



**SIRIM QAS INTERNATIONAL SDN. BHD.**  
Building 4, SIRIM Complex, No. 1, Persiaran Dato' Menteri,  
Section 2, 40700 Shah Alam, Selangor, Malaysia.

File Ref.: EP09760004

**RSPO PUBLIC SUMMARY REPORT**

**CLIENT : WILMAR INTERNATIONAL LIMITED – SRI KAMUSAN CERTIFICATION UNIT**

**PARENT COMPANY : WILMAR INTERNATIONAL LIMITED**

**RSPO MEMBERSHIP NO.: 2-0017-05-000-00**

**LOCATION OF THE CERTIFICATION UNIT (MILL AND THE SUPPLY BASE):**  
*(In the case of multisite certification, list additional sites in attachments)*

Certification Unit	Mill / Estate	Location		
		Latitude	Longitude	Address
Sri Kamusan Certification Unit (CU)	Sri Kamusan POM	N6°12'14"	E117°17'27"	KM 238 off Jalan Nangoh Pitas, Labuk Sugut, Sandakan, Sabah, Malaysia
	Sri Kamusan Estate	N6°12'31"	E117°19'17"	
	Hibumas 1 Estate	N6°13'12"	E117°32'53"	
	Hibumas 2 Estate	N6°16'16"	E117°28'23"	
	Jebawang Estate	N6°18'48"	E117°24'28"	
	Sekar Imej Estate	N6°15'52"	E117°16'54"	
	Sapi Sugut Estate	N6°14'34"	E117°17'09"	

**MAP :** See Attachment 1

**AUDIT DATE :** 9-13 March 2020 **DURATION :** 20 auditor days

**TYPE OF AUDIT :**  Annual Surveillance Audit 04  Recertification Audit

**STANDARD :** MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

**SCOPE OF CERTIFICATION:** Production of Sustainable Crude Palm Oil and Palm Kernel Using the Mass Balance Supply Chain Model

**VALIDITY OF RSPO CERTIFICATE :** 13 May 2016 - 12 May 2021

**The following attachments form part of this report:**

Non-conformity Report(s)

List of additional site(s)

**Report by Audit Team Leader**

**Acknowledgement by Client's Representative**

Name : Mohd Ab Raouf bin Asis

Name : Foo Siew Theng

Signature :

Signature :

Date : 30/06/2020

Date : 08 July 2020

## RSPO PUBLIC SUMMARY

### SUMMARY OF AUDIT

Recertification audit				
On-site audit date	:	15-19 February 2016	No. of auditor days	: 20 Auditor days
Audit team	:	Mohd Razman Salim (LA), Mohd Zulfakar Kamaruzaman, Selvasingam T. Kandiah, Jagathesan a/l Suppiah		
No. of major NCR(s)	:	-	-	Closing date :
No. of minor NCR(s)	:	-	-	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		X		x
		Contract workers	NGOs	Govt. agency
				Contract workers
		Indigenous people	Contractor	Others (Please specify)
		X	x	X
Supply base sampled	:	Hibumas 2 and Sekar Imej		

Annual Surveillance Audit 1				
On-site audit date	:	20-24 March 2017	No. of auditor days	: 15 Auditor Days
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Mohd Razman Salim, Rozaimie Ab Rahman		
No. of major NCR(s)	:	-	Indicator:	Closing date : -
No. of minor NCR(s)	:	2	Indicator : 4.1.2 and 6.10.1	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		X		X
		Contract workers	NGOs	Govt. agency
				Contract workers
		Indigenous people	Contractor	Others (Please specify)
		X	X	
Supply base sampled	:	Jebawang Estate and Sapi Sugut Estate		
Changes since the last audit	:	Upgraded capacity of mill from 40mt/hr to 60 mt/hr.		

Annual Surveillance Audit 2				
On-site audit date	:	12-16 March 2018	No. of auditor days	: 15
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Rozaimie Ab Rahman, Selvasingam T. Kandiah		
No. of major NCR	:	2	Indicator: 4.7.2, 4.7.3	Closing date :5/6/2018
No. of minor NCR	:	1	Indicator: 4.7.7	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers
		√		√
		Contract workers	NGOs	Govt. agency
				Independent growers
		Indigenous people	Contractor	Others (Please specify)
		NA	√	
Supply base sampled	:	Sri Kamusan Estate and Hibumas 1 Estate		
Justification of audit planning	:	<p>Total allocation of auditor days for Sri Kamusan CU were:                      Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems)                      Sri Kamusan Estate = 5 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification.                      Hibumas 1 Estate = 6 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification plus the estate location is very far inside and almost 2 years the auditor did not enter due to sampling, take extra mandays to verify everything.</p>		

## RSPO PUBLIC SUMMARY

Changes since the last audit	Mr Idrus waris promoted from Senior Assistant Manager to Manager and Transfer from Hibumas 1 to Sri Kamusan Estate. Mr Fadlee Yunsir Transfer from Sri Kamusan Estate to Hibumas 1 Estate.		
Report approved by	Radziah Mohd Daud	Approval date	11/06/2018

Annual Surveillance Audit 3			
On-site audit date	11-15 March 2019	No. of auditor days	18
Audit team	Mohd Ab Raouf bin Asis (LA), Mohd Zulfakar bin Kamaruzaman (A), Dzulfiqar bin Azmi (A), Mohd Norddin bin Abdul Jalil (A)		
No. of major NCR	3	Indicator: 2.1.1, 4.5.3 (c), 4.5.4 (e & f)	Closing date : 14/06/2019
No. of minor NCR	2	Indicator: 1.3.1, 5.3.3	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers
	/		/
	Contract workers	NGOs	Govt. agency
			Independent growers
	Indigenous people	Contractors	Others (Please specify)
	NA		
Supply base sampled	Hibumas 2, Jebawang, Sekar Imej and Sapi Sugut		
Justification of audit planning	Total allocation of auditor days for Sri Kamusan CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Hibumas 2 Estate = 3.5 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification. Jebawang Estate = 3.5 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification plus the estate location is very far inside and almost 2 years the auditor did not enter due to sampling, take extra mandays to verify everything. Sekar Imej = 3.5 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification. Sapi Sugut = 3.5 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification.		
Changes since the last audit	In January 2019 adjustment from 7,438.24 Ha to 7,523.03 Ha (+84.78 ha) following the latest Re-survey and GIS analysis exercise. Survey conducted using UAV Areal Survey analysis completed in December 2018.		
Report approved by	Radziah Mohd Daud	Approval date	24/06/2019

Annual Surveillance Audit 4			
On-site audit date	9-13 March 2020	No. of auditor days	20
Audit team	Mohd Ab Raouf bin Asis (LA), Mohd Zulfakar bin Kamaruzaman (A), Dzulfiqar bin Azmi (A), Rahayu binti Zulkifli (A).		
No. of major NCR	15	Indicator: 2.1.1, 3.4.3, 3.6.1, 6.7.3, 7.8.2, 7.10.3, 3.2.1, 6.2.1, 6.2.3, 6.2.4, 4.1.1, 7.12.4, SC (5.3.1, 5.3.2, 5.5.2)	Closing date: *26/06/2020
No. of minor NCR	7	Indicator : 1.1.5, 2.1.3, 2.2.2, 3.7.2, 6.7.2, 7.3.1, 7.12.7	
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees	Settlers	Villagers
	✓	N/A	✓
	Contract workers	NGOs	Govt. agency
	✓		Independent growers
	Indigenous people	Contractors	Others (Please specify)
	N/A	✓	
Supply base sampled	Sri Kamusan Estate, Sekar Imej Estate, Hibumas 1 Estate, Hibumas 2 Estate		
Justification of audit planning	Total allocation of auditor days for Sri Kamusan CU were: Mill = 4.0 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Sri Kamusan Estate = 4.0 days each for verification of safety and health, environment,		

## RSPO PUBLIC SUMMARY

	good agriculture best practices, Social, HCV and GHG verification. Sekar Imej Estate = 4.0 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification. Hibumas 1 Estate = 4.0 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification. Hibumas 2 = 4.0 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification.	
Changes since the last audit :	Refer to remarks column below.	
Report approved by :	Kamini Sooriamoorthy	Approval date : 2/07/2020

*\*Special extension given by RSPO EB. Refer to email from RSPO to Wilmar dated 12/06/2020.*

### SUMMARY OF INFORMATION

**TABLE 1**

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
<b>Projection Period</b>	Feb 2016 - Jan 2017	March 2017- Feb 2018	March 2018- Feb 2019	March 2019- Feb 2020	March 2020- Feb 2021
<b>Certified FFB Processed (MT)</b>	321,670.00	302,322.33	149,669.33	154,549.33	161,010.33
<b>Production of Certified CPO (MT)</b>	34,837.00	32,449.63	32,178.91	33,228.11	34,617.22
<b>Production of Certified PK (MT)</b>	7,125.75	5,368.77	6,735.12	6,954.72	7,245.47
<b>Certified Areas (Ha)</b>	14,258.10	14,258.10	14,258.10	14,258.10	14,258.10
<b>Planted Area (Ha) (Mature + Immature)</b>	7,438.25	7,438.25	7,438.25	*7,523.03	7,523.03
<b>Production Area (Ha) (Planted – Immature)</b>	7,438.25	7,438.25	7,438.25	*7,523.03	7,523.03
<b>HCV Areas</b>	4,488.86	4,488.86	4,488.86	4,488.86	**5,135.86
<b>REMARKS</b>	<p>*ASA03: In January 2019, the planted area has been revised from 7,438.24 Ha to 7,523.03 Ha (+84.78 ha) following the latest Re-survey and GIS (Geographic Information System) analysis exercise. Survey was conducted using UAV (Unmanned Aerial Vehicle) survey analysis and it was completed in December 2018.</p> <p>**ASA04: The overall changes of the declared area was mainly due to resurvey exercise using aerial UAV that allow precise and accurate land use analysis. Larger HCV area identified at Sekar Imej Estate and Hibumas 1 Estate.</p>				

**TABLE 2**

	PO	PK
<b>Last years certified volume (MT)</b>	33,228.11	6,954.72
<b>Last years actual certified sold (MT)</b>	4,872.86	4,416.94
<b>Last years actual sold under other schemes (MT)</b>	*16,991.37	0.00
<b>Last year's sold conventional (MT)</b>	0.00	0.00
<b>New year certified volume (MT)</b>	34,617.22	7,245.47

*\*scheme ISCC*

## RSPO PUBLIC SUMMARY

<b>Table of contents</b>	<b>Page</b>
1.0 AUDIT PROCESS	6
1.1 Certification body	6
1.2 Qualification of audit team	6
1.3 Audit methodology	7
1.4 Stakeholder Consultation	7
1.5 Audit plan	8
1.6 Date of next audit	8
2.0 SCOPE OF CERTIFICATION AUDIT	8
2.1 Description of the certification unit	8
2.2 Description of the Supply Base (including planting profile)	9
2.3 Organization Information / Contact Person(s)	12
3.0 AUDIT FINDINGS	12
3.1 Changes to certified products in accordance to the production of the previous year	12
3.2 Time bound plans including changes and reasons for the changes see below	12
3.3 Overall comment in terms of acceptance or non-acceptance on the changes in the time-bound plan (including details of non-adherence or the conditions justifying a time-bound plan have changed)	12
3.4 All associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, are audited within 3 years from when their fruit was first included in the mill certification.	13
3.5 Any new acquisition which has replaced primary forests or HCV areas	13
3.6 Other changes (e.g. organizational structure, new contact person, addresses, etc.)	13
3.7 Status of previous non-conformities * (refer to Attachment 5)	13
3.8 Complaint received from stakeholder (if any)	13
4.0 DETAILS OF NON-CONFORMITY REPORT	13
4.1 For P&C (Details checklist refer to Attachment 3)	13
4.2 For SC (Details checklist refer to Attachment 3)	13
5.0 AUDIT CONCLUSION	13
6.0 RECOMMENDATION	14

### List of Attachments

Attachment 1 : Map of Sri Kamusan	15
Attachment 2 : RSPO Surveillance Audit Plan	16
Attachment 3 : RSPO P&C Audit Checklist And Findings	22
Attachment 4 : Details of Non-conformities and Corrective Actions Takenfor ASA4 and Special Audit	69
Attachment 5 : Status of Non-conformities Previously Identified	83
Attachment 6 : Wilmar International Limited time bound plan	85

## RSPO PUBLIC SUMMARY

### 1.0

### AUDIT PROCESS

#### 1.1 Certification Body

SIRIM QAS International Sdn. Bhd. is the leading certification, inspection and testing body in Malaysia. SIRIM QAS International provides a comprehensive range of certification, inspection and testing services which are carried out in accordance with internationally and nationally recognized standards. Attestation of this fact is the accreditation of the various certification and testing services by leading national and international accreditation and recognition bodies such as the Department of Standards Malaysia (STANDARDS MALAYSIA), the United Kingdom Accreditation Services (UKAS) and the International Automotive Task Force (IATF). SIRIM QAS International is a partner of IQNet, a network currently comprising of leading certification bodies in Europe, North and South America, East Asia and Australia.

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & OHSAS 18001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and re-accredited by ASI on 3 October 2019 (accredited since 2014).

#### 1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd. Ab Raouf bin Asis	Lead Auditor / Safety, Environment, TBP	Holds a B.Sc. in Manufacturing (Production and Operation). He had more than 7 years of working experience in the oil palm operation. He has experience in auditing since 2016. He was successfully attended Quality Management System (ISO 9001:2015) and OHS 18001:2007 lead assessor course in 2016. Currently he qualified for RSPO P&C Lead Auditor and MSPO Lead Auditor.
Mohd Zulfakar bin Kamaruzaman	Auditor / Supply Chain, Social, HCV	Holds a B.Sc. Forestry from UPM. He had several years of working experience in the oil palm operation. He is a qualified lead auditor for RSPO P&C and RSPO Supply Chain.
Dzulfiqar bin Azmi	Auditor / Safety and Environment	Holds a B. Sc. of Agriculture. He had 7 years of working experience in the oil palm operation. He is a qualified Auditor for RSPO P&C and Lead Auditor for MSPO.
Rahayu binti Zulkifli	Auditor / Social	Graduated with LLB (Hons), a practising lawyer, Head of Legal Dept. for several companies before working with an environmental NGO in 2003 and joined the RSPO in 2014. A freelance expert in social aspect of the RSPO since 2016 and a qualified auditor for RSPO P&C.

## RSPO PUBLIC SUMMARY

### 1.3 Audit methodology

The audit covered the Sri Kamusan palm oil mill and four (4) of its supply base. The supply base covered during the audit are Sri Kamusan Estate, Sekar Imej Estate, Hibumas 1 Estate and Hibumas 2 Estate. The audit included an on-site audit to the estates, mill, linesite, local communities, contractors and suppliers to verify the implementation of the requirement of the RSPO certification system. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

### 1.4 Stakeholder Consultation

Stakeholder consultation was carried out during the on-site audit. In general, there was no negative comments made against this Certification Unit except stated in the following table.

In summary, the stakeholders interviewed during the audit and the evidence from the stakeholder consultation carried out were as tabulated below:

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	<p>Workers:</p> <ul style="list-style-type: none"> <li>a. Workers work 6 days a week with one rest day (Sunday). They work 8 hours with a minimum of 30 minutes' break in between.</li> <li>b. All workers confirmed that they receive a minimum of RM1100 per month. They receive their salaries before 7<sup>th</sup> of every month.</li> <li>c. They receive their wages in cash. Since it is difficult to go to the nearest town due to the distance, their salaries are being brought in by the gang leaders.</li> <li>d. Any overtime work is mutually agreed between workers and management, and that there is no element of forcing.</li> <li>e. Documented foreign workers are not subjected to any recruitment fee. Foreign workers who choose to keep their passports at the office have done so with their written consent.</li> <li>f. Workers are generally satisfied with the way complaints lodged are acted upon. Delays in house repairs, if any, are usually due to the need to order repair parts.</li> <li>g. Workers, including foreign workers get to appoint their own representatives. There is no interference of influence exerted by the employer.</li> <li>h. For newly-arrived foreign workers who do not understand Bahasa or English, translations are provided during briefings.</li> <li>i. Workers' children between the ages of 5 to 10 years were seen loitering at the linesite and not receiving education. NCR was therefore raised.</li> </ul>
2) Settlers	Not applicable
3) Villagers / Local communities (including women representatives, displaced communities)	The policy to respect human rights and prohibiting retaliation against HRD has not been communicated. Other than that, the relationship were good especially those between Sri Kamusan Estate and the neighbouring villages. One village even uses fresh water supply taken from Sri Kamusan Estate. Sri Kamusan Estate also engages the nearby local community to work part time as EFB applicator. They find this helpful as it increases their income.
4) Suppliers	The policy to respect human rights and prohibiting retaliation against HRD has not been communicated. No issue raised. Payments were received in time.
5) Contract workers	Interviewed some contract workers on coverage under SOCSO and salaries.
6) Local & national NGOs	Borneo Child Aid
7) Government agencies / Statutory bodies	<ul style="list-style-type: none"> <li>▪ Klinik Kesihatan Lingkabau on immunisation programme for workers' children</li> </ul>
8) Independent growers / Smallholders	<ul style="list-style-type: none"> <li>▪ No complaints.</li> <li>▪ Fair &amp; timely payments for FFB supplied.</li> </ul>
9) Indigenous people	<ul style="list-style-type: none"> <li>▪ Not applicable</li> </ul>
10) Contractor	Interviewed selected contractors on human rights, HRD, salary payments, SOCSO and insurance contributions.

## RSPO PUBLIC SUMMARY

11) Previous land owner (if any)	Wilmar owned the land.
12) Others (please specify)	Sekar Imej Estate school dormitory is in poor physical conditions with rotting mattresses and pillows. The children sleep on shared old and dirty mattresses and pillows with no beds. An NCR raised to address this.

### 1.5 Audit plan:

Refer to Attachment 2.

### 1.6 Date of next audit:

The next surveillance audit will be conducted within 12 months but not sooner than 8 months from this audit.

## 2.0 SCOPE OF CERTIFICATION AUDIT

### 2.1 Description of the certification unit

The Sri Kamusan Palm Oil Mill (Sri Kamusan POM) certification unit (CU) is a wholly owned subsidiary company of PPB Oil Palms Berhad (PPB). The CU consisted of the Sri Kamusan POM and six of its estates, namely the Sri Kamusan Estate, Hibumas 1 Estate, Hibumas 2 Estate, Jebawang Estate, Sekar Imej Estate and Sapi Sugut Estate. The audit did cover the independent smallholders that had been supplying fresh fruit bunches (FFBs) to the mill.

The Sri Kamusan POM commenced its operations in 2005 and currently had a capacity of processing 60 MT/hour of FFBs. The total combined land area of the six supply base is 14,258.10 hectares (Ha) of which 7,523.03 Ha had been planted with oil palm.



