



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

File Ref. : EL04190001

RSPO PUBLIC SUMMARY REPORT

CLIENT : LAM SOON PLANTATIONS SDN BHD 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	
LAM SOON POM CU	Lam Soon Palm Oil Mill	5.254373 N	118.174882 E	28 km off Lahad Datu - Sandakan Highway, 91109 Lahad Datu, Sabah, Malaysia.
	Lam Soon Estate	5.244980 N	118.167033 E	

MAP : See Attachment 1

AUDIT DATE : 21-23/12/2021

DURATION : 11 auditor days

TYPE OF AUDIT :



Annual Surveillance Audit No. 4



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 : 25/8/2017-24/8/2022

The following attachments form part of this report:

Non-conformity Report(s)



List of additional site(s)



Report by Audit Team Leader

Acknowledgement by Client's Representative

Name : **MOHD AB RAOUF BIN ASIS**

Name : **Mosdi Bin Latif**

Signature :

Signature :

Date :

**23/03/2022-PUBLIC SUMMARY
21/02/2022-FINAL REPORT**

Date :

29/03/2022

SUMMARY OF AUDITS

Annual Surveillance Audit 1				
On-site audit date	:	5-8 June 2018	No. of auditor days :	12 Auditor Days
Audit team	:	Mohd Zulfakar Kamaruzaman (LA) , Rozaimee Ab Rahman, Selvasingam T. Kandiah, Suzalina Kamaralarifin (Supply Chain) Dzulfqar Azmi (Observer)		
No. of major NCR	:	8	Indicator: P& C: 4.1.1, 4.4.2, 4.7.2, 4.7.3, 6.12.3 Supply Chain :5.3.2, 5.6.1, 5.13.1	Closing date : 3 Sept 2018
No. of minor NCR	:	3	Indicator : 4.1.2, 4.3.3, 5.6.3	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers / Local communities
		x		x
		Contract workers	NGOs	Govt. agency
				x
		Indigenous people	Contractor	Others (Please specify)
		NA	x	
Supply base sampled	:	Lam Soon Estate		
Changes since the last audit	:	No changes.		
Justification of audit planning	:	Total allocation of auditor days for Lam Soon CU were: Mill = 6 days (6 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 6 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.		
Report approved by	:	Radziah Mohd Daud	Approval date	17/09/2018

Annual Surveillance Audit 2				
On-site audit date	:	13-15 May 2019	No. of auditor days :	12 days
Audit team	:	Rozaimee Ab Rahman (LA), Zulfakar Kamaruzaman, Rahayu Zulkifli, Mohd Raof Asis		
No. of major NCR	:	12	Indicator: P&C -2.1.1,4.6.6, 5.6.2, 6.5.2 SCCS- 5.3.2, 5.4.2, 5.8.2, 5.11.1, 5.12.1, 5.13.2, 5.13.3, D.4.2	Closing date : 14/08/2019
No. of minor NCR	:	6	Indicator : 4.7.5, 5.1.2, 5.2.2, 5.2.4, 5.4.1, 6.5.3	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers / Local communities
		x		x
		Contract workers	NGOs	Govt. agency
			x	
		Indigenous people	Contractor	Others (Please specify)
		NA	x	
Supply base sampled	:	Lam Soon Estate		
Changes since the last audit	:	No changes.		
Justification of audit planning	:	Total allocation of auditor days for Lam Soon CU were: Mill = 6 days (6 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 6 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.		
Report approved by	:	Radziah Mohd Daud	Approval date :	23/08/2019

Annual Surveillance Audit 3				
On-site audit date	:	25-28 August 2020 (10.0 a.d)	No. of auditor days :	14 Auditor Days
Remote audit date	:	18-19 May 2020 (4.0 a.d)		
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Rozaimee Ab Rahman, Mohd Raouf Asis		
No. of major NCR	:	2	Indicator: 7.10.1, 7.12.4	Closing date : 17/11/2020
No. of minor NCR	:	0	Indicator :	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees	Settlers	Villagers / Local communities
		√		√
		Contract workers	NGOs	Govt. agency
				√
		Indigenous people	Contractor	Others (Please specify)
		NA	√	
Supply base sampled	:	Lam Soon Estate		
Changes since the last audit	:	No Changes		
Justification of audit planning	:	Total allocation of auditor days for Lam Soon CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 6 days for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title. Remote audit = 4 days.		
Report approved by	:	Kamini Sooriamoorthy	Approval date :	26/11/2020

Annual Surveillance Audit 4				
On-site audit date	:	21-23/12/2021	No. of auditor days :	11 auditor days
Remote audit date	:	15-16/6/2021		
Audit team	:	Remote – Rozaimee bin Ab Rahman (LA), Rohazimi Mat Nawi, Khairul Najwan Onsite – Mohd Ab Raouf bin Asis (LA), Mohd Zulfakar bin Kamaruzaman, Mohd Norddin bin Abd Jalil		
No. of major NCR	:	2	Indicator: 3.8.7 (SC), 3.6.1	Closing date : 18/03/2022
No. of minor NCR	:	Nil	Indicator : N/A	
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees / Workers organizations	Settlers	Villagers / Local communities
		√		√
		Contract workers	Local & National NGOs	Govt. agency / Statutory bodies
		√		
		Indigenous people	Contractors	Others (Please specify)
		NA	√	
Supply base sampled	:	Lam Soon Estate		
Changes since the last audit	:	Planted area changed to 5,593.00 Ha. Refer Table 1 – Summary.		
Justification of audit planning	:	Total allocation of auditor days for Lam Soon CU were: Mill = 5 days (4 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 6 days for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title. Remote audit = 3 auditor days.		
Name of peer reviewer	:	NA		
Report approved by	:	Kamini Sooriamoorthy	Approval date :	23/03/2022

SUMMARY OF INFORMATION

TABLE 1

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	Dec 2015 – Nov 2016	June 2018 – May 2019	June 2019 – May 2020	*August 2020 – Nov 2021	Dec 2021- Nov 2022
Certified FFB Processed (MT)	127,620.00	105,300.00	94,805.74	110,462.00	114,343.00
Production of Certified CPO (MT)	28,395.00	28,395.00	21,558.04	25,406.26	27,089.53
Production of Certified PK (MT)	6,381.00	6,381.00	4,581.36	4,418.48	5,199.00
Certified Areas (Ha)	5,885.00	5,885.00	5,885.00	5,885.00	5,885.00
Planted Areas (Ha)	5,684.00	5,684.00	5,684.00	**5,583.00	***5,593.00
Production Areas (Ha)	4,415.00	4,415.00	4352.00	4,776.00	4,786.00
HCV Areas / Conservation Areas (Ha)	119.00	119.00	****122.00	122.00	122.00
REMARKS	*Actual extended period covered due to MCO. **An increase of planted area, as AAR GPS survey in year 2020. ***Added 10 ha of planted area as AAR GPS survey in Dec 2021 ****Revised area based on survey in 2019 and 2020.				

TABLE 2

	PO	PK
Last years certified volume (MT)	*35,606.26	*6,543.48
Last years actual certified sold (MT)	29,839.14	6,195.61
Last years actual sold under other schemes (MT)	0	0
Last years sold conventional (MT)	3,916.23	0
Last year actual sold CSPO credits (where applicable)	0	0
New year certified volume (MT)	27,089.53	5,199.00

*Extension of volume applied in July & Dec 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 & ISO 45001. 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
Mohd. Ab Raouf bin Asis	Lead Auditor / Social, Safety (Mill), Environment, TBP	Holds a B.Sc. in Manufacturing (Production and Operation). He had more than 7 years of working experience in the oil palm operation. He has experience in auditing since 2016. He was successfully attended Quality Management System (ISO 9001:2015) and OHS 18001:2007 lead assessor course in 2016. Currently he qualified for RSPO P&C Lead Auditor and MSPO Lead Auditor.
Mohd Zulfakar bin Kamaruzaman	Auditor / Supply Chain, Social, HCV	Holds a B.Sc. Forestry from UPM. He had 5 years of working experience in the oil palm operation. He is a qualified lead auditor for RSPO P&C, RSPO Supply Chain and MSPO Certification.
Mohd Norddin bin Abdul Jalil	Auditor / GAP, Safety (Estate)	Holds a B.Sc.in Agriculture from Universiti Pertanian Malaysia. He has over 35 years working experience in the oil palm plantation operation. He is qualified auditor for RSPO P&C.

