p> <ul style="list-style-type: none"> - Title # 66254; Lot # 2389; Area: 52.5762 ha; District: Kerian; Sub-district: Mukim Kuala Kurau - Title # 50651; Lot # 2339; Area: 0.8675 ha; District: Kerian; Sub-district: Mukim Kuala Kurau <p>Holyrood Estate hold a total of 14 land titles as per sample sighted as following:</p> <ul style="list-style-type: none"> - Title # 85423; Lot # 781; Area: 476.012 ha; District: Selama; Sub-district: Mukim Hulu Ijok - Title # 48656; Lot # 803; Area: 83.4663 ha; District: Selama; Sub-district: Mukim Selama <p>Kalumpong Estate hold a total of 14 land titles as per sample sighted as following:</p> | Complied |

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| | | <ul style="list-style-type: none"> - Title # 25431; Lot # 3293; Area: 0.319 ha; District: Krian; Sub-district: Mukim Selinsing - Title # 81187; Lot # 9159; District: Krian; Sub-district: Mukim Bagan Serai <p>Tali Ayer Estate hold a total of 35 land titles as per sample sighted as following:</p> <ul style="list-style-type: none"> - Title # 359783; Lot # 19776; Area: 54.6885 ha; District: Krian; Sub-district: Mukim Bagan Serai - Title # 4036; Lot # 2871; District: Krian; Sub-district: Mukim Parit Buntar | |
| 4.4.2 | Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include: | No issues of land dispute issue occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |
| 4.4.2a | Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making. - Minor compliance - | No issues of land dispute issue occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |
| 4.4.2b | Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken. - Minor compliance - | No issues of land dispute issue occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |
| 4.4.2c | Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal | No issues of land dispute issue occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |

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| | status of their land at the expiry of the unit of certification's title, concession or lease on the land. - Minor compliance - | | |
| 4.4.3 | (C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Critical (Major) compliance - | Boundary maps available for all estates within SOU 2 clearly demarcating estate area with location and coordinate of boundary stone and pegs. There is no land dispute recorded since last audit. In order to deal with future arising land dispute (if applicable), the Sustainable Plantation Management System (SPMS) Appendix 3 dated 01/11/2008 documented the process in handling boundaries disputes. | Complied |
| 4.4.4 | All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. - Minor compliance - | No issues of land dispute issue occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |
| 4.4.5 | (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose. - Critical (Major) compliance - | No issues of land dispute issue occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |
| 4.4.6 | There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties. - Minor compliance - | No issues of land dispute issue occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |
| Criterion 4.5: No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions. | | | |
| 4.5.1 | (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available. - Critical (Major) compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. | Not Applicable |

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| | | Consultation with relevant stakeholders conducted on-site confirmed the information. | |
| 4.5.2 | <p>(C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.</p> <p>- Critical (Major) compliance -</p> | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.5.3 | <p>Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.</p> <p>- Minor compliance -</p> | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.5.4 | <p>To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.</p> <p>- Minor compliance -</p> | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.5.5 | <p>Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.</p> | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |

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| | - Minor compliance - | | |
| 4.5.6 | Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator. - Minor compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.5.7 | New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations. - Minor compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.5.8 | (C) New lands are not acquired in areas inhabited by communities in voluntary isolation. - Critical (Major) compliance - | No new land acquired in areas inhabited by communities in voluntary isolation. Consultation with relevant stakeholders conducted on-site confirmed the information. | Complied |
| Criterion 4.6: Any negotiations Concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. | | | |
| 4.6.1 | (C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place. - Critical (Major) compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.6.2 | (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. - Critical (Major) compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.6.3 | Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings. | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. | Not Applicable |

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| | - Minor compliance - | Consultation with relevant stakeholders conducted on-site confirmed the information. | |
| 4.6.4 | The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them. - Minor compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| Criterion 4.7: Where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements. | | | |
| 4.7.1 | (C) A mutually agreed procedure for identifying people entitled to compensation is in place. - Critical (Major) compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.7.2 | (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. - Critical (Major) compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.7.3 | Communities that have lost access and rights to land for plantation expansion are given opportunities including employment and supply contracts to benefit from plantation development. - Minor compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| Criterion 4.8: The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights. | | | |
| 4.8.1 | Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |

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| | is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC. - Minor compliance - | | |
| 4.8.2 | (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms. - Critical (Major) compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.8.3 | Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements (Indicators 4.4.2, 4.4.3 and 4.4.4) - Minor compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| 4.8.4 | For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). - Minor compliance - | No new planting and issues of customary land occurs in all estates within SOU 2 that requires FPIC process since the last audit. Consultation with relevant stakeholders conducted on-site confirmed the information. | Not Applicable |
| Principle 5: Support smallholder inclusion | | | |
| Criterion 5.1: The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses. | | | |
| 5.1.1 | Current and previous period prices paid for FFB are publicly available and accessible by smallholders. - Minor compliance - | Current and previous FFB prices available as per MPOB Daily FFB Reference Price Summary by Region. The mill received FFB from sister estate within SOU 2 and FFB diversion from other certified SOU. The FFB supplier were listed in the Chersonese POM FFB | Complied |

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| | | Supplier list. Chersonese POM will only start received Outside Crop Purchase (OCP) from 1 st October 2021 onwards. | |
| 5.1.2 | <p>(C) Evidence is available that the unit of certification explains the FFB pricing to smallholders on request from individual smallholders (at least once a year or upon request).</p> <p>- Critical (Major) compliance -</p> | All FFB received by Chersonese POM are from Sime Darby Plantation Estates within the SOU 2 and no third party, smallholders or indirectly sourced FFB sold to Chersonese POM until end September 2021. Effective from 1st October 2021, Chersonese POM downgraded its SCCS from IP to MB and started receiving uncertified FFB effective from at least 5 Outside Crop Purchased (OCP) suppliers. Evidence available that consultation with OCP suppliers made by Sime Darby Plantations' Global Trading and Marketing (GTM) personnel to explain FFB pricing and purchasing terms prior to signing of FFB purchase agreements. | Complied |
| 5.1.3 | <p>(C) Fair pricing, calculated as a portion of the international CPO price less costs is provided to smallholders in the supply base and documented.</p> <p>- Critical (Major) compliance -</p> | FFB pricing and calculation was included in the FFB purchase agreement which was based on the MPOB prices as well as the FFB grading quality. Latest explanation made by Sime Darby Plantations' Global Trading and Marketing (GTM) personnel to explain FFB pricing and purchasing terms prior to signing of FFB purchase agreements. | Complied |
| 5.1.4 | <p>(C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable.</p> <p>- Critical (Major) compliance -</p> | Evidence that all relevant parties involved in decision-making process and understand the contracts available as per records of FFB purchase agreement signed by both parties. | Complied |
| 5.1.5 | <p>Contracts are fair, legal and transparent and have an agreed timeframe.</p> <p>- Minor compliance -</p> | The mill received FFB from sister estate from SOU 2 and FFB diversion from other certified SOU. The FFB supplier were listed in the Chersonese POM FFB Supplier list. Chersonese POM will only | Complied |

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| | | start received Outside Crop Purchase (OCP) from 1 st October 2021 onwards. | |
| 5.1.6 | <p>(C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.</p> <p>- Critical (Major) compliance -</p> | The mill received FFB from sister estate from SOU 2 and FFB diversion from other certified SOU. The FFB supplier were listed in the Chersonese POM FFB Supplier list. Chersonese POM will only start received Outside Crop Purchase (OCP) from 1 st October 2021 onwards. | Complied |
| 5.1.7 | <p>Weighbridges used for determining payment to smallholders are verified by an independent third party on a regular basis (this can be government).</p> <p>- Minor compliance -</p> | Weighbridge stamping conducted on 7/1/2021 by De Metrology Sdn. Bhd. calibration serial # B827071253 and safety sticker no. DE18 003520. | Complied |
| 5.1.8 | <p>The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.</p> <p>- Minor compliance -</p> | <p>Sime Darby Plantation as a group has also developed responsible sourcing guidelines (RSG) in approaching third party FFB & CPO suppliers to ensure the fruits and CPO are sourced from identified, legal and responsible sources. In case necessary, Outside Crop Purchaser (OCP) upstream are responsible to source potential external suppliers.</p> <p>As part of Sime Darby Plantation Responsible Sourcing Guidelines (RSG), potential supplier will be assessed to ensure no deforestation after 2010, no planting of peat area after 2010; have valid land title (valid ownership sample suppliers of dealers) and have valid MPOB license for their oil palm planting/FFB.</p> | Complied |
| 5.1.9 | <p>(C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner.</p> <p>- Critical (Major) compliance -</p> | <p>Addressed in Standard Operation Manual; Date: 1/11/2008 that documented the process for Procedure for External Communication (sub-section 5.5, Appendix 5.5.3.2) for grievance handling.</p> <p>As of the date of audit, no independent smallholders within Chersonese POM certification unit.</p> | Complied |
| <p>Criterion 5.2: The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.</p> | | | |

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| 5.2.1 | <p>The Company consults with interested smallholders (irrespective of type) within the Unit of Certification, including women or other partners in their supply base, to assess their needs for support to improve their livelihoods and their interest in RSPO certification.</p> <p>- Minor compliance -</p> | <p>Sime Darby Plantation as a group has also developed responsible sourcing guidelines (RSG) in approaching third party FFB & CPO suppliers to ensure the fruits and CPO are sourced from identified, legal and responsible sources. In case necessary, Outside Crop Purchaser (OCP) upstream are responsible to source potential external suppliers.</p> | Complied |
| 5.2.2 | <p>The unit of certification develops and implements smallholder support programme to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Independent Smallholder Standard or RISS).</p> <p>- Minor compliance -</p> | <p>As part of Sime Darby Plantation Responsible Sourcing Guidelines (RSG), potential supplier will be assessed to ensure no deforestation after 2010, no planting of peat area after 2010; have valid land title (valid ownership sample suppliers of dealers) and have valid MPOB license for their oil palm planting/FFB.</p> | Complied |
| 5.2.3 | <p>Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.</p> <p>- Minor compliance -</p> | <p>Sime Darby Plantation as a group has also developed responsible sourcing guidelines (RSG) in approaching third party FFB & CPO suppliers to ensure the fruits and CPO are sourced from identified, legal and responsible sources. In case necessary, Outside Crop Purchaser (OCP) upstream are responsible to source potential external suppliers.</p> | Complied |
| 5.2.4 | <p>(C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.</p> <p>- Critical (Major) compliance -</p> | <p>As part of Sime Darby Plantation Responsible Sourcing Guidelines (RSG), potential supplier will be assessed to ensure no deforestation after 2010, no planting of peat area after 2010; have valid land title (valid ownership sample suppliers of dealers) and have valid MPOB license for their oil palm planting/FFB.</p> | Complied |
| 5.2.5 | <p>The unit of certification regularly reviews and publicly reports on the progress of the Smallholder support programme.</p> <p>- Minor compliance -</p> | <p>Sime Darby Plantation as a group has also developed responsible sourcing guidelines (RSG) in approaching third party FFB & CPO suppliers to ensure the fruits and CPO are sourced from identified, legal and responsible sources. In case necessary, Outside Crop Purchaser (OCP) upstream are responsible to source potential external suppliers.</p> | Complied |

| Principle 6: Respect workers' rights and conditions | | | |
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| Criterion 6.1: Any form of discrimination is prohibited. | | | |
| 6.1.1 | <p>(C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.</p> <p>- Critical (Major) compliance -</p> | <p>SOU 2 has implemented Group Sustainability & Quality Policy Statement signed by Group Managing Director on 2nd December 2019. The policy shall be guided by the commitments spelt out in the Company's in Human Rights Charter (HRC) 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.</p> | Complied |
| 6.1.2 | <p>(C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for foreign workers.</p> <p>- Critical (Major) compliance -</p> | <p>Records of employments and interview conducted on-site with sampled internal and external stakeholders confirmed that the workers and groups including local communities, women, and migrant workers have not been discriminated against.</p> | Complied |
| 6.1.3 | <p>The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.</p> <p>- Minor compliance -</p> | <p>No discrimination based on religion, gender, nationality and etc. during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc. This was confirmed from job vacancy advertisement and sample recruitment sighted.</p> | Complied |
| 6.1.4 | <p>Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.</p> <p>- Minor compliance -</p> | <p>Pregnancy testing was conducted only for women employee involved in chemical handling work to ensure no pregnant women working with the risk of chemical exposure. All women employees involved in chemical handling work within SOU 2 underwent Urine Pregnancy Test (UPT) conducted by respective estate's Hospital Assistant upon request only.</p> | Complied |
| 6.1.5 | <p>(C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.</p> | <p>The Group Sustainability Policy covers the commitment facilitating the opportunity for advancement of women at all levels in our organisation and ensuring their protection. The policy was communicated through the Gender Committee meeting conducted</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>- Critical (Major) compliance -</p> | <p>quarterly and through Gender Committee Handbook, First Edition 2014 which developed by Plantation Sustainability & Quality Management (PSQM) Department. It explained the types of gender-based violence & grievance procedures. Meetings were conducted quarterly according to the handbook. Gender Committee were established by the mill and estates management.</p> <p>The latest meeting were conducted by Chersonese POM dated on 24/3/2021, Chersonese Estate on 12/3/2021, Holyrood Estate on 17/5/2021, Kalumpong Estate on 22/3/2021 and Kalumpong Estate on 2/7/2021.</p> <p>No sexual harassment case been reported since the last audit.</p> | |
| <p>6.1.6</p> | <p>There is evidence of equal pay for the same work scope. - Minor compliance -</p> | <p>No discrimination based on religion, gender, nationality and etc. during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc. This was confirmed during stakeholder’s consultation, worker’s interview, complaint book and trade union meeting.</p> <p>Sighted the job description of each workers mention the same regardless of skin colour, religion, race and caste. Evidence of equal pay sighted based on passports & work permit, work agreement, payslip, attendance & checkroll and Socso 8A form of November 2020, February 2021 & March 2021 for sample female and male employees as following:</p> <p>Chersonese POM:</p> <ul style="list-style-type: none"> - Employee # 26683; M; General - Employee # 26709; F; General - Employee # 52708; F; General | <p>Complied</p> |

