



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

File Ref. : ED04270001

RSPO PUBLIC SUMMARY REPORT

CLIENT : DARA LAM SOON CERTIFICATION UNIT
PARENT COMPANY : LAM SOON CANNERY PRIVATE LIMITED
RSPO MEMBERSHIP No.: 2-0909-18-000-00

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

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
DARA LAM SOON	Dara Lam Soon Palm Oil Mill	03° 09.421' N	103° 09.818' E	92 km off Kuantan - Segamat Highway, 26700 Muadzam Shah, Pahang, Malaysia.
	Dara Lam Soon Estate	03° 09.406' N	103° 09.696' E	

MAP : See Attachment 1

AUDIT DATE : 9-11 March 2021 **DURATION :** 11 auditor days

TYPE OF AUDIT : ☒ Annual Surveillance Audit No. 3 ☐ Recertification Audit

STANDARD : MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

SCOPE OF CERTIFICATION: Production of Sustainable Crude Palm Oil and Palm Kernel Using Identity Preserved Supply Chain Model

VALIDITY OF RSPO CERTIFICATE : 18/05/2018 – 17/05/2023

The following attachments form part of this report:

Non-conformity Report(s) ☒

List of additional site(s) ☐

Report by Audit Team Leader

Name : **Rozaimée Ab Rahman**

Signature :

Date : **11/06/2021**

Acknowledgement by Client's Representative

Name : **Mosdi B Latif**

Signature :

Date : **14/06/2021**

SUMMARY OF AUDITS

Stage 2 audit / Recertification audit				
On-site audit date :	16-18 January 2018		No. of auditor days :	11
Audit team :	Rozaimée Bin Ab Rahman, Mohd Zulfakar Kamaruzaman, Mohd Raouf Bin Asis			
No. of major NCR :	9	Indicator: 5.2.1, 6.1.1, 6.1.2, 6.1.3, 2.1.1, 3.1.1, 4.1.1, 4.7.2, 5.1.1		Closing date: 16/4/2018
No. of minor NCR :	4	Indicator : 2.2.2, 4.3.3, 4.5.2, 4.4.1		
Indicate the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers	Suppliers
	√		√	√
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
	√	√		
Supply base sampled :	Lam Soon estate			
Report approved by :	Radziah Mohd Daud		Approval date : 07/05/2018	

Annual Surveillance Audit 1				
On-site audit date :	26 February – 1 March 2019		No. of auditor days :	11 Auditor days
Audit team :	Mohd Zulfakar Kamaruzaman (LA), Rozaimée Ab Rahman, Amir Bahari			
No. of major NCR :	6	Indicator : 4.7.3, 5.3.2, 6.5.2, 6.2.1 , 5.13.1 (SCCS), D 4.2 (SCCS)		Closing date : 30/05/2019
No. of minor NCR :	Nil	Indicator : -		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers / Local communities	Suppliers
	√		√	√
	Contract workers	NGOs	Govt. agency	Independent growers
	√		√	
	Indigenous people	Contractor	Others (Please specify)	
	√	√		
Supply base sampled :	Dara Lam Soon Estate			
Changes since the last audit :	Nil			
Justification of audit planning :	Total allocation of auditor days for Dara Lam Soon CU were: <ul style="list-style-type: none"> • Mill = 6 days (6 days for safety and health, environment, mill best practices, GHG verification and for supply chain certification systems) • Estate = 6 days for verification of safety and health, environment, good agriculture best practices, GHG verification. 			
Report approved by :	Radziah Mohd Daud		Approval date : 04/06/2019	

Annual Surveillance Audit 2				
On-site audit date :	17 – 21 February 2020		No. of auditor days :	11 auditor days
Audit team :	Dzulfiqar Azmi (TLA), Mohd Zulfakar Kamaruzaman (LA), Rozaimée Ab Rahman and Mohd Raouf Bin Asis			
No. of major NCR :	6	Indicator: 2.1.1, 4.2.1, 6.2.2, 6.7.3, 7.12.4, 5.5.2 (SCCS)		Closing date: 30/04/2020
No. of minor NCR :	6	Indicator: 2.2.2, 2.2.3, 6.4.1, 6.7.2, 7.3.3, 7.11.3		

Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	√		√	√
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
	√		√	√
	Indigenous people	Contractor	Others (Please specify)	
	√	√		
Supply base sampled :	Dara Lam Soon Estate			
Changes since the last audit :	Reduction of 10 ha in planted area due to declaration of buffer zone area/conservation area. With this, the conservation area also changes with additional 10 ha.			
Justification of audit planning :	Total allocation of auditor days for Dara Lam Soon CU were: <ul style="list-style-type: none"> • Mill = 5.5 days for social issues, safety and health, environment, mill best practices, GHG verification and for supply chain certification systems) • Estate = 5.5 days for verification of social issues, safety and health, environment, good agriculture best practices, GHG verification. 			
Report approved by :	Kamini Sooriamoorthy		Approval date : 7/05/2020	

Annual Surveillance Audit 3				
On-site audit date :	9-11/03/2021		No. of auditor days:	11 days
Audit team :	Rozaimie Ab Rahman (LA), Dzulfikar Azmi, Mohd Zulfakar Kamaruzaman , and Mohd Raouf Bin Asis			
No. of major NCR :	11	Indicator: 7.12.4, 3.6.1, 6.7.3, 7.8.2, 3.7.1, 3.4.3, 6.2.2, 6.2.3, 6.2.1, 6.6.1, 1.1.4		Closing date: 9/6/2021
No. of minor NCR :	8	Indicator : 1.1.5, 5.2.1, 5.2.2, 4.2.3, 7.3.1, 6.2.6, 6.3.3, 6.5.4		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	X		x	
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
	X			
	Indigenous people	Contractor	Others (Please specify)	
	X	x		
Supply base sampled :	DLS estate & mill			
Changes since the last audit :	Not applicable			
Justification of audit planning :	Total allocation of auditor days for Dara Lam Soon CU were: <ul style="list-style-type: none"> • Mill = 5.5 days for social issues, safety and health, environment, mill best practices, GHG verification and for supply chain certification systems) • Estate = 5.5 days for verification of social issues, safety and health, environment, good agriculture best practices, GHG verification. 			
Report approved by :	Kamini Sooriamoorthy		Approval date : 11/06/2021	

SUMMARY OF INFORMATION

TABLE 1

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	Jan 2018- Dec 2018	March 2019- Feb 2020	Mar 2020 – Feb 2021	March 2021 – February 2022	
Certified FFB Processed (MT)	110,645	116,090	112,685	118,000	
Production of Certified CPO (MT)	24,342	24,960	24,227	25,370	
Production of Certified PK (MT)	5,532	6,385	6,198	6,490	
Certified Areas (Ha)	4,220	4,220	4,220	4,220	
Planted Areas (Ha)	4,109	4,109	*4,099	4,099	
Production Areas (Ha)	4,096	4,109	4,099	4,099	
HCV Areas / Conservation Areas (Ha)	11	11	*21	21	
REMARKS	*Reduction of 10 ha in planted area due to declaration of buffer zone area/conservation area. Thus, conservation area also changes with additional 10 ha.				

TABLE 2

	PO	PK
Last years certified volume (MT)	*26,127.00	*6,978.00
Last years actual certified sold (MT)	25,453.78	6,856.86
Last years actual sold under other schemes (MT)	-	-
Last years sold conventional (MT)	-	-
New year certified volume (MT)	25,370.00	6,490.00

*Extension of volume applied and approved by RSPO on 11/12/2020 & 5/2/2021.

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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 recognised 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 2014).

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Rozaimée Ab. Rahman	Lead Auditor Environment & safety , GHG, TBP	Holds a B. Sc. of Agriculture from UPM. He had 7 years of working experience in the oil palm operation. He is a qualified Lead Auditor for RSPO P&C and MSPO.
Mohd Zulfakar Kamaruzaman	Auditor Social (external issues), HCV, & supply chain	Holds a B.Sc. Forestry from UPM. He had 5 years of working experience in the oil palm operation. He is a qualified RSPO P&C, RSPO Supply Chain and MSPO Lead Auditor.
Mohd Ab Raouf Asis	Auditor Social	Obtained qualification in B.Sc. (Hons) Management Technology Majoring Production and Operation from UTHM in 2007. He has been in the plantation industry for 7 years assisting Estate Manager managing palm oil estates. He has been trained as RSPO as well as MSPO auditor.
Dzulfiqar Azmi	Auditor / Safety, GAP & Mill best practices	Holds a B. Sc. in Agriculture from University Teknologi Malaysia (UiTM). He had more than 5 years of working experience in the oil palm operation. He has experience in auditing since 2018. He is trained as an RSPO Lead Auditor.

1.3 Audit methodology

The sampling of the supply bases will be carried out for CU with higher than 4 supply base. For this CU, Dara Lam Soon palm oil mill is with one supply base only; the Dara Lam Soon Estate. The audit has included visit to the estate, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

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>The following were confirmed during the conduct of audit as there was justify through evidence to prove otherwise:</p> <ul style="list-style-type: none">▪ Workers work 6 days a week with one rest day (Sunday). They work 8 hours with a minimum of 30 minutes' break in between.▪ All workers confirmed that they receive a minimum of RM1100 per month. They receive their salaries before 7th of every month. As of the date of this audit, all workers sampled aware on the new Minimum Wages (Amendment 2020).▪ Any overtime work is mutually agreed between workers and management, and that there is no element of forcing. However, overtime issues among mill workers were evidence through interview and they claimed that the overtime was not properly distributed fairly among workers in production area. This was raised as NCR under indicator 3.4.3.▪ There was also evidenced that non-compliance for working hours and overtime at Dara Lam Soon POM as per Employment Act 1955 Section 60a. (2) a-f and "HAD KERJA LEBIH MASA DI BAWAH SEKSYEN 60A (4) (a) AKTA KERJA 1955" dated 2 Nov 2012 from Labor Department. This was raised as NCR under indicator 6.2.3.▪ Foreign workers are subjected to the recruitment fee. This was evidenced through interview. Based on interview with sampled workers from India, they informed that they were charging fees with various amounts from the origin country agent. The workers also claimed that they were informed by the agent that they will be offered fruit plucking, but when arrived at the estate, they were offered with different job instead.▪ As for foreign workers for Boeran Trading, their passports were kept in the management office. For own employees, who choose to keep their passports at the office have done so with their written consent.▪ Workers are generally did not have proper channel to express their grievances to their representatives

	<p>resulted from did not aware of the procedures. This was raised as NCR under indicator 1.1.4.</p> <ul style="list-style-type: none"> Workers state that they have been attended to by the Visiting Medical Officer during any of his visits. One worker at Dara Lam Soon POM (female) requested that female employees shall provide by management a toilet nearby FFB grading area. Meantime, if she wanted to go for toilet, she must walk far to the processing area, and this could be waste some of her working hours. There were no freely elected representatives for all workers including local, migrant and contract workers. This has been raised under indicator 6.3.3. For newly arrived foreign workers who do not understand Bahasa or English, translations were not provided during briefings. Same applies to the contractor workers namely Boeran Trading, NCR has been issued via indicator 6.2.2.
2) Settlers	Not applicable
3) Villagers / Local communities (including women representatives, displaced communities)	Interviewed the JKKK Kota Perdana, Batin Kg Padang, Kampung Terubing, Batin Sawah Batu, Batin Simpai
4) Suppliers	No issue raised. Payments are received in time.
5) Contract workers	Interviewed Boeran Trading's employee.
6) Local & national NGOs	Not available
7) Government agencies / Statutory bodies	Not available
8) Independent growers / Smallholders	Some issues identified in the assistance of small - holders nearby the CU area. Refer finding under principle 5.
9) Indigenous people	Indigenous peoples from Kg Terubing were interviewed with issues highlighted in indicator 6.2.1.
10) Contractor	Interviews done with contractor employees from Boeran Trading, Palm Freight Sdn Bhd, and Mido Enterprise. Some issue raised on agreement and leaves, as in indicator 6.2.1 and 6.2.3.
11) Previous land owner (if any)	Not available
12) Others (please specify)	Conducte the interview with HR admin of DLS. It is following to the issue on the recruitment and other matters on handling the foreign workers. Some NC's had been issued on some discrepancies.

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 9 months from this audit. (For RA, the next RA will be conducted at least 4 months prior to expiry date of the certificate)

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Dara Lam Soon Sdn Bhd. is one of the subsidiaries under the Lam Soon (M) Berhad and incorporated in 1975 under the name of Dara Lam Soon Sdn. Bhd. The core business for Dara Lam Soon Sdn Bhd is Palm Oil plantation. The Dara Lam Soon Certification Unit (hereafter referred to as Dara Lam Soon CU) is the certification unit (CU) which had been undergo to RSPO P&C MYNI 2014 and RSPO Supply Chain certification and become RSPO Member on 3 June 2016. Dara Lam Soon CU consists of 1 mill and 1 estate only which are Dara Lam Soon POM (DLSPOM) and Dara Lam Soon Estate.

The palm oil mill commenced operations in 1980 with a processing capacity of 30 metric tons of fresh fruit bunches (FFB) per hour. All the estate within the CU have been fully developed before the year of 2005.

The Dara Lam Soon CU have other management system (MSPO) certification beside of RSPO P&C and Supply Chain.

During this reporting period, Dara Lam Soon CU was suspended between 12 March 2021 and 6 May 2021, due to repeating NCRs and a collection of five nonconformities in the principle 6.