## RSPO PUBLIC SUMMARY

### 2.2 Description of the Supply Base (including the planting profile)

Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

Table 1: Actual FFB production by the supply base for the period from March 2019-February 2020

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Sri Kamusan Estate	27,531.33	8.60	SIRIM
Hibumas 1 Estate	25,911.42	8.10	SIRIM
Hibumas 2 Estate	38,054.38	11.89	SIRIM
Jebawang Estate	8,125.82	2.54	SIRIM
Sekar Imej Estate	4,302.63	1.34	SIRIM
Sapi Sugut Estate	2,835.26	0.89	SIRIM
<b>Total (certified)</b>	<b>106,760.83</b>	<b>33.36</b>	
<b>Outsiders (non certified)</b>	<b>213,291.77</b>	<b>66.64</b>	-
<b>Total</b>	<b>320,052.60</b>	<b>100.00</b>	-

Table 2: Projected FFB production by the supply base for the next reporting period March 2020 to February 2021

Estates	FFB Contribution	
	Tonnes	Percentage (%)
Sri Kamusan Estate	34,119.33	9.46
Hibumas 1 Estate	33,654.33	9.33
Hibumas 2 Estate	45,505.50	12.61
Jebawang Estate	15,946.00	4.42
Sekar Imej Estate	19,658.67	5.45
Sapi Sugut Estate	12,126.50	3.36
Total (certified)	161,010.33	44.63
Outsiders (non certified)	199,721.67	55.37
<b>Grand Total</b>	<b>360,732.00</b>	<b>100.00</b>

## RSPO PUBLIC SUMMARY

Table 3: Actual FFB received and CPO & PK dispatch by Sri Kamusan POM for period from  
March 2019-February 2020

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	320,052.60
FFB Processed	320,052.60
Certified FFB Processed	106,760.83
Non-certified FFB Processed	213,291.77
Crude Palm Oil (CPO)	
Overall CPO Production	66,490.61
Certified CPO Production	22,176.09
Certified CPO delivered as RSPO	4,872.86
Certified CPO delivered as non-RSPO	0
Certified CPO delivered under other sustainable schemes	*16,991.37
Credits traded through Books and Claim	0
Palm Kernel (PK)	
Overall PK Production	13,483.88
Certified PK Production	4,486.82
Certified PK delivered as RSPO	4,416.94
Certified PK delivered as non-RSPO	0
Certified CPO delivered under other sustainable schemes	0
Credits traded through Books and Claim	0

\*Scheme ISCC

Table 4: Projected FFB received and CPO & PK dispatch by Sri Kamusan POM of next reporting period  
March 2020 to February 2021

RSPO Supply Chain Model : Mass Balance	Total (MT)
FFB Received	360,732.00
FFB Processed	360,732.00
Certified FFB Processed	161,010.33
Non-certified FFB Processed	199,721.67
Crude Palm Oil (CPO)	
Overall CPO Production	77,557.38
Certified CPO Production	34,617.22
Certified CPO delivered as RSPO	-
Certified CPO delivered as non-RSPO	-
Certified CPO delivered under other sustainable schemes	-
Palm Kernel (PK)	
Overall PK Production	16,232.94
Certified PK Production	7,245.47
Certified PK delivered as RSPO	-
Certified PK delivered as non-RSPO	-
Certified CPO delivered under other sustainable schemes	-

Table 5: Planted and certified area of the Sri Kamusan CU

Estate	Planted (ha)	Certified (ha)
Sri Kamusan Estate	1,665.76	2,832.00
Hibumas 1 Estate	1,775.58	2,449.38
Hibumas 2 Estate	2,303.42	3,472.62
Jebawang Estate	338.74	403.80
Sekar Imej Estate	891.49	3,642.00
Sapi Sugut Estate	548.04	1,458.30
<b>Total</b>	<b>7,523.03</b>	<b>14,258.10</b>

**RSPO PUBLIC SUMMARY**

**Table 6: Planting profile for Sri Kamusan Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2000	1st	408.37	408.37	24.5%
2002	1st	405.40	405.40	24.3%
2003	1st	851.99	851.99	51.2%
<b>Total</b>			1665.76	100.00

**Table 7: Planting profile for Hibumas 1 Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
1999	1 <sup>ST</sup>	Mature	1040.35	58.6
2000	1 <sup>st</sup>	Mature	205.86	11.6
2001	1 <sup>st</sup>	Mature	224.30	12.6
2004	1 <sup>st</sup>	Mature	121.89	6.9
2006	1 <sup>st</sup>	Mature	119.24	6.7
2007	1 <sup>st</sup>	Mature	63.94	3.6
<b>Total</b>			1775.58	100.00

**Table 8: Planting profile for Hibumas 2 Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2000	1 <sup>st</sup>	513.45	513.45	22
2005	1 <sup>st</sup>	792.47	792.47	34
2006	1 <sup>st</sup>	916.65	916.65	40
2007	1 <sup>st</sup>	80.85	80.85	4
<b>Total</b>		2303.42	2303.42	100.00

**Table 9: Planting profile for Jebawang Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2003	1 <sup>st</sup>	338.74	338.74	100.00
<b>Total</b>		338.74	338.74	100.00

**Table 10: Planting profile for Sekar Imej Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2004	1 <sup>st</sup>	Mature	164.38	18%
2005	1 <sup>st</sup>	Mature	121.78	14%
2007	1 <sup>st</sup>	Mature	119.65	13%
2008	1 <sup>st</sup>	Mature	333.01	37%
2009	1 <sup>st</sup>	Mature	152.67	18%
<b>Total</b>			891.49	100.00

**Table 11: Planting profile for Sapi Sugut Estate**

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature / Immature	Planted area(ha)	Percentage of planted area (%)
2005	1 <sup>st</sup>	Mature	396.93	72%
2004	1 <sup>st</sup>	Mature	151.11	28%
<b>Total</b>			548.04	100.00

**RSPO PUBLIC SUMMARY**

**2.3 Organizational Information/Contact Person:**

Name	:	Mr. Colman Ng Pin Wah
Position	:	Group Manager
Address	:	8th Floor UBN Tower, No. 10 Jalan P. Ramlee, Kuala Lumpur, Malaysia
Phone no.	:	+6089-671546
Email	:	<a href="mailto:colman.ngpinwah@my.wilmar-intl.com">colman.ngpinwah@my.wilmar-intl.com</a>

**3.0 AUDIT FINDINGS**

**3.1 Changes to certified products in accordance to the production of the previous year**

There was no change to the certified products since last assessment.

**3.2 Progress and changes in time bound plan (Refer to Attachment 6 for the time bound plan)**

i. **Have all the estates under the parent company been certified?**  Yes  No

**If no, comments on the organization's compliance with the RSPO partial certification rules:**  
All of the estates and mills belonged to PPB had been certified to RSPO P&C. However, Wilmar is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details provided in the Time Bound Plan described in Attachment 6.

ii. **Are there any changes to the organization's time bound plan?**  Yes  No  
**If yes, comment in terms of acceptance or non-acceptance on the changes in the time-bound plan?**

iii. **Are there associated smallholders (including scheme smallholders) in the CU**  Yes  No

**If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification?**  Yes  No

**If no, please state reasons** NA

iv. **Any new acquisition which has replaced primary forests or HCV areas**  Yes  No

N/A

**3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.)**

No

**3.4 Status of previous non-conformities \***  Closed  Not closed\*

*\* If not closed, minor non conformity will be upgraded to major non conformity*

**3.5. Complaint received from stakeholder (if any)**

No significant complaints from stakeholders were observed.

**RSPO PUBLIC SUMMARY**

**4.0 DETAILS OF NON-CONFORMITY REPORT**

**4.1 For P&C (Details checklist refer to Attachment 3) :**

Total no. of minor NCR(s) **List : 7** 3.7.2, 6.7.2, 7.3.1, 2.2.2, 1.1.5, 2.1.3, 7.12.7  
(details refer to Attachment 4)

Total no. of major NCR(s) **List : 12** 2.1.1, 3.4.3, 3.6.1, 6.7.3, 7.8.2, 7.10.3, 3.2.1,  
(details refer to Attachment 4) 6.2.1, 6.2.3, 6.2.4, 4.1.1, 7.12.4

**4.2 For SC (Details checklist refer to Attachment 3) :**

Total no. of minor NCR(s) **List : - NA**  
(details refer to Attachment 5)

Total no. of major NCR(s) **List :3** 5.3.1, 5.3.2, 5.5.2  
(details refer to Attachment 5)

**5.0 AUDIT CONCLUSION**

The audit team concludes that the organization has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.

**6.0 RECOMMENDATION**

**No NCR recorded. Recommended to continue certification.**

Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit.

*Note: Minor NCRs raised in the audit which are not addressed in the subsequent audit shall be upgraded to major NCRs .*

Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.

Recommended to continue certification.

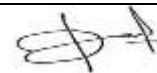
**Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s) which have not been satisfactorily closed out within 90 days of the audit. Recommended for suspension of the certificate.**

*Note: Major NCRs which are not addressed within a further 90 days shall result in the certificate being withdrawn.*

**7.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.**

**Audit Team Leader :**           MOHD AB RAOUF BIN ASIS          

(Name)



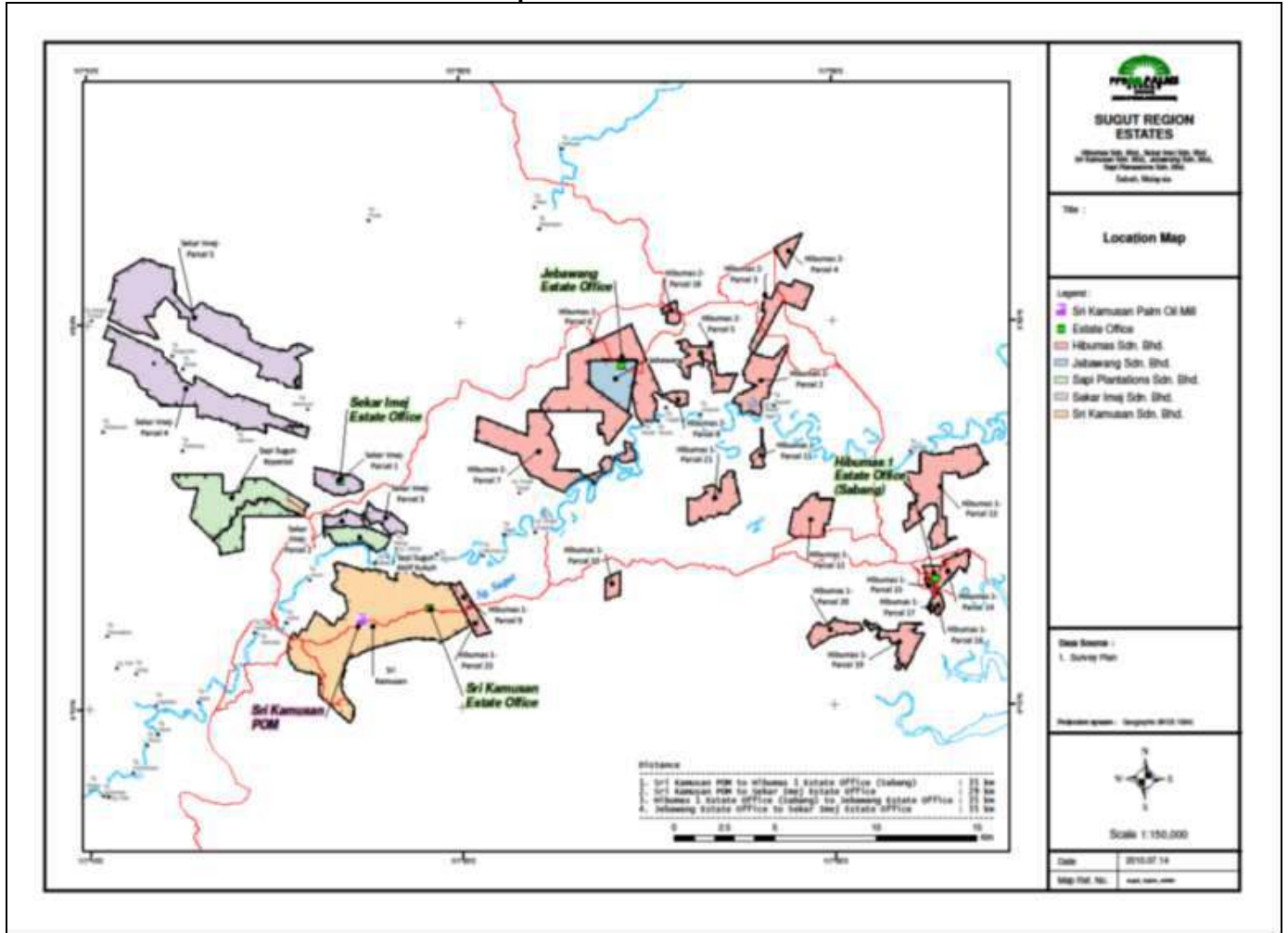
(Signature)

          \*26/06/2020          

(Date)

*\*Special extension given by RSPO EB. Refer to email from RSPO to Wilmar dated 12/06/2020.*

Map of Sri Kamusan CU



**SRI KAMUSAN SURVEILLANCE 4 AUDIT PLAN**

**1. Objectives**

The objectives of the audit are as follows:

- (i) To determine Certification Unit conformance against the RSPO Principles & Criteria Malaysian National Interpretation (MYNI)
- (ii) To verify the effective implementation of corrective actions arising from the findings of last audit
- (iii) To make appropriate recommendations based on the audit findings

**2. Date of assessment** : 9 – 13 March 2020

**3. Site of assessment** : Sri Kamusan CU  
i) Sri Kamusan POM  
ii) Sri Kamusan Estate  
iii) Sekar Imej Estate  
iv) Hibumas 1 Estate  
v) Hibumas 2 Estate

**4. Scope of certification:** Production of Sustainable Crude Palm Oil and Palm Kernel Using Mass Balance Supply Chain Model.

**5. Reference Standard :**

- a. MYNI 2019 of RSPO P&C 2018
- b. RSPO Certification Systems, June 2017
- c. RSPO Supply Chain Standard, 14 June 2017
- d. Company's audit criteria including Company's Manual/Procedures

**6. Assessment Team**

- (i) Audit Team Leader : Mohd Ab Raouf bin Asis (GAP, Safety, Partial Certification)
- (ii) Auditor : i) Mohd Zulfakar bin Kamaruzaman (Supply Chain, HCV, Social)  
ii) Dzulfiqar bin Azmi (Safety, Environment)  
iii) Rahayu binti Zulkifli (Social)
- (iii) Witnessed (ASI) : i) Mr Selvanathan Grapragasem (Lead Auditor)  
ii) Mr Haye Semail (Technical Expert)

*If there is any objection to the proposed audit team, the organization is required to inform the Lead Auditor/RSPO Section Manager.*

**7. Audit Method**

Site audits including observation of practices, interviews with interested parties (all categories of contractors, employees, nearby population, etc.), documentation evaluation and evaluation of records.

**8. Audit Findings**

Audit findings shall be classified as major and/or minor. Major non conformities shall be addressed within 90 days or else the certificate shall be suspended. If the major non conformities are still not addressed within another 90 days, the certificate shall be terminated.

If there are five or more major non-compliances within one Principle found during the audit, immediate suspension of RSPO certification shall be recommended.

For minor non conformities raised in the surveillance audit, corrective action shall be verified in the next audit. These shall be upgraded to major non conformities if the corrective actions are not satisfactory implemented in the next audit.

**9. Confidentiality Requirements**

SIRIM QAS International shall not disclose any information concerning the company regarding all matters arising or coming to its attention with the conduct of the programme, which is of confidential in nature other than information, which is in the public domain.

In the event that there be any legal requirements for disclosing any information concerning the organization, SIRIM QAS International shall inform the organization of the information to be disclosed.

**10. Working Language** : English and Bahasa Malaysia

**11. Reporting**

- a) Language : English
- b) Format : Verbal and written
- c) Expected date of issue : 2 weeks after the closure of the Major NC / or if only minor NC, 30 days from the last day of this audit.

**12. Facilities Required**

- a. Room for discussion
- b. Relevant document and record
- c. Personnel protective equipment if required
- d. Photocopy facilities
- e. A guide for each group

**13. Assessment Programme Details** : As below



### Day 1: 9 March 2020 (Monday)

Time	Activities / areas to be visited				Auditee
8.30am	Opening Meeting – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.				
8.45am	Organization Representative - Briefing on RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases, Time bound plan, actions taken to address previous audit findings. Logistics discussion to the sites to be visited.				Management Representative
9.00am	To assign each audit team members – site and the P&C requirements				
	<b>Raouf (Sri Kamusan POM)</b>	<b>Zulfakar (Sri Kamusan POM)</b>	<b>Dzulfiqar (Sri Kamusan POM)</b>	<b>Rahayu (Sri Kamusan POM)</b>	
	Site visit and assessment on implementation: • Laws and regulations • Commitment to long-term economic and financial viability • Occupational safety & health practice – witness activities at site • Interview with workers, safety committee and contractors • Training and skill development programmes • Continuous improvement • Time bound plan and uncertified management units	Site visit and assessment on Supply Chain Implementation including the <ul style="list-style-type: none"> <li>• Model used</li> <li>• General Chain of Custody</li> <li>• System Requirements for the supply chain</li> <li>• Documented procedures</li> <li>• Purchasing and goods in</li> <li>• Outsourcing activity</li> <li>• Sales and goods out</li> <li>• Processing</li> <li>• Records keeping</li> <li>• Registration</li> <li>• Training</li> <li>• Claims</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers, safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	Site visit and assessment on implementation: <ul style="list-style-type: none"> <li>• Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>• Land titles user rights</li> <li>• Stakeholder consultation with affected communities surrounding the CU</li> <li>• Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>• Linesite inspection</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> <li>• Training and skill development programs</li> </ul>	
1.00pm	<b>LUNCH BREAK / ZUHUR PRAYER</b>				All
2.00pm	Continue assessment at Sri Kamusan POM	Continue assessment at Sri Kamusan POM	Continue assessment at Sri Kamusan POM	Continue assessment at Sri Kamusan POM	Guide(s) for each auditor
4.00 - 5.00pm	Audit team discussion / End of Day 1 audit				All

### Day 2: 10 March 2020 (Tuesday)

Time	Activities / areas to be visited				Auditee
8.30am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements				Respective Scheme Manager
8.30am	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	<b>Raouf (Sri Kamusan Estate)</b>	<b>Zulfakar (Sri Kamusan Estate)</b>	<b>Dzulfiqar (Sri Kamusan Estate)</b>	<b>Rahayu (Sri Kamusan Estate)</b>	Guide(s) for each auditor
	<ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Commitment to long-term economic and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> </ul>	<ul style="list-style-type: none"> <li>• Land titles user rights</li> <li>• Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>• Inspection of protected sites with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighbouring land use,</li> </ul>	<ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers, safety committee and contractors</li> </ul>	<ul style="list-style-type: none"> <li>• Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>• Stakeholder consultation with affected communities surrounding the CU</li> <li>• Interview with gender</li> </ul>	

	<ul style="list-style-type: none"> <li>Chemical store/fertilizer</li> <li>Plantation on hilly/swampy area</li> <li>IPM implementation, training and safe use of agro-chemicals.</li> <li>New planting</li> <li>Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>riparian zone</li> <li>HCV Assessment management plan &amp; implementation</li> <li>Training and skill development programs</li> </ul>	<ul style="list-style-type: none"> <li>Facilities at workplace</li> <li>Occupational safety &amp; health practice – witness activities at site</li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>committee, worker representative, contractors, supplier, etc</li> <li>Linesite inspection</li> <li>Complaints and grievances</li> <li>Consultation with relevant government agencies</li> </ul>	
1.00pm	<b>LUNCH BREAK / ZUHUR PRAYER</b>				All
2.00pm	Continue assessment at Sri Kamusan Estate				Guide(s) for each auditor
4.00 - 5.00pm	Audit team discussion / End of Day 2 audit				All

### Day 3: 11 March 2020 (Wednesday)

Time	Activities / areas to be visited				Auditee
8.30am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements				Respective Scheme Manager
8.30am	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	<b>Raouf (Hibumas 1 Estate)</b>	<b>Zulfakar (Hibumas 1 Estate)</b>	<b>Dzulfiqar (Hibumas 1 Estate)</b>	<b>Rahayu (Hibumas 1 Estate)</b>	Guide(s) for each auditor
	<ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Commitment to long-term economic and financial viability</li> <li>Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>EFB mulching, POME application</li> <li>Chemical store/fertilizer</li> <li>Plantation on hilly/swampy area</li> <li>IPM implementation, training and safe use of agro-chemicals.</li> <li>New planting</li> <li>Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>Land titles user rights</li> <li>Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>Inspection of protected sites with HCV attributes</li> <li>Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>HCV Assessment management plan &amp; implementation</li> <li>Training and skill development programs</li> </ul>	<ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Environmental management – witness activities at site</li> <li>Waste &amp; chemical management</li> <li>Interview with workers, safety committee and contractors</li> <li>Facilities at workplace</li> <li>Occupational safety &amp; health practice – witness activities at site</li> <li>Training and skill development programmes</li> <li>Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>Stakeholder consultation with affected communities surrounding the CU</li> <li>Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>Linesite inspection</li> <li>Complaints and grievances</li> <li>Consultation with relevant government agencies</li> </ul>	
1.00pm	<b>LUNCH BREAK / ZUHUR PRAYER</b>				All
2.00pm	Continue assessment at Hibumas 1 Estate				Guide(s) for each auditor
4.00 - 5.00pm	Audit team discussion / End of Day 3 audit				All

### Day 4: 12 March 2020 (Thursday)

Time	Activities / areas to be visited				Auditee
8.30am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements				Respective Scheme Manager
8.30am	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	<b>Raouf (Hibumas 2 Estate)</b>	<b>Zulfakar (Hibumas 2 Estate)</b>	<b>Dzulfiqar (Hibumas 2 Estate)</b>	<b>Rahayu (Hibumas 2 Estate)</b>	Guide(s) for each auditor
	<ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Commitment to long-term economic</li> </ul>	<ul style="list-style-type: none"> <li>Land titles user rights</li> <li>Interview with gender committee,</li> </ul>	<ul style="list-style-type: none"> <li>Laws and regulations</li> <li>Environmental management –</li> </ul>	<ul style="list-style-type: none"> <li>Social aspects - SIA, management plan &amp;</li> </ul>	

	<ul style="list-style-type: none"> <li>and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> <li>• Chemical store/fertilizer</li> </ul> Plantation on hilly/swampy area IPM implementation, training and safe use of agro-chemicals. <ul style="list-style-type: none"> <li>• New planting</li> <li>• Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>worker representative, contractors, supplier, etc</li> <li>• Inspection of protected sites with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>• HCV Assessment management plan &amp; implementation</li> <li>• Training and skill development programs</li> </ul>	witness activities at site <ul style="list-style-type: none"> <li>• Waste &amp; chemical management</li> <li>• Interview with workers, safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	implementation, workers' quarters. <ul style="list-style-type: none"> <li>• Stakeholder consultation with affected communities surrounding the CU</li> <li>• Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>• Linesite inspection</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> </ul>	
1.00pm	<b>LUNCH BREAK / ZUHUR PRAYER</b>				All
2.00pm	Continue assessment at Hibumas 2 Estate				Guide(s) for each auditor
4.00 - 5.00pm	Audit team discussion / End of Day 4 audit				All

### Day 5: 13 March 2020 (Friday)

Time	Activities / areas to be visited				Auditee
8.30am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements				Respective Scheme Manager
8.30am	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	<b>Raouf (Sekar Imej Estate)</b>	<b>Zulfakar (Sekar Imej Estate)</b>	<b>Dzulfiqar (Sekar Imej Estate)</b>	<b>Rahayu (Sekar Imej Estate)</b>	Guide(s) for each auditor
	<ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Commitment to long-term economic and financial viability</li> <li>• Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)</li> <li>• EFB mulching, POME application</li> <li>• Chemical store/fertilizer</li> </ul> Plantation on hilly/swampy area IPM implementation, training and safe use of agro-chemicals. <ul style="list-style-type: none"> <li>• New planting</li> <li>• Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Land titles user rights</li> <li>• Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>• Inspection of protected sites with HCV attributes</li> <li>• Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone</li> <li>• HCV Assessment management plan &amp; implementation</li> <li>• Training and skill development programs</li> </ul>	<ul style="list-style-type: none"> <li>• Laws and regulations</li> <li>• Environmental management – witness activities at site</li> <li>• Waste &amp; chemical management</li> <li>• Interview with workers, safety committee and contractors</li> <li>• Facilities at workplace</li> <li>• Occupational safety &amp; health practice – witness activities at site</li> <li>• Training and skill development programmes</li> <li>• Continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Social aspects - SIA, management plan &amp; implementation, workers' quarters.</li> <li>• Stakeholder consultation with affected communities surrounding the CU</li> <li>• Interview with gender committee, worker representative, contractors, supplier, etc</li> <li>• Linesite inspection</li> <li>• Complaints and grievances</li> <li>• Consultation with relevant government agencies</li> </ul>	
12.30pm	<b>LUNCH BREAK / JUMAAT PRAYER</b>				All
2.00pm	Verification on outstanding issues for CU Auditor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.				Guide(s) for each auditor
4.00 pm	Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager. Closing meeting at CU				All
5.00 pm	End of audit				

## MALAYSIA NATIONAL INTERPRETATION 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

### Principle 1: Behave ethically and transparently

Drive ethical business behaviour, build trust and transparency with stakeholders to ensure strong and healthy relationships.