1.3 Audit methodology

The audit covered the Lam Soon palm oil mill and one of its supply base, the Lam Soon Estate. The audit included an on-site audit to the estates, 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

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the RSPO and SIRIM QAS International's websites in during the initial audit. In addition, SIRIM QAS International had also sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs).

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

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	<p>Workers:</p> <ul style="list-style-type: none"> a. Workers work 6 days a week with one rest day (Friday). They work 8 hours with a minimum of 30 minutes' break in between. b. All workers confirmed that they receive a minimum of RM1100 per month. They receive their salaries before 7th of every month. c. Any overtime work is mutually agreed between workers and management, and that there is no element of forcing. d. Foreign workers are not subjected to any recruitment fee. Foreign workers who choose to keep their passports at the office have done so with their written consent. e. Workers are generally satisfied with the way complaints lodged are acted upon. Delays in house repairs, if any, are usually due to the need to order repair parts. f. Workers, including foreign workers get to appoint their own representatives. There is no interference of influence exerted by the employer. g. For newly-arrived foreign workers who do not understand Bahasa or English, translations are provided during briefings.
2) Settlers	Not applicable.
3) Villagers / Local communities (including women representatives, displaced communities)	Not available as this CU is surrounded by Private stakeholder.
4) Suppliers	No issue raised. Payments are received in time.
5) Contract workers	No contractor workers
6) Local & national NGOs	No issues
7) Government agencies / Statutory bodies	No issues
8) Independent growers / Smallholders	Not applicable.
9) Indigenous people	Not applicable.
10) Contractor	No issues

11) Previous land owner (if any)	No issues
12) Others (please specify)	Not applicable.

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 Lam Soon Plantations Sdn Bhd. (hereafter referred to as LSPSB) is one of the subsidiary under the Lam Soon (M) Bhd. The company was incorporated in 1978 as Pacific Cocoa Plantations Sdn. Bhd., which was then changed to Lam Soon Plantations Sdn. Bhd. in July 2000. The core business of Lam Soon Plantations Sdn. Bhd. is oil palm plantation. Currently, LSPSB had only oil palm estates and palm oil mill. The oil palm estate and mill is located in Lahad Datu, Sabah, East Malaysia .The Lam Soon Estate consisted of two divisions; the KK estate division and the KL estate division. The palm oil mill commenced operations in 1997 with a processing capacity of 45 metric tonnes of fresh fruit bunches (FFB) per hour. The estate had been fully developed before the year of 2005.

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

The FFBs sourced from company owned estate i.e., Lam Soon Estate that are certified. Details of the FFB contribution from each source to the Lam Soon POM are shown in the following tables:

Table 1: Actual FFB production by the supply base for the reporting period Aug 2020 – Nov 2021

Estates	FFB Production		Certifying CB
	Tonnes	Percentage (%)	
Lam Soon Estate	147,304.37	100%	SIRIM
Total	147,304.37	100%	

Table 2: Projected FFB production by supply base for the reporting period (Dec 2021 to Nov 2022)

CU own estates	FFB Contribution		Certifying CB
	Tonnes	Percentage (%)	
Lam Soon Estate	114,343.00	100%	SIRIM
Grand Total	114,343.00	100%	

**Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period
(Aug 2020 – Nov 2021)**

RSPO Supply Chain Model : Identity Preserved	Total (MT)
FFB Received	147,304.37
FFB Processed	147,304.37
CPO Production	33,755.37
PK Production	6,195.61
CPO delivered as RSPO certified	29,839.14
CPO delivered under other schemes (MT)	-
CPO delivered as non-RSPO certified	3,916.23
PK delivered as RSPO certified	6,195.61
PK delivered under other schemes (MT)	-
PK delivered as non-RSPO certified	-

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

RSPO Supply Chain Model : Identity Preserved	Total (MT)
FFB Received	114,343.00
FFB Processed	114,343.00
CPO Production	27,089.53
PK Production	5,199.00

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Lam Soon Plantations Sdn. Bhd	5,593.00	5,885.00
Total	5,593.00	5,885.00

Table 6 Planting profile for Lam Soon CU

<u>Estate</u>	<u>Year of planting</u>	<u>Planting Cycle</u>	<u>Mature >3 years (Ha)</u>	<u>Immature < 3 years(Ha)</u>	<u>Planted area</u>	<u>% of planted area mature</u>	<u>% of planted area immature</u>
Lam Soon Estate	1993	1 st	270		270	5.65	
	1994	1 st	576		576	12.06	
	2010	2 nd	576		576	12.06	
	2011	2 nd	344		344	7.2	
	2012	2 nd	439		439	9.19	
	2013	2 nd	419		419	8.77	
	2014	2 nd	489		489	10.24	
	2015	2 nd	447		447	9.36	
	2016	2 nd	422		422	8.84	
	2017	2 nd	380		380	7.96	
	2018	2 nd	414		414	8.67	
	2019	2 nd		380	380		47.09
	2020	2 nd		427	427		52.91
Total			4786	807	5593	100	100

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as shown below:

Name	:	Mr.Lim Chan Khoon
Position	:	Plantation Director
Address	:	Lam Soon Management Service Sdn Bhd Lavel 3, Wisma DLS No.6 Jalan Jurunilai U1/20 Hicom-Glenmarie Industrial Park Shah Alam 40150 Selangor Darul Ehsan
Phone no.	:	+6019-3251961
Fax no.	:	+603-55693604
Email	:	chankhoon@gmail.com

3.0 AUDIT FINDINGS

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

Yes. Increase planted area of 10 ha under planted area, as AAR GPS survey in year 2020. Under declared in year 2020.

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

- i. Have all the estates under the parent company been certified? ☒ Yes ☐ No

If no, comments on the organization's compliance with the RSPO partial certification rules :

- 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

- 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.	
3.4	Status of previous non-conformities *	<input checked="checked" type="checkbox"/> Closed <input 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)	
	No significant complaints from stakeholders were observed.	
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 : Nil
	Total no. of major NCR(s) (details refer to Attachment 4)	List : 1 (3.6.1)
4.2	For SC (Details checklist refer to Attachment 3) :	
	Total no. of minor NCR(s) (details refer to Attachment 4)	List : N/A
	Total no. of major NCR(s) (details refer to Attachment 4)	List : 1 (3.8.7)
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 : MOHD AB RAOUF BIN ASIS

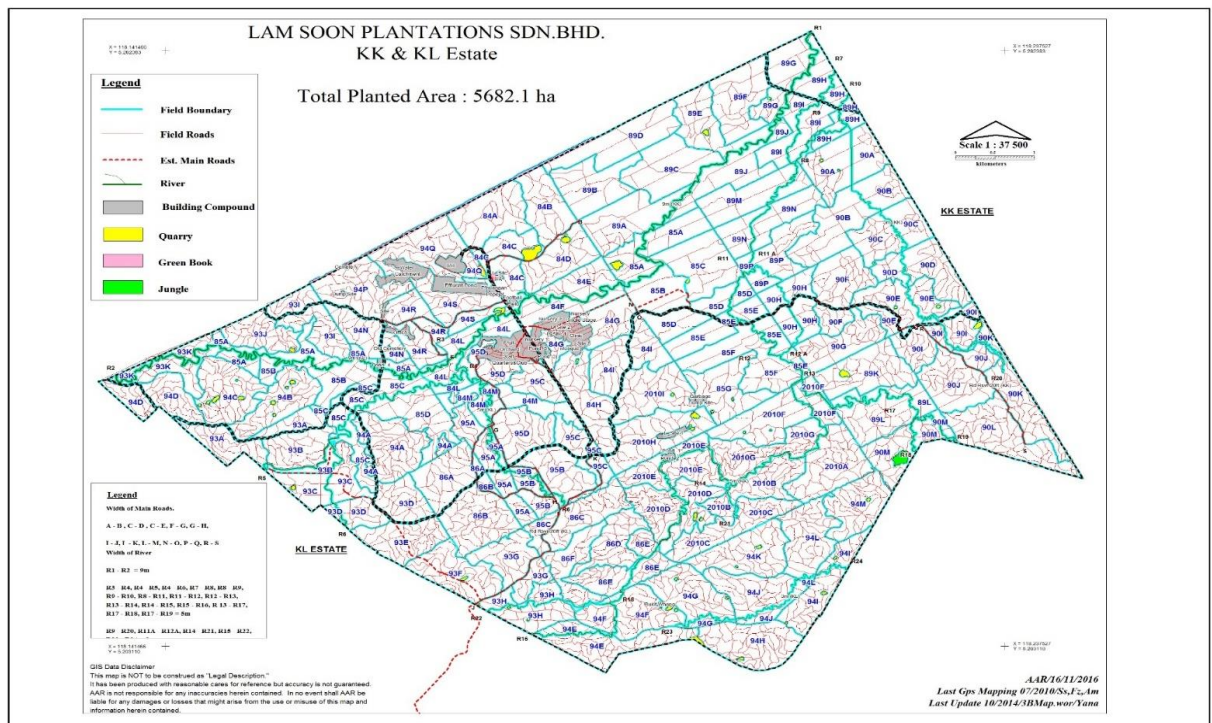
(Name)