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| | | <ul style="list-style-type: none"> - Employee # 88313; M; A-Shift - Employee # 136711; M; B-Shift - Employee # 158551; M; Workshop <p>Chersonese Estate:</p> <ul style="list-style-type: none"> - Employee # 25871; F; DR @ GW - Employee # 26076; F; DR @ GW - Employee # 25881; F; Piece Rated Workers (Field Agrmnt) - Employee # 25913; M; Oil Palm Harvesters - Employee # 102032; M; DR @ GW - Employee # 161250; M; DR @ GW - Employee # 123216; M; Oil Palm Harvesters - Employee # 112118; M; Piece Rated Workers (Field Agrmnt) <p>Holyrood Estate:</p> <ul style="list-style-type: none"> - Employee # 026199; F; DR @ GW - Employee # 030152; F; DR @ GW - Employee # 116306; F; DR @ GW - Employee # 043429; M; Oil Palm Harvesters - Employee # 090790; M; Piece Rated Workers (Field Agrmnt) - Employee # 107658; M; Piece Rated Workers (Op Agrmnt) - Employee # 108878; M; Oil Palm Harvesters - Employee # 131146; M; DR @ GW <p>Kalumpong Estate:</p> <ul style="list-style-type: none"> - Employee # 029073; F; DR @ GW - Employee # 029180; F; DR @ GW | |
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RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <ul style="list-style-type: none"> - Employee # 055107; F; DR @ GW - Employee # 029128; M; Oil Palm Harvesters - Employee # 147831; M; Piece Rated Workers (Field Agrmnt) - Employee # 093996; M; DR @ GW - Employee # 102604; M; Oil Palm Harvesters - Employee # 117307; M; Piece Rated Workers (Op Agrmnt) <p>Tali Ayer Estate:</p> <ul style="list-style-type: none"> - Employee # 80288; F; Piece Rated Workers (OP Agrmnt) - Employee # 28804; F; Piece Rated Workers (OP Agrmnt) - Employee # 74126; F; DR @ GW - Employee # 153175; M; Oil Palm Harvesters - Employee # 120870; M; DR @ GW - Employee # 133507; M; DR @ GW - Employee # 161876; M; Oil Palm Harvesters - Employee # 143922; M; Piece Rated Workers (Op Agrmnt) | |
| <p>Criterion 6.2: Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).</p> | | | |
| 6.2.1 | <p>(C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.</p> <p>- Critical (Major) compliance -</p> | <p>All the workers are under direct employment and some electrical works are under contractor workers. The pay slip has included basic income, allowance pay, working days, medical leave, deduction of salary and etc. as per employment contract in compliance with permits as following:</p> <ul style="list-style-type: none"> - JTKSM Overtime Limit Permit Ref. # BHG.PU/9/134 JLD 9 (11); Date: 27/3/2017 | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <ul style="list-style-type: none"> - JTKSM Salary Deduction Permit Ref. # JTKS(E)6/115 Jld 36-20 (2); Date: 30/5/2018 for PTPTN & Tabung Haji deductions - JTKSM Salary Deduction Permit Ref. # JTKS(E)6/115 Jld 36-20 (2); Date: 30/5/2018 for Electrical bills deductions | |
| 6.2.2 | <p>(C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.</p> <p>- Critical (Major) compliance -</p> | <p>As per Inter-Office Mail from Sime Darby Plantation’s Head, HR Upstream to Senior Managers/Managers Estate & Mill for all Northern Region, Central East Region, Central West Region on Implementation of Revised Workers’ Contracts and Register of Maternity Leave and Allowances; Date: 3/12/2019.</p> <p>All workers work agreement were also based on MAPA Circular No. 1/2020; Date: 14/1/2020; Minimum Wages Order 2020 (MWO 2020) where the order provides for the minimum wages rates payable to an employee who works in a place of employment in any City Council or Municipal Council area as specified in the schedule.</p> | Complied |
| 6.2.3 | <p>(C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.</p> <p>- Critical (Major) compliance -</p> | <p>Records of payslip and check-roll documents available to the workers for sample employees sighted as per indicator 6.1.6 above. Records shown all relevant legal compliance requirements were met by SOU 2.</p> | Complied |
| 6.2.4 | <p>(C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers’ Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5years) is allowed to upgrade the infrastructure.</p> <p>- Critical (Major) compliance -</p> | <p>The mill and estates within SOU 2 established the Employee Welfare Committee (EWC) as a team to represent and conduct the housing inspection based on area assigned to designated representative. Sighted sample housing and facilities inspections conducted as following:</p> <ul style="list-style-type: none"> - Tali Ayer Estate Weekly Housing Complex/Nest/Community Hall Weekly Inspections (PIOA); Date: 17/12/2021 - Tali Ayer Estate Quarterly Housing Unit Inspection (EWC); Date 8/11/2021 | OFI |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <ul style="list-style-type: none"> - Holyrood Estate Latest VMO visit dated 29-30/12/2021 - Tali Ayer Estate Latest VMO visit dated 28/12/2021 by Dr. Lim Hock Ghee <p>However, provision of NEST's (Nursery For Estate's Toddlers) amenities such as toys and play items, mattress and pillow as well as educational material including posters, television, DVD player, books, magazines etc. could be further enhanced among estates within SOU 2. Hence, an OFI has been raised on the matter.</p> | |
| 6.2.5 | <p>The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance -</p> | <p>The mill and estates within SOU 2 ensured affordable food for its employee through canteen food price monitoring as part of terms in the Mill Canteen Tenancy/Rental Agreement for sundry shop operators.</p> | Complied |
| 6.2.6 | <p>A DLW is paid to all workers, including piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE: STATEMENT FROM THE RSPO STANDARDS STANDING COMMITTEE REGARDING INDICATOR 6.2.6 ON DECENT LIVING WAGE</p> <p>With reference to procedural note of indicator 6.2.6, the RSPO has published a guidance on the DLW calculation in June 2019. The RSPO Secretariat will endeavour to carry out DLW country benchmarks for palm oil producing countries in which RSPO members operate and for which no Global Living Wage Coalition (GLWC) benchmarks exist (As of September 2019, GLWC has developed national benchmarks in Bangladesh, Belize, Brazil, China, Colombia, Costa Rica, Dominican Republic, Ecuador, Ethiopia, Ghana, Guatemala, India, Kenya, Malawi, Mexico, Nicaragua, Pakistan, South Africa, Sri Lanka, Uganda and Vietnam These benchmarks are developed based on banana, coffee, floriculture, textile, manufacturing, seafood processing and tea industry. The RSPO is in the process of commissioning benchmarks for Malaysia and Indonesia for the palm oil sector and will develop methods to calculate and/or define DLW applicability for all palm oil producing countries in which RSPO members operate).</p> <p><i>Where a GLWC living wage standard (benchmark), or one that fulfils the basic requirements of the RSPO-endorsed living wage methodology, has been established in the country or region of operation, the same should be used as benchmarks.</i></p> | <p>SOU 2 conducted the Prevailing Wage Assessment and calculated individual local and foreign workers current salary including non-monetary benefit given average mill and estate Local Workers RM: 1,769.50; Foreign Workers: RM1,920.41. Prevailing Wage Assessment conducted by Group Sustainability & Quality Manager (GSQM) Sime Darby Plantation.</p> | Complied |

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| | <p>In the absence of such benchmarks, the RSPO will collaborate with the GLWC and/or local experts on developing oil palm industry benchmarks (Benchmark in this context may include other approaches and/or methods to calculate the applicability of DLW in the country or region in accordance to the RSPO endorsed method for determining a DLW. Local applicability for benchmarks is important and it may differ based on the needs of each locality or country). These benchmarks will be developed in collaboration and consultation with relevant stakeholders such as palm oil industry members, workers' union, authorities and/or relevant organisations.</p> <p><i>For countries where no living wage standard is established, until such time that an RSPO endorsed benchmark for the country is in place, national minimum wages shall be paid to all workers. In addition to the payment of minimum wages, the Unit of Certification (UoC) shall conduct an assessment of the prevailing wages and in-kind benefits provided to workers in the Unit of Certification aligned with the RSPO Guidance for Implementing a Decent Living Wage (RSPO Guidance for Implementing a Decent Living Wage. The RSPO will also develop further guidance and tools to calculate DLW in line with the RSPO endorsed methodology which may include independent studies by local experts in their respective region or country).</i></p> <p>Once these benchmarks are available, this procedural note is no longer applicable. UoC shall have an implementation plan towards the payment of a DLW with specific targets, and a phased implementation process including:</p> <ul style="list-style-type: none"> • Updated assessment on prevailing wages and in-kind benefits • There is annual progress on the implementation of living wages • Where a minimum wage, based on equivalent of baskets of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment • The UoC may choose to implement the living wage payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before eventual scale up of the living wage implementation. <p>- Minor compliance -</p> | | |
| 6.2.7 | <p>Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.</p> <p>- Minor compliance -</p> | <p>Employment contracts detailing payments and conditions of employment available to the permanent workers employed as per samples sighted in indicator 6.2.2 above. No casual, temporary and day labour employed within all operating units within SOU 2.</p> | Complied |

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| <p>Criterion 6.3: The unit of Certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.</p> | | | |
| <p>6.3.1</p> | <p>(C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.</p> <p>- Critical (Major) compliance -</p> | <p>The Group Sustainability & Quality Policy Statement signed by Group Managing Director on 02/12/2019 includes as below:</p> <p>We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> - Providing Equal Opportunities: We promote diversity and inclusion and will not condone discrimination. - Respecting Freedom of Association: We respect the rights of employees to join and form organisations of their own choice and to bargain collectively. <p>Company respect the rights of all personnel to form and join trade unions of their choice to bargain collectively and the workers have their freedom to join the NUPW/MAPA union.</p> <p>Sighted a sample of the latest NUPW committee members of Chersonese Estate minutes of meeting for meeting conducted on 11/3/2021.</p> | <p>Complied</p> |
| <p>6.3.2</p> | <p>Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request.</p> <p>- Minor compliance -</p> | <p>The mill and estates within SOU 2 established the Employee Welfare Committee as operating unit level collective bargaining medium. Sighted the sample minutes of meeting available as following:</p> <ul style="list-style-type: none"> - Chersonese Oil Mill & Chersonese Estate RSPO Stakeholders (AMESU & NUPW) Meeting; Date: 23/4/2021; Venue: conference Room, Chersonese Oil Mill | <p>OFI</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <ul style="list-style-type: none"> - Holyrood Estate: Minutes of Meeting NUPW Committee with Estate Management FY 2021; Date: 23/12/2021 - Kalumpong Estate: Minutes of Meeting Union & Management; Date: 15/11/2021 <p>However, the minutes of meetings copy for meeting between the unit of certification management with trade unions (NUPW) or workers representatives, could be further provided digitally/electronically (WhatsApp, email, etc.) for ease of workers' representative safekeeping or distribution among workers as an alternative to public signboard display. Hence, an OFI has been raised on the matter.</p> | |
| 6.3.3 | <p>Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers.</p> <p>- Minor compliance -</p> | <p>Interview with workers union representatives (NUPW Chairman & NUPW Secretary) confirmed that they were independently elected as the NUPW by all members of NUPW among mill and estate workers via an election without interference by the management.</p> | Complied |
| Criterion 6.4: Children are not employed or exploited. | | | |
| 6.4.1 | <p>A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.</p> <p>- Minor compliance -</p> | <p>The Group Sustainability & Quality Policy Statement signed by Group Managing Director on 02/12/2019 includes as below:</p> <p>We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> - Providing Equal Opportunities: We promote diversity and inclusion and will not condone discrimination. - Respecting Freedom of Association: We respect the rights of employees to join and form organisations of their own choice and | Complied |