Clause	Indicators	Comply Yes/No	Findings
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 (C) Documents that are specified in the RSPO P&C are made available to the public.	YES	Sri Kamusan CU continued to maintain a comprehensive system with respect to this criterion. Request Forms were available for stakeholders or interested party to obtain information related to RSPO. Records of visit by the Government agencies were also established. Sri Kamusan CU also continued to implement the procedure for responding to any communication as outlined in their RSPO System procedure – RSPO 6.2 Item 6.1 for Internal Communications & 6.2 for External Communication. The procedure required the appointed person-in-charge to respond to all communication within a specified time frame. Action need to be taken to fulfil the request or for making decision. All communications are to be registered.
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	The estates and mill had identified personnel responsible for complaints. Records of communication were identified and maintained.
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	All 4 Estates and Mill continued to maintain the records of requests for information and responses are maintained which included the government agencies, schools, local communities. Management documents relating to environment, social and legal issues, were available to the public except for those prevented by commercial confidential or where disclosure of information would result in negative environmental or social outcomes. The CU has provided relevant information (environmental, social and/or legal) as requested by the relevant stakeholder during the annual stakeholder meeting.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	Consultation and communication procedures used by the CU in handling internal and external communications is documented and identified. This document was prepared by the RSPO Unit of PPB Oil Palms Bhd. This procedure is used by the CU in handling internal and external communications. Implementation of the procedure was evidenced from minutes of meetings held with internal and external stakeholders. Explanations and communications were given to stakeholders by the management.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	NO	Each unit within the Sri Kamusan CU has its own stakeholder lists duly updated. The stakeholder lists comprise a list of all stakeholders namely nearby local communities, contractors, suppliers, government agencies, embassies, high commissioners and consulates, NGOs, clinics, hospitals, sundry shop owners, etc. Details of each stakeholder include their names, designated persons, contact numbers, and address.

Clause	Indicators	Comply Yes/No	Findings
			Hibumas 2 and Jebawang Estate, the stakeholders list has been updated on January 2020. However, it was found that, The Stakeholder list in the estate was not updated to include critical stakeholder who have Land Claim with the management. Thus Minor NCR MZK 01 2020 has been raised.
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.	YES	Policy for ethical conduct is available via Code of Ethics and Code of Conduct and Code of Ethics. Based on documentation review, observations during audit and interviews conducted, the ethical conduct policy is implemented in its sampled business operations and transactions. Contractors, suppliers and employees interviewed are aware of conflict of interest and the offence of accepting bribery, and have been briefed on the same during stakeholder meetings and company policy briefings. Also sampled during the audit was a record of muster briefing on code of ethics held by the Mill Manager on 5 March 2020 which was attended by 58 workers.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	There are at least two systems in place that monitor compliance and implementation of ethical conduct: Signatories Conditions that identifies cheque signatories and their respective approving limits, and Establishment of a Tender Committee to ensure transparency, independence and no conflict of interest situation.

### **Principle 2: Operate legally and respect rights**

Implement legal requirements as the basic principles of operation in any jurisdiction.

Clause	Indicators	Comply Yes/No	Findings
2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 (C) The unit of certification complies with applicable legal requirements.	NO	<p>It was evident that Sri Kamusan CU continue to comply with most of the applicable laws and regulations. However it has been noted during audit that :</p> <p><u>Regulation 10. Labelling of scheduled wastes</u></p> <ol style="list-style-type: none"> <li>1. During site visit at Workshop (Hibumas 1 Estate), sighted no labelling of SW 410.</li> <li>2. During site visit at Workshop (Hibumas 2 Estate), sighted no labelling of SW 410, SW 312 and SW 305.</li> </ol> <p><u>Regulation 27 (health surveillance programme)</u></p> <p>During the interview with 3 workers (1 Maintenance Operator &amp; 2 Workshop Operator) at Sri Kamusan POM who are recommended unfit to handle chemical by the OHD (referring to medical surveillance report in March 2019), it was found out that 2 unfit workers (Workshop Operator) still continue as Workshop Operator and still handling the chemicals (Manganese). Thus, Major NCR DA 01 2020 was raised.</p> <p>Sri Kamusan CU could not demonstrate that it complies with the Immigration Act 1959 (Act 155). The sampled workers are working at the respective estates without any Passport. This is not in accordance with Section 55B of the Immigration Act which prohibits the employment of any person other than a citizen or a holder of an Entry Permit, or who is not</p>

Clause	Indicators	Comply Yes/No	Findings
			in possession of a valid Pass. Therefore, a Major Non-Compliance No. RZ 01 of 2020 was raised.
	2.1.2 A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.	YES	Document titled "Register of Legal and Other Applicable Requirement" maintained available at Sri Kamusan CU. The Sri Kamusan CU tracks any changes to applicable law and had appointed the Sandakan Wilmar Manager Sustainability as the person responsible to monitor any changes to the law and to cascade those changes to all sites.
	2.1.3 Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.	NO	It was found that the legal boundaries between Sri Kamusan Estate with Sayongmas Plantation and Kampung Tangkangit was not clearly demarcated and visibly maintained. The same applied between Hibumas 1 Estate with IJM Plantation and Kampung Kaliaga. Thus, Minor NCR MZK 02 2020 has been raised.
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.	YES	The list of contracted parties is maintained by each unit in its respective stakeholder list. The lists contain name of contractors, designated contact persons, address, telephone/fax/email and type of contracted works done.
	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.	NO	Each contract issued to suppliers and contractors contain a clause requiring compliance with legal requirements. Legal due diligence is carried out by the Contracts Department at Wilmar HQ in Sandakan. It has been noted that two contractors, by their own admission, could not demonstrate their compliance with legal requirements. This refers to not paying their workers SOCSO or insurance and paying wages after the 7th of every month. These are not in compliance with the Employees' Social Security Act and Sabah Labour Ordinance, respectively. Therefore, a Minor Non-Compliance No. RZ 03 of 2020 was raised.
	2.2.3 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.	YES	All contracts sampled at Sri Kamusan CU contain a clause on no child, forced and trafficked labour.
2.3 All FFB supplies from outside the unit of certification are from legal sources.	2.3.1 (C) For all directly sourced FFB, the mill requires: <ul style="list-style-type: none"> <li>Information on geo-location of FFB origins.</li> <li>Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder</li> <li>One or more supporting documents for claims</li> <li>Valid MPOB license</li> </ul>	YES	Sri Kamusan POM is currently on the drafting for the following for the directly source of FFB: <ol style="list-style-type: none"> <li>Information on geo-location of FFB origins.</li> <li>Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder</li> </ol> The evidence of currently document in draft is available in the 'Smallholder Mapping'. At present the mill only possessed the valid MPOB licenses for all the directly source FFB as verified by the auditor. RSPO has provided the timeline which is 1 year from date of launch of MYNI for the mill to obtain and compile the information above.

Clause	Indicators	Comply Yes/No	Findings
	2.3.2 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.	YES	Currently in Sri Kamusan POM there is no practice of indirectly source of FFB. All FFB are received direct from the suppliers.

### **Principle 3: Optimise productivity, efficiency, positive impacts and resilience**

Implement plans, procedures and systems for continuous improvement.

Clause	Indicators	Comply Yes/No	Findings
3.1 There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.	3.1.1 (C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.	YES	Sri Kamusan CU continued to be committed to long-term economic and financial viability. The Estates had management plans in their current year's budgets and projections. The annual budgets and projections were prepared on an annual basis before the end of current year. The yearly budget and projections where the cost of production were reviewed annually and compared against expenditure for each year was an on-going process.
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	The replanting programme for the next five years had been prepared This programme reviewed once a year and is incorporated in their annual financial budget which reviewed in their office.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	Several meetings to discuss on issues related to sustainability such as Sri Kamusan Mill meeting (mill and its supply bases), Estate meeting (estates within Sri Kamusan CU) and operation meeting (estate manager and estate key personnel) were held for effective implementation of RSPO.
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	3.2.1 (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.	NO	The social section of the continuous improvement plan was sighted during the audit and was cross-checked against the Social Impact Assessment monitoring and action plan of each unit within Sri Kamusan CU. One of the issues identified in the SIA monitoring and action plan was workers' housing conditions and amenities. However, it has been noted that here was no improvement on the main environmental impacts with the following activities/operation: 1) Wastes Management (Scheduled Wastes & Recycling Wastes) 2) Buffer Zones 3) Chemical/Oil Spillage Therefore, Major NCR DA 10 2020 was raised.
	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO	N/A	NOT APPLICABLE

Clause	Indicators	Comply Yes/No	Findings
improvement in key operations.	metrics template.		
3.3 Operating procedures are appropriately documented, consistently implemented and monitored.	3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place.	YES	As for all PPB Oil Palm Berhad estates both Hibumas 1 Estate and Sri Kamusan Estate continued to use the following documented SOPs: <ul style="list-style-type: none"> <li>i. Wilmar International Limited, Agriculture Manual &amp; SOP for Oil Palm 3/2011.</li> <li>ii. Safe Standard Operating Procedure for Oil Palm Plantations (SSOP)</li> <li>iii. Safety and Health Manual (updated in April 2015) and</li> <li>iv. the Financial Manual - Wilmar International Plantation Malaysian Operations Standard Operating Procedures Checklist 2013 (updated July 2014).</li> </ul> The agriculture manual provided guidance on Pre-Development Survey, Assessment and planting, oil palm nursery, oil palm replanting practices, land clearing, establishment and maintenance of legume covers, oil palm.
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	The mechanism of ensuring consistent implementation was by : <ul style="list-style-type: none"> <li>i. Periodic reporting from operating units</li> <li>ii. On site visits, inspections and discussions with relevant personnel</li> <li>iii. Assessments and audits like Internal Audits, Group Inspectorate Manager (GIM) visits and by RSPO Audits</li> <li>iv. Consultation with RSPO team &amp; management.</li> </ul>
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	Records of monitoring and the actions taken by both Hibumas 1 Estate and Sri Kamusan Estate were maintained and kept for a minimum of 12 months.
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 (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/outgrower scheme, is documented.	YES	Sri Kamusan CU has established procedure for SOP for Environmental Aspect & Impact and Mitigation Plan. Environmental aspect and impact (EAI) which covers from upstream activities such as FFB reception until downstream processes was sighted during assessment and established for 2019/2020. Identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the most significant environmental receptors are the boiler stack emission which associated with air emission, palm oil mill effluent (POME) discharge to land application. For all estates, the main impact are on soil, water, and lair associated with the organization activities. So far, no issues related to environmental has been highlighted during stakeholders meeting.
	3.4.2 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.	YES	An independent SIA was conducted in 2010 by the Malaysian Environmental Consultants Sdn Bhd, and a report entitled "Impact Assessment for Sugut Region Estates (PPB Oil Palms Berhad), Beluran, Sabah, Malaysia was produced. The report was prepared with the participation of the relevant stakeholders, such as Government Department and neighbouring villages communities; Beluran District Office, Beluran Forest Department, and Agriculture Department. This assessment was also conducted with all the 6 communities living within the vicinity of Sri Kamusan CU.



Clause	Indicators	Comply Yes/No	Findings
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	NO	There was evidence that each unit in Sri Kamusan CU is implemented, reviewed and updated annually. The review and updates are done participatorily after getting feedback from the stakeholder consultations, Women and Children Committee, and Social and Welfare Committee. However, some pertinent social issues have not been identified when the review and updates were done, and these were: (1)The risky practice of carrying a large amount of cash of more than RM300,000 by 'gang leaders' or 'mandores' every month to pay the workers' wages has not been taken into account when reviewing and updating the social management and monitoring plan of all estates and Mill at Sri Kamusan CU, and (2) The physical condition and amenities of the school dormitory at Sekar Imej Estate were not included in the SIA Assessment Management Action Plan 2020 of Sekar Imej Estate dated 20 Feb 2020. A Major Non-Compliance No. RZ 02 of 2020 was raised.  The environmental management and monitoring plan was not fully implemented. The new activities of removing/clear the biodiversity area has not been assessed/identified in the Identification of Environmental Aspect and Impact and Evaluation of Significance. Therefore, Major NCR DA 02 2020 was raised.
3.5 A system for managing human resources is in place.	3.5.1 Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives.	YES	Employment procedures which include recruitment, selection and hiring are available. For matters related to termination of employment and retirement, these are contained in employment contracts, which are available to workers and their representatives. Clause 2 of the employment contract states that retirement age for workers is 60.
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Based on the sampling of the workers' employment contracts and personal files, there is evidence that the employment procedures on recruitment, selection, hiring, promotion are implemented, and records maintained.
3.6 An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.	3.6.1 (C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.	NO	The hazard identification, risk assessment and risk control (HIRARC) procedure has been established. Sri Kamusan CU have conducted the risk assessment on all its operation as well as determining their control measures. However, it was noted that the safety mitigation plans are not implemented and monitored. During site visit at Hibumas 1 Estate Percel 13 (Wooden Houses), sighted an acetylene tanks which was not chained and fixed securely causing the risk of an explosion. Consequently, Major NCR DA 03 2020 has been issued.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.	YES	Occupational health and safety (OHS) management plan for Sri Kamusan CU had been established. The OHS management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, audiometric test, use of PPE, OSH Committee meetings, etc. Generally, the OSH plans 2019/2020 were acceptable.
3.7 All staff, workers, Scheme Smallholders, outgrowers, and	3.7.1 (C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and outgrowers, taking into account gender-specific	YES	Formal training programmes for 2019/2020 that covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs were available for all the audited sites. Training Plan was for each operating units were established. A training need identification matrix has been established with target dates for the training identified.

Clause	Indicators	Comply Yes/No	Findings
contract workers are appropriately trained.	needs, and which covers applicable aspects of the RSPO P&C, in a form they understand, and which includes assessments of training.		
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	NO	Sri Kamusan CU continued to train its executives, staff and workers. Records of training were kept in the training file. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue. However, certain records of work activities training are not maintained at Hibumas 1 Estate: Fire Drill, IPM Training, Harvesting Training, Manuring Training, Loading Ramp Training, Scheduled Wastes Training. Thus, Minor NCR DA 04 2020 has been issued.
	3.7.3 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.	YES	RSPO and RSPO (SCCS) training is provided to all personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) at the Sri Kamusan CU in Nov 2019, trained by internal trainer. Noted that 15 persons participated.

### **SUPPLY CHAIN REQUIREMENTS FOR MILLS**

**Disclaimer text:** The following section is taken verbatim from the RSPO Supply Chain Certification Standard (14 June 2017) (RSPO SCCS), general requirements as well as modules D & E for mills. The RSPO SCCS is the document in vigour for these requirements and should be referred to in any cases of uncertainty. Any references to other modules or sections contained in the table below, refer to the RSPO SCCS document. As per RSPO SCCS, **all requirements are major Indicators** (i.e. **equivalent of critical Indicators in P&C 2018**).

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
Definition Identity Preserved Mill D.1	A mill is deemed to be IP if the FFB used by the mill are sourced from plantation/ estates that are certified against the 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	N/A	Not applicable since this mill is Mass Balance.

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	physically separating them, then only Module E is applicable.		
Definition Mass Balance Mill E.1	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and sales volume of RSPO certified products. 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.	YES	Sri Kamusan POM received certified FFB from Sri Kamusan CU which is Sri Kamusan Estate, Hibumas 1 Estate, Hibumas 2 Estate, Sekar Imej, Jebawang Estate and Sapi Sugut Estate. And Uncertified FFB from Surrounding Smallgrower and Small holder which is 212 supplier. Thus, Sri Kamusan POM has qualifies for the Mass Balance 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. For details, refer to Table 3 in this report.
Explanation (Volume and product integrity) D.2 E.2	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. For an independent mill, the estimated tonnage of CPO and PK products shall be recorded in the RSPO IT platform, supply chain certificate and public summary audit 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.  The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform).	YES	Available, as in Table 4 of this report. OER Based 21.5% KER Based 4.5% The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information were: Name: Sri Kamusan Palm Oil Mill Country: Malaysia Member Category: Oil Mil Core product: Palm Oil

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
<p>Documented procedures 5.3.1 D.3 E.3</p>	<p>The site shall have written procedures and/or work instructions 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"> <li>• Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements.</li> <li>• Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records).</li> <li>• 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 organisation's procedures for the implementation of this standard.</li> <li>• The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</li> </ul>	<p>NO</p>	<p>SRI KAMUSAN's procedure describing the procedures on the following activities related on its supply chain certification standard required by the RSPO. The Procedure was sighted and found all elements were covered which included:</p> <ul style="list-style-type: none"> <li>- Mill Supply Chain Definition</li> <li>- Management Representative</li> <li>- Purchasing and Goods In</li> <li>- Outsourcing</li> <li>- Sales and Goods Out</li> <li>- Registration of Transactions</li> <li>- Training</li> <li>- Record Keeping</li> <li>- Claims</li> <li>- Complaints Procedure</li> <li>- Internal Audit</li> <li>- management Review</li> <li>- Supply Chain Model – Mass Balance</li> <li>- GHG Tabulation for RSPO Certified Palm Oil Mill</li> <li>- Appendix A</li> <li>- Appointment letter dated in Jan 2017 for the Sr Mill Manageras as the person-in-charge.</li> </ul> <p>However it was found that, During visit at Sri Kamusan POM weighbridge, weighbridge Clerk was not able to demonstrate awareness of the organisation's procedures for the implementation of SCCS standard. Thus, Major NCR MZK 03 2020 has been raised.</p>

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
Internal Audit 5.3.2	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <p>Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p> <ul style="list-style-type: none"> <li>• Effectively implements and maintains the standard requirements within its organisation.</li> <li>• 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 organisation shall be able to maintain the internal audit records and reports.</li> </ul>	NO	<p>There is a supply chain procedure in file, SKPOM – RSPO – SCC. However, the internal audit procedure is not conforming to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. Thus, Major NCR MZK 04 2020 has been raised.</p>
Purchasing Goods In 5.4 D.4.1/ D.4.2 D.4.1/E.4.2	<p>The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.</p>	YES	<p>SKPOM had continued to receive certified FFBs from the CU's own supply bases as well as non-certified FFBs from outsiders. The Weighbridge Clerk checked and verified the consignment notes issued by the supplying estates for the in-coming RSPO and non-RSPO FFBs. SKPOM still kept copies of the FFB Consignment Notes or FFB Delivery Notes issued by the supplying estates. Based on inventory record no overproduction for CSPO and CSPK from period March 2019 to 18 Feb 2020.</p>
Outsourcing Activities 5.5	<p>5.5.1 In cases where an operation seeking or holding certification outsources activities to independent third parties (e.g. subcontractors for storage,</p>	YES	<p>No outsource activity except for CPO and PK transporter The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted.</p>

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>transport or other outsourced activities), the operation seeking or holding certification shall ensure that the independent third party complies with the requirements of the RSPO SCCS. A CPO mill and independent mill cannot outsource processing activities like refining or crushing.</p> <p>This requirement is not applicable to outsourced storage facilities where the management of the oil palm product(s) and instructions for tank movements are controlled by the certified organisation (not the tank farm manager).</p>		
	<p>5.5.2 Sites which include outsourcing within the scope of their RSPO Supply Chain certificate shall ensure the following:</p> <p>a) The site has legal ownership of all input material to be included in outsourced processes;</p> <p>b) The site 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 site to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The site has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The site seeking or holding</p>	NO	<p>Sri Kamusan mill has outsource the transportation of certified CPO and certified PK to third party. An agreement covering the outsources activity were sighted.</p> <p>The training also has been carried out on 16/12/19.</p> <p>Inspection was carried out as additional effort to ensure no contamination sighted i.e. "Pemeriksaan CSPK".</p> <p>c) and d) There is a supply chain procedure in file, SKPOM – RSPO – SCC.</p> <p>However, there is no explicit procedures for the outsourced process. Thus, Major NCR MZK 05 2020 has been raised.</p>

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	certification 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 any and all information, when this is announced in advance.		
	5.5.3 The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	YES	List of contact person for transporters were made available and up-to-date in the List of Self Declaration for Transporter.
	5.5.4 The site shall at its next audit inform its CB of the names and contact details of any new contractor used for the processing or physical handling of RSPO certified oil palm products.	YES	No new contractors used and will be used in the future for the processing or production of RSPO certified materials.
Record keeping 5.9	5.9.1 The organisation shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these RSPO SCCS requirements.	YES	Sighted CPO and PK delivery note, weighbridge ticket, production data, internal audit and management review records were found up-to-date.
	5.9.2 Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	YES	All records related to RSPO SC were maintain minimum for 2 years refer to RSPO Supply Chain Certification Procedure SKPOM-RSPO-SCC. Sample CPO dispatch note since Jan 2015 until to date was available and well maintained.
	5.9.3 The organisation shall be able to provide the estimate volume of palm oil / palm kernel oil content (separate categories) in the RSPO certified oil palm product and keep an up to date record of the volume purchased (input) and claimed	YES	Available.