(Signature)

18/03/2022

(Date)



ASA 4 AUDIT PLAN

1. Objectives

The objectives of the audit are as follows:

- (i) To determine Certification Unit conformance against 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** : 21 Dec – 23 Dec 2021

3. **Site of assessment** : Lam Soon CU
i) Lam Soon POM
ii) Lam Soon Estate

4. Reference Standard :

- a. MYNI 2019 of RSPO P&C 2018
- b. RSPO Certification System Documents, Nov 2020
- c. Company's audit criteria including Company's Manual/Procedures

5. Assessment Team

- (i) Audit Team Leader : Mohd Ab Raouf bin Asis (**MAR**) - TBP, Metrics Template, Social (Employee), Safety (Mill)
- (ii) Auditor :
i) Mohd Zulfakar bin Kamaruzaman (**MZK**) - SCCS, HCV, Social (External Stakeholder), Environment
ii) Mohd Norddin bin Abd Jalil (**MN**) – Safety (Estate), GAP
- (iii) Witnessed : N/A
- (iv) Technical expert : N/A

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 or field checks including observation of practices, interviews with internal and external stakeholders and interested parties (employees, nearby population, etc.), documentation review and evaluation of records.

8. RSPO 2018 Principles and Criteria (P&C) Metrics Template

The RSPO 2018 Principles and Criteria (P&C) Metrics Template outlines a set of strategic outcome-based metrics relating directly to the RSPO P&C and is aligned with the RSPO Theory of Change. This Metrics Template comes into effect on 1 June 2021 and all audits against the 2018 P&C or the relevant National Interpretation conducted from 1 June 2021 onwards shall prepare and submit this Metrics Template for the audit team to review during audit.

Please submit the Metrics Template to Lead Auditor according to this period:

- a) Reporting time frames for economic data are:
 - i. Calendar year (January to December): **January 2020 to December 2020**, and
 - ii. 12 month period counting up to two months before audit month: **Dec 2020 to Nov 2021**
- b) Reporting time frames for demographic data:

- i. For mill and estate workers: **as of 31 December 2020**
- ii. For smallholders and outgrowers: **January 2020 to December 2020**
- c) Reporting time frame for all other social and environmental data:
 - i. **January 2020 to December 2020**

The updated Metrics Template (as attached, the version 2.0) will be enforced from 1 August 2021. For audits conducted during the transition period from 1 June to 31 July 2021, members are encouraged to use the updated version but are also allowed to use the previous version (version 1.0). All audits conducted from 1 August 2021 onwards must use the updated Metrics Template (version 2.0).

9. **Audit Findings**

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

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

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

10. **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.

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

12. **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.

13. **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

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

RSPO PUBLIC SUMMARY REPORT

Day 1: 21/12/2021 (Tuesday)

Time	Activities / areas to be visited		Auditee
8.30am	Opening Meeting – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.		
9.00am	Briefing on the organization background and implementation of RSPO at CU (including actions taken to address previous audit findings) by company Management Representative. Logistics discussion to the sites to be visited.		Management Representative
9.15 am	To assign each audit team members – site and the P&C requirements		
	Raouf (LSPOM)	Zulfakar (LSPOM)	
	Site visit and assessment on implementation: <ul style="list-style-type: none"> • Laws and regulations • Social aspects - SIA, management plan & implementation, workers' quarters. • Interview with employees, gender committee, worker representative, union representative, etc • Linesite inspection • Complaints and grievances 	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 chain • Documented procedures • Purchasing and goods in • Outsourcing activity • Sales and goods out • Processing • Records keeping • Registration • Training • Claims • Interview with PIC SCCS, contractors, etc. 	Guide(s) for each auditor
13.00pm	LUNCH BREAK		All
14.00pm	Continue assessment	•	Guide(s) for each auditor
16.00 - 18.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / Discussion on potential NCRs / End of Day 1 audit		All

Day 2: 22/12/2021 (Wednesday)

Time	Activities / areas to be visited	Auditee
8.30am	Overview of current activities at Supply base sites	Respective Scheme Manager
9.00am	To assign each audit team members – site and the P&C requirements	Guide(s) for each

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				auditor
	Raouf (LSPOM)	Zulfakar (LSPOM)	Norddin (LS Estate)	Guide(s) for each auditor
	Site visit and assessment on implementation: <ul style="list-style-type: none"> • Laws and regulations • Facilities at workplace • Occupational safety & health practice – witness activities at site • Training and skill development programmes • Continuous improvement • Time bound plan and uncertified management units 	Site visit and assessment on implementation: <ul style="list-style-type: none"> • Laws and regulations • Land title • Social aspects - SIA, management plan & implementation, stakeholders. • Interview with local communities, contractors, suppliers. • Environmental management – witness activities at site • Waste & chemical management • Interview with workers, safety committee and contractors • Facilities at workplace • Training and skill development programmes • Continuous improvement 	Site visit and assessment on implementation: <ul style="list-style-type: none"> • Laws and regulations • Plantation on hilly/swampy area • IPM implementation, training and safe use of agro-chemicals. • New planting • Witness activities at site • Good agricultural practices • Training and skill development programmes • Continuous improvement 	
13.00pm	LUNCH BREAK			All
14.00pm	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	Continue assessment at LS Estate	Continue assessment at LS Estate	Continue assessment at LS Estate	Guide(s) for each auditor
16.00 - 18.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / Discussion on potential NCRs / End of Day 2 audit			All

Day 3: 23/12/2021 (Thursday)

Time	Activities / areas to be visited			Auditee
8.30am	Overview of current activities at Supply base sites			Respective Scheme Manager
9.00am	To assign each audit team members – site and the P&C requirements			Guide(s) for each auditor
	Raouf (LS Estate)	Zulfakar (LS Estate)	Selva (LS Estate)	Guide(s) for each auditor
	Site visit and assessment on implementation: <ul style="list-style-type: none"> • Laws and regulations • Social aspects - SIA, management 	Site visit and assessment on implementation: <ul style="list-style-type: none"> • Laws and regulations • Land Title 	Site visit and assessment on implementation: <ul style="list-style-type: none"> • Plantation on hilly/swampy area 	

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	<p>plan & implementation, workers' quarters.</p> <ul style="list-style-type: none"> • Interview with employees, gender committee, worker representative, union representative, etc • Linesite inspection • Complaints and grievances • Training and skill development programmes • Continuous improvement • Time bound plan and uncertified management units 	<ul style="list-style-type: none"> • Social aspects - SIA, management plan & implementation, stakeholders. • Interview with local communities, contractors, suppliers. • Complaints and grievances on stakeholders • Inspection of protected sites with HCV attributes • Forested area, plantation boundary, adjacent and neighbouring land use, riparian zone • HCV Assessment management plan & implementation • Training and skill development programmes • Continuous improvement 	<p>IPM implementation, training and safe use of agro-chemicals.</p> <ul style="list-style-type: none"> • New planting • Witness activities at site • Good agricultural practices • Training and skill development programmes • Continuous improvement 	
13.00pm	LUNCH BREAK			All
14.00pm	<p style="text-align: center;">Unfinished assessment area</p> <p style="text-align: center;">Verification on outstanding issues for CU</p> <p style="text-align: center;">Auditor to inform auditee on the required document / records</p> <p style="text-align: center;">Continue Audit Team discussion and preparation of assessment findings.</p>			Guide(s) for each auditor
16.00 - 18.00pm	<p>Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager</p> <p>Closing meeting at CU (CU to advise the venue for closing meeting) / End of audit</p>			All

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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 CU continued to use the internet to disseminate public information relating to land titles, human rights, FPIC, safety and health plans, pollution prevention plans and the procedure for complaints and grievances. The LSP website address is http://lamsoonplantations.com.my . The CU has implemented procedure for responding to any communication as outlined in their Estate/Mill Quality Management System documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the authorities and employees. LSP recognize efforts to nurture long-term sustainability and commitment to the environment is reflected in very practices and policies which entails best practices, care for the environment and managing the social aspects.
	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 estate and mill continued to maintain the records of requests for information and responses are maintained which included the government agencies, schools, local communities, etc. Management documents relating to environment, social and legal issues, were available to the public except for those prevented by commercial confidential or where disclosure of information would result in negative environmental or social outcomes. The CU has provided relevant information (environmental, social and/or legal) as requested by the relevant stakeholder during the annual stakeholder meeting and also where requested during annual audit.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	The CU continued to implement the procedure titled 'Consultation and Grievances Procedure Internal/External' for responding to any communication from internal/external. The procedure was made available on the notice boards in the Estate and Mill offices and Muster Grounds. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the authorities and employees. There is evidence that the management has communicated adequate information to its stakeholders on environmental, social and legal issues.