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| | | <p>to bargain collectively.</p> <ul style="list-style-type: none"> - Ensuring Favourable Working Conditions: We ensure decent living and working conditions for all our employees. We strive to provide a fair wage and access to basic needs for all our employees and workers in our operations. - Enhancing Safety and Health: We provide a safe and healthy working environment for our employees and workers in our operations and support the wellbeing of our communities. - Respecting Community Rights and the Rights of Indigenous People: We uphold the process of Free, Prior and Informed Consent and recognise that the local communities have the right to give or withhold their consent to proposed projects that may affect the lands they own, occupy or otherwise use. - Protecting the Rights of Vulnerable People: We respect the rights of vulnerable people such as marginalised groups, persons of different abilities and refugees. - Protecting the Rights of Children: We seek to promote the wellbeing of children, and safeguard them from any form of maltreatment or exploitation, including child sex tourism, child trafficking, child labour and child pornography. <p>Verification of workers master list confirmed that there is no child labour hired.</p> <p>For contractors, the clause 5.8 abolishment of child labour & protecting the rights of children available in the Vendor COBC dated 21/06/2020, Human Rights Charter-protecting the rights of children.</p> | |
| 6.4.2 | <p>(C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above</p> | <p>The screening procedure was included as per SOP Hiring of locals dated 01/11/2019 by the assistant operating unit while for foreign</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | <p>company policy minimum age, whichever is higher. There is a documented age screening verification procedure.</p> <p>- Critical (Major) compliance -</p> | <p>workers, the Workforce Management Unit Liaison & Recruitment SOPP (WMU/LR-SOPP/March2016) dated 30/03/2016 under clause procedures recruitment team shall be guided by approved requirement; Age 18-45 years old).</p> | |
| 6.4.3 | <p>(C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.</p> <p>- Critical (Major) compliance -</p> | <p>Based on the interview and employees master lists data, no young person below 18 years old employed within all operating units within SOU 2.</p> | Complied |
| 6.4.4 | <p>The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.</p> <p>- Minor compliance -</p> | <p>Interview conducted on-site with sampled internal and external stakeholders confirmed that the information on no child labour policy and the negative effects of child labour were provided in appropriate languages and accessible to them.</p> <p>Records of communication sighted available as per Vendor Integrity Pledge for sampled Chersonese POM vendor Mayang Bayumas Sdn. Bhd.; CPO Transport Contract LOA Date: 12/12/2020 and for sampled Kalumpang Estate contractor Yih Construction Sdn. Bhd.; Machinery Rental Contract date: 1/6/2021; contract agreement # E162/2021/001.</p> | Complied |
| <p>Criterion 6.5: There is no harassment or abuse in the workplace, and reproductive rights are protected.</p> | | | |
| 6.5.1 | <p>(C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.</p> <p>- Critical (Major) compliance -</p> | <p>The Group Sustainability & Quality Policy Statement signed by Group Managing Director on 02/12/2019 includes as below:</p> <p>We respect the rights of our employees, our workers in our operations and our communities through our commitments which include, but are not limited to:</p> <ul style="list-style-type: none"> - Eliminating Violence and Sexual Harassment: We seek to promote an environment where all forms of harassment and abuse are eliminated and to provide support for victims. - Eradicating any form of Exploitation: We endeavour to eradicate | Complied |

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| | | any form of forced or bonded labour, slavery, human trafficking and sexual exploitation. The policy was communicated through the Gender Committee meeting conducted quarterly. | |
| 6.5.2 | (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce. - Critical (Major) compliance - | SOU 2 has implemented Social Policy, Gender Policy and Social & Humanity Management Policy dated January 2015 where the management is committed to develop and apply a policy to prevent sexual harassment and other forms of violence against women and to protect their reproductive rights. The policy was displayed on the notice board which was accessible by the workers. Briefing of the policies was conducted during morning muster and the policies was displayed at the notice board outside the office. | Complied |
| 6.5.3 | Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified. - Minor compliance - | As verified during on-site interview with relevant stakeholders, management of mill and estates within SOU 2 conducted the assessment of new mothers in consultation with new mothers and taken actions to address their needs as per sample as following: - Chersonese POM new mothers assessment needs dated on 22/10/2021. | Complied |
| 6.5.4 | A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce. - Minor compliance - | Interview conducted on-site with sampled internal stakeholders among all workforce confirmed that the information on grievance mechanism, which respects anonymity and protects complainants where requested, is established and communicated to them. No grievance issues that requires the implementation of the mechanism occurs in all operating units within SOU 2 since the last audit. | Complied |
| Criterion 6.6: No forms of forced or trafficked labour are used. | | | |
| 6.6.1 | (C) All workers have entered into employment voluntarily and the following are prohibited: | The recruitment cost were declared by the labour agent from source country for the applicable fees. Sampled for Tenaga Kerja Indonesia | Complied |

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| | <ul style="list-style-type: none"> • Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) • Charging the workers for recruitment fees. • Contract substitution • Involuntary overtime • Lack of freedom of workers to resign • Penalty for termination of employment • Debt bondage • Withholding of wages <p>- Critical (Major) compliance -</p> | <p>(TKI) Kepada Agensi (PL) Dan Sponsor (PL) for Indonesia effective date on 01/06/2017 (IDR 6,150,000) and Amoza Travels for India (INR 50000) for documents required, medical, insurance, transportation, etc. No other hidden recruitment fees paid to agent.</p> <p>Passport was kept by the management voluntarily. There is agreement letter signed by worker and employer on the safekeeping passport at office. If the workers want to obtain the passport for own usage, they can anytime request for it.</p> <p>There is no contract substitution as the employment contract signed between Sime Darby and embassy of Indonesia and India was same with the employment contract signed between worker and estate/mill.</p> <p>Overtime was given voluntarily. Sighted the overtime request form where employer offer work to worker after working hour/rest day/public holiday.</p> <p>The termination of service clearly stated that the termination of employment if:</p> <ol style="list-style-type: none"> 1. The company is not satisfied with your performance 2. You end employment for any reason; this may include abscondment, resignation or termination before expiry of the fixed term or extended term. 3. You commit any misconduct, including theft, fraud, insubordination, negligence or any other form of crime. 4. You have breached any express or implied terms of your employment. 5. Fail medical examination based on FOMEMA result. 6. Involved in any act that will affect the reputation of the company. | |
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| | | No penalty, debt bondage and withholding of wages been imposed to worker if they want to resign. This has been confirmed through the interview and employment contract signed. | |
| 6.6.2 | <p>(C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.</p> <p>- Critical (Major) compliance -</p> | <p>SOU 2 has implemented a Sime Darby's Human Rights Charter on where they committed as below:</p> <ul style="list-style-type: none"> a. Providing equal opportunity b. Respecting freedom of association c. Eradicating any form of exploitation d. Ensuring favourable working conditions e. Enhancing Safety and Health <p>They also provided awareness and training to all the foreign workers in order for them to understand their responsibility in respect of human rights. For e.g.: All the workers have provided with induction training in Sua Betong Estate or based estate during their arrival to Malaysia.</p> | Complied |
| Criterion 6.7: The unit of certification ensures that the working environment under its control is safe and without undue risk to health. | | | |
| 6.7.1 | <p>(C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese Estate</p> <p>Has conducted a meeting only once in 2021 on 11/06/21 a letter of postponement of meeting supposed to be conducted in June 2021 was released due to PKP.</p> <p>Chersonese POM</p> <p>A EHS Committee was established where a meeting between Employer Rep. and Employee Rep. to discuss OHS issues were conducted s sighted from Minutes/Notice of Meeting on 10/02/21 (1/21) and 10/05/21 (2/21) for FY 2021.</p> <p>Tali Ayer Estate</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>Safety and Health Committee meeting to discuss OSH related issues were conducted 4 times a year in 2020 as sampled from the Minutes of Meeting of Safety and Health Committee. 29/01/20 (01/20200, 24/04/20 (02/2020), 14/08/20 (03/2020), 18/12/2020 (04/2020).</p> | |
| <p>6.7.2</p> | <p>Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</p> <p>- Minor compliance -</p> | <p>Sime Darby Plantation Berhad has established a Standard Operating Procedure of Incidents, Accidents & Non-Conformance Management (SDP/SQM(ESH)/001-2-9), dated 30/05/19, Revision 01. It was written in English Language.</p> <p>Tali Ayer Estate</p> <p>Estate has conducted 1st Aid training on 27/07/21 and attended by 13 workers included mandores. Record of 1st Aid box Distribution to 16 PIC was sighted. No accident reported in FY 2020, while in FY2021, 4 cases were reported and 3 cases in Class 3 and 1 case in Class 4. All 4 cases were LTI in nature.</p> <p>Chersonese POM</p> <p>Based from Accident statistics in 2020, only 1 case of Class 1 was reported and in 2021 found 1 case of Class 3A and 3 case of Class 4A on as discussed in the Minutes of SHC Meeting conducted on 10/05/21. Mill has 9 trained First Aiders by Certified Trainer from SQM. The latest first aid training was conducted on 15 – 16th January 2020. Observed during site visit, a worker using at least 2 hose reels looked alike (not from fire-fighting system piping) for cleaning floor and drain. Sighted misused of emergency equipment such as a Nozzle was coupled to a fire hydrant near EFB storage yard and few hose reels without nozzles. Sub-alarm Panel in Boiler Control Room in isolated position due to battery faulty and not in position to detect any potential smoke or fire if occurred. Hence, a Minor NC has been raised on the matter.</p> <p>Kalumpong Estate</p> | <p>Non-compliance</p> |

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| | | <p>Estate has conducted 1st Aid training (BOFA) on 04/06/21 attended by 11 workers and staff.</p> <p>Holyrood Estate</p> <p>Estate has conducted 1st Aid and ERT Training on 08/05/21. Available a Medical Trauma Flow Chart that explained process flow of medical cases injury and treatment.</p> | |
| <p>6.7.3</p> | <p>(C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese Estate</p> <p>Sighted during site visit at Block P15C (Harvesters) having PPE such as helmet, safety shoes, vest, safety glass, P20C (Sprayers) having PPE such as helmet, safety glasses, cartridge mask, safety glasses, apron, safety boots, hand gloves. Available record of PPE distributions maintained for Apron dated 14/12/21 (issued to 12 workers), Cotton Gloves dated 14/12/21 (issued to 36 workers) & 16/11/21 (issued to 24 workers), Safety Glass dated 11/21 (12 workers), Google dated 07/10/21 (issued to 19 workers).</p> <p>Holyrood Estate</p> <p>Sampled during site visit at Block 2020A, Sprayers and Manurer provided and wearing Safety Boots, Apron, Rubber gloves, masks, Safety glasses and hat. All as interviewed understand on the purpose and given training to use proper PPEs.</p> <p>Tali Ayer Estate</p> <p>Available a PPE distribution record to workers as sighted Khodabur who received glove, mask and safety boots. Sighted 2 Sprayer at Field P2007 at Tali Ayer Division received and used helmet, safety glasses, cartridge mask, apron, rubber gloves and safety boots. Harvesters at filed P2006 found wearing safety boots, helmets and safety glasses provided.</p> <p>Chersonese POM</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>Sighted in Induction record to new worker (Mohamad Hisyam b. Jamil) on 01/07/21. Among information in induction programme included Use of PPE. Immediate notice issued by Mill Manager (Mohd Riza Mohd Arif) of noncompliance to Deki Trading Sdn Bhd (Supplier of Calcium Carbonate Powder) for not wearing shirt while unloading process to mill store. Stop Work Order effective 04/01/22. Action justified and acceptable.</p> <p>Kalumpang Estate</p> <p>Available as sample a PPE distribution record to workers as sighted Sentu (Field Worker) On 09/07/21 (Green Nitrile Gloves), 22/07/21 (Apron, Respirator-3200 & 3311). Sighted group of Competent Harvester under study using Safety Helmet cum with Safety Glass as usually complaint received during harvesting cannot see clearly as a result of generation of fog on the glass while breathing.</p> | |
| 6.7.4 | <p>All workers are provided with medical care and covered by accident insurance. Costs incurred from work- related incidents leading to injury or sickness are covered in accordance with Malaysian law.</p> <p>- Minor compliance -</p> | <p>Chersonese POM</p> <p>Medical care is provided to all the employees. Local workers and foreign workers were covered under SOCSO scheme. Sampled from Contribution made as recorded in Form SOCSO 8A for January 2021, RM 678.40 was paid for 92 workers as listed. March 2021, RM 804.10 paid for 84 workers as listed. June 2021, RM 4621.20 paid for 102 workers as listed.</p> <p>Tali Ayer Estate</p> <p>The estate has made a contribution to SOCSO as medical coverage for workers sampled Tipu Sultan (Emp. No.00001439220) Payslip in March 2021. RM 39.40 paid by Employer. Mokbul Mondal (Employee No. 0000120870). Payslip in November 2020. RM 19.40 paid by Employer.</p> <p>Accident involving Gobi A/L Pupathy on 12/03/21 reported to DOSH using JKKP 6 as notified by Surifah bt. Karno. Accident at workshop which re sulting hand injury with 83 days MC (12-03/21-24/03/21,</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>25/03/21-21/04/21, 22/04/21-02/06/21). Only available a letter of submission of MC slip (CIP R 775517 (22/04/21-02/06/21). Respective claims documents available and paid by SOCSO accordingly as verified.</p> <p>Chersonese Estate</p> <p>Sampled SOCSO contribution made from Borang 8A Contribution for month of September 2021. No of employees is 256 and RM 7,875.00 were paid. In March 2021, for 272 employees and RM 8,724.70.</p> <p>Kalumpong Estate</p> <p>SOCSO contribution as coverage of work- related incidents leading to injury or sickness made in October, November and December 2021. Form 8 A for October 2021 239 workers amounted RM 7,735.80, November 2021 238 workers ammounred RM 7,411 and December 2021 243 workers amounted RM 10,176.50.</p> | |
| 6.7.5 | <p>Occupational injuries are recorded using Lost Time Accident (LTA) metrics.</p> <p>- Minor compliance -</p> | <p>Chersonese Estate has reported a JKPP 8 to JKPP as evidences dated 27/01/21.</p> <p>Kalumpong Estate has maintained a monthly LTI record as sampled for June 2021. Cumulative Manhours without LTI was recorded as 768,840.</p> <p>Chersonese POM</p> <p>The mill has maintained accident statistics as recorded in LTI for FY 2020 and FY2021 as sighted from abstract from recording system established.</p> <p>Holyrood Estate sighted maintaining statistic of accident for as at Month of June 2021 in LTI metrics. Total Cumulative Man Hours W/O LTI as recorded is 302,996. So far Best Man Hours W/O LTI (Highest Record) was 332,268.</p> | Complied |