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	(output) over a period of 12 months.		
D.5.1	The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	N/A	Not applicable since this POM is MB Model.
E.5.1	<p>a) The site 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.</p> <p>b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.</p> <p>The site can only deliver MB sales from a positive stock. Positive stock can include product ordered for delivery within 3 months. However, a site is allowed to sell short i.e. product can be sold before it is in stock.</p>	YES	Available.
Conversion Factors 5.10	5.10.2 Where applicable, a conversion rate shall be applied to provide a reliable estimate for the amount of certified output available from the associated inputs. Organisations may determine and set their own conversion rates which shall be based upon past experience, documented and applied consistently. Guidance on conversion rates is published on the RSPO website ( <a href="http://www.rspo.org">www.rspo.org</a> ).	YES	Sri Kamusan POM process all the received certified crop & their processing output will be based on their actual Oil Extraction Rate (OER) as well as Kernel Extraction Rate (KER).



Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	5.10.2 Conversion rates shall be periodically updated to ensure accuracy against actual performance or industry average if appropriate.		
Processing D.6	The site 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 product including during transport and storage to strive for 100% separation.	N/A	Not applicable since Sri Kamusan POM is Mass Balance Mill.
Sales and goods out 5.6	<p>5.6.1 The supplying site shall ensure that the following minimum info for RSPO certified products is made available in document form: The name and address of the buyer; The name and address of the seller;</p> <ul style="list-style-type: none"> <li>• The loading or shipment / delivery date;</li> <li>• The date on which the documents were issued;</li> <li>• A description of the product, including the applicable supply chain model (Identity Preserved, Segregated or Mass Balance or the approved abbreviations);</li> <li>• The quantity of the products delivered;</li> <li>• Any related transport documentation;</li> <li>• Supply chain certificate number of the seller;</li> <li>• A unique identification number.</li> <li>• Information shall be complete and can be presented either on a single</li> </ul>	YES	Documented procedures related to sales and goods out were sighted and found adequate. The requirement of sales & goods out especially on notation of applicable Supply Chain model & Certificate number being complied by indicating in weighbridge dispatch ticket.

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>document or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documents and specification documentation). For sites that are required to announce and confirm trades in the RSPO IT platform, this shall include making Shipping Announcements / Announcements and Confirmations on the RSPO IT platform per shipment or group of shipments.</p>		
<p>Registration of Transactions 5.7</p>	<p>5.7.1 Supply chain actors who:</p> <ul style="list-style-type: none"> <li>• are mills, traders, crushers and refineries; and</li> <li>• take legal ownership and/or physically handle RSPO Certified Sustainable oil palm products that are available in the yield scheme of the RSPO IT Platform (Figure 2 and 3, refer Annex 1) shall register their transaction in the RSPO IT platform and confirm upon receipt where applicable.</li> </ul> <p>5.7.2 The involved supply chain actors mentioned in 5.7.1 shall do the following actions in the RSPO IT Platform: Shipping Announcement / Announcement: When RSPO certified volume is sold as certified, the volumes of products that are in the yield scheme (Figure 2 and 3, refer Annex 1) shall be registered as a Shipping Announcement / Announcement in the RSPO IT Platform.</p>	<p>YES</p>	<p>The registration of transaction being carried out by Wilmar Marketing subordinate.</p>

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>The declaration time to do Shipping Announcement / Announcement is based on members' own standard operating procedures.</p> <p><b>Trace:</b> When RSPO certified volumes are sold as RSPO certified to actors in the supply chain beyond the refinery, the volume shall be traced at least annually. Tracing triggers the generation of a trace document with a unique traceability number. Tracing can be done in a consolidated way at least annually.</p> <p><b>Remove:</b> RSPO certified volumes sold under other scheme or as conventional, or in case of underproduction, loss or damage shall be removed.</p> <p><b>Confirm:</b> Acknowledge the purchase of RSPO certified volume by confirming Shipping Announcements / Announcements.</p>		
Claims 5.11	5.11.1 The site shall only make claims regarding the use of or support of RSPO certified oil palm products that are in compliance with the RSPO Rules on Market Communications & Claims.	YES	Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. Sri Kamusan has not use RSPO corporate logo as well as trademark logo

**Principle 4: Respect community and human rights and deliver benefits**

Respect community rights, provide equal opportunities, maximise benefits from engagement and ensure remediation where needed.

Clause	Indicators	Comply Yes/No	Findings
4.1 The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.	4.1.1 (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.	NO	Policy to protect human rights is contained in Human Rights Policy reviewed in 2015 and signed by the Chairman and CEO. The Human Rights Framework dated 1 May 2019 provides for protection for HRD and Whistleblowers and states that no reprisals would be taken against whistleblowers and HRDs. Similarly, the Whistleblowing Policy dated 1 Feb 2018 also aims to protect whistleblowers from reprisals or victimisation. However, during audit interviews, there is between nil to low understanding among all levels of workforce and local communities of what HRD is and the prohibition against retaliation towards HRDs. Therefore, a Major Non-Compliance No. RZ 05 of 2020 was raised.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	As observed during the audit, and in interviews held with local communities and workers, there is no evidence of instigation of violence, harassment or use of mercenaries or paramilitaries in any of the operations at Sri Kamusan CU.
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.	4.2.1 (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 whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.	YES	Evidence is available of a system open to all affected parties, ensuring anonymity of complainants. The procedure applies to negotiation procedures involving external and internal stakeholders, and also explains the Group's conflict resolution process in a flowchart. Protection for HRD and community spokesperson is also provided under the Wilmar Group's Whistleblower Policy.
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	YES	Procedures are in place to ensure affected parties understand the Dispute and Resolution Procedures. Verbal explanation is given in an easy to understand language accompanied by pictorial explanations, and where relevant, flowcharts. If necessary, senior foreign workers who could speak and understand the Bahasa Malaysia act as translators to their other colleagues, especially the newly-arrived ones.
	4.2.3 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.	YES	There is evidence that Sri Kamusan CU keeps parties to a grievance informed of progress. The status progress was updated and acknowledged by the complainant by appending his signature in the complaint book.

Clause	Indicators	Comply Yes/No	Findings
	4.2.4 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.	YES	The conflict resolution mechanism does have an option for aggrieved parties to have the option for representatives of their choice.
4.3 The unit of certification contributes to local sustainable development as agreed by local communities.	4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.	YES	Sri Kamusan CU is able to demonstrate that contributions to community development have been made based on consultation results with the local communities.
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 (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/or the actual legal or customary use of the land are available.	YES	It has been verified that the land titles were for planting either oil palm or agricultural crops for economic value. It has been confirmed that PPB Plantation has the right to use the land which was legitimately owned by their company. Evidence of legal ownership of the land including history of land tenure was verified during this audit. Each estate was provided with legal use of the land through a Country Lease signed by the Director of Lands and Surveys of Sabah following the payment of premium. This document were made available by all the individual estates.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	YES	Available. Further details in the confidential version of this report.
	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.	YES	Available. Further details in the confidential version of this report.

Clause	Indicators	Comply Yes/No	Findings
	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.	YES	Available. Further details in the confidential version of this report.
	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 status of their land at the expiry of the unit of certification's title, concession or lease on the land.	YES	Available. Further details in the confidential version of this report.
	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 neighboring communities where applicable, and relevant authorities).	YES	Auditor has verified on land issue at Hibumas 2 Estate, where Wilmar still in process to develop map of encroached area. ESH officers has monitored the area by monthly basis & found that no further encroachment until this audit in 2020
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	As verified by auditor, the land titled for Hibumas 2 Estate was valid. The estate owned by PPB for agricultural purposes.
	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.	YES	Communities from Kg. Banang was represented by their village head. The representatives were chosen by the communities.
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	Available. Further details in the confidential version of this report.

Clause	Indicators	Comply Yes/No	Findings
<p>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.</p>	<p>4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.</p>	<p>YES</p>	<p>Based on Social Impact Assessment (SIA) Report for Sri Kamusan CU and land title, there was no new plantings are established on local peoples' land. It has been verified that the land is legitimately owned by Wilmar Sri Kamusan CU since 1988.</p>
	<p>4.5.2 (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>YES</p>	<p>As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Wilmar Sri Kamusan CU since 1988. All the related documentation regarding the land acquisition was kept in Wilmar HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no new issues regarding land with villagers, local community and neighbouring estate.</p>
	<p>4.5.3 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>YES</p>	<p>As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Wilmar Sri Kamusan CU since 1988. All the related documentation regarding the land acquisition was kept in Wilmar HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no new issues regarding land with villagers, local community and neighbouring estate.</p>
	<p>4.5.4 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>YES</p>	<p>As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Wilmar Sri Kamusan CU since 1988. All the related documentation regarding the land acquisition was kept in Wilmar HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no new issues regarding land with villagers, local community and neighbouring estate.</p>

Clause	Indicators	Comply Yes/No	Findings
	4.5.5 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.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Wilmar Sri Kamusan CU since 1988. All the related documentation regarding the land acquisition was kept in Wilmar HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no new issues regarding land with villagers, local community and neighbouring estate.
	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.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Wilmar Sri Kamusan CU since 1988. All the related documentation regarding the land acquisition was kept in Wilmar HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no new issues regarding land with villagers, local community and neighbouring estate.
	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.	YES	There was no new lands acquired for plantation and mills after 15/11/2018. The current operation area including mill and estates as per stated in the land title.
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with thru 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.	YES	In the event of a dispute, the Sri Kamusan CU will manage it through the "Dispute and Grievances Procedure". The Dispute and Grievance Procedure commences with the receipt of complaint from any party, its investigation, proposed solutions and acceptance of the solutions or otherwise. If the proposed solution was rejected, the dispute will be brought for third party arbitration.
	4.6.2 (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.	YES	In accordance with the 'Dispute and Grievances Procedure', the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and visited estates.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.	YES	There was no scheme small holdings at Sri Kamusan CU. The Fresh Fruit Bunches are supplied from Wilmar owned estates which are certified to RSPO and surrounding independent smallholder/Villagers.



Clause	Indicators	Comply Yes/No	Findings
	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.	YES	All relevant information at the Sri Kamusan CU are made available in appropriate forms and languages. The following relevant documents were made available in Bahasa Malaysia, which is a language that every party was conversant in, were made available during the audit.
4.7 For new planting, 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.	YES	In the event of a dispute, Sri Kamusan CU will manage it through the "Dispute and Grievances Procedure". The Dispute and Grievance Procedure commences with the receipt of complaint from any party, its investigation, proposed solutions and acceptance of the solutions or otherwise. If the proposed solution was rejected, the dispute will be brought for third party arbitration.
	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.	YES	In accordance with the 'Dispute and Grievances Procedure', the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and visited estates. There were no new issues regarding land with villagers, local community and neighbouring estate.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Wilmar Sri Kamusan CU since 1988. All the related documentation regarding the land acquisition was kept in Wilmar HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no new issues regarding land with villagers, local community and neighbouring estate.
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 is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Wilmar Sri Kamusan CU since 1988. All the related documentation regarding the land acquisition was kept in Wilmar HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no new issues regarding land with villagers, local community and neighbouring estate. Further details available in the confidential version of this report.
	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	YES	Further details available in the confidential version of this report.

Clause	Indicators	Comply Yes/No	Findings
	conflict through appropriate conflict resolution mechanisms.		
	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).	YES	Further details available in the confidential version of this report.
	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 neighboring communities where applicable).	YES	Auditor has verified on land issue at Hibumas 2 Estate, where Wilmar still in process to develop map of encroached area. ESH officers has monitored the area by monthly basis & found that no further encroachment until this audit in 2020

**Principle 5: Support smallholder inclusion**

Include smallholders in RSPO supply chains and improve their livelihoods through fair and transparent partnerships.

Clause	Indicators	Comply Yes/No	Findings
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.	Yes	During the audit, it was verified that the current and past prices for FFB (year 2018, year 2020 Jan – March 2020) is being displayed at the notice board near the Sri Kamusan Palm Oil Mill weighbridge.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	Yes	There is evidence that Sri Kamusan regularly explains the FFB Pricing to Smallholders. Training/briefing were conducted i.e. at Sri Kamusan POM in June 2019. The stakeholder information briefing concerned to FFB qualities, FFB grading, calculation payment by MPOB, oil extraction rate (OER). The calculation method of pricing was made known and given to the Smallholders. Field days were organised monthly by the mill to all the small holders from the supplying list.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and doc.	Yes	In Sri Kamusan POM Price for FFB adopted the MPOB Pricing. All prices are calculated by the MPOB and the mill take the price and follow what MPOB guided.

Clause	Indicators	Comply Yes/No	Findings
	5.1.4 (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.	Yes	There is no contract/bound for FFB outside supplier sending crop to the Sri Kamusan POM. The Suppliers are freely to choose the mill choice of theirs.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	Yes	Interviews were conducted with the transport suppliers. It can be confirmed that the contracts are signed annually, and containing schedule of rates, conditions of contract, event of default, payment terms according to the volume, diesel price and distance. They also confirmed that contract entered into are valid, fair and transparent as the terms of payment are being negotiated upon prior to signing.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	Yes	All contractor confirmed that payments were received within a reasonable timeframe which is 7-10 days after submission of invoice. And receipts contain specifying price, weight, deductions and amount paid are given.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	Yes	Weighing Equipment in Sri Kamusan POM has been calibrated on a yearly basis using Metrology Corporation Malaysia Sdn Bhd last in Jan 2020.
	5.1.8 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.	Yes	Wilmar 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. Sighted that latest Stakeholder (community Based Development committee) meeting in May 2019 to promote on RSPO certification. However, the Growers and villagers were not in favor in the implementation due to high cost.
	5.1.9 (C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner.	Yes	There is a document namely "Dispute and Resolution Procedure". Additionally, there is also the "Whistle Blowing Policy".
5.2 The unit of certification supports	5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in	Yes	Wilmar 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

Clause	Indicators	Comply Yes/No	Findings
improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.	their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.		certified material. Sighted that latest Stakeholder (community Based Development committee) meeting on December 2019 to consults with interested smallholders including women or other partners in their supply base to assess their needs for support to improve their livelihoods and to promote on RSPO certification. However, the Growers and villagers were not in favor in the implementation due to high cost.
	5.2.2 The unit of certification develops and implements smallholder support program 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 Standard for Independent Smallholder).	Yes	As in 5.2.1.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	Yes	As in 5.2.1.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	Yes	As in 5.2.1.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	Yes	Currently Wilmar has created a system to trace their stakeholder around their estates. But so far growers and smallholders in Sabah are willing to join the WAGS to get certification but for smallholder in Sarawak doesn't want to involve because of financial restriction. But Wilmar do have a report and always publicly available in their website.

### **Principle 6: Respect workers' rights and conditions**

Protect workers' rights and ensure safe and decent working conditions.

Clause	Indicators	Comply Yes/No	Findings
6.1 Any form of discrimination is prohibited.	6.1.1 (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 m/ship, political affiliation or age.	<b>YES</b>	Sri Kamusan CU subscribes to Wilmar's Equal Opportunity Policy (dated Sept 2010 updated on Jan 2018). This policy sets out the CU's position on equal opportunity in all aspects of its employment including recruitment, training and promotion. It was publicly available at all estates and the Mill. The policy statement emphasised its support for the principle of fairness and non-discrimination, and aims to treat individuals with dignity and respect, free from unlawful and unethical discrimination. In particular, it aims not to discriminate on gender, race or ethnic origin, disability, sexual orientation, age, or faith; but to build a global and able workforce that is based on meritocracy.

Clause	Indicators	Comply Yes/No	Findings
	6.1.2 (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 migrant workers.	<b>YES</b>	Evidence is available that no employee has been discriminated against. This is evident from sampled employment contracts where all workers, (male, female, foreign, local) signed the same employment contract. Workers interviewed also confirmed that they face no form of discrimination.
	6.1.3 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.	<b>YES</b>	As stipulated in the “Recruitment selection, Hiring and Promotion” for staff and “Recruitment of Workers” for workers, the recruitment selection, hiring and promotion where relevant are based on availability, skills, capabilities, qualities, and medical fitness necessary for the jobs.
	6.1.4 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.	<b>YES</b>	Based on documents, confirmed by the Health Assistants and workers at the Sri Kamusan Palm Oil Mill and Hibumas 2 Estate, pregnancy tests were conducted when the workers presented themselves at the estate clinic and not conducted in a discriminatory manner.
	6.1.5 (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.	<b>YES</b>	The gender committees throughout the Sri Kamusan CU are known as the Women and Children Committees. Membership comprise female employees and the employees’ wives. Based on interviews of the committee members and review of meeting minutes, the Committees main activities are to provide awareness to its members on issues of concern. These relate to sexual harassment, domestic and other forms of abuse, children’s health, immunization and education, as well as women’s reproductive rights.
	6.1.6 There is evidence of equal pay for the same work scope.	<b>YES</b>	Based on the pay slips and employment contracts sighted at the Sri Kamusan CU, evidence is available that all workers receive equal pay for equal job.
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).	6.2.1 (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.	<b>NO</b>	The employment contracts issued to all Sri Kamusan CU workers (local and foreign) have been prepared in Bahasa Malaysia and are generally available to the workers. The documents have been prepared in accordance with the requirements of the Sabah Labour Ordinance. Pay conditions are also contained in the employment contracts. The documentation of pay is available in the form of monthly pay slips which are given to all employees. Interviews conducted with the workers confirmed their understanding of the employment contracts and pay slips. If they have any doubts, they would refer to the office or their supervisors. However, it was found during the audit that contract workers are not given documents of pay and no explanation was given to them. Documents detailing calculation of monthly payments that give accurate information on compensation for all work performed are not given to contract workers at Parcel 10 and Parcel 13, Hibumas 1 Estate. Therefore, a Major Non-Compliance No. RZ 06 of 2020 was raised.