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Clause	Indicators	Comply Yes/No	Findings
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	The CU continued to maintain the stakeholder's information (name of parties, address, contact number, nominated representatives) which included the contractors, vendors/suppliers, foreign recruitment agencies, embassy, government agencies, schools, local communities, CPO/PK customers, and others.
1.2 The unit of certification commits to ethical conduct in all business operations and transactions.	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	Code of ethical conduct and integrity titled 'Ethical Business Conduct'/ 'Code of Conduct' has been established and communicated to all staffs and workers.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	The COBC which has been developed to outline the standards of behaviour required by LS 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. All vendors will be required to declare their compliance to the COBC through the COBC declaration which includes a declaration to eradicate all forms of exploitation, including but not limited to modern day slavery and human trafficking.

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	Generally, Lam Soon CU complies with all applicable legal requirement.
	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	Changes to the law and regulation were monitored by the sustainability manager/officer through procedure "LSP Sdn Bhd System for tracking Changes". Various sources were referred in obtaining information about the updates of legal requirements. This include checking with the industrial association, attending seminar/conference, buying of the law books, government agencies websites, etc. All the new amendment of applicable regulations were included in the legal register.
	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	Boundary stones / markers along the legal boundaries observed visibly maintained by the CU. It has been observed that the boundary stones were visibly maintained between the estate with the neighboring private oil palm plantations.
2.2 All contractors providing operational services and supplying labour and	2.2.1 A list of contracted parties is maintained.	YES	All contractors providing operational services has been listed in "Stakeholder List" and sighted during the audit. The list of contracted parties is maintained by each unit in its respective stakeholder list. The lists contain name of contractors, designated contact persons, address, telephone/fax/email, and type of contracted works done.

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Clause	Indicators	Comply Yes/No	Findings
Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.	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	Each contract issued to suppliers and contractors contain a clause requiring compliance with legal requirements. Sighted during the audit were contracts between with crude palm oil and palm kernel transporters. There is addendum sign by the contractor in May 2020 contained a provision that the contractor shall comply with the provisions of the relevant Acts, regulations and by-laws.
	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.	YES	All contracts sampled at Lam Soon CU contain a clause on no child, forced and trafficked labour. This is stipulated under Addendum of the Agreements which states that the Contractor warrants that it shall not use or promote use of child labour, forced, bonded labour or human trafficking.
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	Lam Soon POM is currently had records for the following for the directly source of FFB: <ul style="list-style-type: none"> a) Information on geo-location of FFB origins. b) Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder As of to date, no Smallholder/Grower sending their FFB to the Lam Soon POM due to the mill is Identity Preserved. So, all of the records only for Lam Soon own Estate.
	2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.	YES	Currently in Lam Soon POM there is no practice of indirectly source of FFB. All FFB are received direct from the suppliers.

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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 Lam Soon CU have a business plan prepared annually in the form of year budget and the projection for 5 years prepared as a guidance towards sustainable business for future planning. The components of the business plan are presented in a budget format comprising of the following. a) Crop yielding area b) Yield statement oil palm c) Total upkeep & cultivation d) Labour statement/Allocation of wages/Labour benefit summary e) Summary of vehicle and running schedule/Job allocation for vehicles f) Summary of workshop running schedule g) Summary of general charges h) Summary cost/ha & cost/mt FFB i) CAPEX
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	The long-range replanting program (LRRP) until 2025 were sighted for both division Estates of the Lam Soon CU. This program was reviewed once a year and was incorporated in their annual financial budget.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	Management review has been planned to conduct on a yearly basis. Sighted latest management review meeting has been conducted in May 2021 (combine RSPO, RSPO SCCS and MSPO) to discuss issues related to audit findings, estate and mill operations.
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	The management documents in relation to environmental and social plans and impact assessments implemented by the CU were made available and maintained at all audited operating units. The documents among others as listed below; a) Social Impact Assessment b) Management Plan on Social Impact Assessment – Year 2021 c) Environmental Impact and Aspect Assessment & Pollution Prevention Plans 2021 d) Identification of All Pollution Source – Year 2021/2022 e) Identification and Management of Waste – Year 2021/2022 f) Identification & Management of Wastewaters Year 2021/2022 g) Contingency plan during water shortage – Year 2021/2022 h) Water management plan – Year 2021/2022
	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Sec using the RSPO metrics template.	YES	The monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template together with palm trace renewal.

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Clause	Indicators	Comply Yes/No	Findings
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	SOPs for mill and estate were in-place.
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	Lam Soon CU continued to implement the mechanism to ensure consistent implementation of operation as per SOPs. The mechanisms to check the implementation of procedures were carried out through RSPO internal audit report on visits made in May 2021. Safety and health meeting and routine inspection (workplace inspection) by assistant manager, staff and hospital assistant.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	Records of monitoring and the actions taken by the Lam Soon CU continued to be maintained. This is to ensure that the established procedures were consistently implemented.
3.4 A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.	3.4.1 (C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/outgrower scheme, is documented.	N/A	Not applicable
	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	The Social Impact Assessment and Management Action Plan Lam Soon Plantations Sdn Bhd is a combined document between the Estate and Mill. The plan is updated yearly. Among the activities to promote positive impacts and mitigate negative impacts include those which have been identified from feedback from Women Committee. The Action Plan was tabulated and contains action timetable, person responsible for implementation and expected date of completion. Lam Soon CU has established "Environmental Impact Assessment (EIA), Management Action Plans and Continuous Improvement Plans (July 2017 to July 2022)" to associated with their activities. For Lam Soon POM, latest environment impact assessment was covering sterilizer activities. The environmental impact covers the upstream activities such as FFB reception until the downstream processes. For Lam Soon Estate, it was covering all activities from harvesting, pest and disease, upkeep activities until delivery to mill has been identified.
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	YES	Significant environmental impact and action plan was derived from the Environmental Impact and Aspect Assessment & Pollution Prevention Plans 2020. Those activities evaluated as significant were then monitored using the management control and mitigation measure established for each activity where the significant impacts occurred. The management has periodically reviewed the implementation and effectiveness of the established program.

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Clause	Indicators	Comply Yes/No	Findings
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. For locals, the procedures are in SOP on Hiring of Local workers. The procedure details out the process of hiring (application form, screening, interview, requisition approval from HR Manager, medical check-up and issuance of letter of offer). This procedure was confirmed by a recruited worker at the Lam Soon Estate verified through the worker's personal file. For foreign worker, the employment procedures are contained in Standard Operating Process & Procedures (SOPP). Employment procedures for retirement and termination are available in the local workers' employment contracts. Similarly, foreign workers' contracts also contain provision for mutual termination. Retirement procedure is not applicable to foreign workers.
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Employment procedures were implemented, and records were maintained. Audit team has verified all new recruitment workers from Indonesia through personal file by employment number, name of employee, employment contract, offer letter, passport consent form and others
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	Lam Soon CU had identified and reviewed significant hazards and risks and determined appropriate risk control measures. The hazard identification, risk assessment and risk control (HIRARC) records, as well as CHRA reports were verified during the assessment. HIRARC is subject for a review in event of the following; a) Change in work process b) Revision/changes in legislative requirement c) Occurrence of accidents Risk assessment on activities such as harvesting, spraying, manuring, fertilizer store, crèche, shop house, general & chemical store, workshop, clinic, worker's quarters etc. have been reviewed and control measures determined. However, the control measures in the HIRARC were not risk assessed on the usage of goggle to prevent debris entering the eye during tall palm harvesting in field 93G. Therefore a major NCR MNAJ 01/2021 was raised against this indicator.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.	YES	The effectiveness of the Lam Soon Health and Safety Plan is made through the following mechanism. a) Occupational Safety Health (OSH) Committee established. b) Findings during the quarterly meetings c) The OSH committee organisation chart d) ESH program and activities e) Accident report (Monthly Accident statistics) f) Workplace inspection g) Training activities

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Clause	Indicators	Comply Yes/No	Findings
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.	YES	Formal training programmed for 2021 that covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs were available for all the audited sites. Training Plan was for each operating unit were established. A training need has been established with target dates for the training identified.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	Record of training are maintained and appropriate.
	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 March 2021 attended by 6 person including PIC, Clerk, Assistant Engineer, Staff, Weighbridge Operator and Attendance list & photograph was seen. The training for transporter contractor was carried out in the same month.