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

The FFB sourced from company owned estate (Dara Lam Soon Estate) that are certified. Details of the FFB contribution from each source to the Dara Lam Soon POM are shown in the following tables

Table 1: Actual FFB production by the supply base for the last reporting period
(March 2020-February 2021)

states	FFB Production	
	Tonnes	Percentage (%)
Dara Lam Soon Estate	125,174.30	100%
Total	125,174.30	100%

Table 2: Projected FFB production by supply base for the next reporting period
(March 2021 – February 2022)

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Dara Lam Soon Estate	118,000.00	100%
Total	118,000.00	100%

Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period
(March 2020- February 2021)

	Total (MT)
FFB Received	125,174.30
FFB Processed	125,174.30
CPO Production	25,453.78
PK Production	6,856.86
CPO delivered as IP	25,453.78
CPO delivered as non-RSPO certified	-
PK delivered as IP	6,856.86
PK delivered as non-RSPO certified	-
Product sold under Book & Claim	-

Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period
(March 2021 – February 2022)

	Total (MT)
FFB Received	118,000.00
FFB Processed	118,000.00
CPO Production	25,370.00
PK Production	6,490.00

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Dara Lam Soon Estate	4099.00	4220.00
Total	4099.00	4220.00

Table 6 Planting profile for *Dara Lam Soon Estate*

Year of planting	Planting cycle (1st, 2nd, 3rd, etc. Generation)	Mature	Planted area(ha)	Percentage of planted area (%)
1997	2 nd	18.00	18.00	0.44
1999	2 nd	219.00	219.0	5.34
2000	2 nd	5.00	5.00	0.12
2001	2 nd	461.00	461.00	11.25
2002	2 nd	525.00	525.00	12.81
2003	2 nd	198.00	198.00	4.83
2004	2 nd	709.00	709.00	17.30
2005	2 nd	788.00	788.10	19.22
2006	2 nd	9.00	9.00	0.22
2007	2 nd	550.10	550.00	13.42
2009	2 nd	604.00	604.00	14.73
2015	2 nd	13.00	13.00	0.32
Total			4099.00	100%

2.3 Organizational Information/Contact Person(s)

The details of the contact person is as shown below:

Name	:	HONG CHAT CHAI / YAP FABIAN
Position	:	MILL MANAGER / ESTATE MANAGER
Address	:	92KM OFF KUANTAN-SEGAMAT HIHGWAY,26700 MUADZAM SHAH, PAHANG MALAYSIA
Phone no.	:	09-4525086/ 09-4525093
Fax no.	:	09-4525087/09-4525092
Email	:	dlspom2013@gmail.com / yapfabian@gmail.com

3.0 AUDIT FINDINGS

3.1 Changes to certified products in accordance to the production of the previous year
No changes to the production.

3.2 Progress and changes in 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 :

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 There is no associated smallholder supplying FFB to CU

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

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

No changes, all remains the same.

3.4	Status of previous non-conformities *	<input type="checkbox"/> Closed	<input checked="" type="checkbox"/> Not closed*
	* If not closed, minor non conformity will be upgraded to major non conformity		
3.5.	Complaint received from stakeholder (if any)		
	<u>Not available</u>		
4.0 DETAILS OF NON-CONFORMITY REPORT			
4.1	For P&C (Details checklist refer to Attachment 3) :		
	Total no. of minor NCR(s) (details refer to Attachment 4)	List :	1.1.5, 5.2.1, 5.2.2, 4.2.3, 7.3.1, 6.2.6, 6.3.3, 6.5.4
	Total no. of major NCR(s) (details refer to Attachment 4)	List :	7.12.4, 3.6.1, 6.7.3, 7.8.2, 3.7.1, 3.4.3, 6.2.2, 6.2.3, 6.2.1, 6.6.1, 1.1.4
4.2	For SC (Details checklist refer to Attachment 3) :		
	Total no. of minor NCR(s) (details refer to Attachment 4)	List :	-
	Total no. of major NCR(s) (details refer to Attachment 4)	List :	-
5.0 AUDIT CONCLUSION			
The audit team concludes that the organization has has not * 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)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

Note: Major NCRs which are not addressed within a further 60 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 : ROZAIMEE BIN AB RAHMAN

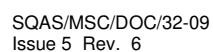


9/6/2021

(Name)

(Signature)

(Date)



ANNUAL SURVEILLANCE 3 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 : 9-11 March 2021

3. Site of assessment : DARA LAM SOON CU
i) Dara Lam Soon POM
ii) Dara Lam Soon Estate

4. Scope of certification:
Production of Sustainable Crude Palm Oil and Palm Kernel Using Identity Preserved Supply Chain Model.

5. Reference Standard:

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

6. Assessment Team

- (i) Audit Team Leader : Rozaimée Ab Rahman (**RAR**) - TBP, Environmental, Safety
- (ii) Auditor : i) Mohd Zulfakar bin Kamaruzaman (**MZK**) - SCCS, Social, HCV
ii) Mohd Ab Raof Asis (**MAR**) - Social
iii) Dzulfikar Azmi (**DA**) – GAP/Milling, Safety

(iii) Witnessed (ASI) : Mr Haye Semail

(iv) Technical expert : Mr Kishokumar Jeyaraj

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. Repeated major non-compliance in consecutive audits will also result in recommendation for suspension.

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 February 2021 (Tuesday)

Time	Activities / areas to be visited				Auditee
8.00am	Opening Meeting – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.				Management Representative
8.30am	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.				
9.00am	To assign each audit team members – site and the P&C requirements				
	MAR (POM)	DA (POM)	RAR (Estate)	MZK (Estate)	Guide(s) for each auditor
	Site visit and assessment on implementation: <ul style="list-style-type: none">Social aspects - SIA, management plan & implementation, workers’ quarters.Interview with gender committee, worker representative, contractors, supplier, etcLinesite inspectionComplaints and grievances	<ul style="list-style-type: none">Good Milling practicesIPM implementation, training and safe use of agro-chemicals.Occupational safety & health practice– witness activities at siteInterview with workers, safety committee and contractors	Site visit and assessment on implementation: <ul style="list-style-type: none">Laws and regulationsEnvironmental management – witness activities at siteChemical store/fertilizerWaste & chemical managementFacilities at workplaceTraining and skill development programmesInterview with workers, environmental issuesContinuous improvementMonitoring buffer zones areasTime bound plan and uncertified management units	<ul style="list-style-type: none">Land titles user rightsStakeholder consultation with affected communities surrounding the CUConsultation with relevant government /NGO / agenciesInspection of protected sites with HCV attributesForested area, plantation boundary, adjacent and neighbouring land use, riparian zoneHCV Assessment management plan & implementation	
1.00pm	LUNCH BREAK / ZUHUR PRAYER				All
2.00pm	Continue assessment at POM/Estate				
4.30 - 5.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 1 audit				All
9.00 – 9.30pm	Discussion on potential NCRs				Audit team only

****split team into two group for minimize impacts on crowded place**

Day 2: 10 February 2021 (Wednesday)

Time	Activities / areas to be visited				Auditee
8.00am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements				Respective Manager
8.30am	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	MAR (Estate)	DA (Estate)	RAR (POM)	MZK (POM)	
	<ul style="list-style-type: none"> Social aspects - SIA, management plan & implementation, workers' quarters. Stakeholder consultation with affected communities surrounding the CU Interview with gender committee, worker 	<ul style="list-style-type: none"> Plantation on hilly/ swampy/ peat area IPM implementation, training and safe use of agro-chemicals. Occupational safety & health practice-witness activities at site Interview with workers, safety committee and contractors 	<ul style="list-style-type: none"> Laws and regulations Environmental management – witness activities at site Waste & chemical management Interview with workers, environmental 	Site visit and assessment on Supply Chain Implementation incl. the <ul style="list-style-type: none"> Model used General Chain of Custody System Requirements for the supply 	

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	representative, contractors, supplier, etc <ul style="list-style-type: none"> • Linesite inspection • Complaints and grievances • Consultation with relevant government agencies • Continuous improvement 	<ul style="list-style-type: none"> • Good agriculture practices monitoring. • New planting 	committee and contractors <ul style="list-style-type: none"> • Facilities at workplace • environmental practice – witness activities at site • Training and skill development programmes • Continuous improvement • Training and skill development programs 	chain <ul style="list-style-type: none"> • Documented procedures • Purchasing and goods in • Outsourcing activity • Sales and goods out • Processing • Records keeping • Registration • Training • Claims • Interview with PIC SCCS, contractors, etc. 	
1.00p m	LUNCH BREAK / ZUHUR PRAYER				All
2.00p m	Continue assessment at POM/Estate				
4.30 - 5.00p m	Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 1 audit				All
9.00 – 10.00p m	Discussion on finalization of draft NCRs				Audit team only

****split team into two group for minimize impacts on crowded place**

Day 3: 11 February 2021 (Thursday)

Time	Activities / areas to be visited				Auditee
8.30a m	Continue unfinish assessments				Respective Manager
8.30a m	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	MAR (Estate/POM)	DA (Estate/POM)	RAR (Estate/POM)	MZK (Estate/POM)	
	<ul style="list-style-type: none"> • Social aspects - SIA, management plan & implementation, workers' quarters. • Stakeholder consultation with affected communities surrounding the CU • Interview with gender committee, worker representative, contractors, supplier, etc • Linesite inspection • Complaints and grievances • Consultation with 	<ul style="list-style-type: none"> • Plantation on hilly/swampy/peat area • IPM implementation, training and safe use of agro-chemicals. • Occupational safety & health practice – witness activities at site • Interview with workers, safety committee and contractors • Good agriculture / milling practices monitoring. 	<ul style="list-style-type: none"> • Laws and regulations • Environmental management – witness activities at site • Waste & chemical management • Interview with workers, safety committee and contractors • Facilities at workplace • Occupational safety & health practice 	<ul style="list-style-type: none"> • Land titles user rights • Stakeholder consultation with affected communities surrounding the CU • Consultation with relevant government /NGO / agencies • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use, riparian 	

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	relevant government agencies •New planting •Continuous improvement	<ul style="list-style-type: none">• New planting• 	<ul style="list-style-type: none">– witness activities at site• Training and skill development programmes• Continuous improvement	zone <ul style="list-style-type: none">• HCV Assessment management plan & implementation	
10.00 am	Verification on outstanding issues for CU Auditor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.				All Guide(s) for each auditor
11.00 am – 12pm	Discussion and acceptance on assessment findings with Management Representative. Closing meeting at CU				

****split team into two group for minimize impacts on crowded place**

RSPO P&C AUDIT REPORT

Attachment 3

RSPO P&C AUDIT CHECKLIST AND FINDINGS (MYNI 2019 FOR RSPO P&C 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	The Dara Lam Soon (DLS) CU has implemented procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The CU continued to use their website for disseminating public information. Information relating to land titles, policies, environmental, social and/or legal, complaints and grievances are available at http://lamsoonplantations.com.my
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	The CU continued to use their website for disseminating public information. Information relating to land titles, policies, environmental, social and/or legal, complaints and grievances are available at http://lamsoonplantations.com.my
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	The Dara Lam Soon Estate and Dara Lam Soon Oil Mill continued to maintain the records of requests for information and responses are maintained which included the government agencies, schools, local communities, etc.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	NO	Consultation and communication procedures not explained to the employees by nominated representative. Based on interview at Dara Lam Soon POM and Dara Lam Soon Estate, some employees did not have proper channel to express their grievances to their representatives resulted from did not aware of the procedures. Therefore, NCR was raised as MAR 09 2021.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	NO	Current list of stakeholder was not updated to include: 1. Representative from Kampung Terubin 2. Representative from Kampung Padang 3. Contractor Boeran Trading (Harvesting) Thus Minor NCR MZK 01 2021 has been raised against this indicator.
1.2 The unit of certification commits to ethical conduct in all business	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	The documented policy committing to a code of ethical conduct and integrity of the company maintained available in the 'HR Policies and Procedures Code of Conduct' effective date in Apr 2012. The CU continued communicated the policy to their staffs including foreign workers during the induction course and training which is last was conducted on Jan 2021.

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Clause	Indicators	Comply Yes/No	Findings
operations and transactions.	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	In addition, Dara Lam Soon also has a COBC which has been developed to outline the standards of behaviour required by DLS vendors which includes expectation to uphold human rights. The COBC applies to all its suppliers, consultants, agents, contractors' /service providers who have direct dealings with the Lam Soon Group.

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.	YES	In general, DLS has complied with applicable legal requirements.
	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	The CU continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable to them. The estates and mill maintained had the respective Legal and Other Requirements Register (LORR) and were being evaluated individually annually for compliance. The legal registers were updated by the person in-charge and approved by the respective Managers. The Sustainability Unit are responsible to track changes and the information was disseminated to all its plantations and Mill department.
	2.1.3 Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.	YES	The physical markers along the perimeter adjacent forest reserve, villagers, and Private Oil Palm companies are available and visibly maintained between Dara Lam Soon Estate and Bukit Ibam Forest Reserve, villagers Kota Perdana, Kg Orang Asli (Kg Terubing, Kg Padang, Kg Dungun and the other neighbouring private oil palm companies such as Boustead Ladang Bebar, Ldg PSK Bukit Sumoh, Prosper Juasa Estate.
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	A list of contracted parties is maintained. As at audit visit, 11 contractors have listed in the stakeholder list. However refer to indicator 1.1.5 and NCR MZK 01 2021.
	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.	YES	There is evidence that agreements with third parties contain clauses on meeting applicable requirements.

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Clause	Indicators	Comply Yes/No	Findings
	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 signed with contractors contain a clause on compliance with employment laws, which would include laws related to employment of children and young persons.
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"> Information on geo-location of FFB origins. Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder One or more supporting documents for claims Valid MPOB license 	YES	Fresh Fruit Bunches are supplied from Lam Soon (M) Berhad owned estates which are certified to RSPO. There is no third-party FFB sent to the mil.
	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	Fresh Fruit Bunches are supplied from Lam Soon (M) Berhad owned estates which are certified to RSPO. There is no third-party FFB sent to the mil.