Clause	Indicators	Comply Yes/No	Findings
	6.2.2 (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.	YES	The employment contracts signed between the Sri Kamusan CU management and their employees contain employment and payment terms and provisions covering contract duration, minimum age requirement, retirement age, place of work, job specifications, workers' obligations, employer's obligations, payment of foreign workers' levy by employer, salary payable, working hours and overtime, payment of passport and PLKS by workers, designated public holidays, workers' annual leave, medical expenses, sick leave, maternity leave and allowances, insurance scheme, EPF for local workers, rights to join union, salary deduction to be in accordance with the Sabah Labour Ordinance, mutual termination of contract, contract extension, etc.
	6.2.3 (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.	NO	<p>Evidence is available at the Sri Kamusan Palm Oil Mill that regular working hours as determined by the Sabah Labour Ordinance and stipulated in employment contracts are being adhered to. Any work in excess of 8 hours are being compensated as overtime. This is based on punch cards and pay slips reviewed, and interviews held with workers at the Sri Kamusan Palm Oil Mill. Workers who have been certified ill are given paid medical leave, and this is the same for workers who have gone on maternity were given 2 months paid maternity leave as evidenced from the pay slips of 2 female workers at Hibumas 2 Estate and Sri Kamusan Palm Oil Mill.</p> <p>However, it was observed during the audit that at Sri Kamusan Estate, compliance with laws related to overtime and work on rest day have not been demonstrated.</p> <ol style="list-style-type: none"> <li>1. The following harvesters at Sri Kamusan Estate worked in excess of 8 hours and not paid at a rate which is 1 ½ times his hourly rate of pay. This is not in accordance with Section 104(6) Sabah Labour Ordinance which states that for any overtime work carried out in excess of the normal hours of work, the employee shall be paid at a rate which is not less than one and a half times his hourly rate of pay irrespective of the basis on which his rate of pay is fixed.</li> <li>2. The following workers at Sri Kamusan Estate worked on a rest day and paid a normal rate. This is not in accordance with Section 104C (5) Sabah Labour Ordinance which states that an employee employed on piece rates who works on a rest day shall be paid twice his ordinary rate per piece.</li> <li>3. Worker No. SU/SK/0519/1358 at Sri Kamusan Estate received RM952.96 gross wages in June 2019, and no top up to meet the minimum wages was done. This is not in accordance with Section 6 Minimum Wages Order 2020 and the Guidelines on the Implementation of the Minimum Wages Order.</li> </ol> <p>Therefore, a Major Non-Compliance NCR No. RZ 04 of 2020 was raised.</p>
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or	NO	It was observed during the audit that Hibumas 1 Estate does not provide adequate housing, sanitation facilities, medical, educational and welfare amenities to national standards or above to contract workers at Parcel P13. The houses were dilapidated, not kept in good state of repair and sanitary condition with weakened roof structure, broken

Clause	Indicators	Comply Yes/No	Findings
	<p>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 (5 years) is allowed to upgrade the infrastructure.</p>		<p>drains, and no proper drainage. Also sighted during the audit were children between the ages of 5 to 10 years not receiving education. Housing inspection at Parcel P13 was last conducted in October 2019. Therefore, a Major Non-Compliance No. RZ 07 of 2020 was raised.</p>
	<p>6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</p>	<p><b>YES</b></p>	<p>All units within Sri Kamusan CU have their own canteen/grocery store which sells basic items such as eggs, flour, rice, vegetables, frozen food such as fish, meat, onions, etc. Items seen in the stores are adequate, clearly labelled and within the expiry dates. Workers interviewed informed that they purchase items from these stores, and are able to either pay in cash, or on credit. Additionally, for Sekar Imej and Hibumas 2 Estates, monthly <i>tamu</i> (mobile local markets) are also available where workers are able to have access to a wider variety of food items.</p>
	<p>6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p><b>PROCEDURAL NOTE:</b> A written policy with specific implementation plan, committing to payment of a "decent living wage" is in place. The implementation plan with specific targets, and a phased implementation process will be in place, including the following:</p> <ul style="list-style-type: none"> <li>• An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers.</li> <li>• There is annual progress on the implementation of living wages</li> <li>• Where a minimum wage, based on equivalent basket of goods, is</li> </ul>	<p><b>YES</b></p>	<p>Based on pay slips sighted, all sampled workers who complete the number of days offered in a month receive at least minimum wages applicable, which is RM1,100 per month, or more. Sri Kamusan CU also has carried out the calculation of prevailing wages and in-kind benefits as evidenced from Doc SKPOM/RSPO 6.2.6/0320. The calculation took into account housing, electricity, water, education, child care and healthcare. Based on the breakdown given, the calculation of prevailing wages including in-kind benefits is reasonable.</p>



Clause	Indicators	Comply Yes/No	Findings
	<p>stipulated in CBA this should be used as the foundation for the gradual implementation of the living wage payment.</p> <ul style="list-style-type: none"> <li>The unit of certification 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 an eventual scale-up of the living wage implementation</li> </ul> <p>Until such time where the Malaysian version of “decent living wage” has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.</p>		
	6.2.7 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.	<b>YES</b>	Permanent and full-time employees are used to carry out core work such as harvesting, loose fruit collecting, sprayers and manurers.
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 assoc. and collective bargaining are restricted under law, the employer facilitates parallel means of independent & free assoc. and bargaining for all such personnel.	6.3.1 (C) A published statement recognising freedom of association and right to collective bargaining in national languages is available and is explained to all workers, in language that they understand, and is demonstrably implemented.	<b>YES</b>	A published statement recognizing freedom of association is available. It is contained in Clause 3xvi of Wilmar's No Deforestation, No Peat, No Exploitation Policy. These rights include those of personnel to form and join trade unions of their choice, and to bargain collectively. It also states that where the right to freedom of association and collective bargaining is restricted by law, parallel means of independent and free association and bargaining are made available for all such personnel.
	6.3.2 Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages and made available upon request.	<b>YES</b>	There are no trade unions at Sri Kamusan CU, but the Workers' Welfare and Social Committees have been established at every unit. The Committee comprise management and worker representatives. Evidence is available that management holds regular meetings with the Workers' Welfare and Social Committees.
	6.3.3 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.	<b>YES</b>	Evidence is available that workers' representatives that sit in the Workers' Welfare and Social Committees have been independently and freely elected by the workers themselves. No evidence of any management interference was observed.



Clause	Indicators	Comply Yes/No	Findings
6.4 Children are not employed or exploited.	6.4.1 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.	YES	Sri Kamusan CU subscribes to Wilmar's Child Protection Policy. The Policy states Wilmar does not tolerate child labour, any forms of child exploitation and child abuse. Sri Kamusan CU also has an SOP entitled Preventing Child Labour and Remedial Action in Case of Child Labour. This SOP also details out the remediation action to be taken should a child is found working. This includes awareness trainings for all employees and contractors, schools should encourage and motivate children to attend school, parents to be advised and warned verbally on the spot not to allow children to assist them, and the child sent home or to an appropriate child care facility.
	6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.	YES	Based on documentation review (master checkroll, personal files containing copies of passport, KTP or Malaysian IC), interviews conducted and observations in the field, all employees were above the age of 18 when they commenced work at Sri Kamusan CU.
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	YES	Sri Kamusan CU has a guidance document which defines young person as someone between 15 to 18 years of age and is only applicable for employment of local workers. The guidance document also lists out the types of work that can be considered for a young person to be employed. This include house cleaning, weighbridge clerk, gardening, loose fruit picking (excluding loading), FFB checker, filling polybags, EFB mulching, creche helper, sundry shop helper, and line sweeping.
	6.4.4 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.	YES	Communication of Wilmar's Child Protection Policy dated January 2018 which states that the company does not tolerate child labour, any forms of child exploitation and child abuse was given to external stakeholders during stakeholder meetings, Policy briefings to workers, and during induction trainings for new workers.
6.5 There is no harassment or abuse in the workplace, and reproductive rights are protected.	6.5.1 (C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.	YES	A Policy against sexual harassment has been established. This Policy is used to guide procedures to be taken in the event of sexual harassment incident, and communicated to all staffs and workers during morning muster and via the Women and Children Committee meetings. One sexual harassment occurred at one of the estates in Sri Kamusan CU. Further details in the confidential version of this report.
	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.	YES	A Policy to protect reproductive rights of all, especially women is implemented. This Policy gives the employees the right to decide freely and responsibly of their planning to have children, and to make decisions concerning reproduction free of discrimination, coercion and violence.
	6.5.3 Management has assessed the needs of new mothers, in consultation with	YES	During this audit, no new mothers were available to verify the Indicator. However, based on interviews held with other female workers who had given birth before, their needs have

Clause	Indicators	Comply Yes/No	Findings
	the new mothers, and actions are taken to address the needs that have been identified.		been taken into account such as providing a private place for expressing milk and access to a fridge for storage, and permission granted enabling them to go home to breastfeed their babies.
	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.	<b>YES</b>	The Sri Kamusan CU has an SOP entitled 'Anti Sexual Harassment'. This SOP provides a reporting form called the 'Grievance/Complaint Form for Sexual Harassment' which could be used by complainants to lodge a report. This SOP is also accompanied by a flowchart. The flowchart was displayed at all units within Sri Kamusan CU.
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: <ul style="list-style-type: none"> <li>• Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes)</li> <li>• Charging the workers for recruitment fees</li> <li>• Contract substitution</li> <li>• Involuntary overtime</li> <li>• Lack of freedom of workers to resign</li> <li>• Penalty to the workers for termination of employment</li> <li>• Debt bondage</li> <li>• Withholding of wages</li> </ul>	<b>YES</b>	Based on interviews conducted with foreign workers, review of documents signed by workers agreeing to voluntarily keep their passports at the estate /mill office, as well as observations made, there is evidence that workers are given an option to either keep their own passports, or to keep them at the office. Those who chose to keep the passports at the office, keep them in locked pigeon holes with one key each kept by the worker, and one by the office. Workers have full access to their own passports and have given written confirmation of their agreement to keep their passports with the office. There is no form of contract substitution. All foreign workers interviewed confirmed that while still in their home countries, they were briefed by the recruitment agents of the types of job they would be doing in Malaysia. There is no evidence of involuntary overtime and all overtime work is done on a mutual basis, as confirmed by Auxiliary Policemen, guards, and mill workers interviewed.
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	<b>YES</b>	There is a special labour policy and procedures established. This document spells out the recruitment process from: <ol style="list-style-type: none"> <li>a. Manpower planning – applying for quota, appointment of recruitment agent, sourcing of workers, workers interviews, satisfaction of employability criteria, shortlisting.</li> <li>b. Recruitment process – registration onto the approved Employee Master list and uploaded onto the SAP system.</li> <li>c. Orientation – briefing on language, safety procedures, labour laws, culture practices, surrounding community, housing, medical, amenities, issuance of PPE.</li> <li>d. Commencement of work – no discrimination, no contract substitution practices, post-arrival orientation programme and provision of decent living conditions.</li> </ol>

Clause	Indicators	Comply Yes/No	Findings
<p>6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health.</p>	<p>6.7.1 (C) The responsible person(s) for H&amp;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><b>YES</b></p>	<p>Estate / Mill Managers were appointed as responsible person(s) for safety and health issues and also chairman for OSH Committee. The Manager subsequently assigned duties of ESH coordinator to the Assistants or healthcare assistant for the down line implementation of ESH practices in the estate and mill. All identified Executives were officially given a letter for such an appointment. Records of regular meetings between the responsible person and workers to discuss about health and safety had been verified to the satisfactory maintained.</p>
	<p>6.7.2 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><b>NO</b></p>	<p>Emergency Response Plan (ERP) was established since 2009. A revision on the ERT was made in 2015. Random interview with the estate workers showed that they were aware of accident and emergency procedures. Copies of procedures and telephone numbers were sighted on notice boards and muster grounds. It has been noted that the accident and emergency procedures was not in place. As a result, Minor NCR DA 05 2020 was raised.</p>
	<p>6.7.3 (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><b>NO</b></p>	<p>All staff and workers such as the storekeepers, harvesters and sprayers were continuously trained and random interviews conducted showed that they had understood the hazards involved and the usage and handling of chemicals in a safe manner. Appropriate PPE were given to employees of estate and mill visited. During site at spraying activities, harvesting activities, manuring activities and LF collection they were seen to wearing PPE such as face masks respirators, goggles, rubber boots, nitrile gloves, apron and hard hat, to cover all potentially hazardous operations. Sanitation facilities for those applying pesticides was available near to chemical store area, after completed spraying activities, the workers will change out of PPE, wash and put on their personal clothing at the area. Meanwhile, during site inspection estate and mill workshop, most of the moving part and rotating machinery were installed with machine guarding and properly covered. Noted also the set of oxygen and acetylene cylinders in the workshop available with "flash back arrestors". However, PPE issued was highlighted and Major NCR DA 06 issued for:</p> <ol style="list-style-type: none"> <li>1) During interview with sampled harvesters and verification of "Daily PPE Checklist for Harvester", there is no free of charge provided for personal protective equipment (harvesters shoe) to all harvesters.</li> <li>2) During site visit at Hibumas 1 Estate, 1 harvester did not wear appropriate safety helmet and goggle, while at Hibumas 2 Estate, 4 harvesters did not wear appropriate goggle.</li> </ol>

Clause	Indicators	Comply Yes/No	Findings
	6.7.4 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.	YES	Local & Foreign workers are covered by SOCSO (Pertubuhan Keselamatan Sosial).
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	Occupational injuries are recorded using Lost Time Accident (LTA) metrics. Sighted the Sri Kamusan CU has maintained and updated the LTA Summary by monthly basis.

**Principle 7: Protect, conserve and enhance ecosystems and the environment**

Protect the environment, conserve biodiversity and ensure sustainable management of natural resources.

Clause	Indicators	Comply Yes/No	Findings
7.1 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	YES	All estates sampled had in place documented IPM plans which covered Monitoring of pest, control of pest population levels at below threshold levels by using cultural, biological, physical/mechanical and use of pesticides. The estates continued to carry out monthly detection and observation of leaf eating pests, mammalian pests and diseases like Ganoderma and Stem Rot. These monthly detection and observations were carried by staff. Monthly census records for Bag Worms, Nettle caterpillars and rat were sighted. Records showed no outbreak had been taken place.
	7.1.2 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.	YES	Species referenced in the Global Invasive Species Database and CABI.org. were not used in managed areas of the 4 estates.
	7.1.3 There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.	YES	Sri Kamusan continued to use the Wilmar International Limited policy of no open burning. As advocated, the 4 estates practised Zero burning thus no use of fire for pest control. No replant currently in all estates visited.
7.2 Pesticides are used in ways that do not endanger health of workers, families,	7.2.1 (C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritized.	YES	Justification of all pesticides used had been demonstrated. The use of selective products that are specific to the target pest, weed or disease had been demonstrated in: <ul style="list-style-type: none"> <li>i. SPO Manual – page 1-6 Justification in SOPs on the use of Agrochemicals</li> <li>ii. Agriculture Manual and Standard Operating Procedure 2011– Chapter 6 -upkeep and maintenance of oil palm</li> </ul>

Clause	Indicators	Comply Yes/No	Findings
communities or the environment.	7.2.2 (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.	YES	Both estates continued to record areas where pesticides had been used. Pesticides are used only when justified and areas used are recorded in store issue chits, bin cards, program sheets, SAP System (System Applications and Products in Data Processing), costing records and progress reports. Records of pesticides used by area, quantity used, hectares applied and Ai/Ha from 2009 were available.
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	YES	The estates as per the IPM plan continued to manage pests, other than weeds, at below threshold levels. No prophylactic spraying had been carried in all estates. The estates in order to minimise pesticide usage, do not carry out calendar baiting of rats.
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	YES	There was no evidence of prophylactic use of pesticides in Sri Kamusan. Sri Kamusan CU only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations 2000. From the review of the chemical register, it was noted that all pesticides used are of class III & class IV. The use of paraquat had been banned in all Wilmar International Limited estates since 2006.
	7.2.5 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. The due diligence refers to:	YES	All the pesticides used were those registered under the Pesticides Act 1974 (Act 149). The list of approved pesticides was available for reference. The list, entitled " <i>Senarai Racun Makhluk Perosak Berdaftar</i> " was sourced from Department of Agriculture Official Website <a href="http://www.doa.gov.my/web/guest/senarai_racun_perosak_berdaftar">http://www.doa.gov.my/web/guest/senarai_racun_perosak_berdaftar</a> The use of paraquat in the estate had ceased since 2008 and was replaced by a systemic herbicide. A policy statement 'Herbicide Paraquat' signed by Managing Director on 14/08/2007 had included statement of no use of paraquat.
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	As mentioned above in 7.2.5 of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used. Hence, the need for a judgment of the threat assessment does not apply on the Sri Kamusan CU.
	7.2.5b Why there is no other alternative which can be used.	YES	As above.
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	As above.
	7.2.5d What is the process to limit	YES	As above.

Clause	Indicators	Comply Yes/No	Findings
	the negative impacts of the application.		
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	YES	As above.
	7.2.6 (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 Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	Records showed that pesticides were handled by trained persons and used as per the MSDS/CSDS of the pesticide. As mentioned under Indicator 3.3.1, the estate had the SOPs for safe-handling of pesticides. Appropriate safety and application equipment had been provided and used as per the CHRA. The staff and workers such as the storekeepers, sprayers and those workers apply the fertilizer were trained and they had understood the hazards involve and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to the workers through the MSDS/CSDS training. It was also noted that MSDS/CSDS are available at all sites during the audit. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issuance and replacement records were verified by the auditors. It was observed that all of the sprayers were using all required PPE.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	<b>YES</b>	The storage of pesticides at Sri Kamusan CU was found to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations. The chemical and fertiliser stores (with cemented floors and roofing) are locked & handled only by authorized personnel i.e. storekeeper. The stores in estate and mill were ventilated (equipped with exhaust fans). All the chemicals were arranged/segregated according to the type. During site visit at Sri Kamusan POM and all estates i.e. chemical and fertilizer store, sighted relevant SDS were seen displayed. Adequate safety signage has been placed at both internal and external of the building.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	<b>YES</b>	Empty pesticide containers was punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. Inventory and consignment documents verified for confirmation of proper management and disposal. The scheduled wastes generated at Sri Kamusan CU not more than 180 days @ 20mt.
	7.2.9 (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	<b>YES</b>	There was no aerial spraying has been practiced in the Sri Kamusan CU. <i>Neproliphis biserata</i> was maintained and encouraged to be planted in Sri Kamusan CU. This can be seen in their continuous improvement plan. This was to suppress growth of noxious weeds and thus reduce the use of pesticides for selective weeding. Woody sprayings were carried out whenever necessary and only twice a year. Blanket spraying also was not practiced in order to encourage soft grasses in inter row and frond stacking area.

Clause	Indicators	Comply Yes/No	Findings
	affected local communities at least 48 hours prior to application of aerial spraying.		
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	<b>YES</b>	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.
	7.2.11 (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.	<b>YES</b>	Pregnant and breast-feeding women are not allowed to work with Pesticides & Hazardous Chemicals. All estates and mill visited complied with this requirement as mentioned in the SSOP i.e. "Penyemburan Racun Rumpai". The Medical Assistant (MA) conducted the check and determine whether female workers are pregnant. The check was carried out on monthly basis.
7.3 Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.	<b>NO</b>	Waste management and disposal plan to avoid or reduce pollution had been documented. In the sampled estate and mill, the waste management program and plan seen incorporated with environmental impact aspect assessments and pollution prevention plan. The assessment seen effectively covers on matured maintenance, FFB collection, housing, workshop, schedule waste / chemical / fertilizer store and etc. Sampled the EFB collection from mill and the area/filed mulched. The waste disposed were seen only household and food waste and disposed via estates landfill. As for the line-site cleaning, it scheduled on weekly basis by Hospital Assistant. The domestic waste being collect by estate workers twice weekly and being segregate before goes to dumping site. However, during site visit, the waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics was not fully implemented. Hence, Minor NCR DA 07 2020 has been issued.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	<b>YES</b>	Standard Operating Procedure Scheduled Waste Disposal has been established. The documentation and identification of all waste product such as scheduled wastes, domestic wastes, clinical wastes, recyclable wastes such as metal, tins, plastics, bottles, mill wastes and polluting material e.g. EFB and POME.
	7.3.3 The unit of certification does not use open fire for waste disposal.	<b>YES</b>	During site visit at all units of certification, there was no evidence of open fire has been used for waste disposal. All domestic wastes (household and food waste only) at Sri Kamusan CU has been disposed via landfill.
7.4 Practices maintain soil fertility at, or where improve soil	7.4.1 Good agriculture practices, as contained in SOPs, are to manage soil fertility to optimise yield and minimise env. impacts.	<b>YES</b>	Fertiliser application was of paramount importance for maintenance of soil fertility and the estates continued to apply fertilisers as per EMU recommendations made by Agronomist / Head of R&D Department.



Clause	Indicators	Comply Yes/No	Findings
fertility to, a level that ensures optimal and sustained yield.	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	YES	From the Agronomist/Head R&D reports it was established that the estates continued to carry out periodic foliar and soil sampling to monitor changes in nutrient status. Annual foliar sampling, as per the SOP of EMU, for the nutrients N, P, K, Mg, Ca & B had been carried out in all estates and the results formed the basis for the fertiliser recommendations to maintain and to improve soil fertility. The last foliar sampling done was carried out in Nov & Dec 2019 by EMU, the results of which would be the basis for the formulation of the fertiliser recommendation for 2020. Soil maps were made available to the auditors which were made based soil analysis. The soil maps were prepared by 'PARAM Agricultural Soil Survey (M) Sdn. Bhd in December 2009.
	7.4.3 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.	YES	All sampled estates had a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose, by EFB application and decanter cake application. Due to distance from the mill and having only matured Oil Palm only a limited amount of EFB application was programmed for Hibumas 1 Estate while the bulk of EFB was applied on Sri Kamusan Estate.
	7.4.4 Records of fertiliser inputs are maintained.	YES	Records of programs and applications of fertilisers were made available to auditors. Records showed that the main fertilisers applied in 2019 were NPK, NK1, Kieserite and Borate. Records sighted showed that actual applied in 2019 was in line with program.
7.5 Practices minimise and control erosion and degradation of soils.	7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available.	YES	Based on the soil maps by Param Agricultural Soil Survey (M) Sdn. Bhd. in 2009, there were no fragile/marginal soils in both estates.
	7.5.2 No replanting of any individual, contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	Wilmar International Limited had a management strategy for planting on slopes to minimise and control erosion and degradation of soils. The plantings on slopes between 9 and 25 degrees was guided by: <ul style="list-style-type: none"> <li>• Slope &amp; River Protection Policy updated on January 2015.</li> <li>• Buffer Zone &amp; 25degree slope and in item 8 Section 4</li> <li>• Land Preparation for Terracing in Agriculture Manual.</li> </ul>
	7.5.3 There is no new planting of oil palm on steep terrain.		Sri Kamusan CU had a management strategy for planting on slopes to minimise and control erosion and degradation of soils. It was observed that there is no new planting of oil palm on steep terrain.
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into	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.	YES	Sri Kamusan CU had a management strategy for palm oil cultivation,taking into account the soil maps and surveys identifying marginal and fragile soils, including steep terrain for the palm oil long term suitability. The soil maps were provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in Sri Kamusan CU.
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in	YES	There were no marginal and fragile soils in the 4 estates sampled.



Clause	Indicators	Comply Yes/No	Findings
plans and operations.	accordance with the soil management plan for best practices.		
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	Sri Kamusan CU had a management strategy for palm oil cultivation taking into account the soil surveys and topographic information in planning of drainage and irrigation systems, roads and other infrastructure. The topographic information were provided and reviewed by the auditors.
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.	YES	Auditors have verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to all four estates. Based on the audit findings, it is confirmed that there were no new planting or new development of areas at Sri Kamusan CU.
	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: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peat land Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).	YES	It was confirmed either through the submission of peat inventory to the RSPO or site visited, Sri Kamusan CU does not have any peat land. There also was supported by the new soils map provided by EMU.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	It was confirmed either through the submission of peat inventory to the RSPO or site visited, Sri Kamusan CU does not have any peat land. There also was supported by the new soils map provided by EMU.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	It was confirmed either through the submission of peat inventory to the RSPO or site visited, Sri Kamusan CU does not have any peat land. There also was supported by the new soils map provided by EMU.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five	YES	It was confirmed either through the submission of peat inventory to the RSPO or site visited, Sri Kamusan CU does not have any peat land. There also was supported by the new soils map provided by EMU.