| Principle 7: Protect, conserve and enhance ecosystems and the environment | | | |
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| Criterion 7.1: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques. | | | |
| 7.1.1 | <p>(C) IPM plans are implemented and monitored to ensure effective pest control.</p> <p>- Critical (Major) compliance -</p> | <p>As sampled in Kalumpong Estate, Chersonese Estate, Tali Ayer Estate and Holyrood Estate, sighted and available IPM Plan approved by individual (Estate Manager) containing planned actions, designated responsibilities and time frame in implementing IPM for:</p> <p>a) Planting beneficial plant b) Ganoderma disease c) Pest and disease d) Ban owl box e) Rats attack</p> <p>Sighted Ban Owl is filed 2020A during site visit in Holyrood Estate.</p> | Complied |
| 7.1.2 | <p>Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.</p> <p>- Minor compliance -</p> | <p>Species referenced in the Global Invasive Species Database and CABI.org are not used in the estates.</p> | Complied |
| 7.1.3 | <p>There is no use of fire for pest control unless in exceptional circumstances such as plantation sanitation, i.e. where no other effective methods exist, and with prior approval of government authorities.</p> <p>- Minor compliance -</p> | <p>There is no use of fire for pest control in all estates as no open burning and use of fire policy in plantation set by Sime Darby Plantation Berhad. This was sampled in Chersonese Estate, Holyrood Estate, Tali Ayer Estate during site visit in the field.</p> | Complied |
| Criterion 7.2: Pesticides are used in ways that do not endanger health of workers, families, communities or the environment. | | | |
| 7.2.1 | <p>(C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritised.</p> <p>- Critical (Major) compliance -</p> | <p>Sighted a written justification as states in Standard Operating Procedure (SOP) of All Agrochemical, available in the Agricultural Reference Manual (ARM), SOP and in the Safety Pictorial Book prepared by Sime Darby Plantation Sdn Bhd. Refer to Sime Darby</p> | Complied |

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| | | Agricultural Reference Manual, Issue No. 01 Version 03 dated 01/07/11. Selected products are specific to the target pest, weed and disease. | |
| 7.2.2 | <p>(C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.</p> <p>- Critical (Major) compliance -</p> | A records of pesticides use (including active ingredients used and their LD 50, area treated, amount of example applied per Ha and number of applications) had been maintained by the estates and submitted to the Head Quarters monthly. Sampled of the records found available at site as verified. | Complied |
| 7.2.3 | <p>(C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.</p> <p>- Critical (Major) compliance -</p> | All Estates in SOU2 have implemented a Continuous Improvement Plan (IPM) where they have stated the intention to reduce the usage of chemical through implementation of IPM Plan. Sighted during the site visit at all the estates, the establishment of beneficial plants along the estate roads and immature areas as well as barn owl boxes placed at strategic areas. Paraquat and Monocrotophos were eliminated. In its place, safer alternatives such as Glyphosate and Acephate. | Complied |
| 7.2.4 | <p>There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.</p> <p>- Minor compliance -</p> | As informed and sampled from Chemicals records (Stock Card) in Chersonese Estate, Kalumpong Estate, Holyrood Estate and Tali Ayer Estate as there is no prophylactic types of pesticides in used. | Complied |
| 7.2.5 | <p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks.</p> <p>The due diligence refers to:</p> <p>a) Judgment of the threat and verify why this is a major threat</p> <p>b) Why there is no other alternative which can be used</p> | Sighted in the Chemical Registers dated 01.01.2020 showed that only class III & IV chemicals were used at all the estates (Holyrood, Chersonese, Tali Ayer and Kalumpong). During the site visit to the chemical store it was justified that there were only class II, III and IV chemicals being used. Paraquat was eliminated. In its place, alternatives such as Glyphosate was used instead. Monocrotophos was eliminated and in its place, Acephate is used. | Complied |

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| | <p>c) Which process was applied to verify why there is no other less hazardous alternative</p> <p>d) What is the process to limit the negative impacts of the application</p> <p>e) Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.</p> <p>- Minor compliance -</p> | | |
| 7.2.6 | <p>(C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criteria 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese Estate</p> <p>Pesticide operators are given training on the safe handling and application of the pesticides. Training was conducted on 25/02/21 and attended by 28 workers (Sprayers, mandores, Storekeeper). In SOP for Spraying stated at the end of the explanation that: Only trained Workers/Sprayers allowed to handle chemicals or pesticides. Others not permitted</p> <p>Holyrood Estate.</p> <p>Spraying Training was conducted for Sprayers on 10/03/21 and 10/03/21 attended by 11 Sprayers. Training by Mycrop, attended by 6 Sprayers.</p> <p>Kalumpong Estate has conducted Spraying and PPE Training for Sprayers on 10/06/21 and 18/06/21 by Mycrop.</p> <p>During site visit to all estates (Chersonese, Holyrood, Kalumpong, Tali Ayer) found all sprayers were trained and able to explained the correct spraying practices as interviewed and demonstrated.</p> | Complied |
| 7.2.7 | <p>(C) Storage of all pesticides is in accordance with recognised best practices.</p> <p>- Critical (Major) compliance -</p> | <p>During Site visit in Chersonese Estate at Chemical Store and Mixing Area sighted proper signage posted at entrance of the store. Containment for pesticides stored. Spill kit allocated, SDS as sampled for Tarang (Glufusate Ammonium) last reviewed. Overview from photos of Chemical Storage and Mixing area found in proper condition and required by SOP and practices.</p> | Complied |

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| | | <p>Chersonese POM</p> <p>The chemicals store were properly controlled and sighted a warning sign, pictograms, bunding built to prevent spillage with allocation of additional containment inside the store. The SDS well-maintained, available a spill kit and first aid box in the store. The store found well-ventilated with exhaust fan and general ventilation.</p> <p>Holyrood Estate</p> <p>Sampled at Chemicals Store found adequate signage posted at entrance, locked and managed by Store Clerk. All pesticides (Class III & IV only kept) properly kept with containment. A spill kit allocated, SDS maintained. Sampled SDS for Cypermethrin 5.5%EW from Kenso Corporation. Rev. 20/03/18. SDS for Tarang (Glufosinate Ammonium 280 G/L SL). Rev. 15/07/20.</p> <p>Tali Ayer Estate</p> <p>Sampled at Chemicals Store, found good ventilation (Exhaust fan, eneral ventilation), warning sign for chemicals hazardous to health, pictogram and signages. All Chemicals kept in containment and banded. SDS maintained and sampled 2 types of chemicals used at field P07 (Glyphosate & Kenlon) both reviewed and maintained below 5 years (05/12/17 & 10/10/17).</p> | |
| 7.2.8 | <p>All pesticide containers are triple rinsed and punctured before being disposed of and/or handled responsibly if used for other purposes.</p> <p>- Minor compliance -</p> | <p>As practices, pesticide containers were found to be recycled and used as premix containers. The access containers were all triple rinsed and punctured and stored at the designated store before they are disposed to the licensed recycle waste collector (Pentas Flora). SOP for Triple Rinsed sighted at mixing area in Chersonese Estate, Holyrood Estate, Tali Ayer Estate.</p> <p>Chersonese POM has disposed a scheduled waste accordance to Scheduled Waste requirements as observed during site visit at mill, where all types of scheduled was were disposed recently except</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>fluorescent tube. Sighted a letter to DOE Cawangan Taiping from Mill Manager dated 27/12/21 from extension of storage of scheduled more than 180 days or 20 MT. SW322, SW109, SW409, SW409 from 31/12/21-30/03/22. Reason no local vendor to collect and depend from contractor from Penang for disposal. Last disposal as evidence from eSWISS dated 03/01/22 for SW409 (Used containers, bags, contaminated waste) qty 0.0050 MT using Pentas Flora. SW410 (Rags, Plastics, Papers, filters) qty 0.2520 MT using Pentas Flora. SW322 (waste of non-halogenated organic solvents) qty 0.0480 MT using Pentas Flora.</p> | |
| 7.2.9 | <p>(C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese Estate, Kalumpang Estate, Holyrood Estate and Tali Ayer Estates not practicing aerial spraying for pesticide application in all the estates.</p> <p>This was evident from interview conducted with group of sprayers in Chersonese Estate, Holyrood Estate and Tali Ayer Estate. During site visit to all estates found sprayers clearly understood and able to demonstrate the right spraying technique as requested.</p> | Complied |
| 7.2.10 | <p>(C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese Estate</p> <p>Medical Surveillance was conducted for chemical handlers (Sprayers, Storekeeper, Manurer) as letter sent to Klinik Vijay by Estate Manager dated 05/03/21. A total of 31 Sprayers exposed to pesticides. Need to sampled the Result or report.</p> <p>Holyrood Estate</p> <p>Medical surveillance as required and recommended by CHRA Report was conducted in September 2020 by Klinik Vijay. List of 13 workers available as sighted. Sighted a letetr to Klinik Vijay dated 28/12/21 on request to carry out Medical Surveillance to 5 workers (Manogaran, Ahmad Amirul Hassan, Mohd Sofi, Nanang Rosiandi and Zombri Mat Isa) on 30/12/21.</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>Tali Ayer Estate</p> <p>Has conducted Medical Surveillance on 30 workers at Klinik Vijay Sdn Bhd on 31/12/20 as Summary of Report provided. A letetr dated 04/01/22 to Klinik Vijay Sdn Bhd to conduct Medical Surveillance for 14 Sprayers, Manurer, W/Shop (Sg. Krian Division) and 15 Sprayers, Tractor Driver, Manurer, Mandore, Workshop (Tali Ayer Division).</p> | |
| 7.2.11 | <p>(C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.</p> <p>- Critical (Major) compliance -</p> | <p>Sime Darby Plantation Berhad has prohibited woman workers who are confirmed pregnant or breast-feeding to handle chemicals or pesticides as per Gender Policy and Occupational Safety and Health Policy signed by the Managing Director on January 2015.</p> <p>Sampled at Kalumpang Estate from List of 107 Employees in Kalumpang Estate, found no young person or under age of 18 employed for handling chemicals. No pregnant and Breastfeeding lady employees working with pesticides as sampled.</p> <p>Chersonese Estate Employee Master listing used as reference on young person and underage employees.</p> <p>In Holyrood Estate and Tali Ayer Estate found no work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions.</p> | Complied |
| <p>Criterion 7.3: Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.</p> | | | |
| 7.3.1 | <p>A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.</p> <p>- Minor compliance -</p> | <p>Chersonese Estate, Kalumpang Estate, Halyrood Estate and Tali Ayer Estate found established document of type of waste generated and sources of waste including harzadous waste. Waste Management Action Plan FY 2021 found available as sampled. All wastes and sources of waste were clearly determined such as Domestic Waste (Rubbish), Scheduled Waste (clinical Waste, Used Lubricant, Hydraulics Oils, used Batteries), Recycle Waste (Empty</p> | Complied |

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| | | <p>Containers) and Industrial Waste (Debris). Waste Management Action Plan to mitigate and control the identified wastes and source of preventing pollution.</p> <p>Chersonese POM</p> <p>Mill found established a Waste Management Plan FYR Jan-Dec 2021. Among category of waste included Scheduled Waste (Electrical Waste, Hexane, Laboratory Spent, IPA, Spent Lubrication Oil, Oil Rags, Empty Chemical Containers and etc), Domestic Waste (Garbage and Sewege), Industrial Waste (POME, Decanter Cake, EFB, Compost). Action Plan was established for each items as sighted with dedicated PIC assigned.</p> <p>Holyrood Estate</p> <p>Domestic was sent to a landfill at Block 2010A as visited and found the hole was closed down few days ago with soil and new hole was opened. Waste Management Action Plan 2021 established. Mentioned domestic waste collected 3 times a week internally and dispose at Field 10A. Scheduled waste (Used lubricant, hydraulic Oils, Used Battery) collected and disposed to SDI (Sime Darby Industries-contractor of services and maintenance).</p> | |
| 7.3.2 | <p>Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</p> <p>- Minor compliance -</p> | <p>Sampled in all estates and Chersonese POM as below:</p> <p>Chersonese Estate</p> <p>The waste management was properly implemented as sighted. All domestic waste disposed-off at bins and collected by Majlis Daerah Larut Matang. The scheduled waste disposed of as evidence sighted in the store visited.</p> <p>Holyrood Estate</p> <p>Domestic wastes were disposed at landfill in Block 2010A and the arrangement can be further improved by having proper open and close dates for the landfill management.</p> | Complied |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | <p>SW 404 Clinical waste was disposed to Edgenta Mediserve Sdn Bhd dated 22/12/21 Qty 0.0010 MT. SW 404 Clinical waste disposed to Edgenta Mediserve Sdn Bhd dated 13/09/21 Qty 0.0020 MT. eSWISS record maintained. Sime Darby Sdn Bhd received approval to use used fertilizer bags in the premise dated 16/06/16 by Rosni bt. Ismail (O/b Director General) DOE Putrajaya. Another exemption of Used Chemical Container triple rinsed is not a scheduled waste from DOE dated 05/03/13 Fenny Wong Nyuk Yin (O/b Director General) DOE. Store Clerk maintain a record book for disposal of Scheduled waste (Engine Oil, Oil Filters, Hydraulic filters, Gear oil and etc) dated 01/07/20, 28/10/20, 08/03/21, 27/05/21, 09/09/21 to SDI.</p> <p>DOE has issued approval to Sime Darby Plantation dated 06/11/11 to SDI to bring back all related scheduled waste from servicing of machinery (luar tapak). Provided maintained labelling, proper storage, notification of inventory, transaction, quantity transported and emergency contingency plan. Hajjah Hanili Ghazali (o/b Director General DOE).</p> | |
| 7.3.3 | <p>The unit of certification does not use open fire for waste disposal.</p> <p>- Minor compliance -</p> | <p>Sime Darby Plantation Berhad has a policy of no open burning. As advocated, the estates practiced zero burning. There was no fire has been used to prepare land for replanting in the estate No fire was used for waste disposal. As sampled and verified during site visit in Chersonese Estate, Chersonese POM, Holyrood Estate, nor use of fire for waste disposal.</p> | Complied |
| <p>Criterion 7.4: Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p> | | | |