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	The business plan and budget were available and kept in soft copy. The documents were categorised as confidential. Information in the documents were sighted and briefed by the Estates/Mill Managers. Generally, the estates and mill business plan was towards sustainable business and prepared in a 3 to 5-year horizon. The budget provisions covered activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. The budget included projections on yield per hectare, and total cost of production per MT and per hectare.
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	The estates had no replanting program for the forthcoming 5 years. The nearest year is in 2025 for the South Estate Division.

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Clause	Indicators	Comply Yes/No	Findings
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	RSPO Internal audit at Dara Lam Soon (DLS) CU was conducted on 14/07/2020 for POM and 10/09/2020 for estates. The report was made available to the management for their review. Management has transparent to address continuous suitability, adequacy and effectiveness of the requirements 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 improvement in key operations.	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.	YES	DLS POM and Estate has continued to show its commitment towards continuous improvement through a number of implementations of plans for social and environment programs.
	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template.	YES	<i>Not applicable since this RSPO metric template formats will be effectively used in June 2021.</i>
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	The Mill adopted the following documented procedures for the day-to-day operations. Among others the documents and guidelines used are; a) Standard Operating Procedures (StOps) provide details in relation to the mill operations and activities, and b) Safe Operating Procedure The SOPs and related guidance were sighted and verified.
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	There are several mechanisms used to check on consistent implementation of procedures. One of the regular mechanisms used by Dara Lam Soon CU are internal audits conducted by Sustainability Team.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	Evidence was available that DLS CU was able to demonstrate that it has maintained records of monitoring and action taken. Records of monitoring and the actions taken by DLS Estate were maintained and kept for a minimum of 12 months. Monthly Costing and Annual Reports on monitoring of all activities were made available. The DLS CU maintained its relevant records of monitoring. In the estate the monitoring of the SOP implementation was closely made by the all levels of the supervisory personnel with records maintained and checked. The visit and reports from the Plantations Director, Administrative Inspector Report (Visiting Engineer and Agronomist) and the internal audit provide a cross check and balance from an external view and assessment from the higher management.
3.4 A comprehensive	3.4.1 (C) In new plantings or operations including mills, an independent SEIA,	YES	Dara Lam Soon CU has established "Environmental Impact Assessment (EIA), Management Action Plans and Continuous Improvement Plans (July 2017 To July 2022)"

RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings
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.	undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/outgrower scheme, is documented.		to associated with their activities. Among the significant environmental aspects are the chemical (herbicide/fertilizer) which is associated with spillage and leakage due to mishandling of chemical (water pollution and land contamination) which related to the management of chemical. So far, no issues related to environmental has been highlighted during stakeholders meeting. A Social Impact Assessment (SIA) covering Dara Lam Soon POM and Dara Lam Soon Estate was carried out by the Social Liaison Officer at Dara Lam Soon CU. The Report was done in Sept 2017 with the participation of internal and external stakeholders, namely workers, union, contractors, suppliers, local community, local government, and private entities. Records of meetings, attendance list with all relevant stakeholders were available, documented and sighted during this Surveillance Audit.
	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	There was documented evidence in the form of meeting attendances where workers, union, contractors, suppliers, local community, local government and private were present during the stakeholder consultations
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	NO	For the year 2021, the social management and monitoring plan is not reviewed and updated regularly in a participatory way. Based on documentation review, the social management and monitoring plan does not include several issues such as: <ul style="list-style-type: none"> i) Overtime issues among mill workers. This was evidence from interviewed with mill workers. They claimed that the overtime was not properly distributed fairly among workers in production area. ii) Drainage repair at workers quarters for both mill and estate. This was evidence from site visit at workers quarters area, found that some monsoon drain was broken resulted stagnant water, they included in CAPEX but not included in the social action plan. iii) Managing foreign workers especially from India on the recruitment agencies. There was found no agreement between Dara Lam Soon and the recruitment agencies on the recruitment of new workers. iv) Representative from Kg Terubing on land issues. Therefore, NCR was raised as MAR 01 2021.
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 where applicable.	YES	Employment procedures for recruitment, selection, hiring, are documented and available for local & foreigners.

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Clause	Indicators	Comply Yes/No	Findings
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Employment procedures were implemented, and records were 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	Occupational safety and health policy dated in Feb 2017 is available in English and Bahasa Malaysia. The policy has been communicated to all levels of the organization through briefings and also displayed prominently at the notice board of the mill/estate office and Muster Ground. Random interviewed with employees showed that they generally understood the basic requirements of the policy. The hazard identification, risk assessment and risk control (HIRARC) procedure has been established. Dara Lam Soon CU have conducted the risk assessment on all its operation as well as determining their control measures. It has been noted that certain work operation/activities have not been risk assessed at Dara Lam Soon Estate: 1) Loose fruit collection 2) Trunk injunction – Bagworm treatment Therefore, Major NCR DA 01 2021 was raised.
	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 Dara Lam Soon 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 were acceptable.
3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.	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 needs, and which covers applicable aspects of the RSPO P&C, in a form they understand, and which includes assessments of training.	NO	Formal training programmes for 2021 that covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs were available for all the audited sites. A training need has been established with target dates for the training identified. During site visit at manuring operation and mill, it was found that contractor workers was not aware and understand things related to applicable aspects of RSPO P&C, first aider and staff dealing with first aid box equipment's and code of practices in confined space 2010. Thus, #major NCR RAR 03 2021 has been raised.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	Records available.
	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	Appropriate training for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) has been conducted in Jan 2021 attended by relevant personnel including PIC, Clerk, Assistant Engineer, Staff, Weighbridge Operator and Attendance list & photograph was seen.

RSPO P&C AUDIT REPORT

SUPPLY CHAIN REQUIREMENTS FOR MILLS

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.1	<p>Identity Preserved Module</p> <p>A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme</p> <p>Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill processes certified and uncertified FFB without physically separating them, the inly MB Module is applicable.</p>	YES	Dara Lam Soon POM received only certified FFB from Dara Lam Soon Estate. Thus, Dara Lam Soon POM has qualified for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products. Refer to Table 3 of this report for relevant production data.
3.8.2	<p>Mass balance Module</p> <p>A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base.</p>	YES	Not Applicable since Dara Lam Soon POM is IP Mill.
3.8.3	<p>The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.</p>	YES	Projection data available. Refer to Table 4 of this report for relevant production data.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.4	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	The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information was: Name: Dara Lam Soon Sdn Bhd Country: Malaysia. Member Category: Oil Mil Core product: Palm Oil Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard.
3.8.5	<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"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • 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. <p>The site shall have documented procedures for receiving and processing certified and non-certified FFB.</p>	YES	<p>DLSPOM had demonstrated the correct use of supply chain model; and they continue to apply the IP model and their suppliers are of own supply base namely Dara Lam Soon Estate. The Supply Chain Procedure was revised in documented procedure title '<i>RSPO/MSPO Supply Chain</i>', <i>Revision 3</i>.</p> <p>The procedure was kept in file RSPO Supply Chain. Appropriate changes were also made in the change. DLSPOM has established procedure title: SOP on RSPO Supply Chain describing the procedures on the following activities related on its supply chain certification standard required by the RSPO. It was found that the documented procedures related to implementation of requirements of RSPO Supply Chain Certification Standard (latest revision) were sufficient. DLSPOM only apply RSPO Supply Chain system within their organization.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.6	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"> Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. Effectively implements and maintains the standard requirements within its organisation. 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. 	YES	<p>The Internal Audit Procedure has been developed namely Sustainability Internal Audit Procedure. Internal Audit has been conducted on 14/7/2020-14/8/2020 by Internal Auditor. No finding was raised for SCCS during Internal Audit. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor. The audit was conducted against the RSPO Supply Chain Certification Standard Revision 2021 requirements.</p>
3.8.7	<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>There is overproduction at mill, but noted the request and RSPO approval to the extension of volume.</p>
3.8.8	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single-</p>	YES	<p>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.detail of weighbridge ticket, CPO dispatch note, Dispatch oil quality ticket, Authorization from transporter, Borang MPOB L3, CPO dispatch authorization has been verify by the auditor.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>documents or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documentation and specification documentation):</p> <ul style="list-style-type: none"> a) The name and address of buyer; b) The name and address of the seller c) The leading or shipment/delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation i) A unique identification number 		
3.8.9	<p>Outsourcing Activities</p> <ul style="list-style-type: none"> (i) The mill shall not outsource its milling activities. In cases where the mill outsourced activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO SC Certification. (ii) The mill shall ensure the following: <ul style="list-style-type: none"> a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to 	YES	<p>DLSPOM has outsource the transportation of certified CPO and certified PK to third party. An agreement covering the outsources activity were sighted.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.</p>		
3.8.10	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 both transporters were made available.
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	YES	No new contractors used and will be used in the future for the processing or production of RSPO certified materials.
3.8.12	The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.	YES	Sighted CPO and PK delivery note, weighbridge ticket, production data, internal audit and management review records were found up-to-date.
	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	Relevant record was maintained for more than 10 years as per Standard operating procedure for Supply Chain.
	iii) For IP Module, the mill shall record and balance all receipts of certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	YES	Dara Lam Soon POM has maintained the continuous accounting system to record RSPO certified FFB and deliveries of RSPO certified CPO and PK. The data was the summary from their daily template as mentioned above.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	iv) For Mass Balance Module, the mill: a. shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b. All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c. The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)	YES	Not Applicable since this mill is IP Mill
3.8.13	Extraction rate The OER and the KER shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.	YES	Dara Lam Soon 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). These figures were monitored on daily & monthly basis by the mill using the prepared template to ensure their accuracy as well as monitoring of their ongoing performance.
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	YES	
3.8.15	Processing For IP Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	YES	Sales activities usually handled by Lam Soon Marketing Department (HQ) on behalf of Dara Lam Soon POM. The dispatch of the RSPO certified CPO/ PK to buyer by Dara Lam Soon POM were made based on a specific contract. The receiving pit, pipelines and tanks in Dara Lam Soon POM were thoroughly cleaned, swept and flushed before RSPO certified CPO was pumped in to avoid contamination. Dedicated tanks were used to store RSPO certified CPO produced.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.16	<p>Registration of Transactions</p> <p>i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform</p>	YES	The registration of transaction being carried out by Lam Soon Plantations subordinate. Mill receive copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in).
3.8.17	<p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	YES	Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. DLS POM 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, 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.	YES	Dara Lam Soon had established a policy to respect human rights. The policy was communicated to all levels of the workforce and operations at the CU. This was confirmed during the interview with some workers. The estate and mill adopt the Human Rights Policy which, among others, respects human rights and will not be complicit in human rights infringement and including prohibiting retaliation against Human Rights Defenders.
	4.1.2 The unit of certification does not	YES	As at time of audit, it was confirmed that the unit of certification does not instigate violence or use

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Clause	Indicators	Comply Yes/No	Findings
	instigate violence or use any form of harassment in their operations.		any form of harassment.
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	The dispute and grievance procedure does prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested. There existing dispute and grievance procedure called "Grievances Procedure" dated 2017 does prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested.
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	YES	Dara Lam Soon estate and mill have created a complaints form/books where complainant can fill up and submit to the office. Most of the complaints were resolved within 2 to 7 days, depending on the complexity of the complaints. Sighted the books and the complaint is mainly regarding housing, roads and grass cutting complaint at POM, at Estate the book is used for employees to lodge complaint pertaining to their houses and the issues will solved within a week. Lam Soon maintained affirms that its dispute system is open to any affected parties including whistle-blower. A flowchart titled 'Grievances Process' was observed maintained available for sighted. Anonymity of complainants and whistle-blowers will not be revealed to third parties. There also stated in the Dara Lam Soon Human Right Policy. So far, there was no evidence that disputes happened at the audited sites. It can be concluded that the system that open to all affected parties were in place and shall be able to resolves disputes, when there were any.
	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.	NO	There is evidence that parties to a grievance are kept informed of the progress of the complaints. In the complaints and grievances book or forms, they informed the stakeholders on the progresses. However, it was found that, Dara Lam Soon CU was not keeping parties to a grievance informed of its progress, including against agreed timeframe and communicated to relevant stakeholders e.g. During interview with Orang Asli from Kampung Terubing regarding water supply, the result of grievance was not informed of its progress including against timeframe and communicated to relevant stakeholders to the Orang Asli Kampung Terubing. Thus Minor NCR MZK 04 2021 has been raised.
	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	YES	Consultation and communication procedures used by the DLS CU in handling internal and external communications is identified in SOP named Consultation and Grievances Communication Procedure Internal/External' which was prepared by the RSPO Unit of Dara Lam Soon. The conflict resolution mechanism includes options to access independent legal and technical advice. This was stated in their complaints and grievance procedure.

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Clause	Indicators	Comply Yes/No	Findings
	observers, as well as the option of a third-party mediator.		
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	The CU continued to contribute to local communities as result of stakeholder consultation and relevant action taken. Among the action were provision of school bus, donation, job to local people.
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 FPIC process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	YES	After the review of the document provided, it has been verified that the land titles were previously owned by Teras Dara Konsortium. The land has been sold to Dara Lam Soon Sdn Bhd (aka Dara Lam Soon CU) in 1975. The Land title also specified that the purpose of the planting is either for oil palm or agricultural crops for economic value. It can be confirmed that Dara Lam Soon CU maintained and complied with the terms of the land title.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Dara Lam Soon since 1975. The audit team had confirmed that there were no land issues related to previous owners.
	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	
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the		

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Clause	Indicators	Comply Yes/No	Findings
	operation at the time that these decisions were taken.		
	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.		
	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	There was no map showing the legal, customary, or user right of other users since 1975. All the related documentation regarding the land acquisition was kept in Dara Lam Soon HQ Office, Shah Alam and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighbouring estate.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	This requirement in this indicator does not applicable to Dara Lam Soon CU.
	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	This requirement in this indicator does not applicable to Dara Lam Soon CU.
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	This requirement in this indicator does not applicable to Dara Lam Soon CU.