SUPPLY CHAIN REQUIREMENTS FOR MILLS

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.1	Identity Preserved Module 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 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.	Yes	Lam Soon POM received only certified FFB from Lam Soon Estate. Thus, 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.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.2	Mass balance Module 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 3 rd party certified supply base.	Yes	Not Applicable since Lam Soon POM is IP Mill.
3.8.3	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.	Yes	Projection data available. Refer to Table 4 of this report for relevant production data.
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 were: Name: LAM SOON PLANTATIONS SDN.BHD Country: Malaysia. Member Category: Oil Mil Core product: Palm Oil Old dates Start date: 25-01/2021 End date: 24-08-2021 Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
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. • The site shall have documented procedures for receiving and processing certified and non-certified FFBs. 	Yes	<p>LSPOM had demonstrated the correct use of supply chain model; They continue to apply the IP model and their suppliers are of own supply base namely Lam Soon Estate. They decided to maintain the IP model for their supply chain system. Therefore, they are being audited against the general chain of custody requirement for the supply chain as well as Module D of the RSPO Supply Chain Standard.</p> <p>The Supply Chain Procedure was revised in documented procedure title '<i>RSPO/ MSPO Supply Chain</i>'. The procedure was kept in file RSPO Supply Chain. Appropriate changes were also made in the change. LSPOM 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.</p> <p>The Assistant Manager has been appointed as the RSPO PIC having the overall responsibility and authority over the implementation of the supply chain requirements. Based on interview with RSPO PIC, it was noted that he understands the standard requirement as well as their internal RSPO Supply Chain system within the organization. LSPOM had continued to implement the procedures it had on receiving and processing of RSPO certified and non- certified FFBs. (Refer para. 4.0 of the SOP - Reception) it has described how LSPOM manages the FFB from certified source. It was confirmed that no non-certified FFB was received by LSPOM.</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 by Internal Auditor. No finding 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> <p>Documented procedure has defined management review will be conducted once a year Management review meeting has been conducted in May 2021 (combine RSPO, RSPO SCCS and MSPO).</p> <ul style="list-style-type: none"> •Internal audit – Zero NCR (SCCS only) •Customer feedback – data analysis show result from customer survey (i.e. RSPO-CSPO related to meeting the contract volume, timely delivery, dispatch documentation) result achieved. •Previous meeting – was highlighted •Changes – There is no significant changes accept transfer of Assistant Manager. •Recommendation for improvement – improve the established system

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
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>	No	<p>Lam Soon POM received certified FFB from own Estate Which is Lam Soon estate. Approved Sustainable Supplier List (ASSL) for LSPOM - Lam Soon Plantation Sdn Bhd (own certified plantation)</p> <p>There is overproduction at mil (actual license + total certified volume), not reflecting the actual stock available Thus Major NCR MZK 01 2021 has been raised.</p> <p>- LSPOM had continued to implement the procedures it had on receiving and processing of RSPO certified and non- certified FFBs. (Refer para. Production and Storage – Plant & Storage Tanks (Critical Control Point)) it has described how LSPOM manages the FFB from certified source.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
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-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 	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
3.8.9	<p>Outsourcing Activities</p> <p>(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.</p> <p>(ii) The mill shall ensure the following:</p> <p>a) The mill has legal ownership of all input material to be included in outsourced processes</p> <p>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that 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>	Yes	<p>LSPOM has outsource the transportation of certified CPO and certified PK. An agreement covering the outsources activity were sighted. During stakeholder meeting 1 representatives from each transporter attended 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> <p>b) There is contract document between LSPOM and the transporters.</p> <p>c) The RSPO Supply Chain procedure has described on outsource activity in Sales & Despatch of products to the Buyer.</p> <p>d) The RSPO Supply Chain procedure has described on outsource activity in Sales & Despatch of products to the Buyer. Inspection was carried out as additional effort to ensure no contamination sighted book at AP Post. There is also agreement term in 5.12 in the agreement 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.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
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 and up-to-date in the stakeholder list.
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, dated in March 2021.
	iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	Yes	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.
	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	Yes	Not Applicable since this mill is IP Mill

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	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.)		
3.8.13	Extraction rate The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.	Yes	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 (e.g. Processing Data for 2021) 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 Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	Yes	Sales activities usually handled by Lam Soon Marketing Department (HQ) on behalf of Lam Soon POM. The dispatch of the RSPO certified CPO/ PK to buyer by Lam Soon POM were made based on a specific contract. The receiving pit, pipelines and tanks in 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.
3.8.16	Registration of Transactions i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date	Yes	Mill receive copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in).

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	being the Bill of Lading or the dispatch documentation date. 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		
3.8.17	Claims 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.	Yes	Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. LSPOM 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	A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders, is documented dated 2 January 2020 and made available at LSP website at http://lamsoonplantations.com.my . This policy states among others, that it will develop its businesses with a sense of humanity, ensuring that they are socially beneficial and do not infringe basic human rights.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	As observed during the audit, and in interviews held with local communities and workers, there is no evidence of instigation of violence or harassment of the operations at Lam Soon CU.

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Clause	Indicators	Comply Yes/No	Findings
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 mutually agreed system or SOP titled 'Consultation and Grievances Communication Procedure Internal/External' open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensure 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. This procedure is open to all employees and stakeholders. The documented system comes in the form of complaints form/book where complainant can fill up and submit to the office. This system is also open to whistle blowers where they would be ensured anonymity, and their identity would not be revealed. There is also a Lam Soon Human Right Policy dated 22 February 2017 and was revised on 2 January 2020 that explain about protection of HRD
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	YES	Lam Soon CU have created a complaints form/book 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 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.	YES	There is evidence that Lam Soon CU keeps parties to a grievance informed of progress. As verified at Lam Soon POM, a complaint for house ceiling was received from a worker on 6/1/20, and this was recorded in the complaints form. Also sighted in the complaints form was the Manager's approval for repair given on the same date. This status progress was updated and acknowledged by the complainant by appending his signature in the complaint form.
	4.2.4 The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.	YES	The CU has continued to use the internal communication through morning assemblies, notice boards and posters, and complaint forms/book. These documents were all documented and sighted. There was also another set of Books/forms entitled 'Buku Aduan (Complaint Book)' which contain complaints and suggestions from external stakeholders and submitted to the estate during a stakeholder meeting or at any time during office hour. Flowchart for complaints to management from external and internal stakeholders also available in Grievance's process and Grievance procedure. Therefore, the conflict resolution mechanism includes options to access independent legal and technical advice. This was stated in their complaints and grievance procedure. As of this audit no issues has been raised by external parties.

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Clause	Indicators	Comply Yes/No	Findings
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 Lam Soon estate and the mill do provide contributions to the local communities. Lam Soon POM and Lam Soon Estate have employed local communities from surrounding estate, Sandakan and Lahad Datu.
4.4 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	4.4.1 (C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	YES	Review of the document provided, found that the land titles were previously owned by Pacific Cocoa Plantations Sdn Bhd. The Pacific Cocoa bought land from the government of Sabah on 24 April 1986. The Company has changed her named into Lam Soon Plantations Sdn Bhd on 8 July 2000. The Land title is Country Lease and also specified that the purpose of the planting is either for oil palm or agricultural crops for economic value. It can be confirmed that Lam Soon Plantations 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 checklists, it has been verified that the land is now legitimately owned by Lam Soon CU since 1986. The audit team had confirmed that there were no land issues related to previous owners. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at Lam Soon CU.
	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	YES	

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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.	YES	
	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	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, Shah Alam and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring 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 apply to 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 apply to 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 apply to Lam Soon CU.