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| 7.4.1 | <p>Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.</p> <p>- Minor compliance -</p> | <p>As sampled in all estates under SOU2, established and available SOPs for managing soil fertility to optimise yield and minimise environmental impacts:</p> <ul style="list-style-type: none"> • Agriculture Reference Manual (ARM) dated 01/07/2011. • Estate Quality Management System (EQMS) Manual dated 01/11/2008. • Sustainable Plantation Management System Manual (SPMS). • Plantations/Mill Quality Management System (PQMS/ MQMS) Standard Operating Manual. | Complied |
| 7.4.2 | <p>Periodic tissue and soil sampling is carried out by Companies to monitor and manage changes in soil fertility and plant health.</p> <p>- Minor compliance -</p> | <p>As per Sime Darby Plantation Berhad's SOP, the soil sampling analysis carried at 5 years interval. The leaf analysis and soil analysis report made available for review. Plant Nutrition and Protection Unit (PNU) prepare the annual fertilizer recommendation base leaf analysis result. Leaf analysis show the nutrient level was used as the guidance for the recommendation. For all 4 estates (Chersonese, Holyrood, Tali Ayer and Kalumpang), Agronomic assessment and fertiliser recommendation was conducted by Sime Darby Research Plant Nutrition & Protection Unit PNP Northern Region to formulate the FY2021 manuring programme and to suggest relevant agronomic practices for oil palm yield and growth improvement.</p> | Complied |
| 7.4.3 | <p>A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.</p> <p>- Minor compliance -</p> | <p>Nutrient recycling strategy is in place and includes use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting.</p> <p>EFB will be sent and applied at selected fields at the estates. Fibre and POM were use as compost material. The palm residues after planting were left in the biomass row to decompose.</p> | Complied |
| 7.4.4 | <p>Records of fertiliser inputs are maintained.</p> | <p>The fertiliser application was conducted as per recommendation by agronomist base on foliar sampling conducted. Monitoring was</p> | Complied |

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| | - Minor compliance - | conducted by heads of Performance Monitoring Unit. Sighted the records of fertiliser application in Chersonese Estate, Holyrood Estate, Kalumpong Estate and Tali Ayer Estate FY 2021. | |
| Criterion 7.5: Practices minimise and control erosion and degradation of soils. | | | |
| 7.5.1 | <p>(C) Maps identifying marginal and fragile soils, including steep terrain, are available.</p> <p>- Critical (Major) compliance -</p> | <p>Chersonese Estate</p> <p>Both Chersonese Division and Jin Seng Division established a Soils map identifying the marginal and fragile soils as sampled.</p> <p>Kalumpong Estate</p> <p>Kalumpong 1 and Gedong Division have a Soils Map identifying marginal and fragile soils as sampled.</p> <p>Tali Ayer Estate</p> <p>As sampled during site visit found established a Soils map identifying the marginal and fragile soils as sampled.</p> | Complied |
| 7.5.2 | <p>No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25 degrees) larger than 25 Ha within the Unit of Certification.</p> <p>- Minor compliance -</p> | <p>Sime Darby Plantation Berhad particularly in estates in SOU2 have a management strategy for planting on slopes in order to minimize and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by Slope & River Protection Policy, Buffer Zone & 25-degree Slope, Land Preparation for Terracing in ARM Manual.</p> <p>Further observation will be made during site visit to verify actual practices.</p> <p>Sampled from the Slop Maps provided found Chersonese and Kalumpong Estates are 100% in the range of 0-2 degree elevation, Tali Ayer Estate is having a range of 0-2 degree (94%) and 2-6 degree (6%).</p> <p>While in Holyrood Estate the land which having a higher elevation of 6-12 degree (8.11%) and 12-20 degree (0.40%). Generally most of estates are on a flat land and no above 25 degrees planted.</p> | Complied |

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| 7.5.3 | There is no new planting of oil palm on steep terrain. - Minor compliance - | As sampled no new planting and slope above 25 degrees in all estates in SOU2 and in line with commitment by in the "Slope and River Protection" signed by the CEO dated Jan 2015 stating the following among others; "Slope of >25 degree to be excluded from any new plantation development and replanting program. | Complied |
| Criterion 7.6: Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations. | | | |
| 7.6.1 | (C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations. - Critical (Major) compliance - | There is no peat soil or soil categorized as marginal or fragile soil at all estates. To be verified during site visit. | Complied |
| 7.6.2 | Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices. - Minor compliance - | There is no peat soil or soil categorized as marginal or fragile soil at all estates. | Complied |
| 7.6.3 | Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure. - Minor compliance - | Soil surveys are done and available in a soil map at all estates. Topographic contour map is also available which are both used to manage the drainage and road works in the estates. | Complied |
| Criterion 7.7: No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly. | | | |
| 7.7.1 | (C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas. - Critical (Major) compliance - | There is no peat soil or soil categorized as marginal or fragile soil all estates sampled in SOU2. | Complied |
| 7.7.2 | Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: | There is no peat soil or soil categorized as marginal or fragile soil all estates sampled in SOU2. | Complied |

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| | <p>Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peatland Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).</p> <p>- Minor compliance -</p> | | |
| 7.7.3 | <p>(C) Subsidence of peat is monitored, documented and minimised.</p> <p>- Critical (Major) compliance -</p> | There is no peat soil or soil categorized as marginal or fragile soil all estates sampled. | Complied |
| 7.7.4 | <p>(C) A documented water and ground cover management programme is in place.</p> <p>- Critical (Major) compliance -</p> | <p>Sime Darby Plantation Berhad has established a manual for all estates and mill in SOU2 for managing water and ground cover management programme in the Sime Darby Agricultural Reference Manual as sighted (Water Management in Coastal and Peat Lands) dated 01/07/11. As under Section 7.8.1. explained that individual estates and mill had their respective water management plan mainly to monitor among others the following:</p> <p>a) Monitor the quality of main water inlet/outlet for pollutants from estate’s operations.</p> <p>b) Contingency during water shortage.</p> <p>c) Monitor the usage of fresh water on monthly basis.</p> <p>d) Reuse/recycle waste water.</p> | Complied |
| 7.7.5 | <p>(C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation.</p> <p>This is subject to transitional (5 years: 2019 to 2024) arrangement stated in the Drainability Assessment Procedure.</p> | There is no peat soil or soil categorized as marginal or fragile soil at all estates sampled. | Complied |

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| | <p>Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.</p> <p>- Critical (Major) compliance -</p> | | |
| 7.7.6 | <p>(C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2019) and associated audit guidance.</p> <p>- Critical (Major) compliance -</p> | <p>There is no peat soil or soil categorized as marginal or fragile soil at all estates sampled.</p> | <p>Complied</p> |
| 7.7.7 | <p>(C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2019) and associated audit guidance.</p> <p>- Critical (Major) compliance -</p> | <p>There is no peat soil or soil categorized as marginal or fragile soil at all estates sampled.</p> | <p>Complied</p> |
| <p>Criterion 7.8: Practices maintain the quality and availability of surface and groundwater.</p> | | | |
| 7.8.1 | <p>A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:</p> <p>a) The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.</p> <p>b) Workers have adequate access to clean water.</p> <p>- Minor compliance -</p> | <p>Chersonese POM</p> <p>A Water Management Plan/Contingency Plan During Water Crisis 2021 was established for managing issues:</p> <ul style="list-style-type: none"> • Water Shortage/Dry Spell • Severe Water Pollution/Contamination • Treatment and Containment of Waste water Produced from Processes. <p>Kalumpong Estate</p> <p>The Water management Plan FY2021 was established and sampled in Identification and management of Waste water for Financial Year 2021 approved by Estate Manager on 11/05/21.</p> | <p>Complied</p> |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| 7.8.2 | <p>(C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017) or applicable National legislation or specific environmental permit. Smallholders may replant existing planted areas provided there is no evidence of environmental deterioration having occurred during the previous cycle.</p> <p>- Critical (Major) compliance -</p> | <p>As sampled in the River Reserve Management (Management of River Reserve in Sime Darby Plantation dated April 2014). Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. All estates adopted the existing SDP policy to maintain the buffer by restricting agrochemical application and left undeveloped during replanting. Sampled during site visit such found well-maintained and protected riparian area with signages and marking during site visit at:</p> <p>Tali Ayer Eatate, a riparian area (HCV 4) Sg. Semang, Monkey Island,</p> <p>Chersonese Estate (HCV 4) Bund of Kurau River, Bund of Teluk Rubiah Mangrove Forest and Kurau River (Jit Seng Div.).</p> <p>Holyrood Estate, riparian of Sg. Segar.</p> | Complied | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------|--|---|----------|------------|-------|-----|-----|-----|-----|----|-----------|---------|-----|-----|-----|-----|----|------------|----|----|----|----|----|----|--------------------|-----|----|---|----|----|----|--------------------|-----|----|----|----|----|----------|
| 7.8.3 | <p>Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.</p> <p>- Minor compliance -</p> | <p>Effluent Discharge as Final Discharge point was sampled by Sime Darby Research Sdn Bhd on 13/01/21, 08/03/21 and 10/06/21 and result as below:</p> <table border="1" data-bbox="1137 938 1926 1332"> <thead> <tr> <th>No.</th> <th>Parameters</th> <th>Stan.</th> <th>Jan</th> <th>Mac</th> <th>Jun</th> <th>Nov</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>pH (25°C)</td> <td>5.0-9.0</td> <td>8.5</td> <td>8.5</td> <td>8/7</td> <td>8.6</td> </tr> <tr> <td>2.</td> <td>BOD (mg/L)</td> <td>50</td> <td>24</td> <td>53</td> <td>48</td> <td>47</td> </tr> <tr> <td>3.</td> <td>A. Nitrogen (mg/L)</td> <td>150</td> <td><1</td> <td>4</td> <td><1</td> <td><1</td> </tr> <tr> <td>4.</td> <td>T. Nitrogen (mg/L)</td> <td>200</td> <td>34</td> <td>36</td> <td>49</td> <td>35</td> </tr> </tbody> </table> | No. | Parameters | Stan. | Jan | Mac | Jun | Nov | 1. | pH (25°C) | 5.0-9.0 | 8.5 | 8.5 | 8/7 | 8.6 | 2. | BOD (mg/L) | 50 | 24 | 53 | 48 | 47 | 3. | A. Nitrogen (mg/L) | 150 | <1 | 4 | <1 | <1 | 4. | T. Nitrogen (mg/L) | 200 | 34 | 36 | 49 | 35 | Complied |
| No. | Parameters | Stan. | Jan | Mac | Jun | Nov | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. | pH (25°C) | 5.0-9.0 | 8.5 | 8.5 | 8/7 | 8.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | BOD (mg/L) | 50 | 24 | 53 | 48 | 47 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. | A. Nitrogen (mg/L) | 150 | <1 | 4 | <1 | <1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. | T. Nitrogen (mg/L) | 200 | 34 | 36 | 49 | 35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| | | 5. | Suspended Solid (mg/L) | 400 | 30 | 70 | 400 | 50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------|---|---|--|--|----|----|-----|----|-----|---------------|---------------------|-------------------|--------------------------|--|------|--|--|--|-----|----------|---------|------|------|-----|----------|---------|------|------|-----|----------|----------|------|------|-----|----------|--------|------|------|-----|----------|----------|------|------|-----|----------|--------|------|------|-----|----------|--------|------|------|-----|----------|---------|------|------|-----|---------|---------|------|------|-----|---------|---------|------|------|-----|---------|---------|------|------|-----|---------|---------|------|------|----------|
| | | 6. | Oil & Grease (mg/L) | 50 | 4 | 4 | 9 | 4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.8.4 | <p>Mill water use per tonne of FFB is monitored and recorded. - Minor compliance -</p> | <p>Below are water consumption per tonne FFB monitored and recorded for FY 2020:</p> <table border="1" data-bbox="1144 608 1919 1305"> <thead> <tr> <th data-bbox="1144 608 1220 683">MTH</th> <th data-bbox="1220 608 1400 683">FFB Processed</th> <th data-bbox="1400 608 1579 683">Raw Effluent Intake</th> <th data-bbox="1579 608 1747 683">Water Consumption</th> <th data-bbox="1747 608 1919 683">Raw Effluent Consumption</th> </tr> <tr> <td></td> <td data-bbox="1220 683 1400 778">(MT)</td> <td data-bbox="1400 683 1579 778">(M³) [after conversion] x 0.149</td> <td data-bbox="1579 683 1747 778">spec: < 1.30M³ / MT FFB</td> <td data-bbox="1747 683 1919 778">spec: < 0.55M³ / MT FFB</td> </tr> </thead> <tbody> <tr><td>Jan</td><td>10757.97</td><td>8698.07</td><td>1.00</td><td>0.81</td></tr> <tr><td>Feb</td><td>16092.70</td><td>9681.13</td><td>0.94</td><td>0.60</td></tr> <tr><td>Mac</td><td>17231.89</td><td>10916.00</td><td>1.03</td><td>0.63</td></tr> <tr><td>Apr</td><td>14786.81</td><td>448.48</td><td>0.97</td><td>0.03</td></tr> <tr><td>May</td><td>13006.50</td><td>10027.25</td><td>0.98</td><td>0.77</td></tr> <tr><td>Jun</td><td>14389.60</td><td>959.81</td><td>1.01</td><td>0.07</td></tr> <tr><td>Jul</td><td>14086.22</td><td>959.81</td><td>1.15</td><td>0.07</td></tr> <tr><td>Aug</td><td>12426.80</td><td>6683.69</td><td>1.25</td><td>0.54</td></tr> <tr><td>Sep</td><td>9525.22</td><td>7556.09</td><td>1.42</td><td>0.42</td></tr> <tr><td>Oct</td><td>8565.23</td><td>6931.48</td><td>1.43</td><td>0.81</td></tr> <tr><td>Nov</td><td>7174.69</td><td>5601.36</td><td>1.30</td><td>0.78</td></tr> <tr><td>Dec</td><td>8451.08</td><td>5629.07</td><td>1.40</td><td>0.67</td></tr> </tbody> </table> <p>FY 2021</p> | | | | | | | MTH | FFB Processed | Raw Effluent Intake | Water Consumption | Raw Effluent Consumption | | (MT) | (M ³) [after conversion] x 0.149 | spec: < 1.30M ³ / MT FFB | spec: < 0.55M ³ / MT FFB | Jan | 10757.97 | 8698.07 | 1.00 | 0.81 | Feb | 16092.70 | 9681.13 | 0.94 | 0.60 | Mac | 17231.89 | 10916.00 | 1.03 | 0.63 | Apr | 14786.81 | 448.48 | 0.97 | 0.03 | May | 13006.50 | 10027.25 | 0.98 | 0.77 | Jun | 14389.60 | 959.81 | 1.01 | 0.07 | Jul | 14086.22 | 959.81 | 1.15 | 0.07 | Aug | 12426.80 | 6683.69 | 1.25 | 0.54 | Sep | 9525.22 | 7556.09 | 1.42 | 0.42 | Oct | 8565.23 | 6931.48 | 1.43 | 0.81 | Nov | 7174.69 | 5601.36 | 1.30 | 0.78 | Dec | 8451.08 | 5629.07 | 1.40 | 0.67 | Complied |
| MTH | FFB Processed | Raw Effluent Intake | Water Consumption | Raw Effluent Consumption | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | (MT) | (M ³) [after conversion] x 0.149 | spec: < 1.30M ³ / MT FFB | spec: < 0.55M ³ / MT FFB | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan | 10757.97 | 8698.07 | 1.00 | 0.81 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Feb | 16092.70 | 9681.13 | 0.94 | 0.60 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mac | 17231.89 | 10916.00 | 1.03 | 0.63 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Apr | 14786.81 | 448.48 | 0.97 | 0.03 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| May | 13006.50 | 10027.25 | 0.98 | 0.77 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jun | 14389.60 | 959.81 | 1.01 | 0.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jul | 14086.22 | 959.81 | 1.15 | 0.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Aug | 12426.80 | 6683.69 | 1.25 | 0.54 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sep | 9525.22 | 7556.09 | 1.42 | 0.42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Oct | 8565.23 | 6931.48 | 1.43 | 0.81 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Nov | 7174.69 | 5601.36 | 1.30 | 0.78 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dec | 8451.08 | 5629.07 | 1.40 | 0.67 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