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Clause	Indicators	Comply Yes/No	Findings
4.5 No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.	4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.	YES	Based on Social Impact Assessment (SIA) Report for Dara Lam Soon 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 Dara Lam Soon since 1975.
	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.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Dara Lam Soon since 1975. The audit team had confirmed that there were no land issues related to previous owners.
	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.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Dara Lam Soon since 1975. The audit team had confirmed that there were no land issues related to previous owners.

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Clause	Indicators	Comply Yes/No	Findings
	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.	YES	From the interviews, it can be concluded that there was no evidence of any land dispute at Dara Lam Soon CU.
	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 Dara Lam Soon since 1975. The audit team had confirmed that there were no land issues related to previous owners.
	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 Dara Lam Soon since 1975. The audit team had confirmed that there were no land issues related to previous owners.
	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	Based on planting profile and land title, there was no new lands acquired for plantations after 15 November 2018.
4.6 Any negotiations concerning compensation for loss of legal, customary or user	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	Dara Lam Soon CU have a standard procedure for identifying social related issues called "Land Dispute Compensation and Calculation Procedure" and "Procedure For Calculating & Distribution Fair Compensation". The procedures defined details process of how compensation for any issues/disputes related to land, ownership and access to land, and ensures negotiations concerning compensation are dealt with.

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Clause	Indicators	Comply Yes/No	Findings
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.	4.6.2 (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	"Land Dispute Compensation and Calculation Procedure" and "Procedure For Calculating & Distribution Fair Compensation" detailed out the procedures for calculating and distributing compensation in a participatory and fair manner. These procedures specify that it would take into account ethnic group, gender differences, etc. A flowchart to the same effect was also sighted. The stakeholders have confirmed that there was no existing/known dispute that causing the need for any negotiation resulting in compensation process etc. either in the mill or the estate.
	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	The requirement of this indicator was not applicable as there is no scheme smallholding at Dara Lam Soon CU.
	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	As mentioned in 4.6.2 above, there were no existing/known issues related to this indicator, hence it was not applied to Dara Lam Soon CU.
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	Dara Lam Soon CU have a standard procedure for identifying social related issues called "Land Dispute Compensation and Calculation Procedure" and "Procedure For Calculating & Distribution Fair Compensation". The procedures defined details process of how compensation for any issues/disputes related to land, ownership and access to land, and ensures negotiations concerning compensation are dealt with.
	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	There was no issue regarding compensation (monetary or otherwise) 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	This requirement in this indicator was not applicable for Dara Lam Soon CU.

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Clause	Indicators	Comply Yes/No	Findings
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 Dara Lam Soon since 1975. The audit team had confirmed that there were no land issues related to previous owners.
	4.8.2 (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.	YES	Land conflict is not present in the area of the unit of certification.
	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	This requirement in this indicator was not applicable for Dara Lam Soon CU.
	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	YES	This requirement in this indicator was not applicable for Dara Lam Soon CU.

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Clause	Indicators	Comply Yes/No	Findings
	parties (including neighbouring communities where applicable).		

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	Fresh Fruit Bunches were supplied from Lam Soon (M) Berhad owned estates (Dara Lam Soon Estate) which are certified to RSPO. There was no third-party FFBs sent to the mill. Thus, no contract involved with smallholder.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	YES	As above.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	YES	As above.
	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	As above.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	Interviews conducted with contractors and suppliers, confirmed their understanding of their rights and obligations under the contract. Both contractors confirmed the fairness of the terms of their contract, and payments are usually received within 7 to 10 days of invoice issuance.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying	YES	These contractors interviewed confirmed that payments are made in a timely manner, namely within 7 to 10 days of invoice.

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Clause	Indicators	Comply Yes/No	Findings
	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 DLS POM has been calibrated by yearly basis using accredited weighing company Metrology Corporation Malaysia Sdn Bhd in Feb 2021.
	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	Dara Lam Soon 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. However, in Dara Lam Soon, Fresh Fruit Bunches are supplied from Dara Lam Soon owned estates (Dara Lam Soon Estate) which are certified to RSPO. There is no third-party FFB sent to the mill. Noted that Dara Lam Soon has invited nearby smallholders to attend the Stakeholder meeting to promote on RSPO certification.
	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	A grievance mechanism which respects anonymity and protects complainants is in place at the Dara Lam Soon as per the Grievances Process, Grievances Procedure ", and " Consultation and Grievances Communication Procedure Internal/External" and Land Dispute compensation and calculation procedure dated 1/1/19. As at to date there is no complaint by stakeholders.
5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.	5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.	NO	Dara Lam Soon 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. It was found that, there is no record/evidence Dara Lam Soon CU had consulting with smallholders regarding their interest in RSPO Certification, Thus, Minor NCR MZK 02 2021 has been raised against this indicator.
	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.	NO	There is no record/evidence Dara Lam Soon CU had 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), Thus, Minor NCR MZK 03 2021 has been raised against this indicator.
	5.2.3 Where applicable, the unit of cert. provides support to smallholders to promote legality of FFB production.	YES	Noted that Dara Lam Soon has invited nearby smallholders to attend the Stakeholder meeting scheduled on March 2019 to promote on RSPO certification. But no other record available. Refer NCR Above.
	5.2.4 (C) Evidence exists that the unit of	YES	Fresh Fruit Bunches were supplied from Dara Lam Soon owned estates (Dara Lam Soon

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Clause	Indicators	Comply Yes/No	Findings
	certification trains Scheme Smallholders on pesticide handling.		Estate) which are certified to RSPO. There was no third-party FFBs sent to the mill.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support prog.	YES	Fresh Fruit Bunches were supplied from Dara Lam Soon owned estates (Dara Lam Soon Estate) which are certified to RSPO. There was no third-party FFBs sent to the mill.

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 membership, political affiliation or age.	YES	The equal opportunities policy is contained within the "Polisi Kesaksamaan Peluang", which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The Social Policy was displayed on notice boards in both Bahasa Malaysia and English. Among other things, the policy specifies that management would ensure that all parties directly or indirectly involved with the estate/mill would be accorded fair treatment, and that the estate/mill would not be involved in, nor support any oppression based on race, caste, nationality, religion, disability, age, sexual orientation, union membership or political affiliation.
	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.	YES	Terms of agreement and pay slips was elaborated further by auditor in indicator 6.2.1, 6.2.2 and 6.2.3. Interviews conducted with workers (male, female, local and migrant) as well as local communities also confirmed that this is so. There is evidence of charging recruitment fees and NCR has been given in indicator 6.6.1. All for the indicator stated therein, have been raised NCR accordingly.
	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.	YES	Based on interviews with the estate and mill management including documentation review (interview assessment and medical report), recruitment selection, hiring and promotion are based on suitable job vacancies, experience, qualification/skill and medical fitness appropriate for the job. Interview of candidates will be done by Manager and the Assistant Managers where an evaluation form is filled up to determine the suitability of the candidate. These documents are contained in the workers' personal files.
	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	YES	As of the date of the audit, there is no pregnant worker at Dara Lam Soon Estate and POM. As confirmed by the worker during interview, there is no evidence that pregnancy testing was carried out in a discriminatory manner. Pregnancy test was done on her own free will. During interview it was confirmed that if they require contact with chemicals, they

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Clause	Indicators	Comply Yes/No	Findings
	offered for pregnant women.		will allocate to other light works.
	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.	YES	Chairman of Gender Committee called 'Persatuan Wanita' at each site responsible in handling and channeling issue to management, if any. Management has directed chairman of gender committee to respects and protects anonymity and complainants where requested. Complainants can submit in their complaint either in writing or verbally. Workers interviewed know that they can either complaint to their immediate supervisor, or if they wish, to the estate management.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	The equal opportunities policy is contained within the Dara Lam Soon Policy dated January 2015, which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The Social Policy was displayed on notice boards in both Bahasa Malaysia and English.
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.	NO	Based on interview and documentation review, there was no evidence on applicable agreements to the contractor workers i.e contractor Azmi and Han. Agreement to the contractor available but based on interview with contractor Azmi and Han, they did not sign any agreement with Dara Lam Soon Estate. For the contractor Boeran employees, they did not know on the content of the agreement. Therefore, NCR was raised as MAR 04 2021.
	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.	NO	Employment contracts did not provide detail payments and conditions of employment (e.g regular working hours, overtime, sick leave, holiday entitlement and reasons for dismissal, in compliance with Employment Act 1955). Therefore, NCR was raised as MAR 02 2021. This NCR was a recurrence NCR.
	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	The Dara Lam Soon has not complied with legal requirements on regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements as in Employment Act 1955. NCR was raised as MAR 03 2021.

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Clause	Indicators	Comply Yes/No	Findings
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.	YES	It can be concluded that adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, in accordance with Workers' Minimum Standard of Housing and Amenities Act 1990 (Act 446). All staff and workers are staying at the same area within Dara Lam Soon Estate. Based on visits conducted, the houses provided were adequate, and in reasonably good conditions and comfortable. Interviews with the workers reveal that they were satisfied with the response to requests for any repair works.
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	There are 2 sundry shops and 1 canteen at the workers quarters in the CU. The contracts were administered by DARA Lam Soon Estate and POM. All the shop owners require to list and submit their price to Dara Lam Soon Estate and POM for review prior signing into new contract and whenever there is price change. Contracts between the parties and price lists were available. However, the estate allows the workers to shop outside the estate, not 100% depending on shops available in the Estate.
	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. PROCEDURAL NOTE: 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: <ul style="list-style-type: none"> • An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers. • There is annual progress on the implementation of living wages • Where a minimum wage, based on equivalent basket of goods, is stipulated in Collective Bargaining Agreements (CBAs), 	NO	The decent living wages was not calculated based on RSPO Guidance on Calculating Prevailing Wages. Therefore, NCR was raised as MAR 05 2021.

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Clause	Indicators	Comply Yes/No	Findings
	<p>this should be used as the foundation for the gradual implementation of the living wage payment.</p> <ul style="list-style-type: none"> 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 <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.	YES	Estates and mill employ full-time employees. Foreign workers are full-time employees but have a contractual duration which is stipulated in their employment contracts which is 2 years for Indonesians and 3 years for other nationalities. This contract duration can be mutually extended subject to the annual work permit from the Malaysian Immigration Department.
6.3 The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.3.1 (C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.	YES	Dara Lam Soon Sdn Bhd has published a policy titled ‘The Rights of Freedom of Association of Employee’ amended in January 2019. The policy is available in Bahasa Malaysia and English. The policy was displayed at the estate’s and mill’s notice boards. Training for the policy was held accordingly.
	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 (English and/or Bahasa Malaysia) and made available upon request.	YES	Currently local union representative Dara Lam Soon workers has been dispersed. New union which is The National Union Plantation Workers (NUPW) is the union that current represents workers of Dara Lam Soon but they still pending documentation and application to materialize collective agreement between Dara Lam Soon and NUPW. Union membership is open to both local and foreign workers and the worker’s representative elected by the NUPW/MAPA itself which is independent party.
	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.	NO	There was no evidence that Dara Lam Soon Mill and Dara Lam Soon Estate facilitate for representatives elected internally, or labor organizations including contractor employees. Therefore, NCR was raised as MAR 06 2021.

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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	Dara Lam Soon has specified in the Labour Policy that they will not employing or exploiting children for labour. The list of workers which contains worker's detail, including their dates of birth was reviewed for both the estate and mill. Observations were also made during field visits and during interviews with workers confirm that no one below 18 was employed in the estate and the mill. It was evident that the CU only hired workers with age more than 18 years old.
	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	There was no evidence that the estates and the mill at Dara Lam Soon has employed anyone below the age of 18 years. Auditor also verified through the contractors in the Dara Lam Soon and confirmed there was no person under 18 years old was employed. This was verified by examining the master lists, personal file, contracts and payslip of each operating unit where details of the workers' IC numbers and dates of birth are available. Interviews with workers and staff, as well as observations made during field visits confirm that only those above 18 are employed.
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	YES	There was no evidence that any young persons were employed in any of the units at Dara Lam Soon as evidenced from documentation review, field observations and interviews.
	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	Based on the documents sighted, communication about its no child labour Policy was communicated to all levels of employees as evidenced from training records at the Dara Lam Soon Estate.
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	The estate and mill have established a Sexual Harassment Policy ("Workplace Harassment Policy"). The policy defines what constitutes sexual harassment, and states that it would comply with the relevant laws and increase awareness with regards to sexual harassment. The policy is written in the English and Bahasa Malaysia and displayed on the notice boards. No evidence or acts that contradict this policy were observed. Dara Lam Soon CU. The policy had been communicated to all staffs and workers during morning muster and training.
	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	The company has established a 'Workplace Harassment Policy' to protect the reproductive rights. Dara Lam Soon POM and Dara Lam Soon Estate. Generally, the female employees were also aware of their maternity rights, and that the workers were aware that they are to cease any spraying and fertilising works once they get pregnant.
	6.5.3 Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to	YES	In the Dara Lam Soon, Gender Committee have been established at the Mill and Estate levels to help disseminate awareness on issues relating to reproductive rights and need of new mothers. Awareness on reproductive rights need of new mothers are also briefed

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Clause	Indicators	Comply Yes/No	Findings
	address the needs that have been identified.		during muster and Gender Committee meetings held at each Mill and Estates. During visit at the estate and mill, there was none new mothers.
	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.	NO	However, a grievance mechanism, which respects anonymity and protects complainants where requested, is not communicated to all levels of the workforce. Therefore, NCR was raised as MAR 07 2021.
6.6 No forms of forced or trafficked labour are used.	<p>6.6.1 (C) All workers have entered into employment voluntarily , and the following are prohibited:</p> <ul style="list-style-type: none"> • Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) • Charging the workers for recruitment fees • Contract substitution • Involuntary overtime • Lack of freedom of workers to resign • Penalty to the workers for termination of employment • Debt bondage • Withholding of wages 	NO	Workers have entered into employment not voluntarily, and the following not prohibited i.e retention of identity documents or passports and charging the workers for recruitment fees. Based on interview with sampled workers from India, there was be informed that they were charging fees with various amounts from the origin country agent. The workers also claimed that they being informed from the agent that they will be offered fruit plucking, but when arrived at the estate they offered with different job.
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	Dara Lam Soon CU adopts the Labour Policy which states that "All employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work and representation race, caste, nationality". There is also a procedure entitled "Sourcing Process for Foreign Workers". Special labour policy for employment of foreign workers has been addressed in the 'Polisi Khas Pekerja'. The policy stated that foreign employees should be treated fairly in terms of recruitment, terms and conditions of work, provide decent living, no contract substitution and post arrival program.
6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health.	6.7.1 (C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.	YES	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.