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Clause	Indicators	Comply Yes/No	Findings
<p>4.5 No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.</p>	<p>4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.</p>	YES	<p>Based on Social Impact Assessment (SIA) Report for Lam Soon CU and land title, there was no new plantings are established on local peoples' land. It has been verified that the land is now legitimately owned by Lam Soon CU since 1986. The audit team had confirmed that there were no land issues related to previous owners. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at Lam Soon CU.</p>
	<p>4.5.2 (C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.</p>	YES	<p>As reported in 4.4.1 of this checklist, It has been verified that the land is now legitimately owned by Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, 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. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at Lam Soon CU</p>
	<p>4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.</p>	YES	<p>As reported in 4.4.1 of this checklist, It has been verified that the land is now legitimately owned by Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, 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. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at Lam Soon CU</p>

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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	As reported in 4.4.1 of this checklist, It has been verified that the land is now legitimately owned by Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, 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. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at 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 Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, 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. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at Lam Soon CU
	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 Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, 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. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at Lam Soon CU
	4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.	YES	There were no new lands acquired for plantation and mills after 15/11/2018. The current operation area including mill and estates as per stated in the land title.
4.6 Any negotiations concerning compensation for loss of legal, customary or user	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	The Lam Soon CU has a standard procedure for identifying procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation issues known as "Land Dispute Compensation and Calculation Procedure" and "Procedure For Calculating & Distribution Fair Compensation". The procedures state out the detailed process of compensation for issues/disputes related to land, ownership and access to land. It also states how compensation are to be dealt with. However, as of the date of the audit, no evidence is available at either the Estate or Mill of any dispute related to on customary rights, boundary disputes, etc.

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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	In accordance with the 'Land Dispute Compensation and Calculation Procedure' and "Procedure For Calculating & Distribution Fair Compensation is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and visited estates.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.	YES	There was no scheme small holdings at Lam Soon Plantations Sdn Bhd CU. The Fresh Fruit Bunches are supplied from Lam Soon owned estates which are certified to RSPO.
	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	There was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties.
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	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Land Dispute Compensation and Calculation Procedure" and "Procedure For Calculating & Distribution Fair Compensation", the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Lam Soon Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.
	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. The audit team has interviewed relevant stakeholders, it can be concluded that there was no evidence of any land dispute at Lam Soon CU.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	As reported in 4.4.1 of this checklist, It has been verified that the land is now legitimately owned by Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, 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. The audit team has also interviewed relevant stakeholders, it can be concluded that there was no

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Clause	Indicators	Comply Yes/No	Findings
			evidence of any land dispute at Lam Soon CU.
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 Lam Soon CU since 1986. All the related documentation regarding the land acquisition was kept in Lam Soon HQ Office, Glenmarie, 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. The audit team has also interviewed relevant stakeholders, it can be concluded that there was no evidence of any land dispute at Lam Soon CU.
	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. The audit team has also interviewed relevant stakeholders such as and it can be concluded that there was no evidence of any land dispute at Lam Soon CU.
	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	There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at 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	YES	There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. The audit team has also interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at Lam Soon CU.

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Clause	Indicators	Comply Yes/No	Findings
	way with involvement of affected 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 Plantations owned estates (Lam Soon Estate) which are certified to RSPO. There was no third-party FFBs sent to the mill. Thus, no contract involved with smallholder. Currently the records of Current and previous period prices paid for FFB are not available since this mill is IP mill.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	YES	Fresh Fruit Bunches were supplied from Lam Soon Plantations owned estates (Lam Soon Estate) which are certified to RSPO. There was no third-party FFBs sent to the mill. Thus, no contract involved with smallholder and no regularly briefing to smallholders..
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	YES	Fresh Fruit Bunches were supplied Lam Soon Plantations owned estates (Lam Soon Estate) which are certified to RSPO. There was no third-party FFBs sent to the mill. Thus, no contract involved with smallholder.
	5.1.4 (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	Fresh Fruit Bunches were supplied from Lam Soon Plantations owned estates (Lam Soon Estate) which are certified to RSPO. There was no third-party FFBs sent to the mill. Thus, no contract involved with smallholder.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	Interviews conducted with contractors and suppliers at estate, including transporters, had 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	YES	These contractors interviewed confirmed that payments are made in a timely manner, namely within 7 to 10 days of invoice. Audit team has verified the latest payments record.

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Clause	Indicators	Comply Yes/No	Findings
	timely manner and receipts specifying price, weight, deductions and amount paid are given.		
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	YES	Weighing Equipment in Lam Soon POM has been calibrated by yearly basis using accredited weighing company Metrology Corporation Malaysia Sdn Bhd on 21/04/2021 and 13/8/2021.
	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	In Lam Soon CU, Fresh Fruit Bunches are supplied from Lam Soon owned estates (Lam Soon Estate) which are certified to RSPO. There is no third-party FFB sent to the mill. Noted that Lam Soon CU has invited nearby smallholders to attend the Stakeholder meeting scheduled in May 2021 to promote on RSPO certification. Sighted minutes meeting explained regarding the RSPO, sighted also latest letter invitation to the smallholder and all Stakeholders but due to MCO the participants only reply the form of complaint if have complaints.
	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 Lam Soon CU as per the Grievances communication Procedure Internal/External' dated May 2020, 'Stakeholder Request', Grievances Procedure for Landowner Issues, Grievance. 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.	YES	Lam Soon CU supports Independent Smallholders 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). Noted that Lam Soon CU has invited nearby smallholders to attend the Stakeholder meeting scheduled in May 2021 to promote on RSPO certification.
	5.2.2 The unit of certification develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder).	YES	Lam Soon CU supports Independent Smallholders 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). Noted that Lam Soon CU has invited nearby smallholders to attend the Stakeholder meeting scheduled in May 2021 to promote on RSPO certification.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	YES	Lam Soon CU supports Independent Smallholders 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). Noted that Lam Soon CU has invited nearby smallholders to attend the Stakeholder meeting scheduled in May 2021 to promote on RSPO

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Clause	Indicators	Comply Yes/No	Findings
			certification.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	YES	Fresh Fruit Bunches were supplied from Lam Soon CU owned estates (Lam Soon 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 programme.	YES	Fresh Fruit Bunches were supplied from Lam Soon CU owned estates (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 CU has also developed an Equal Opportunity Policy dated 10 October 2017, signed by its Plantation Director Mr Lim Chan Khoon. Based on interviews conducted, workers confirmed that there is no element of discrimination within Lam Soon CU.. 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 leanings. Interviews conducted with the staff and workers (including foreign contract workers) confirm that there was no discrimination of any form at the Estate and Mill.
	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	Evidence is available that no employee has been discriminated against. This is evident from sampled employment contracts where all workers, (male, female, foreign, local) signed the same employment contract. Workers interviewed also confirmed that they face no form of discrimination. Workers' pay slips were also sampled which showed that workers receive the same amount of daily rate of RM42.31 per day for the same work irrespective of gender, age or nationalities. Sampled were the employment contracts and pay slips of the following workers as mentioned in indicator 6.2.1 and 6.2.2. Foreign workers interviewed also confirmed that they pay which covered their Indonesian passport, <i>Kad Tanda Penduduk</i> (Indonesian ID card), visa, immigration processing fee, Malaysian work permit (PLKS). The balance is paid by the Company which include travel insurance, medical checkup, transportation fee, levy, etc. This breakdown in payment is agreed between the hiring Company and the recruitment agents.