Clause	Indicators	Comply Yes/No	Findings
	<p>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 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.</p>		
	<p>7.7.6 (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 (2018) and associated audit guidance.</p>	YES	<p>It was confirmed either through the submission of peat inventory to the RSPO or site visited, Sri Kamusan CU does not have any peat land. There also was supported by the new soils map provided by EMU.</p>
	<p>7.7.7 (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</p>	YES	<p>It was confirmed either through the submission of peat inventory to the RSPO or site visited, Sri Kamusan CU does not have any peat land. There also was supported by the new soils map provided by EMU.</p>

Clause	Indicators	Comply Yes/No	Findings
	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 (2018) and associated audit guidance.		
7.8 Practices maintain the quality and availability of surface and groundwater.	7.8.1 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:	YES	Available.
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	YES	Based on stakeholder consultation with local communities and field visit, there was evidence that the CU does not restrict access to clean water or contribute to pollution of water used by communities.
	7.8.1b Workers have adequate access to clean water.	YES	All water supply in the entire CU are made by self-water treatment plant and made supply to all levels of employees of the same source. Supplies are made to all housing areas and office complexes
	7.8.2 (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).	<b>NO</b>	The Sri Kamusan CU continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along all natural waterways. However, during site visit at Sri Kamusan Estate and Hibumas 1 Estate Buffer Zones, sighted pesticides application and EFB application has been carried out. Therefore, Major NCR DA 08 2020 was raised.
	7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.	<b>YES</b>	Effluent license renewal application for year 2019/2020 and letter from Department of Environmental were sighted during audit. An Effluent Treatment Plant (ETP) is available at Sri Kamusan POM to treat the POME. Effluent treatment process flow sighted in the Lay Out Effluent Pond. According to DOE's license, the disposal method of the final discharge is through land irrigation. The ETP was regularly maintained by desludging of the ponds to ensure its efficiency. Final discharge samples were taken on monthly basis and sent to an accredited laboratory for analysis. The results of analysis were submitted to the DOE on quarterly basis. All parameters were within the regulatory limit such as BOD discharged to land irrigation was not more than 20 mg/l.

Clause	Indicators	Comply Yes/No	Findings																																															
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	<b>YES</b>	Process water is obtained from water catchment near to the mill. The water usage per tonne of fresh fruit bunches (FFB) continued to be monitored on monthly basis.																																															
7.9 Efficiency of fossil fuel use and the use of renewable energy is optimised.	7.9.1 A plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented.	<b>YES</b>	The plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented. Record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement.																																															
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.	<b>YES</b>	<p>The CU had used RSPO Palm GHG version 4.0 Calculator as a tool to calculate the GHG emissions. Sighted report sends to RSPO on 02/03/2020. The input data was verified and the following were determined:</p> <table border="1"> <thead> <tr> <th>Description</th> <th>tCO<sub>2</sub>e/tProduct</th> <th>Production</th> <th>t/yr</th> </tr> </thead> <tbody> <tr> <td>CPO</td> <td>0.29</td> <td>FFB Processed</td> <td>324980.14</td> </tr> <tr> <td>PK</td> <td>0.29</td> <td>CPO Processed</td> <td>67403.507</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Land Use</th> <th>Ha</th> </tr> </thead> <tbody> <tr> <td>OP Planted Area</td> <td>7523.03</td> </tr> <tr> <td>OP Planted on Peat</td> <td>0.00</td> </tr> <tr> <td>Conservation (forested)</td> <td>5104.67</td> </tr> <tr> <td>Conservation (non-forested)</td> <td>31.19</td> </tr> </tbody> </table> <p><b>Milling extraction rate:</b></p> <table border="1"> <tbody> <tr> <td>OER</td> <td>20.74</td> </tr> <tr> <td>KER</td> <td>4.15</td> </tr> </tbody> </table> <p><b>Mill Emission</b></p> <table border="1"> <thead> <tr> <th colspan="3">Own Crop</th> </tr> <tr> <th>Emission source</th> <th>tCO<sub>2</sub>e</th> <th>tCO<sub>2</sub>e/tFFB</th> </tr> </thead> <tbody> <tr> <td>POME</td> <td>5057.68</td> <td>0.02</td> </tr> <tr> <td>Fuel consumption</td> <td>542.73</td> <td>0.00</td> </tr> <tr> <td>Grid electricity utilisation</td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td><b>Credits</b></td> <td></td> <td></td> </tr> <tr> <td>Export of excess electricity to housing &amp; grid</td> <td>-1.51</td> <td>0.00</td> </tr> </tbody> </table>	Description	tCO <sub>2</sub> e/tProduct	Production	t/yr	CPO	0.29	FFB Processed	324980.14	PK	0.29	CPO Processed	67403.507	Land Use	Ha	OP Planted Area	7523.03	OP Planted on Peat	0.00	Conservation (forested)	5104.67	Conservation (non-forested)	31.19	OER	20.74	KER	4.15	Own Crop			Emission source	tCO <sub>2</sub> e	tCO <sub>2</sub> e/tFFB	POME	5057.68	0.02	Fuel consumption	542.73	0.00	Grid electricity utilisation	0.00	0.00	<b>Credits</b>			Export of excess electricity to housing & grid	-1.51	0.00
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	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 (guided by the RSPO GHG Assessment Procedure for New Development).	<b>YES</b>	Auditor has verified through checking the <a href="http://www.globalforestwatch.com">www.globalforestwatch.com</a> , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at Sri Kamusan CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.																																																															
	7.10.3 (C) Other significant	<b>NO</b>	The significant pollutants are identified and plans in the Waste and Pollution – Identification, Prevention,																																																															

Clause	Indicators	Comply Yes/No	Findings
	pollutants are identified and plans to reduce or minimise them implemented and monitored.		Mitigation and Improvement Plan. Major NCR DA 09 2020 was raised because of mitigation and prevention on agrochemical usage was not implemented and monitored. During site visit, sighted chemical/oil spillage at: 1) Sri Kamusan Estate – B14 (Selective Spraying area) – Glyphosate 2) Hibumas 1 Estate – Scheduled Wastes Store – Oil Spillage 3) Hibumas 1 Estate - Percel 13 (wooden houses) – Oil Spillage
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.	YES	There was no evidence that fire had been used to prepare land for replanting in all estates. No fire was used for waste disposal. Sri Kamusan CU continued to use Wilmar International Limited's policy of no open burning dated 15 <sup>th</sup> , Nov 2019.
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	There was no land preparation by burning ever since SDPB practice zero burning as per the policy in the EQMS-SOP-Section B2 - Under felling/clearing & land preparation and Carbon Policy.
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	Sri Kamusan CU had also established the fire prevention and control measures with adjacent stakeholders through stakeholder meeting.
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. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.	N/A	Not Applicable since there is no new land clearing available.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	As reported in the previous surveillance audit, a report on HCV sites within the CU had been prepared. The High Conservation Value Assessment Report dated September 2010, had identified the HCV sites for each of the six estates. A public consultation was held in June 2010 where 8 members of the local communities were represented in the meeting to discuss the findings in the report. An Action Plan for HCV Report was also prepared. HCV re-assessment removed and included some area has been done on 25-27 May 2015 by same assessor which was Malaysia Environmental Consultants Sdn Bhd, and recommended that the total HCV area was the same, however, some area has removed status as only conservation area. Areas within each of the estate were identified for protection of their high conservation values. Sites
	7.12.2a 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		

Clause	Indicators	Comply Yes/No	Findings
	<p>those plantations remains valid.</p> <p>7.12.2b: 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>with external HCV1, HCV3 and HCV4 had also been identified. There were no RTE species found in Sri Kamusan CU during the assessments. The total area for HCV in the Sri Kamusan CU was 5,135.86 ha. There was no new land clearing (in existing plantations or new plantings) in the CU.</p>
	<p>7.12.4 (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 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>	NO	<p>HCV management Plan has been developed this into a management Plan dated 30 January 2020. However it was found that the Plan was not developed without consultation with relevant stakeholders in adaptive to changes in HCVs plans. HCV plan also was not highlights :</p> <ul style="list-style-type: none"> <li>● Identifying, protecting and/or enhancing forest connectivity important for biodiversity, ecosystem services. e.g at Hibumas 1 Estate HCV at Parcel 21, 14 and 17 site there are too many biodiversity there, but no updated assessment/report to highlight the important of Biodiversity and ecosystem services there, no map of Biodiversity and ecosystem.</li> <li>● Avoiding damage to and deterioration of HCV habitats, for example by ensuring that HCV areas are connected, corridors are conserved and marked e.g at all HCV site visited at Sri Kamusan Estate, Hibumas 1, Hibumas 2 and Sekar Imej there are no signage sighted</li> </ul> <p>Thus, Major NCR MZK 06 2020 has been raised.</p>
	<p>7.12.5 Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights</p>	N/A	<p>Not applicable since there is no new land clearing</p>

Clause	Indicators	Comply Yes/No	Findings
	without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.		
	7.12.6 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.	YES	There was no RTE species identified at Jebawang/Hibumas 2 Estate and Sapi Sugut/Sekar Imej Estate. However, Jebawang/Hibumas 2 Estate and Sapi Sugut/Sekar Imej Estate still conducting HCV refresher training, latest in 20/1/20 (Jebawang/Hibumas 2) and sighted the plan and communication with wildlife Department Sabah to conduct training on May 2019 for their field workers in order to create awareness among them. Sighted Training namely 'Wildlife Awareness and Outreach Program Sugut Region 2019' has been conduct on 9-11 July 2019 to all Estates under Sri Kamusan CU.
	7.12.7 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.	NO	Records on monthly monitoring was verified during the audit. The HCV monitoring records using 'Borang Monitoring HCV Sabah'.for month of February and January 2020, December and November 2019 at Sri Kamusan Estate was sighted. The monitoring of HCV has been conducted at Sri Kamusan Estate, Hibumas 1, Hibumas 2 and Sekar Imej Estate, However, the monitoring was not properly conducted as The CU conducted on sampling basis at HCV area. - The outcomes of the HCV monitoring also were not fed back into the management plan. Thus Minor NCR MZK 07 2020 has been raised.
	7.12.8 (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.	N/A	Not applicable since there is no new land clearing



## RSPO Certifications Systems for Principles & Criteria June 2017

Clause	Indicators		Comply Yes/No	Findings
<p>4.5.3 Time-bound plan</p> <p>Note: Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised;</p>	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	YES	Details are available as per the following attachments relating to Time Bound Plan of Wilmar International Plantation as at March 2020. <ul style="list-style-type: none"> <li>a) TBP WIP - RSPO Certification Status for Malaysia Operations</li> <li>b) TBP WIP - RSPO Certification Status for Indonesia Operations</li> <li>c) TBP WIP - RSPO Certification Status for Ghana /Nigeria Operations</li> </ul>
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	YES	Details of the Time Bound Plan described as per attachment 6 updated as at March 2020.
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	YES	Details of the Time Bound Plan described as per attachment 6 updated as at March 2020.

4.5.4 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.3. Any new plantings since 1 <sup>st</sup> January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	YES	<p>Wilmar International Limited (WIL) complied to all the requirement. There was no new planting within the properties in WIL The internal audit assessment report has been carried out for clause 4.2.4 (e)-(h) of certification system for units such as:</p> <p><u>Indonesia Units</u></p> <ul style="list-style-type: none"> <li>- Pt. Agrindo Indah Perkasa on June 2018</li> <li>- Ksu Mutiara Bosa Sikilang on June 2018</li> <li>- Kud Damai Sejahtera on June 2018</li> <li>- Kud Kapar on June 2018</li> <li>- Koperasi Karya Makmur Pahirangan on February 2019</li> <li>- Koperasi Mamur Sejahtera on January 2019</li> <li>- Kud Permata Sawit Maligi on June 2018</li> <li>- Kud Rantau Pasaman Sasak on June 2018</li> <li>- Pt. Buluh Cawang Plantation on June 2018</li> <li>- Pt. Daya Landak Plantation on June 2018</li> <li>- Pt. Indoresin Putra Mandiri on June 2018</li> <li>- Pt. Putra Indotropical on June 2018</li> <li>- Pt. Pratama Prosentindo on June 2018</li> <li>- Pt. Agronusa Investama – PAHAUMAN on June 2018</li> <li>- Pt. Sarana Titian Permata Pom 2 on January 2019</li> <li>- Koperasi Buah Jubata on February 2019</li> </ul> <p><u>Africa Units</u></p> <ul style="list-style-type: none"> <li>- Biase Plantation Limited (BPL) on February 2019</li> <li>- Eyop Industries Limited (EIL) on february 2019</li> </ul> <p><u>Malaysia Units</u></p> <ul style="list-style-type: none"> <li>- Jebawang Sdn Bhd – Laba Utama on April 2019</li> <li>- Suburmas Plantation Sdn Bhd on April 2019</li> </ul> <p>Evidences &amp; document reference such as HCV report results, land title, Racp status, LUCA status, planting statement, SOP for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, SOP calculating and distributing fair compensation, etc were concluded adequate in the report for all uncertified management units.</p>
	(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 2.2, 6.4, 7.5 and 7.6;	YES	There is no report or issues raised in relation to land conflicts except for the land conflict at Hibumas 2 Estate, both parties has agreed to conduct inventory survey and marked estate boundary in order to confirm estate boundary with nearby village. Further details in the confidential version of this report.
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in	YES	There is no report or issues raised in relation to labour disputes. Evidences & document reference such as HCV report results, land title, Racp status, LUCA status, planting statement, SOP for identifying legal, customary or user rights, and a procedure for

		accordance with RSPO P&C criterion 6.3;		identifying people entitled to compensation, SOP calculating and distributing fair compensation, etc. were concluded adequate in the report for all uncertified management units.
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	Wilmar International Limited complied with all the related legal requirement. Evidences & document reference such as HCV report results, land title, Raccp status, LUCA status, planting statement, SOP for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, SOP calculating and distributing fair compensation, etc. were concluded adequate in the report for all uncertified mgmt units.
	(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable mgmt units. Assessment of compliance with req. 4.5.4 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting doc, shall not be acceptable. Verification of compliance shall be based on the following approach:	YES	Wilmar International Limited (WIL) complied with all the requirement. There was no new planting within the properties in WIL The internal audit assessment report has been carried out for clause 4.2.4 (e)-(h) of certification system for units of the following i.e. a) Indonesia Units b) Africa Units c) Malaysia Units Evidences & document reference such as HCV report results, land title, Raccp status, LUCA status, planting statement, SOP for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, SOP calculating and distributing fair compensation, etc. were concluded adequate in the report for all uncertified management units. There was no non-compliance found for all requirements during this audit.
		<ul style="list-style-type: none"> <li>A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement;</li> </ul>		
		<ul style="list-style-type: none"> <li>Targeted stakeholder consultation, incl. consultation with the NGO's will be carried out by the audit team</li> </ul>		
		<ul style="list-style-type: none"> <li>Desktop study e.g. web check on relevant complaints</li> </ul>		
		<ul style="list-style-type: none"> <li>If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the req.</li> </ul>		

<p>4.6.4 The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p>		No additional indicators	YES	Wilmar owned the land. Based on the interviews and this audit finding, it has been confirmed that there was no such case concerning the rights of local communities and indigenous people at Sri Kamusan CU.
<p>Note:</p> <ol style="list-style-type: none"> <li>1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&amp;C. For example, if an NC against a major indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless that is actively addressed;</li> <li>2. Failure to address any outstanding NC within uncertified unit(s) regarding 4.5.4 (a)-(d) may lead to certificate suspension(s) to the certified unit(s), in accordance with the provisions of these Certification Systems.</li> </ol>				

## Details of Non-conformities and Corrective Actions Taken

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
2.1.1 DA 01 2020 (1)	Major	<p>Finding: The unit of certification not complies with Environmental Quality (Scheduled Wastes) Regulations 2005, refer to Storage of scheduled wastes, Regulation 10. Labelling of scheduled wastes.</p> <p>Objective evidence: 1) During site visit at Workshop (Hibumas 1 Estate), no labelling of SW 410. 2) During site visit at Workshop (Hibumas 2 Estate), sighted no labelling of SW 410, SW 312 and SW 305.</p>	<p>Root caused: 1. The person-in-charge (PIC) of workshops at Hibumas 1 and 2 have inadequate knowledge on handling and storing of SW. 2. There is no clear mechanism of monitoring of SW compliances by the management.</p> <p>Correction/Corrective action plan: 1. Training on handling and storing of SW had been conducted by EHS Officer to the PIC (store keepers and attendants) on 2/6/2020 at Hibumas 1 Estate and 3/6/2020 at Hibumas 2 Estate. 2. EHS Officer weekly report to include SW management.</p>	<p>They had sent the copy of the training conducted by EHS Officer and weekly report dated 16 April 2022. In the weekly report contained picture of labelling scheduled wastes of SW 410 at Hibumas 1 Estate and SW 410, SW 312 and SW 305 at Hibumas 2 Estate.</p> <p><b>Status: Closed.</b></p>
2.1.1 DA 01 2020 (2)	Major	<p>Finding: The unit of certification not complies with Occupational Safety And Health (Use And Standards Of Exposure Of Chemicals Hazardous To Health) Regulations 2000, refer to Regulation 27 Health surveillance programme</p> <p>Objective evidence: During our interview with 3 workers (1 Maintenance Operator &amp; 2 Workshop Operator) at Sri Kamusan POM who are recommended unfit to handle chemical by the OHD (referring to medical surveillance report dated 05/03/2019), it was found out that 2 unfit workers (Workshop Operator) still continue as Workshop Operator and still handling the chemicals (Manganese).</p>	<p>Detailed briefing of the medical surveillance has been conducted on 4/4/2020 by Mill Engineer to all 3 workers.</p> <p>Notification letter from Sri Kamusan management to the 3 workers has been given dated 10 May 2020 to transfer the workers to other area or job designated.</p>	<p>The auditor had been verified as follows: i) Copy of the briefing medical surveillance result dated 4/4/2020 has been verified. ii) Notification letter dated 10/5/2020 to transfer the workers to other area or job designated due to medical obstacles.</p> <p><b>Status: Closed.</b></p>
2.1.1 RZ 01	Major	<p>Finding: Sri Kamusan CU could not demonstrate that it complies with</p>	<p>Root caused: For Sri Kamusan, Hibumas 2 and Sekar</p>	<p>Auditor had verify the following: 1. Letter "Notis Pemberhentian Kerja"</p>

2020 (3)		<p>the Immigration Act 1959 (Act 155).</p> <p>Objective evidence: The following sampled workers are working at the respective estates without any Passport. This is not in accordance with Section 55B of the Immigration Act.</p>	<p>Imej Estates, the mentioned workers had undergone the government regularization exercise early February 2020 with the Indonesian Consulate General but due to bureaucracy and red tape, the processing of their passport and other regulatory requirements had been delayed. Hibumas 1 Estate workers were not sent for regularization as they were recruited right after the exercise closed January 2020.</p> <p>Correction/Corrective action plan: Management had gave the attachment of list workers of the said regularized workers awaiting to be processed by Malaysia Immigration Department and Indonesian Consulate General. Hibumas 1 casual workers had to be terminated due to it was not possible to legalize them during MCO/CMCO. To protect the workers right, all workers under this processed covered by: i) Written and signed job contracts similar with those documented workers. ii) These workers are protected by insurance coverage. Their rights, entitlement and benefits are similar to those documented workers which was stated in their job contracts and Wilmar Workers Human Rights Policy.</p>	<p>dated 3 Jun 2020 from management of Hibumas 1 Estate to the workers.</p> <ol style="list-style-type: none"> <li>2. Hibumas 2 Estate workers passport reviewed. Police report no TELUPID/000320/20 on missing passport of the 2 workers. Both of them cannot remember their passport no. Letter from Syarikat Kemajuan Wawasan dated 6 April 2020 on progressing passport for 2 workers namely. Also screen short on the online registration from Syarikat Kemajuan Wawasan.</li> <li>3. Sri Kamusan Estate had updated the list of the workers.</li> <li>4. Letter "Notis Pemberhentian Kerja" dated 10 Jun 2020 from management of Hibumas 1 Estate to the workers.</li> </ol> <p><b>Status: Closed</b></p>
3.4.3 (1) DA 02 2020	Major	<p>Finding: The environmental management and monitoring plan was not fully implemented.</p> <p>Objective evidence: The new activities of removing/clear the biodiversity area at Hibumas 1 Estate has not been assessed/identified in the Identification of Environmental Aspect and Impact and Evaluation of Significance.</p>	<p>Root caused: Overgrown vegetation was pushed to the side as it was obstructing the access road. In the process, some of the riparian edges were disturbed without any EAI done.</p> <p>Correction/Corrective action plan: 1. The EAI of Conservation Area and Mitigation had been updated on 04/04/2020 by including the removal of vegetation blocking the access road. The updated document is attached.</p>	<ol style="list-style-type: none"> <li>i) Copy of the EAI of Conservation Area and Mitigation dated 4/4/2020 had been verified.</li> <li>ii) EAI &amp; mitigation plan memo dated 13/4/2020 had been verified.</li> </ol> <p><b>Status: Closed</b></p>