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Clause	Indicators	Comply Yes/No	Findings
	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.	YES	Emergency Response Plan (ERP) was established. Random interview with the estate and mill 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. The stock of first aid box is regularly check and refill when necessary by HA. Telephone numbers and names of the members of the Emergency Response Team (ERT) were communicated to all employees and displayed at notice boards. Telephone numbers of the PIC, Police Station, Fire Brigade, and Government Clinic were also included. Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Accident/injury record were recorded using Lost Time Accident (LTA) metrics. Quarterly review on accident cases had been carried out during quarterly OSH committee meeting.
	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.	NO	<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. However, previous NCR yet to be addressed and repeated issues was happening:</p> <ol style="list-style-type: none"> 1) During interview with sampled workers at harvesting operation (South Division) and manuring operation (North Division): <ol style="list-style-type: none"> a. There is no free of charge provided for personal protective equipment (PPE) to harvesters (fronds stacker) i.e. wellington boot and cotton glove. b. There is no free of charge provided for personal protective equipment (PPE) to manuring workers i.e. wellington boot, and it is only available free for the first time user. 2) During site visit at loose fruit operation (North Division) and manuring operation (North Division): <ol style="list-style-type: none"> a. Sighted 7 loose fruit workers did not wear appropriate personal protective equipment (PPE) i.e. wellington boot, safety helmet as per Safe Operation Procedure. b. Sighted 4 manuring workers did not wear appropriate personal protective equipment (PPE) i.e. protective eye goggle, N95 mask as per CHRA Recommendations. <p>Hence, Major (Recurrence) DA 02 2021 was raised and reissued.</p>
	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).

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Clause	Indicators	Comply Yes/No	Findings
	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 Dara Lam Soon 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	For year 2021. Integrated pest management (IPM) has been focusing on rat damage issues. CU has established barn owl installation planning. It has been planned to increase to 100 pieces (currently 52 pieces). There was no invasive species has been used in the certification units. CU only used local species such <i>Tunera subulata</i> , <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i> for biological control from pest and disease. Management also conducted bagworm census to monitor threshold level of infections.
	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	During site visit at both divisions (North & South Estate) there was no evidence fire has been used for pest & disease control. CU only used beneficial plants as biological control to prevent P&D. CU also established Rat baiting programme to control on rat damage issues.
	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	All pesticides used were those officially registered under the Pesticide Act 1974. All chemicals purchases are made through approval by the Head Office. No illegal agrochemicals (stated by local and international laws) Paraquat was used in the estates. The Manual has included chemical register list which indicates the use of selective products that are specific to the targeted pest, weed or disease. The procedures also covered the use of PPE when handling the chemicals.
7.2 Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.	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	The estates in the CU had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and active ingredients (ai) per ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field-cost books and in progress reports. Records of pesticides used were available and verified. All pesticides used were those officially registered under the Pesticide Act 1974. The CU had used class IA for trunk injection, class II, class III & class IV pesticides. No illegal agrochemicals (stated by local and international laws) in particular <i>paraquat</i> were used in their estates.
	7.2.2 (C) Records of pesticides use are provided.	YES	For year 2021. Integrated pest management (IPM) has been focusing on rat damage issues. CU has established barn owl installation planning. It has been planned to increase to 100 pieces (currently 52 pieces).

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Clause	Indicators	Comply Yes/No	Findings
	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 CU is committed to minimize the usage of agrochemicals through the implementation of IPM practices.
	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 prophylactic of chemical has been implemented by CU. Management has a SOP to conduct the census before any chemical activities has been carried out.
	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	The estate confined usage of pesticides which are were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A) and in accordance with USECHH Regulations 2000.
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	
	7.2.5b Why there is no other alternative which can be used.	YES	
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	
	7.2.5d What is the process to limit the negative impacts of the application.	YES	
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	YES	
	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. Personnel	YES	The estate and mill have a SOP for handling of chemical/pesticide (DLS/Safety/SOP-04). The employees involved in the chemical handling such as the storekeepers, sprayers, fertilizer and rat bait workers were trained in chemical handling and they understood the hazards of the chemicals and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to them through the SDS training.

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Clause	Indicators	Comply Yes/No	Findings
	applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.		
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	The storage of pesticides at Dara Lam Soon 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.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	YES	Empty pesticide containers were 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 Dara Lam Soon 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 affected local communities at least 48 hours prior to application of aerial spraying.	YES	Aerial application of agrochemicals is not practiced in DLS CU. This is confirmed through observation during the site visit, estate complex and interview with the employees.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	YES	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.	YES	Dara Lam Soon CU complied with procedure and guidelines provided the Standard Operating Procedure " <i>DASAR SYARIKAT DAN PROSEDUR KERJA STANDARD UNTUK SEMUA PEKERJA WANITA YANG MENGANDUNG</i> " adopted by DLS in 2017 whereby no work with pesticides is given to pregnant or breast-feeding women. <i>Tidak dibenarkan pekerja wanita yang MENGANDUNG / MENYUSUKAN anak membuat kerja-kerja penyemburan</i>) The estates maintained the list of sprayers. Identification of pregnancy status is made by the respective appointed Hospital Assistant during the monthly check-up. Presently there is no lady workers assigned for such a duty.
7.3 Waste is reduced, recycled, reused and	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous	NO	Waste management and disposal plan to avoid or reduce pollution had been documented and implemented. Procedures and guideline were used to guide the waste disposal activities and to reduce pollution on the routine operation.

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Clause	Indicators	Comply Yes/No	Findings
disposed of in an environmentally and socially responsible manner.	characteristics, is documented and implemented.		However, during site visit at line sites (mill & estate) was sighted recycle such as tin and bottles was not disposed according to waste management plan. At DLS POM emergency shower water at WTP and laboratory chemical lab store was channel to the monsoon drain. Location and condition were not in safe and good condition. Thus, #Minor NCR RAR 02 2021 has been raised.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	YES	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. Each house was provided with dustbin. The wastes were removed weekly and the line-sweepers removed all recycle items like plastic, glass, paper and metal to a recycle item store and disposed to vendors. Interviews with workers revealed that they understood the method to dispose scheduled wastes. It was evident, through sighting and interviews that management and employees were aware on issues pertaining to waste management.
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	During site visit at both estate and mill, there was no evidence domestic waste has been disposed by burning. All the waste has been disposed through contractor MIDO and has been send to Majlis Daerah Bukit Ibam Landfill.
7.4 Practices maintain soil fertility at, or where improve soil fertility to, a level that ensures optimal and sustained yield.	7.4.1 Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.	YES	The CU continued to manage and improve soil fertility to a level that ensures optimal and sustained yield by monitoring the fertilizer inputs through annual fertilizer applications.
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	YES	The process of the fertilizer application commences from an agronomist visit for a leaf sampling to determine the level of nutrient therein. Thereafter the calculation will be made for an input of fertilizer to maintain/improve the nutrient at the desired level. Estates will use this input for the entire fertiliser requirement in the field identified.
	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	EFB application is done as part of nutrient recycling strategy and recorded regularly.
	7.4.4 Records of fertiliser inputs are maintained.	YES	Record of fertilizer was maintained for both division estates, total application used from Jan 2020 to Dec 2020 has been recorded below:
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	The estates soils (reconnaissance soil map DLS North & South are as follows based on the report by third party report. Based on the soil map, there is no peat soil or soil categorized as problematic or fragile at the CU.

RSPO P&C AUDIT REPORT

Clause	Indicators	Comply Yes/No	Findings																												
			<table border="1"> <thead> <tr> <th colspan="4">Soil series</th></tr> </thead> <tbody> <tr> <td>1</td><td>Malacca</td><td>7</td><td>Holyrood</td></tr> <tr> <td>2</td><td>Rengam</td><td>8</td><td>Local alluvium</td></tr> <tr> <td>3</td><td>Durian</td><td>9</td><td>Steepland</td></tr> <tr> <td>4</td><td>Briah</td><td>10</td><td>Batu Lapan</td></tr> <tr> <td>5</td><td>Btg Merbau</td><td>11</td><td>Karamatoi</td></tr> <tr> <td>6</td><td>Bungor</td><td>12</td><td>Terap</td></tr> </tbody> </table>	Soil series				1	Malacca	7	Holyrood	2	Rengam	8	Local alluvium	3	Durian	9	Steepland	4	Briah	10	Batu Lapan	5	Btg Merbau	11	Karamatoi	6	Bungor	12	Terap
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	7.5.2 No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	No replanting at DLS Estate. The estate implemented prevention of soil erosion measures such as construction of road side drains along the road sides and also in steep slope areas. Cover crops were observed to be in place as the CU management had generally encouraged the establishment of soft growth. Visits to the site found that significant areas of the ground were covered with <i>Neprolepis biserrata</i> . Most slopes had well established <i>Mucuna bracteata</i> .																												
	7.5.3 There is no new planting of oil palm on steep terrain.	YES	There was no new planting a DLS Estate. Estate have been fully developed before the year of 2005 and no evidence of planting 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 plans and operations.	7.6.1 (C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.	YES	There were no marginal and fragile soils, this was evidence during site visits and report from the third-party soil survey. Only 2% from the total area was a steep terrain. For steep terrain all the old palms have been left and there were no activities has been carried out.																												
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.	YES	Soil survey and topographic has been carried out by third-party. Sighted the recommendation which has been made based on the topographic maps such as to construct more drainage at area soils type i.e. local alluvium.																												
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	It was confirmed that no peat soils at DLS Estate.																												
7.7 No new planting on peat, regardless of depth after 15	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	It was confirmed that no peat soils at DLS Estate.																												

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Clause	Indicators	Comply Yes/No	Findings
November 2018 and all peatlands are managed responsibly.	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 that no peat soils at DLS Estate.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	It was confirmed that no peat soils at DLS Estate.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	It was confirmed that no peat soils at DLS Estate.
	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 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. 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.	YES	It was confirmed that no peat soils at DLS Estate.
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual	YES	It was confirmed that no peat soils at DLS Estate.

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Clause	Indicators	Comply Yes/No	Findings
	on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.		
	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 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.	YES	It was confirmed that no peat soils at DLS Estate.
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	Dara Lam Soon CU Water Management Plan has been reviewed annually and latest updated in Jan 2021. The water management plans contain soil water abstraction, treatment, storage, monitoring, conservation, pollution prevention, wastewater treatment and discharge as well as domestic usage. Domestic usage was monitored using flow meters in Dara Lam Soon CU. Water spillage during pre-mixing of chemicals, from washing of PPE and from triple rinsing was collected from in sumps and recycled for spraying.
	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	As verified at Dara Lam Soon CU facilities for workers and through interview with workers, all workers have obtained adequate access to clean/treated water via Water Treatment Plant and complied with Workers Minimum Standard of Housing and Amenities Act 1990.
	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).	NO	During site visit at buffer zones areas at Dara Lam Soon Estate (mill Pond & Block 01D (water sampling area)) was sighted chemical activities. Thus, #Major NCR RAR 01 2021 has been raised.
	7.8.3 Mill effluent is treated to be in	YES	Treated effluent is allowed to be discharge as water discharge (currently channel to biogas