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Clause	Indicators	Comply Yes/No	Findings
	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	As stipulated in the “Recruitment selection, Hiring and Promotion” for staff and “Recruitment of Workers” for workers the recruitment selection, hiring and promotion where relevant are based on availability, skills, capabilities, qualities, and medical fitness necessary for the jobs. Based on the sample sighted during audit as mentioned in indicator 6.2.1 and 6.2.2, it was verified that Lam Soon CU has demonstrated that the recruitment, hiring, access to training and promotion are based on skills, capabilities and medical fitness.
	6.1.4 Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.	YES	Based on documents, confirmed by the Health Assistants and workers at the Lam Soon CU, pregnancy tests were conducted when the workers presented themselves at the estate clinic and not conducted in a discriminatory manner. One general worker (rat baiting application) at the KK Estate and one worker at KL Estate (manurer/sprayer) confirmed that they had gone to the clinic voluntarily and upon confirmation of their pregnancies. They were allowed to continue with their employment, but if any cases who confirmed her pregnancy will immediately re-assigned to an alternative employment i.e. sweeper.
	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	The meeting discussed various issues pertaining to the welfare of the gender committee members. The management had provided Kindergarten for employee's children without any fee. The committee had conducted monthly inspection at the Kindergarten to monitor its safety and cleanliness. The committee also had organized a “gotong-royong” at the housing areas. Based on Gender Committee Meeting minute at Lam Soon CU, it was noted that the committee had discussed the following matters: <ul style="list-style-type: none"> ▪ training on women's rights; ▪ counselling for women affected by violence; ▪ child care facilities to be provided by the growers and millers; ▪ women to be allowed to breastfeed up to nine months before resuming chemical spraying or ▪ usage tasks; and ▪ women to be given specific break times to enable effective breastfeeding.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	Equal opportunities policy contained within the Lam Soon Policy 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. Comparisons were made of sampled employment contracts and payslips of harvesters from Indonesia and harvesters from Indonesia. Evidence is available that sampled workers receive equal pay for equal work.
6.2 Pay and conditions for staff and workers and for contract workers always meet	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)	YES	Lam Soon CU documentation of pay is in the form of monthly pay slips. Conditions of pay are contained in the workers' respective employment contracts. Samples of the monthly pay slips and employment contracts were made available and reviewed during the audit. Labour laws, union and/or other collective agreements detailing payments and other conditions, was made available in the languages understood by the workers and

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Clause	Indicators	Comply Yes/No	Findings
at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).	and explained to them in language they understand.		<p>explained to them by a management during induction.</p> <p>Each pay slip documents the name of employee, month of pay, income (basic, overtime, reimbursement, allowances), deductions (statutory such as EPF, SOCSO and non-statutory such as donation to mosque funds, church funds), net salary, annual leave and medical leave taken, etc. Interview with workers reveal that they understand the contents of the pay slips and seeks explanation from the office whenever they needed any clarifications. Samples of payslips were also sighted and verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages Order (Amendment) 2020 and Sabah Labour Ordinance.</p> <p>The employment contracts issued to all Lam Soon CU workers (local and foreign) have been prepared in Bahasa Malaysia and are generally available to the workers. The documents have been the prepared in accordance with the requirements of the Sabah Labour Ordinance. Pay conditions are also contained in the employment contracts.</p> <p>The documentation of pay is available in the form of monthly pay slips which are given to all employees. Interviews conducted with the workers confirmed their understanding of the employment contracts and pay slips. If they have any doubts, they will refer to the office or their supervisors. The following workers' employment contracts were sampled and verified to be valid and current, duly signed and witnessed.</p>
	6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.	YES	<p>Employment contracts signed between the Lam Soon CU management and their employees contain employment and payment terms and provisions covering contract duration, minimum age requirement, retirement age, place of work, job specifications, workers' obligations, employer's obligations, payment of foreign workers' levy by employer, salary payable, working hours and overtime, payment of passport and PLKS by workers, designated public holidays, workers' annual leave, medical expenses, sick leave, maternity leave and allowances, insurance scheme, EPF for local workers, rights to join union, salary deduction to be in accordance with the Sabah Labour Ordinance, mutual termination of contract, contract extension, etc. during interviewed with sampled workers in Estate and POM. The Guideline on Medical Leave and Guideline on Medical Check-Ups and Treatment contained in Standard Working Procedure Clinic and procedures related to entitlement, calculation and implementation of vacation leave pay has been explained carefully to them by Assistant Manager and Manager during morning briefing and during renewing the contract.</p>
	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.	YES	<p>Regular working hours as determined by the Sabah Labour Ordinance and stipulated in employment contracts were being implemented by Lam Soon POM. Any work in excess of 8 hours were compensated as overtime. This is based on punch cards, check roll books, pay slips reviewed by remote audit to the Lam Soon Palm Oil Mill. Workers who have been certified ill are given paid medical leave. Salary deductions are made for EPF, SOCSO, EIS (local workers) and there are no deductions for foreign workers except for travel documents.</p>

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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	Evidence is available that Lam Soon CU provides adequate housing and facilities in accordance with the requirements of the Workers' Minimum Standard of Housing and Amenities Act 1990. All workers are provided with free accommodation as stated in their employment contracts, and free electricity and water supplies. With the exception mentioned below, the houses are generally in good state of repair. Each house has between 2 to 3 rooms, and each room occupied by 1 or 2 persons. Each worker and staff housing area come with amenities such as CLC (Community Learning Centre) for foreign workers' children, creche, badminton/takraw/volleyball court, places of worship, sundry shops, and playing field. Clinic facilities are also available and medical treatment is provided free of charge to all employees and their dependents. Site visit has been made to CLC and creche and from their records, there was 265 pupils registered with CLC and 25 kids registered with KK creche. Observed the cleanliness of both facilities in satisfactory condition with inspections has been made fortnightly by Health Assistants and Assistant Incharged.
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	All units within Lam Soon CU have their own canteen/grocery store which sells basic items such as eggs, flour, rice, vegetables, frozen food such as fish, meat, onions, etc. Items seen in the stores are adequate, clearly labelled and within the expiry dates. Workers interviewed informed that they purchase items from these stores, and are able to either pay in cash, or on credit. Additionally, for KL and KK Estates, monthly <i>tamu</i> (mobile local markets) are also available where workers are able to have access to a wider variety of food items, but due to COVID 19, it was temporarily discontinued.
	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 	YES	Based on pay slips sighted, all sampled workers who complete the number of days offered in a month receive at least minimum wages applicable, which is RM1,100 per month, or more. Lam Soon CU also has carried out the calculation of prevailing wages and in-kind benefits as evidenced from the calculation of prevailing wages. The calculation took into account housing, electricity, water, education, childcare and healthcare. Based on the breakdown given, the calculation of prevailing wages including in-kind benefits is in accordance with RSPO Guidance on Calculating Prevailing Wages.

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Clause	Indicators	Comply Yes/No	Findings
	<p>benefits already being provided to workers.</p> <ul style="list-style-type: none"> • 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), this should be used as the foundation for the gradual implementation of the living wage payment. • 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	All the 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	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	Recognition of freedom of association is available in the Lam Soon Policy entitled “The Right of Freedom of Association of Employee” dated 24 June 2016. The Policy states that the company respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. This policy “The Right of Freedom of Association of Employee” is applicable throughout all operating units and is printed and translated in Bahasa Malaysia. The policy was seen displayed on notice boards in the estate and mill.
	6.3.2 Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are	YES	Although there is no trade union operating within the estate premises, workers are not prohibited from appointing their own group leaders to represent them in the Joint Consultative (JCC) meetings with the management team. The JCC comprise

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Clause	Indicators	Comply Yes/No	Findings
association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	documented in national languages (English and/or Bahasa Malaysia) and made available upon request.		management representatives and worker representatives and is chaired by the Sustainability Officer. Meeting was held on 25 May 2021.
	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.	YES	Evidence is available that workers' representatives that sit in the Workers' Welfare and Social Committees have been independently and freely elected by the workers themselves. No evidence of any management interference was observed. Minit Mesyuarat Ketua-Ketua Block dated in May 2021 and result of the ballots which have been done on 4/5/2021 have shown and venue at Dewan LSP.
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	The policy protection of children was covered in the Child Protection Policy (Polisi Perlindungan Kanak-Kanak) dated 2 January 2020. Review of the workers list (June 2021) found that the estate and the mill did not employ anyone below the age of 18 years. Auditor also verify through the contractors in the CU and confirmed there was no contractor workers available in the estate and mill. This was verified by examining the master lists of each operating unit where details of the workers' IC numbers, passport and dates of birth are available.
	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	Review of the workers list found no evidence that the estate and mill employed anyone below the age of 18 years. Auditor also has verified contractor workers in the estate and mill. This was verified by examining the master lists, personal file, contracts and payslip of each operating unit where details of the workers' IC numbers, passport and dates of birth are available.
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	YES	Based on documentation review such as personal files and employee databases, there was no young persons employed in both Lam Soon POM and Lam Soon Estate. Interviewed with sampled workers also, none of them in such categories.
	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 Lam Soon Palm Oil Mill, and Lam Soon estate. The training was also given to external stakeholders during stakeholder meeting held on 7 January 2021.