			2. Instruction was given to the staff that before any new activities planned to be done, EAI & Mitigation need to be conducted. Attached is the memo dated 13/04/2020.	
3.4.3 (2) RZ 02 2020	Major	<p>Finding: Social issue has not been identified when reviewing and updating the social management and monitoring plans.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> <li>1. The risky practice of carrying a large amount of cash of more than RM300,000 by 'gang leaders' or 'mandores' every month to pay the workers' wages has not been taken into account when reviewing and updating the social management and monitoring plan of all estates and Mill at Sri Kamusan CU.</li> <li>2. The physical condition and amenities of the school dormitory at Sekar Imej Estate were not included in the SIA Assessment Management Action Plan 2020 of Sekar Imej Estate dated 20 Feb 2020.</li> </ol>	<p>Root caused:</p> <ol style="list-style-type: none"> <li>1. The management of Sri Kamusan Estate and POM are of the opinion that once the cheques were received by the workers, it was their responsibilities or choice of what to do with it.</li> <li>2. The SIA management plan had been reviewed but due to lack of understanding or awareness of what "social issues" is about, it has resulted in failure to identify the poor physical condition and amenities as social issues in the SIA.</li> </ol> <p>Correction/Corrective action plan:</p> <ol style="list-style-type: none"> <li>1. The risk of mandores travelling with such big amount of cash for workers' wages had already been registered into Sri Kamusan Estate &amp; POM SIA management &amp; action plan. The plan dated 18/04/2020 is attached.</li> <li>2. The SIA management &amp; action plan had been reviewed and revised to include the improvements of physical condition of the dormitory, dated 18/04/2020 as attached.</li> </ol>	<p>Auditor had verified as follows:</p> <ol style="list-style-type: none"> <li>1. Updated SIA management action plan on the finding item No 1, the management appointed a security as escort every month the mandore want to change the cheque at city.</li> <li>2. Updated SIA management action plan on the finding item No 2, the budget was put in on year 2018 and 2019 but both of the year was rejected by the management, so on 2020 the management decide to repair which part is broken and to provide amenities which is in budget.</li> </ol> <p>Status: Closed</p>
3.6.1 (1) DA 03 2020	Major	<p>Finding: Certain operation has not been risk assessed to identify H&amp;S issues.</p> <p>Objective evidence: Certain work operation/activities have not been risk assessed at Hibumas 1 Estate:</p> <ol style="list-style-type: none"> <li>1) Circle Spraying</li> <li>2) Manuring</li> </ol>	<p>Root caused: The estates were using different formats of HIRARC forms that all supposed to be standardized according to the new format as per Guideline/Procedures HIRARC 2008 (6.2 Documenting process). All HIRARC mentioned in section 1 were actually available but in the process of updating the</p>	<p>Auditor had verified the new HIRARC and the operation as mentioned:</p> <ol style="list-style-type: none"> <li>1) Circle Spraying</li> <li>2) Manuring</li> <li>3) Machineries work</li> <li>4) Harvesting evacuation using buffalo</li> <li>5) Workshop</li> </ol> <p>has been assessed.</p>

		<p>3) Machineries work 4) Harvesting evacuation using buffalo 5) Workshop</p> <p>HIRARC Form sighted was not following the Guidelines/Procedures HIRARC 2008 (6.2 Documenting process) at Hibumas 1 Estate, Hibumas 2 Estate and Sekar Imej Estate:</p> <p>1) Use double form format (not standardize) 2) Record the names and designation of HIRARC was not available 3) Outline the process workflow and indicate and indicate in the form under "process/location column was not available 4) Indicate the follow up action date and status was not available</p>	<p>format, some of the HIRARC were misplaced and old HIRARC were used instead.</p> <p>Correction/Corrective action plan: Attached are the HIRARC for the above mentioned operations with the new formats. The old HIRARC had been disposed.</p>	<p>Status: Closed</p>
3.6.1 (2) DA 03 2020	Major	<p>Finding: Safety mitigation plans are not implemented and monitored.</p> <p>Objective evidence: During site visit at Hibumas 1 Estate Parcel 13 (Wooden Houses), sighted an acetylene tank which was not chained and fixed securely causing the risk of an explosion.</p>	<p>Root caused: The acetylene tank belongs to a FFB transporter contractor that stayed at Parcel 13. The contractor was not briefed on the Safety &amp; Health rules on keeping his equipment safely.</p> <p>Correction/Corrective action plan: The acetylene tank was immediately removed and the contractor concerned had ceased operation on 10/04/2020. Attached are the photos of the ex-contractor's house that in the process of being demolished.</p>	<p>Correction/Corrective action plan accepted.</p> <p>Status: Closed</p>
6.7.2 DA 05 2020	Minor	<p>Finding: Accident and emergency procedures are not in place.</p> <p>Objective evidence: 1) During site visit at Hibumas 1 Estate Workshop, sighted Emergency Shower was not available. 2) During site visit at Sri Kamusan POM Worker Quarters, sighted Fire Extinguisher was not available. 3) During site visit at Sekar Imej Estate Chemical Store, the emergency shower was not available at workplace.</p>	<p>Root caused: 1) There was an emergency shower fixed but the shower cap had broken so it was not functioning during the audit. 2) On 4<sup>th</sup> March 2020, 96 units of fire extinguishers were sent to Perniagaan Ismaju to be serviced/filled up due to nearing expiry dates, 11<sup>th</sup> March 2020. However, only 55 standby units were given to be used temporarily at the mill workers housing. This has caused insufficient number of fire extinguishers during time of audit.</p>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>



			<p>3) There was an emergency shower at the chemical store but was lowered down for handwashing.</p> <p>Correction/Corrective action plan:</p> <p>1) The emergency shower will be repaired in order to properly function. Expected date of completion – 1<sup>st</sup> May 2020.</p> <p>2) On 14<sup>th</sup> March 2020, all fire extinguishers had been returned by Perniagaan Ismaju. Presently mill workers housing has enough units of fire extinguishers. In future will ensure Perniagaan Ismaju provides sufficient replacement units of fire extinguishers.</p> <p>3) Proper emergency shower will be fixed at the chemical store. Expected date of completion – 1<sup>st</sup> June 2020.</p>	
6.7.3 DA 06 2020	Major	<p>Finding:</p> <ol style="list-style-type: none"> <li>1) Workers use appropriate personal protective equipment (PPE), was not provided free of charge to workers at the place of work to cover all potentially hazardous operations.</li> <li>2) Workers did not wear the appropriate personal protective equipment (PPE) as per the SSOP.</li> </ol> <p>Objective evidence:</p> <ol style="list-style-type: none"> <li>1) During interview with sampled harvesters and verification of “Daily PPE Checklist for Harvester”, there is no free of charge provided for personal protective equipment (harvesters shoe) to harvesters.</li> <li>2) During site visit at Hibumas 1 Estate B006 (Parcel 13), sighted 1 harvester did not wear appropriate PPE i.e. Safety helmet and goggle.</li> <li>3) During site visit at Hibumas 2 Estate B007 (Parcel 2/3), sighted 4 harvesters did not wear appropriate PPE i.e. goggle.</li> </ol>	<p>Root caused:</p> <ol style="list-style-type: none"> <li>1. The Harvesting HIRARC and SSOP had not been updated to take out shoe as one of the PPE as agreed by the top management. It is the responsibility of the harvesters themselves to prepare their own shoes when doing harvesting. Estates somehow still keeping the old SSOP.</li> <li>2. For (2) &amp; (3), the level of awareness among the harvesters in PPE usage are still not up to the standard.</li> </ol> <p>Correction/Corrective action plan:</p> <ol style="list-style-type: none"> <li>1. Old HIRARC and SSOP was removed and considered as obsolete document. Attached is the latest updated HIRARC and SSOP Harvesting. As agreed by top management (attached memo dated 25<sup>th</sup> June 2020), all harvesters are required to wear appropriate shoes as part of the working attire and in order to ensure there are adequate supplies of shoes, estates are instructed to provide these shoes “free</li> </ol>	<p>Correction/Corrective action plan accepted.</p> <p>Status: Closed</p>

			of charge" subject to stipulated conditions.  2. Trainings had been conducted to all harvesters and field staff at Hibumas 1 and 2 Estates on 10/04/2020 and 16/05/2020 by the EHS Officer.	
7.3.1 DA 07 2020	Minor	<p>Finding: The waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics was not fully implemented.</p> <p>Objective evidence: 1) During site visit at Hibumas 1 Estate Chicken Farm, sighted empty agrochemical container, bottle, tyre and fertilizer bag was not disposed according to the Waste Management Plan. 2) During site visit at Hibumas 1 Estate Parcel 13 (Wooden Houses), sighted empty agrochemical container and tyre was not disposed according to the Waste Management Plan. 3) During site visit at Hibumas 1 Estate Landfill, sighted landfill was not properly covered, with clear demarcation and signage to avoid disturbance. (Guidelines of RSPO MYNI 2019).</p>	<p>Root caused: Workers and staff lacked the awareness on the importance of protecting the environment by implementing the estate's waste management plan. This had resulted wastes not being collected, disposed and managed in accordance with the current SOP.</p> <p>Correction/corrective action plan: 1. Training will be given to all workers and staff. Each staff will be given a copy of the plan and their respective officers could monitor implementation on the ground. Expected date of completion – 1<sup>st</sup> July 2020. 2. All mentioned wastes had been collected and stored for disposal. Date of completion – 1<sup>st</sup> May 2020.</p>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>
7.8.2 DA 08 2020	Major	<p>Finding: Water courses and wetlands are not protected.</p> <p>Objective evidence: 1) During site visit at Buffer Zone Sri Kamusan Estate B46/47-Division 3, sighted pesticides application and EFB application has been carried out. 2) During site visit at Buffer Zone Hibumas 1 Estate B040 Parcel 19, sighted pesticides application has been carried out.</p>	<p>Root caused: Most of the sprayers involved in chemical spraying as mentioned (Sri Kamusan Estate and Hibumas 1 Estate) were new and not adequately trained. The field staff and mandore did not put enough attention when chemical sprayings were done in riparian zones.</p> <p>Correction/corrective action plan: Trainings on chemical handling and application had been conducted for both estates' sprayers and officers, field staff and mandores on 30/04/2020 at Sri Kamusan Estate and 02/06/2020 at Hibumas 1 Estate by the EHS officer.</p>	<p>Auditor had been verified training which were done on 30/04/2020 at Sri Kamusan Estate and 02/06/2020 at Hibumas 1 Estate by the EHS officer (Mc Millan Wilfred).</p> <p>Status: Closed</p>

			Special attention given to protection riparian zones. Reports of trainings are attached.	
7.10.3 DA 09 2020	Major	<p>Finding: Waste and Pollution – Identification, Prevention, Mitigation and Improvement Plan was not fully implemented and monitored.</p> <p>Objective evidence: Mitigation and prevention on agrochemical usage and oil usage was not implemented and monitored. Sighted chemical and oil spillage at:</p> <ol style="list-style-type: none"> <li>1) Sri Kamusan Estate – B14 (Selective Spraying area) – Glyphosate</li> <li>2) Hibumas 1 Estate – Scheduled Wastes Store – Oil Spillage</li> <li>3) Hibumas 1 Estate - Parcel 13 (wooden houses) – Oil Spillage</li> </ol>	<p>Root caused:</p> <ol style="list-style-type: none"> <li>1. There is a small container used to collect spilled pre-mixed chemical through the containment tray when dispensing was done into the knapsack spray pumps but it was not used during the audit.</li> <li>2. Lack of awareness from the workers and monitoring by the staff resulted in oil spillages or the oil spillages were not attended to.</li> </ol> <p>Correction/corrective action plan:</p> <ol style="list-style-type: none"> <li>1. Stop cock was fixed to channel the spillage into the small container. Training had been conducted on 30/04/2020 by the EHS Officer to Sri Kamusan Estate spraying gangs on the SSOP for Chemical Spraying. Special attention was given to waste management of chemical spraying operation. Training report and attendance are attached.</li> <li>2. Training had been conducted on 02/06/2020 by the EHS Officer to Hibumas 1 workshop and staff in-charge of Parcel 13 on ERP on Chemical &amp; Fertilizer Spillages. Attached is the training report and attendance.</li> <li>3. All spillages had been cleaned, removed and disposed in accordance with SW Management SOP. Photos are attached.</li> </ol>	<p>Comment by auditor: The correction/corrective action plan accepted.</p> <p>Status: Closed</p>
3.2.1 DA 10 2020	Major	<p>Finding: The action plan for continuous improvement was not fully implemented, based on consideration of the main environmental impacts and opportunities of the unit of certification.</p> <p>Objective evidence: There is no improvement on the main environmental</p>	<p>Root caused: The plan for continuous improvement is in place but evidence of actions taken after implementation on the ground were not fully measured or monitored.</p> <p>Correction/corrective action plan: The monitoring on implementation of the</p>	<p>Comment by auditor: The correction/corrective action plan accepted.</p> <p>Status: Closed</p>

		impacts for the following activities/operations: 4) Wastes Management (Scheduled Wastes & Recycling Wastes) 5) Buffer Zones 6) Chemical/Oil Spillage	continuous improvement plan had been done. Attached is the documented sets of action taken with special attention to environmental consideration.	
2.2.2 RZ 03 2020	Minor	<p>Finding: Contractors are not able to demonstrate compliance with applicable legal requirements.</p> <p>Objective evidence: 1. Two contractors are not able to demonstrate compliance with legal requirements by not paying their workers SOCSO or insurance (Syarikat Sri Timulus) and paying wages after the 7<sup>th</sup> of every month. (Syarikat Sri Timulus and Golden Maxim Resources). 2. Two contractors are not able to demonstrate compliance with requirements by the company by allowing person under 18 to work in the field (EFB application – contractor Nain bin Azis and Zainun).</p>	<p>Root caused: 1. There is no systematic monitoring done by the estate in ensuring contractors complied with applicable legal compliances as agreed in the contract agreements. 2. The same goes on contract workers below 18 years.</p> <p>Correction/corrective action plan: 1. SOP for Contractor's Monitoring &amp; Enforcement has been developed and implemented covering all contractors in the estates. Reports of compliances will be documented and action taken for non-compliances. Expected date of completion - 1st October 2020. 2. Training on the legal requirements will be given to all contractors mentioned. Expected date of completion - 1st August 2020. 3. All EFB mulchers will be directly employed by Sri Kamusan Estate for better overall management.</p>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>
6.2.3 RZ 04 2020	Major	<p>Finding: Compliance with laws related to overtime and work on rest day have not been demonstrated.</p> <p>Objective evidence: 1. The following harvesters at Sri Kamusan Estate worked in excess of 8 hours and not paid at a rate which is 1 ½ times his hourly rate of pay. (Workers' Passports No. C4657022, C4657019, C4657026, C4658396, C4657002, AU266166, C4657677, SU/SK/0218/1231). This is not in accordance with Section 104(6) Sabah Labour Ordinance which states that for any overtime work carried out in excess of the normal hours of work,</p>	<p>Root caused: 1. It is the understanding of the estate management that any piece-rated work is only paid on the amount of work done. Overtime is only applied to daily-rated works. 2. It is difficult to separate the amount of piece-rated works on Sunday to be paid double as some leftover FFB harvested on Saturday to Sunday could be paid double as well. 3. Some of the staff do not fully understand</p>	<p>For the correction no 1 and 2: Details of the payment has been attached. Also thumb print and acknowledgement of the payment pending from the month of January 2020 until March 2020. 3. Findings no 3 the correction accepted as the evidence of the top up was available.</p> <p>Status: Closed</p>

		<p>the employee shall be paid at a rate which is not less than one and a half times his hourly rate of pay irrespective of the basis on which his rate of pay is fixed.</p> <p>2. The following workers at Sri Kamusan Estate (Workers' Passports No. C4657022, C4657019, C4657026, C4658396, C4657002, AU266166, C4657677 and SU/SK/0218/1231) worked on a rest day and paid a normal rate. This is not in accordance with Section 104C (5) Sabah Labour Ordinance which states that an employee employed on piece rates who works on a rest day shall be paid twice his ordinary rate per piece.</p> <p>3. Worker No. SU/SK/0519/1358 at Sri Kamusan Estate received RM952.96 gross wages in June 2019, and no top up to meet the minimum wages was done. This is not in accordance with Section 6 Minimum Wages Order 2020 and the Guidelines on the Implementation of the Minimum Wages Order.</p>	<p>the top mechanism as spell out in the Minimum Wage Top-up Guideline.</p> <p>Correction/corrective action plan:</p> <ol style="list-style-type: none"> <li>1. The working hours of harvester reviewed and the mechanism for implementation in accordance with SLO Section 104.</li> <li>2. Directive had been socialized to all staff and workers that no work is offered during public holiday and rest day unless approved by the management. Socialization records are attached.</li> <li>3. Training had been conducted to all field staff on 14/05/2020. Report of training is attached. The workers had been top-up accordingly.</li> </ol>	
4.1.1 RZ 05 2020	Major	<p>Finding: The policy to respect human rights and prohibiting retaliation against HRD has not been communicated.</p> <p>Objective evidence: Based on interview with workers, there was nil to low understanding of what HRD is and the prohibition against retaliation against HRDs among all levels of workforce and local communities. There is no record that the policy has been communicated to all levels of the workforce, operations, FFB suppliers and local communities.</p>	<p>Root caused: The term Human Rights Defender is quite a new to the management and was not clearly disseminated to the workers.</p> <p>Correction/corrective action plan: The Human Rights Policy and Human Rights Framework had been communicated to all workers, staff, contractors and nearby communities. Due to the MCO currently enforced, some of the communications were done through letters. Attached are all socializations and briefing conducted to above mentioned groups.</p>	<p>Auditor had verified copy of letters on The Human Rights Policy and Human Rights Framework including Human Rights Defenders to the workers, staff, contractors and nearby communities.</p> <p>Status: Closed</p>
6.2.1 RZ 06 2020	Major	<p>Finding: Contract workers are not given documents of pay and no explanation was given to them.</p> <p>Objective evidence: Documents detailing calculation of monthly payments that give accurate information on compensation for all work performed are not given to contract workers at Parcel 10 and Parcel 13, Hibumas 1 Estate.</p>	<p>Root caused: The contract workers were paid on work done through General Work Order form. However, the estate management have not conducted any training or briefing to the contractors on the obligation to comply with labor laws.</p>	<p>Copy of the briefing to the contractors had been conducted on 11/6/2020 were verified.</p> <p>Status: Closed</p>

			<p>Correction/corrective action plan: The contract workers of Parcel 13 had moved out (contract completed) and Parcel 10 contract workers had absconded that estate had not got in time to do the explanation on details of their pay. Attached is the memo from Hibumas 1 Sr. Asst. Manager-in-charge to Group Manager informing the above.</p> <p>For existing contractors, briefing on their obligation in complying with labour law including job contracts, pay slips, wage scheme, etc had been made.</p>	
6.2.4 RZ 07 2020	Major	<p>Finding: Hibumas 1 Estate does not provide adequate housing, sanitation facilities, medical, educational and welfare amenities to national standards or above.</p> <p>Objective evidence:</p> <ol style="list-style-type: none"> <li>1. Houses provided to contract workers at Parcel P13 are dilapidated, not kept in good state of repair and sanitary condition with weakened roof structure, broken drains, and no proper drainage.</li> <li>2. Also sighted during the audit were children between the ages of 5 to 10 years not receiving education.</li> <li>3. Housing inspection at Parcel P13 was last conducted in October 2019.</li> </ol>	<p>Root cause:</p> <ol style="list-style-type: none"> <li>1.The manager decided not to house the contract workers at the permanent houses due to their status of temporary contract workers and the permanent houses were reserved to permanent workers. This led to the workers concerned being housed in the temporary houses although there are existing available houses.</li> <li>2. There was no census done to determine whether all children in the estate were registered and given proper care and education.</li> <li>3. No workers stayed at the old house for the past few months before the contract workers moved in so it was not inspected by the clinic personnel.</li> </ol> <p>Correction/corrective action plan:</p> <ol style="list-style-type: none"> <li>1.The group manager had issued a memo to all PICs (managers and in-charge) that all workers be it permanent or contract workers should be housed in proper houses with all the basic amenities.</li> <li>2. The census had been conducted and as of now all children were given due care and</li> </ol>	<p>1.Letter dated 10/4/2020 has been verified. The letter from Group Manager was instructed the Manager In Charge to put whether permanent or contract workers in good condition and safe houses.</p> <p>2.Copy of the census on the occupancy and the children has been done on 13/4/2020 at Parcel 13.</p> <p>3. Photo of the housing in parcel 13 has been demolished.</p> <p>Status: Closed</p>

			education (Humana School). 3. The house is being written off and demolished. Attached are the photos.	
1.1.5 MZK 01 2020	Minor	<p>Finding: There is no current list of contact and details of stakeholders and their nominated representatives.</p> <p>Objective evidence: Hibumas 2 – The Stakeholder list in the estate was not updated to include critical stakeholder who have Land Claim with the management.</p>	<p>Root cause: The stakeholders who has land claim with Hibumas 2 management was unintentionally missed out in the list of stakeholders.</p> <p>Correction/corrective action plan: The stakeholders' list will be updated accordingly by 1st July 2020.</p>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>
2.1.3 MZK 02 2020	Minor	<p>Finding: Legal or authorised boundaries were not clearly demarcated and visibly maintained.</p> <p>Objective evidence: i. Sri Kamusan – legal boundaries between Sri Kamusan Estate with Sayongmas Plantation and Kampung Tangkangit was not clearly demarcated and visibly maintained ii. Hibumas 1 – legal boundaries between Hibumas 1 Estate with IJM Plantation and Kampung Kaliaga was not clearly demarcated and visibly maintained</p>	<p>Root cause: The areas mentioned were already marked but most markings had worn out over time.</p> <p>Correction/corrective action plan: A remarking programme will be drawn up to have areas mentioned marked by end of 1st March 2021. The work progress will be monitored monthly and documented through Enviromental Management Committee (EMC).</p>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>
Supply Chain Documented procedures 5.3.1, D.3, E.3 MZK 03 2020	Major	<p>Finding: 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 was <b>not</b> able to demonstrate awareness of the organisation's procedures for the implementation of this standard.</p> <p>Objective evidence: During visit at Sri Kamusan POM weighbridge, weighbridge Clerk was not able to demonstrate awareness of the organisation's procedures for the implementation of SCCS standard.</p>	<p>Root caused: Training on SCCS Standard was conducted on 8 Nov 2018 and 18 Nov 2019. However, the weighbridge clerk was confused on the terminology use during the audit interview. Terminology generally understood by the Sri Kamusan POM weighbridge operation clerk is "RSPO FFB, RSPO CPO and RSPO PK" instead of "Certified Products.</p> <p>Correction/corrective action plan: Training to the respective weighbridge clerks relevant to their task in handling RSPO products was conducted especially</p>	<p>The correction accepted.</p> <p>Status: Closed</p>

			in identifying RSPO certified incoming and outgoing products, receiving and dispatching of RSPO certified documents and related record keeping. The presentation material and attendance list was provided.	
Supply chain Internal Audit 5.3.2 MZK 04 2020	Major	<p>Finding: A written procedure to conduct annual internal audit was insufficient.</p> <p>Objective evidence: There is a supply chain procedure in file, SKPOM RSPO – SCC dated 1/2/2020. However, is not conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents.</p>	<p>Root caused: Sri Kamusan POM procedure with regards to RSPO Supply Chain Certification Standard stated that internal audit shall be carried out as per the requirement of RSPO SCCS and RSPO Market Communication and Claims Documents.</p> <p>Correction/corrective action plan: Sri Kamusan POM's supply chain procedure with regards to internal audit requirement was revised to list out the internal audit process.</p>	<p>The correction accepted.</p> <p>Status: Closed</p>
Supply chain 5.5.2 MZK 05 2020	Major	<p>Finding: There is no explicit procedures for the outsourced process.</p> <p>Objective evidence: There is a supply chain procedure in file, SKPOM RSPO – SCC dated 1/2/2020. However, there is no explicit procedures for the outsourced process.</p>	<p>Root caused: Sri Kamusan POM has outlined the explicit procedures for outsourced process in the agreement contract with their respective contractors.</p> <p>Correction/corrective action plan: Outsourced procedure for Sri Kamusan POM was revised for inclusion the Supply Chain procedure referencing the agreement contract with the outsourced contractors on the related explicit procedures.</p>	<p>The correction accepted.</p> <p>Status: Closed</p>
7.12.4 MZK 06 2020	Major	<p>Finding: The integrated management plan was not developed in consultation with relevant stakeholders and not consider any relevant wider landscape level considerations (where these are identified).</p> <p>Objective evidence: There is a HCV management Plan, However the Plan was</p>	<p>Root cause: 1. The HCV management &amp; action plan had been mentioned to the communities during the stakeholders' meeting which were conducted yearly. Their inputs were not requested and taken into account in fine tuning the plan. 2. There was actually a rapid ground</p>	<p>Comment by auditor: Auditor had verified that the estate had sent letters to them containing the plan and reply feedbacks or comments forms</p> <p>Status: Closed</p>