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Clause	Indicators	Comply Yes/No	Findings																																								
	compliance with national regulations. Discharge quality of mill effluent, especially BOD, is regularly monitored.		plant). Analysis of the final discharge was carried out on monthly basis. Review of the results indicated that all parameters were within the regulatory limit.																																								
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	YES	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.	YES	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. Fossil fuel usage reduction has been included under pollution prevention plan 2021.																																								
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.	YES	<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 with acknowledgement of Auditor. The input data was verified, and the following were determined:</p> <table><tr><th>Description</th><th>tCO₂e/tProduct</th><th>Description</th><th>tCO₂e/tProduct</th></tr><tr><td>CPO</td><td>0.29</td><td>PK</td><td>0.29</td></tr></table> <table><tr><th>Land Use</th><th>Ha</th></tr><tr><td>OP Planted Area</td><td>4099.00</td></tr><tr><td>OP Planted on Peat</td><td>0.00</td></tr><tr><td>Conservation (forested)</td><td>0.00</td></tr><tr><td>Conservation (non-forested)</td><td>21.00</td></tr></table> <p>Milling extraction rate:</p> <table><tr><td>OER</td><td>20.62</td></tr><tr><td>KER</td><td>5.54</td></tr></table> <p>Mill Emission</p> <table><tr><th colspan="3">Own Crop</th></tr><tr><th>Emission source</th><th>tCO₂e</th><th>tCO₂e/tFFB</th></tr><tr><td>POME</td><td>11731.03</td><td>0.09</td></tr><tr><td>Fuel consumption</td><td>256.05</td><td>0.00</td></tr><tr><td>Grid electricity utilisation</td><td>232.98</td><td>0.00</td></tr><tr><td>Credits</td><td></td><td></td></tr></table>	Description	tCO ₂ e/tProduct	Description	tCO ₂ e/tProduct	CPO	0.29	PK	0.29	Land Use	Ha	OP Planted Area	4099.00	OP Planted on Peat	0.00	Conservation (forested)	0.00	Conservation (non-forested)	21.00	OER	20.62	KER	5.54	Own Crop			Emission source	tCO ₂ e	tCO ₂ e/tFFB	POME	11731.03	0.09	Fuel consumption	256.05	0.00	Grid electricity utilisation	232.98	0.00	Credits		
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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).	YES	Auditor has verified through checking the www.globalforestwatch.com , 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 Dara Lam Soon CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.																																																												
	7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	The Environmental Impact and Aspect Assessment and Pollution Prevention Plan was used to identify the GHG emissions. Some of the Greenhouse Gas emissions are through Land Conversation, Crop Sequestration, Fertiliser, N ₂ O from fertiliser, Fuel Consumption, Peat Oxidation. Plans to reduce or minimise them are in place. Dara Lam Soon CU also plan to reduce GHG by construct Biogas plant to capture Methane gas generated from the Effluent Treatment Plant to generate biogas engine to produce electricity for mill and domestic use. The Biogas Plant already start the operation on January 2019.																																																												
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 new planting a DLS Estate. Estate have been fully developed before the year of 2005. During site visit at estate there was no replanting activities.																																																												
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	Dara Lam Soon Estate and POM had adhered to Lam Soon SOP 'Prosedur persediaan dan tindakan Semasa Kecemasan, Penyiasatan Insiden Lam Soon Plantation Sdn Bhd'.																																																												

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Clause	Indicators	Comply Yes/No	Findings
			Name of the Emergency Response Team (ERT) members and their contact numbers were displayed at the notice boards of respective sites as well as communicated to all workers. Telephone numbers of the Police Station, Fire Brigade, Immigration Department and Hospital were also included. The ERT comprised of trained First Aiders, Field Staffs, Mandores, Office Staff, and Workshop Operator and Security personnel. The Field Staff and Mandores are responsible for handling emergency at the field.
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	DLS CU has conducted stakeholder engagement on fire prevention and control measures during stakeholder meeting in April 2020. Among of issues has been discussed related to no open burning, and ERT team from DLS CU to assists nearby stakeholder if any fire occurs in the estates or fields. Thus, previous NCR was satisfactory closed.
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.	YES	No new land clearing since Nov 2015 available at Dara Lam Soon, thus this Indicator was not Applicable.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	The report HCV / Biodiversity Assessment of the estates Dara Lam Soon Plantations is available. The report was conducted internally with collaboration with Wildlife Department and Forestry Department in Sept 2017 and the report was completed on May 2018. The study had covered all the HCV / Biodiversity within and adjacent to the 1 estates under Dara Lam Soon CU. The HCV assessment had identified no HCV/Biodiversity found directly within the boundaries of any of the sites of Dara Lam Soon CU, this is because considering the Dara Lam Soon Plantations CU are surrounded by other oil palm plantations. However, the management decide to maintain the Buffer Zone as their conservation area. Total declared as 21Ha.
	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 those plantations remains valid.	YES	
	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.	YES	
	7.12.4 (C) Where HCVs, HCS forests after	NO	The HCV Assessment report indicated that there is no threatened or endangered (RTE)

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Clause	Indicators	Comply Yes/No	Findings
	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).		species, or HCVs, are present or are affected by plantation or mill operations. There is only common bird and animal sighted. But, Dara Lam Soon CU still monitor their buffer zone and boundary. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan dated in Jan 2021, and made available in Dara Lam Soon Estate. However, it was found that, the HCV plan was not highlighted : <ul style="list-style-type: none"> Protecting and/or enhancing forest connectivity important for biodiversity, ecosystem services. e.g at Bukit Ibam Forest Reserve site there are too many biodiversity / totally protected there, but no updated summary monitoring report to highlight the important of Biodiversity and ecosystem services there, no map of Biodiversity and ecosystem. 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 North Estate there are no proper signage sighted. Thus, Recurrence Major NCR MZK 05 2021 has been raised.
	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 without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.	YES	HCV Assessment has been done on 5-25 Sept 2017, but no rights of local communities have been identified in HCV areas. Thus this indicator was not applicable.
	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	Although there was no RTE species found in the CU, Dara Lam Soon still established their own disciplinary measures if any of their staff or workers found to capture, harm, collect or kill the RTE species. If found any activities to capture, harm, collect or kill RTE species, the estates will make a report to the Wildlife Department immediately.

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Clause	Indicators	Comply Yes/No	Findings
	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.	YES	An action plan for year 2021 was made available at the Dara Lam Soon Estate. However, the outcomes of monitoring were not included in the HCV report and NCR has been raised above. Dara Lam Soon Estate has conducted two Monthly monitoring of their Buffer zone and Boundary. There is RTE species found within the estates area which is elephant. Noted the CU had continued to implement planned actions such as awareness to the staffs and public on enhancing biodiversity, posting of relevant information in the Dara Lam Soon webpage and erection of signage at strategically locations. The outcomes of monitoring will be feedback into the next year action plan.
	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.	YES	Not applicable since there is no new land clearing

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Clause	Indicators		Comply Yes/No	Findings
4.5.3 Time-bound plan 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;	(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	It has been confirmed that Dara Lam Soon CU only received FFBs from its own supply base which is the Dara Lam Soon Estate (North Estate Div and South Estate Div. No new acquisitions were sighted.
	(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	YES	As mentioned above, this indicator was not applicable to the CU.

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		appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;		
	(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	No changes to the timebound plan.
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 st 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	There were no uncertified management units at this CU, hence no replacement of the primary forest or any HCV area or no new planting development was sighted.
	(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 were no uncertified management units at this CU, hence no land conflicts issue arises.
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 6.3;	YES	There were no uncertified management units at this CU hence, no land disputes issue arises.

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	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	No uncertified management units at this CU, hence no legal compliance issue arises.
	(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 4.5.4 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:	YES	No uncertified management units at this CU, hence no legal compliance issue arises.
		<ul style="list-style-type: none"> 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; 		
		<ul style="list-style-type: none"> Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team. 		
		<ul style="list-style-type: none"> Desktop study e.g. web check on relevant complaints 		
		<ul style="list-style-type: none"> If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements. 		
4.6.4 The CB shall review whether oil palm operations have been		No additional indicators	YES	As mentioned in 4.4.1 of this checklists, it has been verified that the land were previously owned by company; Teras Dara Konsortium. The land was sold to Dara Lam Soon Sdn Bhd (aka Dara Lam Soon CU) in 1975. It has been specified that the Land purpose was for planting, either for oil

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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.				palm or agricultural crops for economic value. It can be confirmed that Dara Lam Soon CU maintained and complied with the terms of the land title. With this, it can be concluded that the land was neither subjected to any customary rights of local communities nor any indigenous peoples.
<p>Note:</p> <p>1. For requirements 4.5.4 (a)-(d) above, the definition of major and minor NC is stated in the RSPO P&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;</p> <p>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.</p>				

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ATTACHMENT 4

STATUS OF NON-CONFORMITIES IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
3.7.1 RAR 01 2021	Major	<p>Finding: There was no training record for contractor workers, first aider and confined space and there was no evidence that the training was effectively implement.</p> <p>Objective evidence: During site visit at manuring operation and mill, it was found that contractor workers was not aware and understand related to applicable aspects of RSPO P&C, first aider and staff dealing with first aid box equipment's and code of practices in confined space 2010 had limited understanding about the subject matter.</p>	<p>The management of DLS conduct training on RSPO P&C on 18 & 19 March 2021 for estate and mill workers. First aid training also has been conducted to all first aider on 16 March 2021 and confined space training was conducted at NIOSH, a total of 8 participants in the training. The effectiveness of training for workers will be evaluated accordingly.</p>	<p>Sighted the annual training programme prepared by DLS estate & mill by internal & external trainer.</p> <p>The auditor has sighted trainings related to RSPO such as training policy, safety & health, environment and RSPO/MSPO awareness by sustainability officer and senior assistant manager on 18-19/03/2021.</p> <p>The training for first aider using the first aid box equipment and monitoring of first aid equipment on 16/03/2021 by the medical assistants and sustainability officer. The training for confined space has been conducted at NIOSH Kuantan for 8 employees on 16 March 2021. Management also established training evaluation form to monitor the effectiveness of training provided to the participants.</p> <p>Status: CLOSED</p>
7.3.1 RAR 02 2021	Minor	<p>Finding: Waste management plan was not implemented accordingly.</p> <p>Objective evidence:</p> <ul style="list-style-type: none"> During site visit to the line sites (mill & estate), sighted recycle materials such as tin and bottles not disposed according to waste management plan. At DLS POM, emergency shower water at WTP and laboratory chemical lab store was channel to the monsoon 	<p>DLS management has conducted training on waste management plan and evaluated the participants understanding on the topic. At the same time, the environment liaison officer will conduct inspection at the line site area and make sure that all recycle items are disposed accordingly.</p> <p>In the meanwhile, the management has</p>	<p>Sighted the evidence training related to 3R waste management (reduce, reuse & recycle), conducted by the environmental officer on 22/03/2021.</p> <p>The emergency shower has been relocated inside the water treatment plant area and bund has been installed to collect all the</p>

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		drain. Location and condition were not in safe and good condition.	already constructed bund and relocate the shower at the water treatment plant and laboratory. The safety coordinator officer will conduct workplace inspection especially at the water treatment plant, laboratory and chemical store. management also included emergency shower units in workplace inspection form as for continuous monitoring.	water from emergency and eyewash. Auditor also sighted that emergency shower located at chemical store near the laboratory has been constructed with bund and both areas has been installed with NIOSH's certified equipment. The overall effectiveness of the implementation will be verified during next audit.
7.8.2 RAR 03 2021	Major	<p>Finding: Water courses was not protected as per RSPO Manual on BMPs for the management and rehabilitation of riparian reserves.</p> <p>Objective evidence: Sighted chemical activity at buffer zones areas (mill Pond & Block 01D (water sampling area)).</p>	<p>Management of DLS has conducted training related to awareness on conservation of buffer zone on 18-19/03/2021.</p> <p>Evaluation was carried out to all workers attended the training.</p> <p>DLS management increase signage & demarcation marking on buffer zone.</p> <p>The management has issued memo related to working at buffer zone areas.</p>	<p>Status: OPEN</p> <p>Sighted the annual training programme that includes the training related to buffer zones by quarterly basis.</p> <p>The training related to buffer zones was conducted on 18-19&20 /03/2021 by environmental officer at office and on site.</p> <p>Sighted an evidence that the signage has been installed at mill pond and demarked marking has been painted at each of palms.</p> <p>The memo on prohibited activities at buffer zones areas was issued to all employees and staff.</p> <p>The management also established checklist to monitor before and after spraying and manuring activities carried out at the buffer zones areas. This is to ensure continuous awareness are provided to the employees and continuous monitoring at buffer zones areas.</p> <p>Status: CLOSED</p>
3.6.1 DA 01 2021	Major	<p>Finding: Certain operation has not been risk assessed to identify H&S issues.</p>	Dara Lam Soon's Safety and Health Officer has conducted briefing and training to Mr. A. Pentaya as a new	Auditor has verified the evidence submitted to demonstrate the new revision of DLS CU HIRARC dated

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		<p>Objective evidence: Certain work operation/activities have not been risk assessed at Dara Lam Soon Estate:</p> <ol style="list-style-type: none"> 1) Loose fruit collection 2) Trunk injunction – Bagworm treatment 	<p>coordinator of DLS related to workplace monitoring, preparation HIRARC for each operating unit, risk assessment for Loose Fruit Collection and Trunk Injunction. DLS will send Mr. A. Pentaya to attend safety coordinator course for competency.</p> <p>HIRARC training was conducted to estate management by Tn. Mosdi Latif as Safety & Health Officer / Head Sustainability Officer on 12/03/2021. SOP for Loose Fruit Collection and Trunk Injunction was made and training on it was provided to the workers on 17/03/2021. Evaluation training to respective workers was done.</p>	<p>18/03/2021 for Loose Fruit Collection and Trunk Injunction. Besides that, several trainings were conducted to all estates management:</p> <ol style="list-style-type: none"> i. RSPO/MSPO, HIRARC & SOP Training @ 12/03/2021, ii. Training and briefing for preparation of HIRARC for Loose Fruit Collection activities @ 16/03/2021, iii. Safety Work Procedure (SWP) for Loose Fruit Collection and Trunk Injunction @ 17/03/2021. <p>Last but not least, sighted the letter of appointment for Mr. A. Pentaya as Safety and Health Officer dated 12/03/2021.</p> <p>Status: CLOSED</p>
6.7.3 DA 02 2021	Major (recurrence)	<p>Finding:</p> <ol style="list-style-type: none"> 1) Personal protective equipment was not provided free of charge to workers at the place of work to cover all potentially hazardous operations. 2) Workers did not wear appropriate personal protective equipment to cover all potentially hazardous operations. <p>Objective evidence:</p> <ol style="list-style-type: none"> 1) During interview with sampled workers at harvesting operation (South Division) and manuring operation (North Division): <ol style="list-style-type: none"> a. There is no free of charge provided for personal protective equipment (PPE) to harvesters (fronds stacker) i.e. wellington boot and cotton glove. b. There is no free of charge provided for personal protective equipment (PPE) to manuring workers i.e. wellington boot, and it is only available free for the first time user. 2) During site visit at loose fruit operation (North Division) and manuring operation (North Division): <ol style="list-style-type: none"> a. Sighted 7 loose fruit workers did not wear appropriate personal protective equipment (PPE) i.e. wellington boot, 	<p>DLS conducted workplace inspection to make sure all workers are provided free personal Protective Equipment (PPE). Training on PPE awareness conducted for every level of workers on 16th-18th March 2021.</p> <p>PPE distributed to all workers and enforcement of PPE inspection during field work. The management also conduct evaluation for each worker participated in training.</p> <p>Risk assessment was conducted to the Harvesting and Manuring activities related to engineering control and appropriate PPE.</p> <p>DLS has also issued a letter of appointment to Mr. A. Pentaya as the Safety Coordinator responsible for Safety and Health aspect on the plantations.</p>	<p>Auditor has verified documented evidence submitted such as the training material, attendance list, evaluation form, and pictures from the trainings conducted. DLS have carried out the trainings on PPE awareness for every level of workers for activities like Harvesting, Manuring and Loose Fruit Collection operations dated 16th-18th March 2021.</p> <p>Additionally, it was evident that free PPE distribution form and pictures to all workers dated 15/03/2021. PPE checklist in the field for the month of March 2021 also being witnessed. Moreover, new revision HIRARC assessment for Harvesting and Manuring activities dated 16/03/2021 have been</p>