| MTH | FFB Processed | Raw Effluent Intake | Water Consumption | Raw Effluent Consumption |
|-------|---------------|--|--|--|
| | (MT) | (M ³) [after conversion] x 0.149 | spec: < 1.30M ³ / MT FFB | spec: < 0.55M ³ / MT FFB |
| Jan | 11338.19 | 7315.30 | 1.09 | 0.64 |
| Feb | 14147.83 | 7989.70 | 1.15 | 0.56 |
| Mac | 15875.62 | 8149.55 | 1.10 | 0.51 |
| Apr | 15881.41 | 9340.36 | 1.08 | 0.59 |
| May | 14844.09 | 10549.05 | 1.23 | 0.71 |
| Jun | 14969.35 | 10423.59 | 1.29 | 0.70 |
| Jul | 15374.14 | 9388.34 | 1.20 | 0.61 |
| Aug | 15716.21 | 10464.42 | 1.27 | 0.66 |
| Sep | 13629.80 | 10307.22 | 1.29 | 0.75 |
| Oct | 13184.82 | 9676.36 | 1.22 | 0.73 |
| Nov | 10530.96 | - | - | - |
| Total | 155492.42 | 93603.83 | 1.19 | 0.64 |

Criterion 7.9: Efficiency of fossil fuel use and the use of renewable energy is optimised

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|-------|--|---|----------|
| 7.9.1 | <p>A plan for efficiency of the use of fossil fuels and to optimise renewable energy is implemented, monitored and documented.</p> <p>- Minor compliance -</p> | <p>Chersonese POM</p> <p>Available as sampled in Energy Management Plan FY 2021 stated plan to minimize consumption of fuel for machinery such as Back Hoe operation with actions, dateline and designated responsibility as approved by Mill Manager on 15/01/21.</p> <p>All estates (Chersonese, Holyrood, Tali Ayer and Kalumpang) established a baseline estimation and monitoring of diesels, and petrol usage on monthly basis in FY 2021. Records were available</p> | Complied |
|-------|--|---|----------|

RSPO P&C Public Summary Report
Revision 12 (Jun 2021)

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| | | and well documented with comparison graphs plotted for optimization monitoring purpose. | |
| Criterion 7.10: Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions. | | | |
| 7.10.1 | (C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported. - Critical (Major) compliance - | Chersonese POM and 4 Estates (Chersonese, Holyrood, Tali Ayer and Kalumpong Estates) had identified and monitored emission of greenhouse gas (GHG) from their operations such as emission from their operations and reported in 2020 for Chersonese Palm Oil Mill and supply base calculated using the PalmGHG Calculator version 4.0.1. | Complied |
| 7.10.2 | (C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared and implemented (following the RSPO GHG Assessment Procedure for New Development). - Critical (Major) compliance - | As verified in the Palm GHG Summary Report for date in 2020 for Chersonese POM and Estates 2 has calculated the GHG using RSPO Palm GHG calculator and the calculation option used is Option 1. There was no new planting and conversion of forested and non-forested area in 2020 in SOU2. The report among others include the following; a) Land use classification analysis b) Carbon stock estimation c) Identification & estimation of major potential sources GHG emission. d) Land use classification analysis LUCA e) Carbon stock value | Complied |
| 7.10.3 | (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored. - Critical (Major) compliance - | Chersonese POM and estate in SOU2 has identified significant environmental pollutants through assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate / soot emissions and effluent. Environmental Aspects and Impacts Identification and Assessment Register were maintained associated with their operations. | Complied |

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| | | Environmental Improvement Action Plan 2021, Energy Management plan 2021 were established, implemented and monitored as sighted earlier. | |
| Criterion 7.11: Fire is not used for preparing land and is prevented in the managed area | | | |
| 7.11.1 | (C) Land for new planting or replanting is not prepared by burning. - Critical (Major) compliance - | No new planting and replanting as reported in 2020. Sime Darby Plantation Berhad has maintain a zero burning practices. As sampled and found, there was no land preparation of existence or new planting in SOU 2 and Estates by burning. This can be seen in documents: <ul style="list-style-type: none"> • EQMS-SOP-Section B2 - Under felling/clearing & land preparation • Carbon Policy of Sime Darby Plantation Berhad which stated a policy of no open burning. | Complied |
| 7.11.2 | The unit of certification establishes fire prevention and control measures for the areas directly managed by the unit of certification. - Minor compliance - | As sampled there was no fire used in estate operation in SOU2 and no new planting and replanting implemented. | Complied |
| 7.11.3 | The unit of certification engages with adjacent stakeholders on fire prevention and control measures. - Minor compliance - | Briefing to stakeholders was organized as evidence of letter dated 23/04/21 from Chersonese Estate Manager with Attachment A, stating no burning practices and prevention use of fire in plantation activities. | Complied |
| Criterion 7.12: Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced. | | | |
| 7.12.1 | (C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests. | During audit, estate has confirmed that there is no new planting affecting present HCV and primary forest. | Complied |

| | A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document. - Critical (Major) compliance - | | | | | | | | | | | | | | | | | | | | | | | | |
|------------|--|---|----------------|-----------------|------|-----|------------|-------------------------------------|------|---|--|------|---|----------|---------------------------|-------|---|-----------|----------------------------|------|---|---------------|-------|---|----------|
| 7.12.2 | <p>(C) HCVs, HCS forests and other conservation areas are identified as follows:</p> <p>a) For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid.</p> <p>b) Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.</p> <p>PROCEDURAL NOTE: Requirement is further clarified under the Interpretation of Indicator 7.12.2 and Annex 5 (approved by BOG on 12 June 2019). - Critical (Major) compliance -</p> | <p>The audit findings have confirmed that there is no new planting affecting present HCV and primary forest Hence the current HCV assessment of the estates remains valid. The recent HCV assessment for the entire SOU 2 covering all the Chersonese Palm Oil Mill and 4 Estates (Chersonese, Holyrood, Kalumpong and Tali Ayer) was performed in September 2016 by the PSQM Department, Sime Darby Plantation Berhad. As summary the HCV identified and visited during site audit:</p> <table border="1"> <thead> <tr> <th>Estate</th> <th>Assessment Area</th> <th>(Ha)</th> <th>HCV</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Chersonese</td> <td>Bund (Teluk Rubiah mangrove Forest)</td> <td>6.77</td> <td>4</td> </tr> <tr> <td>Bund (Kurau's River-Jin Seng Division)</td> <td>2.99</td> <td>4</td> </tr> <tr> <td>Holyrood</td> <td>River Reserve (Sg. Segar)</td> <td>10.72</td> <td>4</td> </tr> <tr> <td rowspan="2">Tali Ayer</td> <td>River Reserve (Sg. Semang)</td> <td>5.50</td> <td>4</td> </tr> <tr> <td>Monkey Island</td> <td>14.65</td> <td>4</td> </tr> </tbody> </table> | Estate | Assessment Area | (Ha) | HCV | Chersonese | Bund (Teluk Rubiah mangrove Forest) | 6.77 | 4 | Bund (Kurau's River-Jin Seng Division) | 2.99 | 4 | Holyrood | River Reserve (Sg. Segar) | 10.72 | 4 | Tali Ayer | River Reserve (Sg. Semang) | 5.50 | 4 | Monkey Island | 14.65 | 4 | Complied |
| Estate | Assessment Area | (Ha) | HCV | | | | | | | | | | | | | | | | | | | | | | |
| Chersonese | Bund (Teluk Rubiah mangrove Forest) | 6.77 | 4 | | | | | | | | | | | | | | | | | | | | | | |
| | Bund (Kurau's River-Jin Seng Division) | 2.99 | 4 | | | | | | | | | | | | | | | | | | | | | | |
| Holyrood | River Reserve (Sg. Segar) | 10.72 | 4 | | | | | | | | | | | | | | | | | | | | | | |
| Tali Ayer | River Reserve (Sg. Semang) | 5.50 | 4 | | | | | | | | | | | | | | | | | | | | | | |
| | Monkey Island | 14.65 | 4 | | | | | | | | | | | | | | | | | | | | | | |
| 7.12.3 | <i>Indicator is not applicable in Malaysia context</i> | | Not Applicable | | | | | | | | | | | | | | | | | | | | | | |
| 7.12.4 | <p>(C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once</p> | <p>As sampled and auditee has confirmed that there is no new HCVs, HCS forests peatland and other conservation areas been identified after 15 Nov 2018 in SOU 2 estates. The recent HCV assessment for the entire SOU 2 covering all the 4 estates and the mill was performed in September 2016 by the PSQM personnel.</p> | Complied | | | | | | | | | | | | | | | | | | | | | | |