		<p>not developed without consultation with relevant stakeholders in adaptive to changes in HCVs plans. HCV plan also was not highlights :</p> <ul style="list-style-type: none"> <li>Identifying, protecting and/or enhancing forest connectivity important for biodiversity, ecosystem services. e.g at Hibumas 1 Estate HCV at Parcel 21, 14 and 17 site there are too many biodiversity there, but no updated assessment/report to highlight the important of Biodiversity and ecosystem services there, no map of Biodiversity and ecosystem.</li> <li>Avoiding damage to and deterioration of HCV habitats, for example by ensuring that HCV areas are connected, corridors are conserved and marked e.g at all HCV site visited at Sri Kamusan Estate, Hibumas 1, Hibumas 2 and Sekar Imej there are no signage sighted</li> </ul>	<p>reconnaissance conducted by HUTAN - KOCP on Orang Utan in Sugut Region. Attached are the report by Dr. Felicity Oram and pictorial report by Marcie Elene. From these findings, PPBOP had invited Sabah Forestry Dept and Borneo Sun Bear Sanctuary and conducted an exhibition and talks at all three PPBOP Regions. The assessment and awareness exercise had not been incorporated in the HCV management plan. Another assessment - Forest Integrity conducted by DVRC &amp; University of York.</p> <p>3. The current number of HCV signage at the moment is not adequate to cover all HCV sites.</p> <p>Correction/corrective action plan:</p> <ol style="list-style-type: none"> <li>Due to the MCO currently enforced, it would not be advisable to invite the nearby local communities for a socialization of the plan for their inputs. Estate had instead sent letters to them containing the plan and reply feedbacks or comments forms. Attached are their inputs.</li> <li>The study and assessment results conducted by third parties had been registered into the HCV management plan.</li> <li>HCV signage had been fixed at all strategic HCV sites. Attached are the photos and map showing locations of the fixed signage.</li> </ol>	
7.12.7 MZK 07 2020	Minor	<p>Finding: The HCV, conservation areas and RTE species is not monitored properly and Outcomes of this monitoring are not fed back into the management plan</p> <p>Objective evidence: - The monitoring of HCV has been conducted at Sri Kamusan Estate, Hibumas 1, Hibumas 2 and Sekar Imej Estate, However, the monitoring was not properly conducted as The CU conducted on sampling basis at HCV area.</p>	<p>Root cause:</p> <ol style="list-style-type: none"> <li>The HCV monitoring are conducted alternately due to many parcels.</li> <li>The requirement was that any actions needed from the result of the HCV monitoring will be taken and documented within the monitoring forms themselves.</li> </ol> <p>Correction/corrective action plan:</p> <ol style="list-style-type: none"> <li>The HCV monitoring frequency will be</li> </ol>	<p>Corrective action plan was accepted by assessor.</p> <p><b>Status: Open. Will be verify the implementation and effectiveness during next audit.</b></p>

		- The outcomes of the HCV monitoring also were not fed back into the management plan.	<p>increased once a month. Expected date of implementation - 1st June 2020.</p> <p>2. The current HCV management &amp; action plan will be updated accordingly with the inputs from the HCV monitoring findings.</p> <p>3. Each estate had appointed trained workers and staff responsible for monitoring and reporting. List of appointed workers and staff are attached.</p>	
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**Details of Non-conformities and Corrective Actions Taken  
(Sri Kamusan Special Audit: 17 – 18 June 2020)**

<b>P &amp; C Indicator</b>	<b>Specification Major/Minor</b>	<b>Detail Non-conformances</b>	<b>Corrective Action</b>
3.2.2 DA 01 2020	Minor	<p><b>Finding:</b> Management procedure was not consistently implemented as below:</p> <ol style="list-style-type: none"> <li>1) The management has issued warning letter to workers and without details explanation to the workers. The issued warning letter also was not the official warning letter as stated in the SOP</li> <li>2) The daily working hours recorded in the checkroll book which recorded by staff not agreed by the workers.</li> </ol> <p><b>Objective evidence:</b> Based on interview with workers at Sekar Imej (8 workers) and Sapi Sugut Estate (4 workers) and pay slip verification in the months of Feb 2020, March 2020, April 2020 and May 2020:</p> <ol style="list-style-type: none"> <li>1) The estate management did not used official warning letter as stated in the SOP 'Tatacara Disiplin dan Pemberhentian Pekerja' when issuing the warning letter to workers</li> <li>2) Workers just sign the warning letter "Laporan Salah Laku/Disiplin" with order from management without details explanation and workers did not understand what they signed for.</li> <li>3) The daily working hours recorded in the checkroll book which recorded by staff not agreed by the workers. The workers claimed that they have achieved the targeted productivity.</li> </ol>	In progress of finalization. To be verified during the next audit.

**STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED**

<b>P &amp; C Indicator</b>	<b>Specification Major/Minor</b>	<b>Detail Non-conformances</b>	<b>Verification by Assessor</b>
2.1.1 DA 01 2019	Major	Findings: Non-compliance against Occupational Safety and Health (NADOPOD) Regulations 2004. Objective evidence: According to Occupational Safety and Health (NADOPOD) Regulations 2004, refer to notification and reporting of accident and dangerous occurrence 5(2), it was sighted that the Hibumas 2 estate has delayed the reporting to Department of Occupational Safety and Health (DOSH) within 7 days regarding the accident that occurred on 05/05/2018.	Sighted all accident more than 4-day MC at Sri Kamusan POM, Hibumas 1 Estate and Hibumas 2 Estate was reporting to Department of Occupational Safety and Health (DOSH) i.e. JKPP 6 within 7 days.  Status: Closed
5.3.3 DA 02 2019	Minor	Findings: Waste management and disposal plan was not effectively implemented and monitored. Objective evidence: During site visit at landfill Jebawang, Hibumas 2, Sekar Imej and Sapi Sugut Estate, sighted plastic bottle, aluminium can, and lamp bulb were not segregate accordingly.	1. Evidence of training on domestic waste segregation was made available during the conduct of audit.  2. Waste segregation records has been submitted to the ESHS Officer for monitoring purposes.  Status: Closed
1.3.1 MZK 01 2019	Minor	Finding: The policy committing to a code of ethical conduct was not communicated to all levels of the workforce Objective evidence: No evidence of code of ethical conduct has been communicated to all levels of the workforce at Sekar Imej Estate & Sapi Sugut Estate.	Records of communication to all level workforce on code of ethical conduct which has been conducted in April 2019 has been made available for review.  Status: Closed
4.5.3 (c)-Time Bound Plan MAR 01 2019	Major	Finding : The requirements as stated above which is apply to any newly acquired subsidiary from the moment that the company is legally registered is not in compliance in the time bound plan. Objective evidence : Laba Utama, which was newly acquired by Wilmar International Limited under Jebawang Sdn Bhd not in the listed in the TBP.	The TBP has been revised to report Laba Utama status.  Status: Closed
4.5.4 (e and f)-Requirement for uncertified management unit MAR 02 2019	Major	Finding : The requirement for Clause 4.5.4 (e) and (f) has not been met. Objective evidence : There was no evidence of assessment of the 4.5.4 (a),4.5.4 (b), 4.5.4 (c) and 4.5.4 (d) to show that the requirements for uncertified management units and/or holdings as stated in clause of the RSPO Certification System Document (dated June 2017) have been met.	Auditor has received the internal audit for uncertified management unit in Malaysia, Indonesia and Africa. Sighted the series of Internal Audit on their uncertified unit as conducted and reported accordingly. The audit was conducted against RSPO P&C and RSPO Partial Certification Requirements. Evidence of audit attendance list, audit checklist & report were made available to auditor

			<p>as the supporting evidence. It has been verified that the internal assessment has covered all requirements as specified in 4.5.4 (a)-(d) with this, it can be concluded that the positive assurance made was justified.</p> <p>Status: Closed</p>
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## Time Bound Plan of Wilmar International Limited

**Malaysia**

No.	Company	Estate	Mill	Location	Certification year	Status
1	PPB Oil Palms Berhad	Sapi 1, Sapi 2, Kiabau	Sapi Palm Oil Mill	Sandakan	2008	Certified
2	PPB Oil Palms Berhad	Reka Halus	Reka Halus Palm Oil Mill	Sandakan	2008	Certified
3	PPB Oil Palms Berhad	Sabahmas	Sabahmas Palm Oil Mill	Lahad Datu	2008	Certified
4	PPB Oil Palms Berhad	Saremas 1, Suai	Saremas 1 Palm Oil Mill	Bintulu	2010	Certified
5	PPB Oil Palms Berhad	Saremas 2, Kaminsky, Segarmas	Saremas 2 Palm Oil Mill	Bintulu	2010	Certified
6	PPB Oil Palms Berhad	Ribubonus	Ribubonus Palm Oil Mill	Sandakan	2010	Certified
7	PPB Oil Palms Berhad	Terusan 1, Terusan 2, Rumidi	Terusan Palm Oil Mill	Sandakan	2010	Certified
8	PPB Oil Palms Berhad	Hibumas 1, Hibumas 2, Jebawang, Sekar Imej, Sapi Sugut, Sri Kamusan	Sri Kamusan Palm Oil Mill	Sandakan	2011	Certified
9	PPB Oil Palms Berhad	Suburmas	Suburmas Palm Oil Mill	Bintulu	2021	Newly added into Wilmar Membership in 2018, 3 years till certification dateline
10	PPB Oil Palms Berhad	Laba Utama Sdn Bhd -Jebawang Sdn Bhd	Sri Kamusan Palm Oil Mill	Sandakan	2022	Newly acquired in 2019, 3 years till certification dateline

## Indonesia (Kalimantan)

No.	Company	Estate	Mill	Location	Cert. year	Status
1	PT Mustika Sembuluh I	PT Mustika Sembuluh I mill	Mustika Sembuluh 1/ Mustika Sembuluh 2, Mustika Sembuluh 3, KUD Bitu Maju Bersama	Central Kalimantan	2010	Certified; KUD was certified in 2014
2	PT Kerry Sawit Indonesia I	PT Kerry Sawit Indonesia I mill	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3.	Central Kalimantan	2011	Certified
3	PT Bumi Sawit Kencana	PT Bumi Sawit Kencana mill	Bumi Sawit Kencana 1 and 2,	Central Kalimantan	2013	Certified
4	PT Sarana Titian Permata 1	PT Sarana Titian Permata 1 mill	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	Central Kalimantan	2023	Was certified till Jun 2018; certification to renew after HGU process
5	PT Sarana Titian Permata 2	PT Sarana Titian Permata 2 mill	Sarana Titian Permata 1, Sarana Titian Permata 2, Sarana Titian Permata 3	Central Kalimantan	2023	New mill constructed in 2017; initial certification to proceed after HGU process
6	PT Mustika Sembuluh 2	PT Mustika Sembuluh 2 mill	Mustika Sembuluh 1, Mustika Sembuluh 2, Mustika Sembuluh 3, KUD Bitu Maju Bersama	Central Kalimantan	2015	Certified
7	PT Mentaya Sawit Mas	PT Mentaya Sawit Mas mill	Mentaya Sawit Mas 1, Mentaya Sawit Mas 2,	Central Kalimantan	2015	Certified
8	PT Kerry Sawit Indonesia 2	PT Kerry Sawit Indonesia 2 mill	Kerry Sawit Indonesia 1, Kerry Sawit Indonesia 2, Kerry Sawit Indonesia 3.	Central Kalimantan	2015	Certified
9	PT Rimba Harapan Sakti	PT Rimba Harapan Sakti mill	PT. Rimba Harapan Sakti 1, PT. Rimba Harapan Sakti 2,	Central Kalimantan	2015	Certified
10	PT Karunia Kencana Permaisejati	PT Karunia Kencana Permaisejati mill	PT. Karunia Kencana Permaisejati 1, PT. Karunia Kencana Permaisejati 2, PT. Karunia Kencana Permaisejati 3	Central Kalimantan	2017	Certified
11	KUD Karya Bersama, KUD Sejahtera Bersama, KUD Tabiku	PT Kerry Sawit Indonesia 1,2 mill		Central Kalimantan	2020	Re-Audit initial certification to proceed after HGU process

	Makmur, KUD Kosudra					
12	KUD Makmur Sejahtera	PT Rimba Harapan Sakti mill		Central Kalimantan	2023	HGU issue
13	KUD Karya Makmur Pahirangan	PT Mentaya Sawit Mas mill		Central Kalimantan	2023	HGU issue
14	PT Agro Nusa Investama (Sambas)	PT Agro Nusa Investama (Sambas) mill	ANI Sambas	West Kalimantan	2020	Was certified till Jul 2018; in process for new certification
15	KUD Cempaka Biru, KUD Sentama Lestari (Plasma binaan ANI 1 Sambas)	PT Agro Nusa Investama 1 (Sambas)		West Kalimantan	2020	Was certified till Jul 2018; in process for new certification
16	PT Bumipratama Khatulistiwa	PT Bumipratama Khatulistiwa mill	Bumi Pratama Khatulistiwa	West Kalimantan	2016	Certified
			Buluh Cawang Plantation	West Kalimantan	2020	HGU is in process
17	KUD Tuah Jubata	PT Bumipratama Khatulistiwa mill		West Kalimantan	2023	HGU issue
18	PT Agro Nusa Investama (Landak)	PT Agro Nusa Investama (Landak) Mill	Agronusa Invenstama 2 (Landak), Pratama Procentindo	West Kalimantan	2020	HGU issue
19	PT Agro Palindo Sakti	PT Agro Palindo Sakti mill	Agro Palindo Sakti, Putra Indotropical, Daya Landak Plantation, Indoresin Putra Mandiri	West Kalimantan	2020	HGU issue

## Indonesia (Sumatera)

No.	Palm Oil Mill/Estate	Mill	Estate	Location	Cert. year	Status
1	PT Perkebunan Milano	PT Perkebunan Milano Mill	Sei Daun, Batang Saponggol, Merbau	North Sumatra	2009	Certified
2	PT Tania Selatan	PT Tania Selatan Mill	Burnai Timur, Burnai Barat	South Sumatra	2010	Certified
3	PT Kencana Sawit Indonesia	PT Kencana Sawit Indonesia Mill	Kencana Sawit Indonesia,	West Sumatra.	2019	Was certified till Jun 2018; new certification to initiate in 2019
4	KUD SWAMATA	PT Kencana Sawit Indonesia Mill		West Sumatera	2023	Was certified till Jun 2018; to initiate new certification 3 years after KSI POM being certified
5	PT AMP Plantation	PT AMP Plantation Mill	AMP I, AMP II, AMP III, AMP IV, Primatama Mulia Jaya, Karya Agung Megah Utama, Perkebunan Anak Negeri Pasaman, Koperasi Tompek Tapian Kandis, Koperasi AWM, Koperasi BST, Koperasi MSJ	West Sumatra	2011	Certified; KUD was certified in 2015
6	PT Buluh Cawang Plantations	PT Buluh Cawang Plantations Mill	Bumi Arjo, Dabuk Rejo, Sukamulya, Bambu Kuning	South Sumatra	2012	Certified
7	PT Gersindo Minang Plantations	PT Gersindo Minang Plantations mill	Gersindo Minang Plantation, Permata Hijau Plantation-1, Permata Hijau Plantation-2	West Sumatra	2012	Certified
8	PT Daya Labuhan Indah	PT Daya Labuhan Indah Mill	Wonosari, Sei Deras, Cabang Dua	North Sumatra	2013	Certified
9	PT Agro Palindo Sakti	PT Agro Palindo Sakti Mill	Agro Palindo Sakti	South Sumatra	2014	Mill closed down, no longer in operation
10	PT Murini Sam Sam	PT Murini Sam Sam Mill	Murini Sam Sam	Riau	2015	Certified
11	PT Murini Sam Sam (466 ha)	PT Murini Sam Sam Mill		Riau	2023	Pre-assessment audit, HGU issue
12	PT Musi Banyuasin Indah	PT Musi Banyuasin Indah Mill	Sei Selabu, Sei Jarum, KUD Karya Gatra, KUD Karya Makmur Sriwijaya, KUD Panca Karya Jaya, KUD Sumber Makmur, KUD Tri Tunggal Karya	South Sumatra	2020	Final Audit, HGU issue
13	PT Sinarsiak Dianpermai	PT Sinarsiak Dianpermai Mill	Sinarsiak DianPermai	Riau	2020	Pre-assessment audit
14	Agrindo Indah Persada 2	Agrindo Indah Persada 2 Mill		Jambi	2023	NPP audit in 2010
15	KUD Dastra II (Plasma binaan AMP)	PT AMP Plantation Mill		West Sumatera	2023	HGU issue



16	KUD Dastra I (Plasma binaan PMJ)	PT AMP Plantation Mill		West Sumatera	2023	HGU issue
17	KUD Sasak, KUD Kapar, Mutiara Bosa Sikilang, Permata Sawit Maligi (Plasma binaan PHP)	PT Gersindo Minang Plantation Mill		West Sumatera	2023	HGU issue
18	PHP (blok 22)	PT Gersindo Minang Plantation Mill		West Sumatera	2020	HGU issue

### **Ghana and Nigeria**

No.	Company	Estate	Mill	Location	Cert. year	Status
1	Benso Oil Palm Plantation (BOPP)	BOPP Adum Banso Estate & associated Scheme Smallholders	BOPP Mill 1	Western Region, Ghana	2014	Certified
2	Benso Oil Palm Plantation (BOPP)	Treboum Smallholders	-	Western Region, Ghana	2022	Pending NPP submission in 2019
3	Biase Plantations Limited	Calaro Estate	Under Construction	Cross River State, Nigeria	2020	to be certified (mill construction in progress)
4	Biase Plantations Limited	Calaro Extension Estate	None planned	Cross River State, Nigeria	2022	to be certified (NPP completed recently in 2016. Land preparation no starting)
5	Biase Plantations Limited	Ibiae Estate	Construction not started	Cross River State, Nigeria	2020	to be certified (NPP completed. Mill construction yet to start)
6	Eyop Industries	Ibad Estate	Construction not started	Cross River State, Nigeria	2021	to be certified (mill construction yet to start), pending clarification for NPP assessment
7	Eyop Industries	Kwa Falls	None planned	Cross River State, Nigeria	2020	to be certified (replanting of existing plantations in progress)
8	Eyop Industries	Oban	None planned	Cross River State, Nigeria	2021	to be certified (NPP not started), Pending clearance from government for NPP assessment