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		<p>safety helmet as per Safe Operation Procedure.</p> <p>b. Sighted 4 manuring workers did not wear appropriate personal protective equipment (PPE) i.e. protective eye goggle, N95 mask as per CHRA Recommendations.</p>		<p>verified. Furthermore, sighted the letter of appointment for Mr. A. Pentaya as Safety and Health Officer dated 12/03/2021.</p> <p>Status: CLOSED</p>
1.1.5 MZK 01 2021	Minor	<p>Finding: There is no current list of contact and details of stakeholders and their nominated representatives.</p> <p>Objective evidence: Current list of stakeholders was not updated to include:</p> <ol style="list-style-type: none"> 1. Representative from Kampung Terubin 2. Representative from Kampung Padang 3. Contractor Boeran Trading (Harvesting) 	<p>The management will conduct an Assessment to smallholder and will be invite them to join the stakeholder meeting. After the meeting, management will include their name in the stakeholder list.</p>	<p>Corrective action plan accepted. The action plan will verify further during next assessment.</p> <p>Status: OPEN</p>
5.2.1 MZK 02 2021	Minor	<p>Finding: Dara Lam Soon CU did not consult the smallholders regarding their interest in RSPO Certification.</p> <p>Objective evidence : There is no record/evidence Dara Lam Soon CU had consulting with smallholders regarding their interest in RSPO Certification.</p>	<p>The management will conduct an Assessment to smallholder and invite all affected stakeholder. The management also will interview the affected stakeholder regarding their needs and interest in RSPO Certification (due to current Pandemic Situation expected to be delayed).</p>	<p>Corrective action plan accepted. action plan will verify further during next assessment.</p> <p>Status: OPEN</p>
5.2.2 MZK 03 2021	Minor	<p>Finding: Dara Lam Soon CU did not 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).</p> <p>Objective evidence : There is no record/evidence Dara Lam Soon CU had initiate 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).</p>	<p>The management will conduct an Assessment to smallholder and invite all affected stakeholder. The management also will interview the affected stakeholder regarding their needs and interest in RSPO Certification and regarding 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 (due to current Pandemic Situation expected to be delayed).</p>	<p>Corrective action plan accepted. action plan will verify further during next assessment.</p> <p>Status: OPEN</p>

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4.2.3 MZX 04 2021	MINOR	<p>Finding: Dara Lam Soon CU did not keep parties to a grievance informed of its progress, including against agreed timeframe and communicated to relevant stakeholders.</p> <p>Objective evidence : During interview with Orang Asli from Kampung Terubing regarding the issues on water supply, it was noted that the progress of the grievance were not conveyed back to the Orang Asli.</p>	<p>The management will consult representative from Kampung Terubing. Any request and feedback will be monitored strictly.</p> <p>The management will conduct an assessment related to smallholder and invite all affected stakeholder accordingly. The management will confirm affected stakeholder needs and expectation through interview sessions and at the same time, sharing information on Dara Lam Soon Policy, SOP and the grievances procedure.</p>	<p>Corrective action plan accepted. action plan will verify further during next assessment.</p> <p>Status: OPEN</p>
7.12.4 MZX 05 2021	MAJOR (recurrence)	<p>Finding: The integrated management plan did not consider any relevant wider landscape level considerations (where these are identified).</p> <p>Objective evidence : HCV plan was not highlighted : <ul style="list-style-type: none"> Protecting and/or enhancing forest connectivity important for biodiversity, ecosystem services. e.g at Bukit Ibam Forest Reserve site there are too much biodiversity / totally protected there, but no updates on summary of the monitoring report to highlight the important of Biodiversity and ecosystem services there, no map of Biodiversity and ecosystem. 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 North Estate there are no proper signage sighted. </p>	<p>DLS has conducted the latest training to follow the requirement of RSPO P&C MYNI 2019.</p> <p>The management consulted Jabatan Perhilitan and get their recommendation for the summary of the RTE monitoring as DLS is located next to forest Boundary. The final report and HCV action plan will be updated in accordance with the recommendation made by Jabatan Perhilitan.</p> <p>The management will also made available enough signages for RTE species at DLS and will conduct training to stakeholder and all workers relation to RTE.</p>	<p>Auditor has verified training records for all orang Asli dated 23/3/21 and for all workers and staff dated 18/3 and 19/3/21 and it was found adequate.</p> <p>Auditor has also verified the letter issued to invite Jabatan Perhilitan to comment the HCV monitoring plan dated 19/3/2021 and it was evident that Jabatan Perhilitan already accepted the plan as adequate.</p> <p>The Auditor already verified the new assessment made dated 19/3/2021 and found to be acceptable as all the details RTE found has been marked on the map and recommendation made has found to be clear. The signage was also provided at the identified hotspot.</p> <p>Status: CLOSED</p>
3.4.3 MAR 01 2021	MAJOR	<p>Finding : Social management and monitoring plan is not reviewed and updated regularly in a participatory way.</p> <p>Objective evidence : Based on documentation review, the social management and</p>	<p>The overtime was essential and according to the requirement of the workstation. This has been discussed accordingly during meeting dated 18/3/2021.</p>	<p>Auditor has verified the overtime issues through minute meeting discussed in a meeting dated 18/3/2021.</p> <p>Quotation to replace the drain was</p>

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		<p>monitoring plan does not include several issues such as:</p> <ol style="list-style-type: none"> Overtime issues among mill workers. This was evidence from interviewed with mill workers. They claimed that the overtime was not properly distributed fairly among workers in production area. Drainage repair at workers quarters for both mill and estate. This was evidence from site visit at workers quarters area, found that some monsoon drain was broken resulted stagnant water, they included in CAPEX but not included in the social action plan. Managing foreign workers especially from India on the recruitment agencies. There was found no agreement between Dara Lam Soon and the recruitment agencies on the recruitment of new workers. Representative from Kg Terubing on land issues. 	<p>Drainage damage at workers quarters for both mill and estate has been inspected but full budget was not include in the social action plan. However, this has been addressed where the management has initiated the process and quotation to repair the drain obtained, dated as 11/2/2021.</p> <p>DLS has appointed a dedicated employment agency to handle the recruitment process of foreign workers from India.</p> <p>The status of Kg Terubing on land issues is not clear because it is under JKKK Kampoung Simpai. A meeting to address this was conducted on 22/3/2021.</p> <p>SIA action plan updated on 26/3/2021 covering all these 4 issues.</p>	<p>attached.</p> <p>DLS has agreed and appointed the agency to handle the process of the recruitment. Further visit to the site will confirm the status of the drain repairs.</p> <p>Meeting dated 22/3/2021 on Kg Terubing land issues. SIA action plan updated on 26/3/2021 covering all the 4 issues.</p> <p>Status: CLOSED</p>
6.2.2 MAR 02 2021	MAJOR (Recurrence)	<p>Finding : Employment contracts did not detail out the payments and conditions of employment (e.g regular working hours, overtime, sick leave, holiday entitlement and reasons for dismissal, in compliance with Employment Act 1955).</p> <p>Objective evidence : 1. Based on documentation review on Indian workers agreement (6 workers), there was no detailing payments and conditions of employment (e.g regular working hours, overtime, sick leave, holiday entitlement and reasons for dismissal, in compliance with Employment Act 1955). 2. Based on interview with contractor employees, they did not understand the content of the agreement provided by the contractor.</p>	<p>Current employment contract does not reflect the Employment Act 1955. Hence, the revised employment contract has been done with consultation with Jabatan Tenaga Kerja (JTK).</p> <p>Translator has been appointed. This was evident through the appointment letter dated 25/3/2021.</p> <p>Training on policy and human rights were carried out for the contractor and contractor workers done on 24/3/2021 and evaluation of the training has been conducted.</p>	<p>Auditor has verified the revised employment contract has been done with consultation with Jabatan Tenaga Kerja (JTK). Appointment of translator was evident.</p> <p>Training on policy and human rights was done on 24/3/2021 and evaluation of the training has been conducted.</p> <p>Status: CLOSED</p>
6.2.3 MAR 03 2021	MAJOR	<p>Finding : 1. There was evidence of non-compliance for working hours and overtime at Dara Lam Soon POM as per Employment Act 1955 Section 60a. (2) a-f and "HAD KERJA LEBIH MASA DI BAWAH SEKSYEN 60A (4) (a) AKTA KERJA 1955" dated 2 Nov 2012 from Labour Department. 2. There was evidence of non-compliance for</p>	<p>Three-month peak crop period requires 24 hours processing time. Shortage workers due to COVID 19 period. Hence, training of new additional competent person for area i.e sterilizer, crane, press, fireman and clarification station were conducted. The competent</p>	<p>Auditor has verified training new additional competent person for area i.e sterilizer, crane, press, fireman and clarification station. It was evident that DLS has conducted the training on "Employment Act 1955" for the</p>

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		<p>Employment Act 1955 Section 60 e. "and if he has not completed twelve months of continuous service with the same employer during the year in which his contract of service terminates, his entitlement to paid annual leave shall be in direct proportion to the number of completed months of service".</p> <p>Objective evidence : Based on documentation review on checkroll and interviewed, there was non-compliance on working hours and overtime exceeded 12 hours without justification for the following: i) Worker No 3549 : Month of July 2020 dated 1,18 and 19. Month of Aug 2020 dated 2,3,4,5,6, 15-17. Month of Sep 2020 dated 12,26 and 29. ii) Worker No 2840 : Month of Aug 2020 dated 2-6 and 17th. Month of Sep 2020 dated 1, 26-30th. iii) Based on agreement and payslip for the month of Nov 2020, Dec 2020 and January 2021, it was no evidence of balance annual leave has been paid to the Boeran Trading employees.</p>	<p>persons are Amir Hakim, Zulfadli, Nik Amran, Alif, Toni and Syam Babu. Contractor did not follow contract agreement with their workers. So, DLS has conducted training on "Employment Act 1955" on 22/3/2021 to ensure that the contractor knew about the legal requirement. Payment made through voucher no 30976 and 31015.</p>	<p>contractors and their workers. It was also evident that the payment made through voucher no 30976 and 31015.</p> <p>Status: CLOSED</p>
6.2.1 MAR 04 2021	MAJOR	<p>Finding : Applicable agreements and documentation of pay and conditions are not available to the contractor workers.</p> <p>Objective evidence : Based on interview and documentation review, there was no evidence on applicable agreements to the contractor workers i.e contractor Azmi and Han. Agreement to the contractor available but based on interview with contractor Azmi and Han, they did not sign any agreement with Dara Lam Soon Estate. For the contractor Boeran employees, they did not know on the content of the agreement.</p>	<p>The contractor has signed the contract agreement, but DLS does not explain the details on what they are signed. Contractor Boeran did not provide briefing and training to their employees regarding the contract agreement before they start work. To address this, DLS management has conducted training on 25/3/2021 with contractor Boeran, Azmi and Han.</p>	<p>Auditor has verified training on 25/3/2021 with contractor Boeran, Azmi and Han and their employees.</p> <p>Status: CLOSED</p>
6.2.6 MAR 05 2021	MINOR	<p>Finding : Decent Living Wages was not calculated based on RSPO Guidance on Calculating Prevailing Wages.</p> <p>Objective evidence : Based on interview and documentation review, decent living wages was not calculated based on RSPO Guidance on Calculating Prevailing Wages.</p>	<p>Management was progressing on the calculation of decent living wages with the guidance on RSPO Guidance on Calculating Prevailing Wages.</p>	<p>The effectiveness of the corrective action plan will verify during next audit.</p> <p>Status: OPEN</p>