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| | <p>every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).</p> <p>- Critical (Major) compliance -</p> | | |
| 7.12.5 | <p>Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peat land and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.</p> <p>- Minor compliance -</p> | <p>As sampled, there was no rights of local communities been identified in HCV areas, HCS forest after 15 November 2018, peat land and other conservation areas. The HCV Assessment report indicated that there is no threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations.</p> | Complied |
| 7.12.6 | <p>All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.</p> <p>- Minor compliance -</p> | <p>As sampled and the auditee has confirmed that there is no new HCVs, HCS forests peatland and other conservation areas been identified after 15 Nov 2018 in SOU 2 estates. As feedback from estate, only common bird, presence of wild boar and monkeys occasionally sighted. The appropriate action to maintain and/or enhance them were implemented accordingly.</p> | Complied |
| 7.12.7 | <p>The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.</p> <p>- Minor compliance -</p> | <p>As sampled, the auditee has confirmed that there is no new HCVs, HCS forests peatland and other conservation areas been identified after 15 Nov 2018 in SOU 2 estates. Monitoring of these areas are made through the daily field supervision by the field staff and executives. Any sighting of RTE are made and recorded during the security rounds in the estates if any.</p> <p>Available HCV Management Plan for Chersonese Estate FY2021 as sampled to support Objectives ad Target set. Available HCV Management Plan for Chersonese, Holyrood, Tali Ayer Estates FY 2021 as sampled to support Objectives and Targets set.</p> | Complied |

| | | | |
|--------|---|---|-----------------|
| 7.12.8 | <p>(C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.</p> <p>- Critical (Major) compliance -</p> | <p>As verified and the auditee has confirmed that there is no new HCVs, HCS forests peatland and other conservation areas been identified after 15 Nov 2018 in SOU 2 estates.</p> | <p>Complied</p> |
|--------|---|---|-----------------|

Appendix B: GHG Reporting Executive Summary

The GHG emissions that were produced in 2020 for Chersonese Palm Oil Mill and supply base was calculated using the PalmGHG Calculator version 4.0.1. The assessment team had verified the data input in the PalmGHG Calculator against operations records. PalmGHG Calculation Options selected 'Full version' and 'Exclude LUC Emission' calculation option is not applied. The records verified includes:

- i. Estates area planted data
- ii. Fuel consumed
- iii. Mill datas include CPO produced, PKO Produced and FFB Processed
- iv. Fertilizer consumed data for both estates and smallholders.

The summary of the Net GHG emitted in 2020 for Chersonese Palm Oil Mill and supply base are as following:

| Emission per product | tCO ₂ e/tProduct |
|----------------------|-----------------------------|
| CPO | 1.05 |
| PKO | 1.05 |

| Extraction | % |
|------------|-------|
| OER | 20.72 |
| KER | 5.35 |

| Production | t/yr |
|--------------|------------|
| FFB Process | 147,600.87 |
| CPO Produced | 30,578.06 |
| PKO Produced | 7,903.69 |

| Land Use | Ha |
|-----------------------------|-----------------|
| OP Planted Area | 9,815.20 |
| OP Planted on peat | 0.00 |
| Conservation (forested) | 0.00 |
| Conservation (non-forested) | 0.00 |
| Total | 9,815.20 |

Summary of Field Emission and Sink

| | Own Crop* | | Group | | 3 rd Party | | Total | |
|--|--------------------|--------------------------|--------------------|--------------------------|-----------------------|--------------------------|--------------------|--------------------------|
| | tCO ₂ e | tCO ₂ e / FFB | tCO ₂ e | tCO ₂ e / FFB | tCO ₂ e | tCO ₂ e / FFB | tCO ₂ e | tCO ₂ e / FFB |
| Emission | | | | | | | | |
| Land Conversion | 87079.30 | 0.59 | 0.00 | 0.00 | 0.00 | 0.00 | 87079.30 | 0.59 |
| CO ₂ Emission from fertilizer | 2045.88 | 0.11 | 0.00 | 0.00 | 0.00 | 0.00 | 2045.88 | 0.11 |
| NO ₂ Emission | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fuel Consumption | 1377.56 | 0.14 | 0.00 | 0.00 | 0.00 | 0.00 | 1377.56 | 0.14 |
| Peat Oxidation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Sink | | | | | | | | |
| Crop Sequestration | -80750.80 | -0.55 | 0.00 | 0.00 | 0.00 | 0.00 | -80750.80 | -0.55 |
| Conservation Sequestration | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 10955.34 | 0.07 | 0.00 | 0.00 | 0.00 | 0.00 | 10955.34 | 0.07 |

*Note: Includes both estates and smallholders

Summary of Mill Emission and Credit

| | tCO ₂ e | tCO ₂ e/tFFB |
|------------------------------|--------------------|-------------------------|
| Emission | | |
| POME | 28932.27 | 0.20 |
| Fuel Consumption | 95.71 | 0.00 |
| Grid Electricity Utilization | 575.66 | 0.00 |
| Credit | | |
| Export of Grid Electricity | 0.00 | 0.00 |
| Sales of PKS | 0.00 | 0.00 |
| Sales of EFB | 0.00 | 0.00 |
| Total | 29603.64 | 0.20 |

Summary of Kernel Crusher Emission and Credit (if applicable)

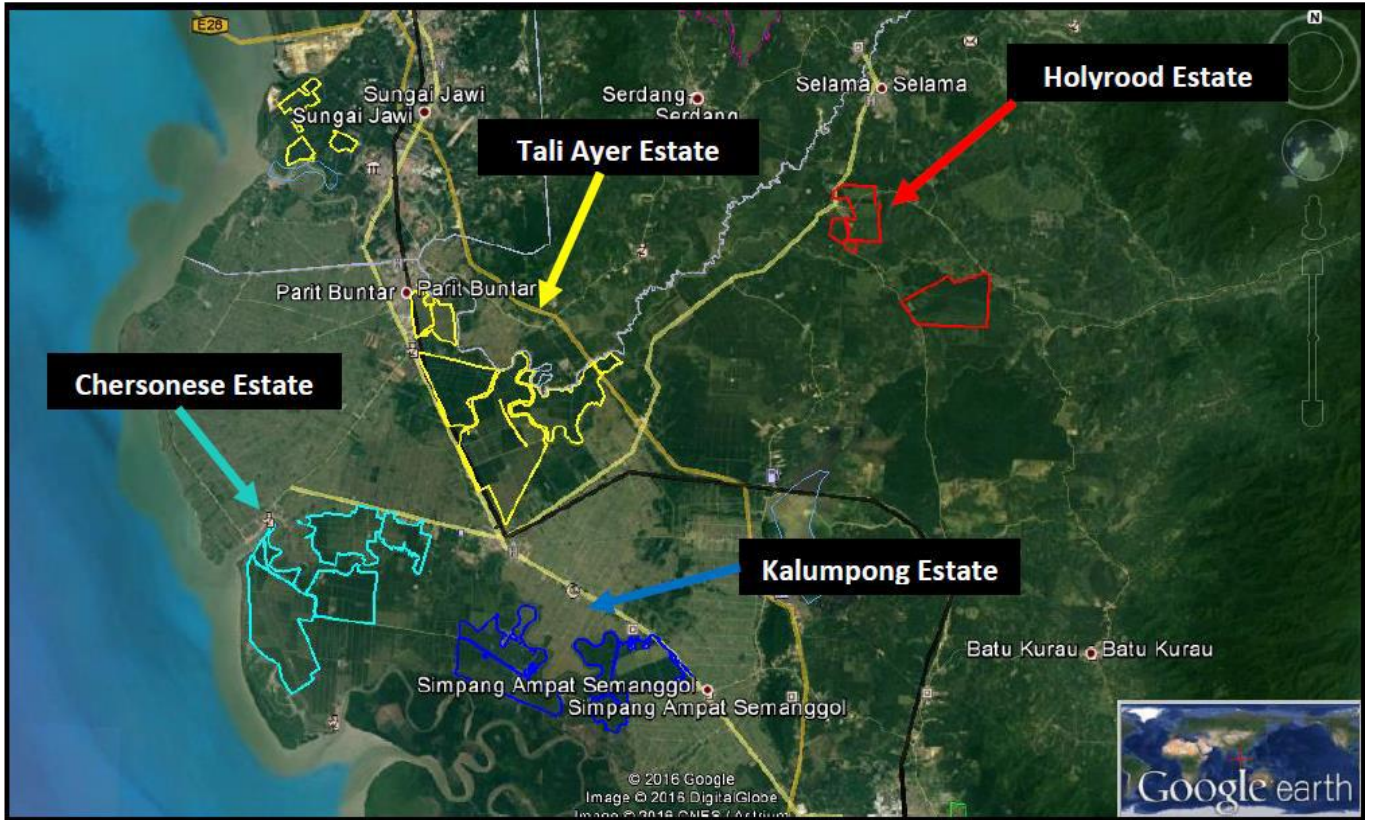
| Emissions | tCO ₂ e |
|--------------------------------|--------------------|
| PK from own mill | 0.00 |
| PK from other source | 0.00 |
| Fuel Consumptions | 0.00 |
| Total Crusher emissions | 0.00 |

*This mill has no kernel crusher operation.

| Palm Oil Mill Effluent (POME) Treatment: | |
|---|-----|
| Divert to Compost (%) | 0 |
| Divert to anaerobic diversion (%) | 100 |

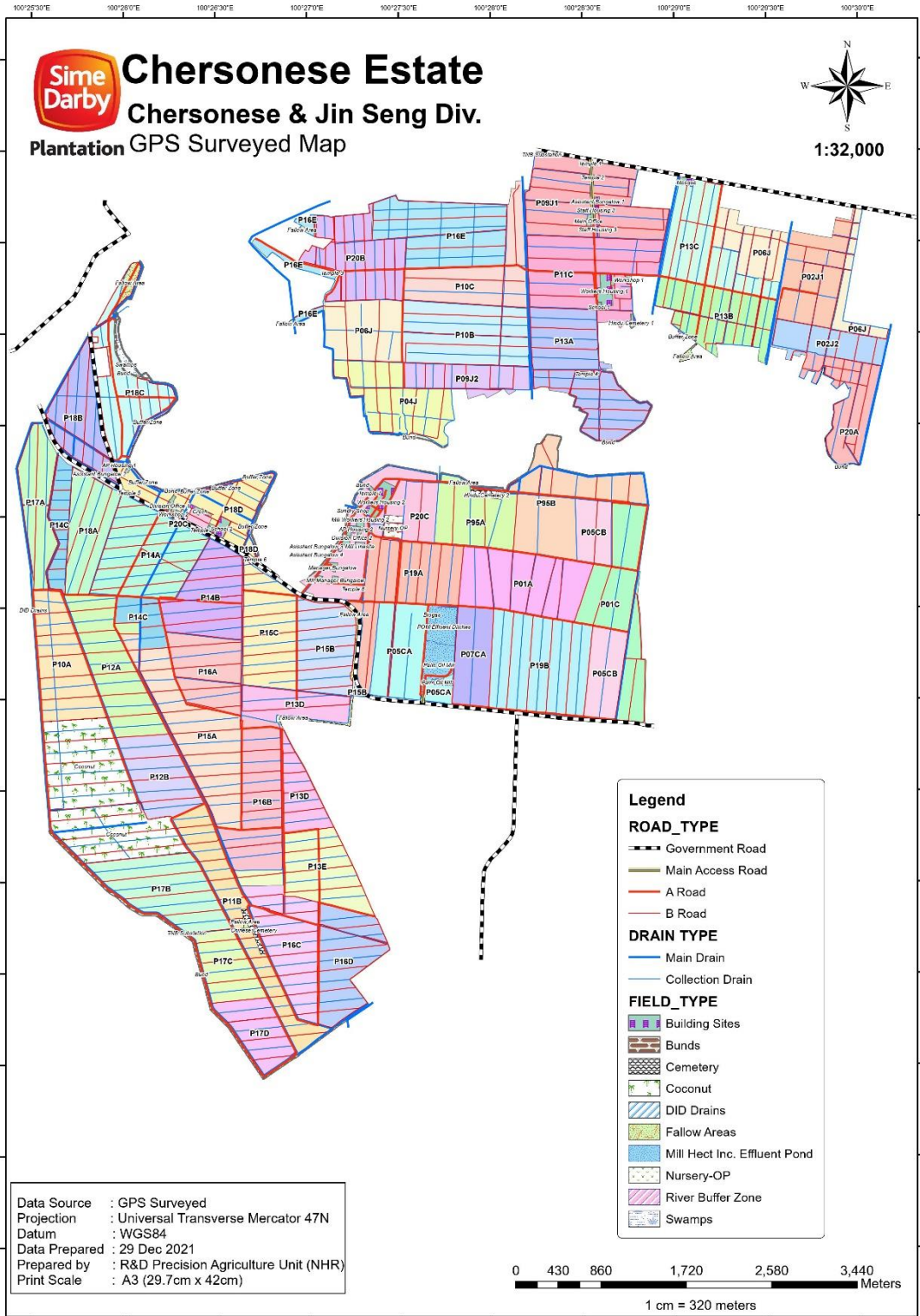
| POME Diverted to Anaerobic Digestion: | |
|--|------|
| Divert to anaerobic pond (%) | 100 |
| Divert to methane captured (flaring) (%) | 0.00 |
| Divert to methane captured (energy generation) (%) | 0.00 |