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6.3.3 MAR 06 2021	MINOR	<p>Finding: There were no freely elected representatives for all workers including local, migrant and contract workers.</p> <p>Objective evidence: There was no evidence that Dara Lam Soon Mill and Dara Lam Soon Estate facilitate for representatives elected internally, or labour organizations including contractor employees.</p>	<p>NUPW and Union has been set up earlier but suspended in 2019, due to internal issue on reporting to the authorities and the member of committee is not enough members. They had conducted re-selection of workers representative on 25/3/2021. And the workers representative requires to meet the management if any problem arise in work area at 3 monthly interval period.</p>	<p>The effectiveness of the corrective action plan will verify during next audit.</p> <p>Status: OPEN</p>
6.5.4 MAR 07 2021	MINOR	<p>Finding: A grievance mechanism, which respects anonymity and protects complainants where requested, is not communicated to all levels of the workforce.</p> <p>Objective evidence: Based on interview at Dara Lam Soon POM, a female worker doing work at loading ramp does not aware on a grievance mechanism on harassment or abuse in the workplace, and reproductive rights.</p>	<p>DLS has established SOP for fresh employee induction program. The management has conducted training on grievance mechanism, harassment, reproductive rights by Gender Committee on 16/3/2021.</p>	<p>The effectiveness of the corrective action plan will verify during next audit.</p> <p>Status: OPEN</p>
6.6.1 MAR 08 2021	MAJOR	<p>Finding: Workers have entered the employment not voluntarily, and the following not prohibited i.e. retention of identity documents or passports and charging the workers for recruitment fees.</p> <p>Objective evidence : 1. Based on interview with sampled workers from India, there was be informed that they were charging fees with various amounts from the origin country agent. The workers also claimed that they are being informed by the agent that they will be offered fruit plucking, but when arrived at the estate they offered with different job. 2. Based on interview with contractor Boeran Trading and 6 of their workers at Mill and estate confirmed that Dara Lam Soon has keep identity documents or passports of contractor (Boeran Trading) workers without consent.</p>	<p>The management has revised the current procedure of Human Resources for additions charging and storage passport and appointed the agency for Indian workers and will conduct training on recruitment and workers right policy. DLS management decided to return the passport to the workers, Contract and contract workers to keep it on their own. At the same time DLS, provided new pigeonhole locker to give option for workers who opt to keep their passport there. Training on recruitment and workers right policy has been conducted on 25.03.2021. Evaluation training on recruitment and workers right policy attached.</p>	<p>Reviewed and confirmed that the current procedure of Human Resources for additions on charging and storage passport has been revised. Appointment letter has been verified. Pictures and acknowledgement of the workers receiving their own passport were provided. It was also noted that the Pigeon hole was located at the AP post for easy-access. Training and evaluation records verified.</p> <p>Status: CLOSED</p>

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1.1.4 MAR 09 2021	MAJOR	<p>Finding : Consultation and communication procedures not explained to the employees by nominated representative.</p> <p>Objective evidence : Based on interview at Dara Lam Soon POM and Dara Lam Soon Estate, some employees did not have proper channel to express their grievances to their representatives as they are not aware of the procedures.</p>	<p>NUPW and Union has been set up earlier but suspended in 2019, due to internal issue on reporting to the authorities and the member of committee is not enough members. However, the management has conducted re-selection of representative from all nationality dated 25/3/2021.</p>	<p>Auditor has verified selection of representative from all nationality dated 25/3/2021.</p> <p>Status: CLOSED</p>
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ATTACHMENT 5

STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Verification by Assessor / status
2.1.1 DA 01 2020	Major	<p>Finding: The unit of certification was not complying with applicable legal requirements:</p> <ol style="list-style-type: none"> 1) Environmental Quality (Amendment) Act 2012 – Regulation 49A 2) Factories and Machinery (Notification, Certificate of Fitness and Inspection) Regulations 1970 – Regulation 10(2) 3) Occupational Safety and Health (Noise Exposure) Regulations 2019 – Regulation 9 (9a) 4) Occupational Safety and Health (Use and Standard of Exposure Chemical Hazardous to Health) Regulations 2000 – Regulation 27 5) Pay and conditions for the contractor's workers not in line with Employment Act 1955 <ol style="list-style-type: none"> 1) chemical (a.i. <i>Monocrotophos</i>). 2) Based on site visit, there were found that contractor's workers i.e Boeran Sadiman paid more than 7 days which is contravene with Employment Act 1955. 	<p>Dara Lam Soon POM:</p> <ul style="list-style-type: none"> • Certified Environment Professional in the Treatment of Palm Oil Mill Effluent (CePPOME) - Mr Shanmuham A/L Arumugam • The Factories and Machinery (Notification, Certificate of Fitness and Inspection), Regulations, 1970, Regulation 10(2) CF for: <p>- Water tube – PMD 2881 & PMD 2880 valid until 27/11/2021 - Demag Overhead Crane (PMA 8079) valid until 27/02/2022 - Daerator (PH PMT 765) valid until 27/02/2022 - Sterilizer (PH PMT 4639, PH PMT 5786, PH PMT 81038) valid until 27/02/2022 - Back Pressure Steam Receiver (PH PMT 5613) valid until 27/02/2022 - Air receiver at Biogas (PH PMT 82083) valid until 17/09/2021</p> <ul style="list-style-type: none"> • Audiometric test was carried annually. The last audiogram was conducted on 18/07/2020 for 70 workers/staffs. The audiometric test carried out by Specialist Mobile Safety Supplies Sdn. Bhd. (OHD Dr. Siow Shin Yee #HQ/13/DOC/00/330). The report yet to issue by the Specialist Mobile Safety Supplies Sdn. Bhd. during the audit process. Results from assessments were indicated all the employees were fits and need to provided PPE such as ear plug. <p>Dara Lam Soon Estate:</p> <ol style="list-style-type: none"> 1) Auditor has verified evidences attached, medical surveillance has been conducted at Poliklinik Ar Razi Perubatan dated 18/03/2020 for 1 welder and 7 pesticides operator (trunk injection). 2) Auditor has verified the evidences of payslip December 2020 and January 2021 for contractor's workers from Boeran Sadiman (Agus Sumarni and Boyono). Sighted the salary payment has been paid on 06/01/2021 and 06/03/20221 which are not more than 7 days to complied with Employment Act 1955.
2.2.2 MAR 01 2020	Minor	<p>Finding: The contracts do not contain specific clauses on meeting applicable legal requirements.</p>	<p>There is evidence that agreements with third parties contain clauses on meeting applicable requirements. Sampled during the audit were the following agreements:</p> <p>a. Agreement between Dara Lam Soon and Palm Mech Sdn Bhd there is clause and statement of the said agreement contains a provision on compliance with legal requirements.</p> <p>b. Agreement between Dara Lam Soon and Eng Kang Tian, Pang Peng Yock, Liaw Kim Lay and Boeran Sadiman there is clause and statement of the said agreement contains a provision on compliance with legal requirements.</p> <p>Evidence of legal due diligence carried out include getting the Contractor to sign the Code of</p>

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			conduct where they undertake to comply with rules relating to labour and human rights, company ethics and management practices, and would comply with all laws and regulations relating to anti-bribery, fraud and corruption. Sampled during the audit were Code of Conduct signed by Eng Kang Tian, Pang Peng Yock, Liaw Kim Lay and Boeran Sadiman and Palm Mech Sdn Bhd. The Code of Conduct however were undated. Additionally, contractors' background checks were also done as sighted at Dara Lam Soon CU. Corporate background was also sought before a contract was signed.
2.2.3 Mar 02 2020	Minor	Finding: The contracts do not contain clauses disallowing child, forced and trafficked labour.	All contracts signed with contractors contain a clause on compliance with employment laws, which would include laws related to employment of children and young persons. Sampled during the audit was contract signed between Dara Lam Soon with Eng Kang Tian, Pang Peng Yock, Liaw Kim Lay and Boeran Sadiman and Palm Mech Sdn Bhd on 4/3/20. Contractors also sign the Code of Business Conduct undertake to comply with the COBC. The Contractor COBC in turn, contains provisions which state that contractor shall not employ anyone under the age of 18 or the applicable minimum legal age in the countries they operate, unless in vocational and/ or formal and structured apprenticeship, educational and training programmes. Based on records available, interviews conducted and observations made during the audit, there was no evidence of any young persons employed within Dara Lam Soon CU.
4.2.1 MAR 03 2020	Major	Finding: The dispute and grievance procedure does not prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested.	The dispute and grievance procedure does prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested. There existing dispute and grievance procedure called "Grievances Procedure" dated 2017 does prohibit retaliation against Human Rights Defenders, community spokespersons and whistleblowers where requested.
6.2.2 MAR 04 2020	Major	Finding: Employment contracts and related documents were not detailing conditions of employment in term of maternity leave at Dara Lam Soon Estate and Dara Lam Soon Mill. and No evidence of contract agreement between contractor and their worker at Dara Lam Soon Estate.	Employment contracts does not detailing payments and conditions of employment (e.g regular working hours, overtime, sick leave, holiday entitlement and reasons for dismissal, in compliance with Employment Act 1955). <ol style="list-style-type: none"> 1. Based on documentation review on Indian workers agreement (6 workers), there was no detailing payments and conditions of employment (e.g regular working hours, overtime, sick leave, holiday entitlement and reasons for dismissal, in compliance with Employment Act 1955). 2. Based on interview with contractor employees, they did not understand the content of the agreement provided by the contractor. Therefore, NCR was raised as MAR 02 2021. This NCR was a recurrence NCR.
6.4.1 MAR 05 2020	Minor	Finding: A policy for the protection of children, including prohibition of child labour and remediation is in place was not included into service contracts and supplier agreements.	Dara Lam Soon has specified in the Labour Policy that they will not employing or exploiting children for labour. The list of workers which contains worker's detail, including their dates of birth was reviewed for both the estate and mill. Observations were also made during field visits and during interviews with workers confirm that no one below 18 was employed in the estate and the mill. It was evident that the CU only hired workers with age more than 18 years old. Based on contracts agreement sampled at Dara Lam Soon Estate all of them contain specific clauses on protection of children, including prohibition of child labour and remediation is in place.

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6.7.2 RAR 03 2020	Minor	Finding: First aid kit was not available at worksite.	During site visit, it was sighted Emergency Response Plan was available at Boiler Station, Chemical Store, Workshop, Lubricant Store etc. During interviews with workers it was noted that all workers understand regarding ERP. First aid training conducted at Dara Lam Soon Oil Mill dated 14/08/2020 and Dara Lam Soon Estate dated 21/08/2020 was sighted and reviewed. During inspection at harvesting operation, spraying/manuring operation, loose fruit operation, production area at mill, and facilities area, First Aid boxes were available at all work operations estate and mill with complete contents and no medication with expired date.
6.7.3 DA 02 2020	Major	Finding: Personal protective equipment (PPE) to all workers at the place of work to cover all potentially hazardous operations was not provided free of charge.	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. However, previous NCR yet to be addressed and repeated issues was happening: 2) During interview with sampled workers at harvesting operation (South Division) and manuring operation (North Division): c. There is no free of charge provided for personal protective equipment (PPE) to harvesters (fronds stacker) i.e. wellington boot and cotton glove. d. There is no free of charge provided for personal protective equipment (PPE) to manuring workers i.e. wellington boot, and it is only available free for the first time user. 3) During site visit at loose fruit operation (North Division) and manuring operation (North Division): c. Sighted 7 loose fruit workers did not wear appropriate personal protective equipment (PPE) i.e. wellington boot, safety helmet as per Safe Operation Procedure. d. Sighted 4 manuring workers did not wear appropriate personal protective equipment (PPE) i.e. protective eye goggle, N95 mask as per CHRA Recommendations. Hence, Major (Recurrence) DA 02 2021 was raised and reissued.
7.3.3 DA 03 2020	Minor	Finding: The unit of certification were use open fire for waste disposal.	During site visit at both estate and mill, there was no evidence domestic waste has been disposed by burning. All the waste has been disposed through contractor MIDO and has been send to Majlis Daerah Bukit Ibam Landfill. No traces of fire has been used as disposal of domestic waste.
7.11.13 RAR 02 2020	Minor	Finding: Engagement with adjacent stakeholders on fire prevention and control measures was not available.	DLS CU has conducted stakeholder engagement on fire prevention and control measures during stakeholder meeting in April 2020. Among of issues has been discussed related to no open burning, and ERT team from DLS CU to assists nearby stakeholder if any fire occurs in the estates or fields.
7.12.4 MZK 01 2020	Major	Finding: The integrated management plan was not developed in consultation with relevant stakeholders.	The HCV Assessment report indicated that there is no threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations. There is only common bird and animal sighted. But, Dara Lam Soon CU still monitor their buffer zone and boundary. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan dated 2/02/2021, and made available in Dara Lam Soon Estate. However, it was found that, the HCV plan did not highlight : <ul style="list-style-type: none"> Protecting and/or enhancing forest connectivity important for biodiversity, ecosystem

RSPO P&C AUDIT REPORT

			<p>services. e.g at Bukit Ibam Forest Reserve site there are too many biodiversity / totally protected there, but no update on summary of the monitoring report to highlight the important of Biodiversity and ecosystem services there, no map of Biodiversity and ecosystem.</p> <ul style="list-style-type: none"> • 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 North Estate there are no proper signage sighted. <p>Thus, Recurrence Major NCR MZK 05 2021 has been raised.</p>
<p>RSPO Supply Chain 2017 5.5.2 RAR 01 2020</p>	<p>Major</p>	<p>Finding:</p> <ol style="list-style-type: none"> Agreement between DLS POM with outsourced company was not comprehensive. Dara Lam Soon Palm Oil Mill not include outsourcing within the scope of their RSPO Supply Chain certificate procedure. 	<p>DLSPOM has outsource the transportation of certified CPO and certified PK to Palm Freight and Sasaran Perentas. An agreement covering the outsources activity were sighted. During stakeholder meeting 1 representatives from Chong Shu Min Transport and 1 from Thien's Transport attend the meeting. It has been noted that the meeting highlighted the information on the implementation of RSPO standard.</p> <p>Inspection was carried out as additional effort to ensure no contamination sighted i.e. "Security Checklist".</p> <ol style="list-style-type: none"> There are 2 outsource company CPO and PK transporter i.e. Palm Freight and Sasaran Perentas. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. Record of training was sighted. There is contract document between DLSPOM and the transporters. The RSPO Supply Chain procedure has described on outsource activity in para (c) outsourced Activities. The RSPO Supply Chain procedure has described on outsource activity in para (c) outsourced Activities. Inspection was carried out as additional effort to ensure no contamination sighted book at AP Post. There is also additional agreement term dated 4/3/20 stated that : The transporter Shall provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.