Appendix C: Location Map of Certification Unit and Supply bases

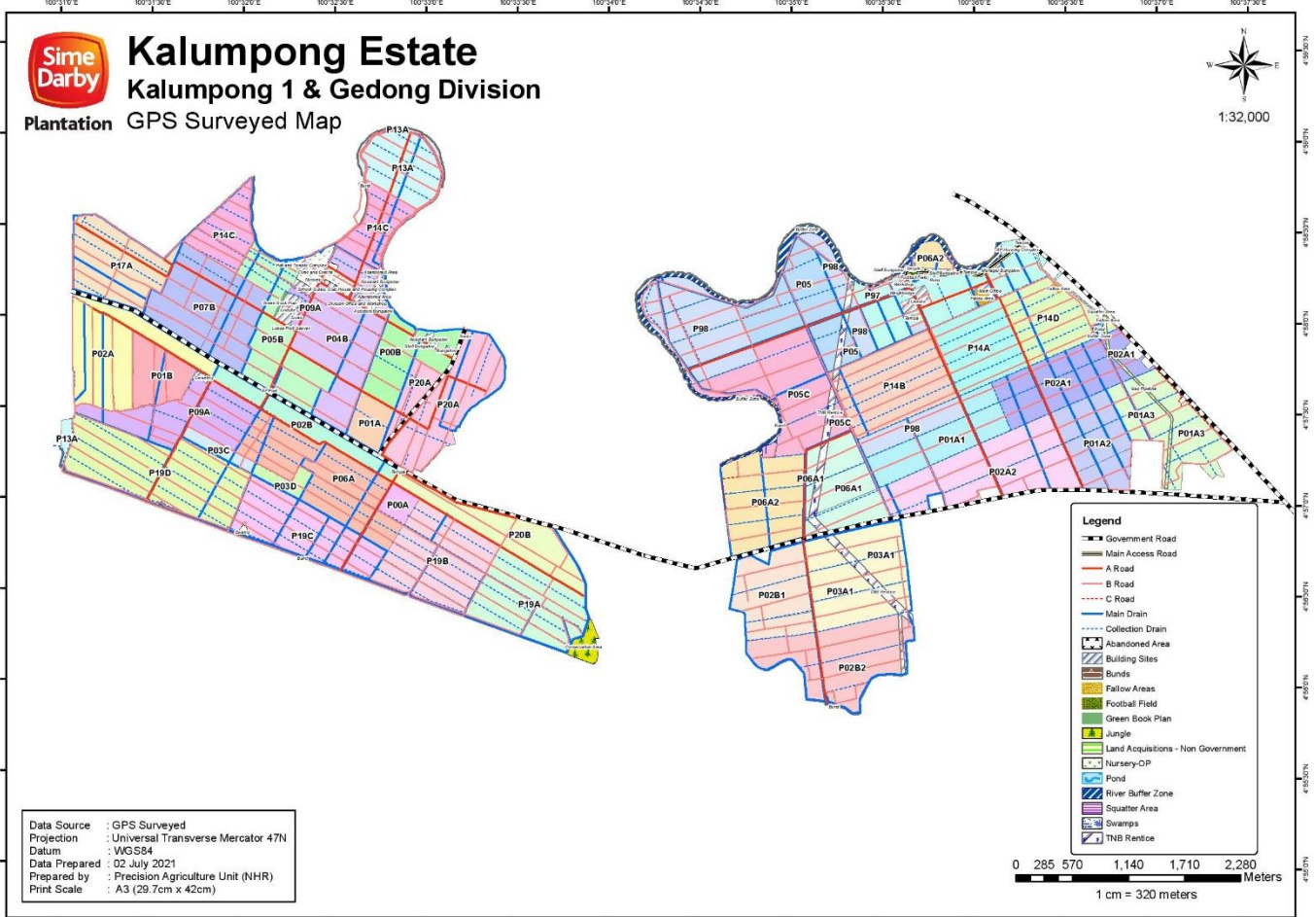


Appendix D: Estate Field Map

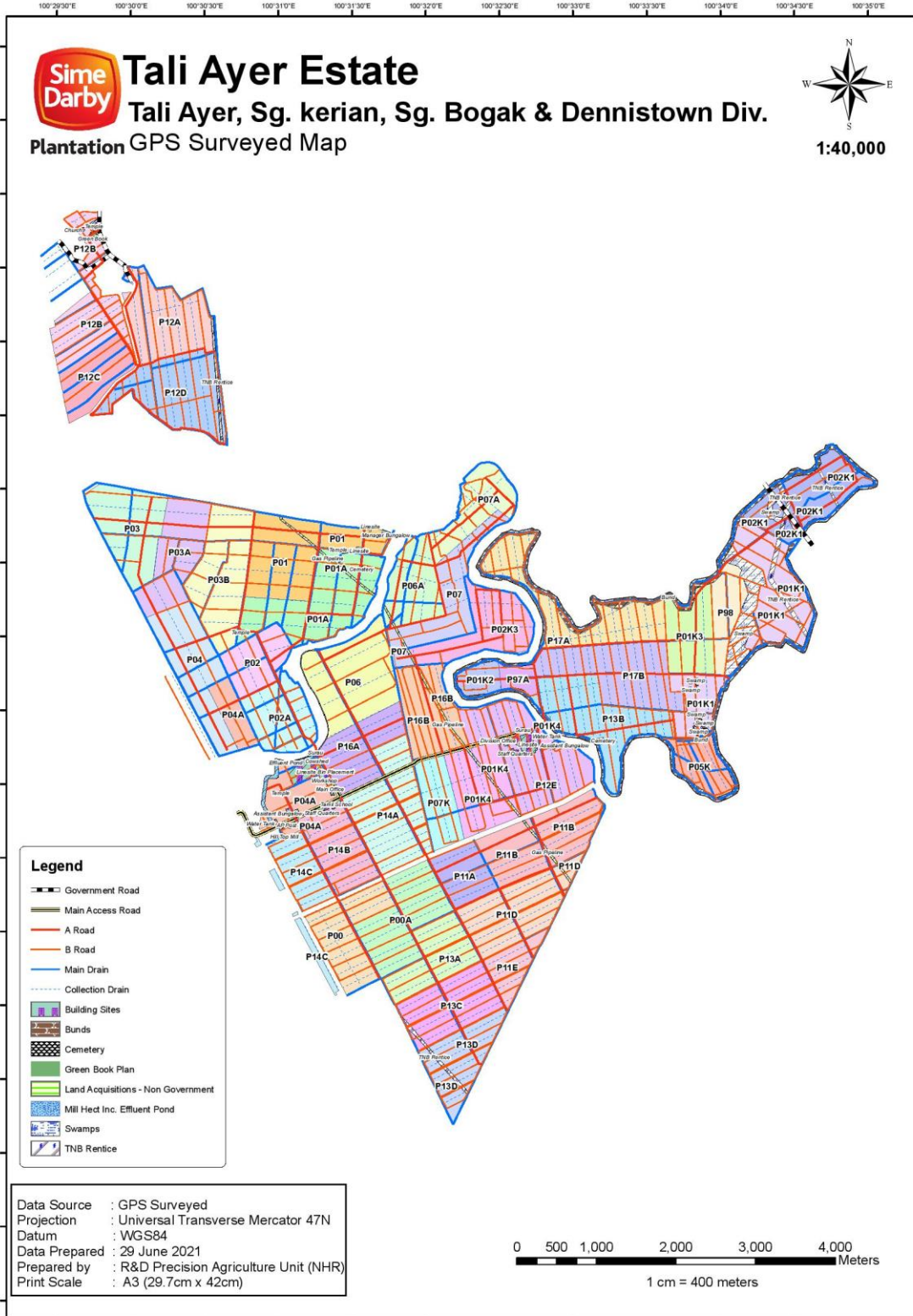
Chersonese Estate



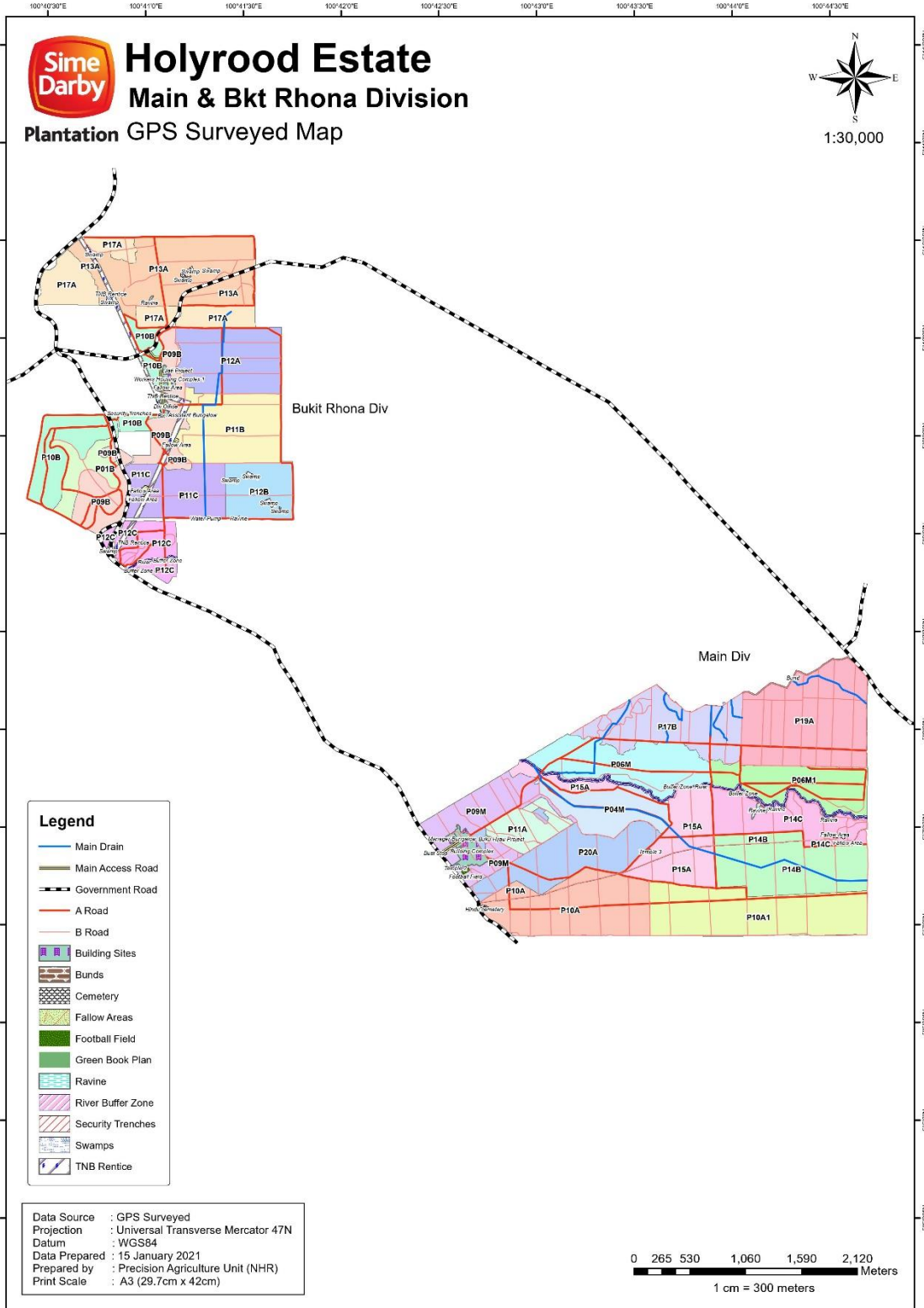
Kalumpung Estate



Tali Ayer Estate



Holyrood Estate



Appendix F: List of Abbreviations

| | |
|------------|--|
| a.i | Active Ingredient |
| BOD | Biochemical Oxygen Demand |
| CB | Certification Bodies |
| CHRA | Chemical Health Risk Assessment |
| COD | Chemical Oxygen Demand |
| CPO | Crude Palm Oil |
| CSPO | Certified Sustainable Palm Oil |
| CSPKO | Certified Sustainable Palm Kernel 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 |
| IP | Identity Preserved |
| IS - CSPO | Independent Smallholder Certified Sustainable Palm Oil |
| IS – CSPKO | Independent Smallholder Certified Sustainable Palm Kernel Oil |
| IS – CSPKE | Independent Smallholder Certified Sustainable Palm Kernel Expeller |
| ISCC | International Sustainable Carbon Certification |
| ISS | Independent Smallholder Standard |
| LD50 | Lethal Dose for 50 sample |
| MB | Mass Balance |
| MSDS | Material Safety Data Sheet |
| MT | Metric Tonnes |
| OER | Oil Extraction Rate |
| OSH | Occupational Safety and Health |
| PK | Palm Kernel |
| PKO | Palm Kernel Oil |
| POM | Palm Oil Mill |
| POME | Palm Oil Mill Effluent |
| PPE | Personal Protective Equipment |
| RSPO | Roundtable on Sustainable Palm Oil |
| P&C | Principles & Criteria |
| RTE | Rare, Threatened or Endangered species |
| SCCS | Supply Chain Certification Standard |
| SEIA | Social & Environmental Impact Assessment |
| SIA | Social Impact Assessment |
| SOP | Standard Operating Procedure |