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Clause	Indicators	Comply Yes/No	Findings
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	Lam Soon CU subscribes to the Workplace Harassment & Violence Policy dated 2 January 2020 which defines what constitutes sexual harassment. The Policy also states that the Company would comply with the relevant laws and increase awareness with regards to sexual harassment. The policy is written in the Bahasa Malaysia and English and displayed on the notice boards. Awareness on sexual, other forms of harassments and violence are also briefed during muster and Women Welfare (Hal Ehwal Wanita) meeting held at mill and estate. The Women Welfare meetings are being held regularly where topics discussed include sexual harassment and violence. Members to lodge complaints if members encounter such incidence.
	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 statement and commitment to protect women's reproductive rights are available in 'Workplace Harassment & Violence Policy' signed by the Plantation Director on 2 January 2020. This policy is also being displayed at the estate and mill notice board. Women Welfare (Hal Ehwal Wanita) has been established at the mill and estate levels to help disseminate awareness on issues relating to reproductive rights. Awareness on reproductive rights was briefed during muster and Women Welfare (Hal Ehwal Wanita) meeting held at mill and estate. Training regarding the policy has been briefed to all workers as verified. Lam Soon Estate has conducted training for all staff and workers during gender meeting dated in Oct 2021.
	6.5.3 Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified.	YES	During this audit, there has been no evidence of any new mothers and therefore this indicator could not be verified. However, based on interview conducted with the Gender Committee members at Lam Soon Estate and mill, when she was pregnant, her needs were attended to which included a private room where she could express milk and a fridge for storage were made available.
	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.	YES	A grievance mechanism available at the Mill and Estate which is related to complaints against sexual harassment is available known as 'Sexual Harassment Procedure'. It also contains a 'Sexual Harassment Reporting Flowchart' which explains the process of grievance handling for both external and internal parties.
6.6 No forms of forced or trafficked labour are used.	6.6.1 (C) All workers have entered into employment voluntarily, and the following are prohibited: <ul style="list-style-type: none"> Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) Charging the workers for recruitment fees 	YES	Collective evidence is available that all sampled workers have entered into employment voluntarily. This is based on the following: <ol style="list-style-type: none"> review of sampled employment contracts which contain mutually agreed termination clause; review of documents where workers signed consenting for their passports to be kept at the office; interview with foreign workers who confirmed they could have access to the passports at any time; review of recruitment agency contract between Lam Soon and the employment

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Clause	Indicators	Comply Yes/No	Findings
	<ul style="list-style-type: none"> Contract substitution Involuntary overtime Lack of freedom of workers to resign Penalty to the workers for termination of employment Debt bondage Withholding of wages 		<p>agency dated in Jan 2019 where no recruitment fee is payable by the workers and confirmed by the workers (except for passport, medical in and biometrics in home country);</p> <p>e. records of punch cards and workers confirmation that overtime work is mutually agreeable and not forced on them;</p> <p>f. confirmation from the foreign workers that they received accurate briefing in their home country on the job they would be doing in Malaysia;</p> <p>g. and confirmation from the workers that there is no debt bondage or withholding of wages.</p>
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	The CU has adopted the Special Labour Policy. Among the provisions on the policy include ensuring voluntary recruitment, that workers are entitled to terminate their employment without any penalty, equal treatment and payment of equal wages, benefits including accommodation and no discrimination. The policy also commits to not substitute original agreement with other contract, and that newly-recruited migrant workers are given training to help familiarise with local culture, safety, labour laws, etc.
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	<p>The responsible person appointed for OSH at Lam Soon POM was Mill Manager. Safety and Health Committee Organization Chart 2021 was available. Regular two-way communication conduct thru safety committee meeting. Latest meeting conducted in Jan 2021 with meeting minutes verified. OSH Committee meetings confirmed that among the agenda discussed, included the following:</p> <ul style="list-style-type: none"> Passing of previous minutes and arising matters. Accident report (Monthly Data of Mill/Estate Safety Performance) Workplace inspection Safety report and programme
	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	<p>Emergency Response Plan (ERP) was established. Random interview with the mill workers showed that they were aware of accident and emergency procedures. Among of procedure of ERP Document, such as:</p> <ol style="list-style-type: none"> ERP for Spillage Response ERP for Fire ERP for Accident occurred at workplace ERP for Poisoning ERP for Flooding ERP for Accident <p>From photos and videos uploaded, it was sighted Emergency Response Plan was available at Boiler Plant, Press Plant, Chemical Store, Workshop and Lubricant Store. Valid training certificate issued by Certified Training Respond Academy for first aider sighted for personnel.</p>
	6.7.3 (C) Workers use appropriate personal protective equipment (PPE), which is	YES	Training and briefing on the operations were provided for workers to educate them on safe working practices. This is also made to ensure that the applicable precautions are

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Clause	Indicators	Comply Yes/No	Findings
	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.		adhered. Training for employees is conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. The staff and workers such as the storekeepers, Mill workers, harvesters, pruners, field workers, sprayers, fertilizer and rat bait workers were trained, and they had understood the hazards involved and how the chemicals should be used in a safe manner. During site visit at chemical and premix area stores, sanitation facilities for sprayer and manuring operator was available for workers washing the PPE and clothes. Based on the HIRARC carried out at the estates, the PPE types for the various activities were identified and recommended.
	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	Lam Soon CU provides medical care to Estate workers with Estate Clinic established within the premises. Cases requiring higher attention of medical care are referred to Lahad Datu Hospital. All the workers both local and foreign, estate and mill are covered by SOCSO.
	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 that Lam Soon CU has maintained and updated the LTA Summary by monthly basis. For accidents records in 2020, Lam Soon CU managed to submit the JKPP 8 form to DOSH in Jan 2021 with 2 accident cases and no accident in 2021 were verified for Lam Soon Estates. Mainly the high attribution of accident cases was from harvesting and general maintenance works. Where required submissions of JKPP 6, & 8 to DOSH were complied with, under the legislative requirement. Investigations and revision of HIRARC where appropriate were made accordingly.

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)	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	YES	Lam Soon CU Estates practiced IPM as per Oil Palm Agricultural Policy for Pest and Disease January 2017. In order to reduce the quantity of chemical pesticides entering the environment, the IPM policy was based on preventive measures, monitoring crop damages, assessing the pest damages and choosing appropriate actions such as: <ul style="list-style-type: none"> Cultural controls – deprive pests' comfortable habitat through legume cover crop (LCC) planting, removal of infected plant materials, sanitation equipment and application of EFB in single layer to prevent RB breeding area. Biological controls- attract a natural predators using a beneficial plant such as <i>Cassia cobanensis</i>, <i>Antigonon leptopus</i> and <i>Turnera subulata</i>.

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Clause	Indicators	Comply Yes/No	Findings
techniques.			<ul style="list-style-type: none"> To treat Ganoderma i.e mounding To do census and install pheromone trap at replanting areas.
	7.1.2 Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.	YES	Species referenced in the Global Invasive Species Database and CABI.org. were not used in managed areas of the estates.
	7.1.3 There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.	YES	Lam Soon CU continued to use the Lam Soon policy of no open burning. As advocated, estate practised Zero burning thus no use of fire for pest control. Based on visit during the audit to the estates, it was evident that all palms were felled, shredded, windrowed and left to decompose. For pest and disease attack census has been carried out to monitor the threshold level of attacks before applying the chemicals such as rat baits and pheromone traps.
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	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.
	7.2.2 (C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.	YES	The Estate 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 Ai/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. LSP estate had documented programs for spraying pesticides and for rat baiting.
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	YES	As part of the IPM plans, management of the estate had established nectariferous beneficial plants (<i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Turnera sublata</i>) nurseries for continuous planting in order to attract natural predators and thus to reduce use of insecticides. As mentioned in 7.1.1, during the visit it was observed that LSP estate had plants ready for planting in their Nurseries.
	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 spraying has been used. For control bag worm damages. Management has used pheromone trap for control the damages and before applying rat baits management has conducted census (twice per month) before applying it.
	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	YES	<p>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.</p> <p>a) The review of the chemical register concluded that all pesticides used are of class II, III & class IV. The use of <i>paraquat</i> had ceased effective 2016.</p> <p>b) Class 1A <i>monocrotophos</i> chemical is used for the trunk injection for the bagworms treatment.</p>

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Clause	Indicators	Comply Yes/No	Findings
	diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:		c) Sighted from records and interviews with workers, staff and estate assistants, concluded that trainings were held with all precautions being taken and all legal requirements met. The types of chemicals used by the estates are listed.
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	As mentioned above in 7.2.5. of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used. Hence, the need for a judgment of the threat assessment does not apply on the Lam Soon CU.
	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 (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	The estates and mill had a SOP for use of PPE during working. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issue and replacements records were verified by the auditors. It was also observed that PPE was used by workers working in the fields. The estate and mill had a SOP for handling of chemical/pesticide. The employees involved in the chemical handling such as the storekeepers, sprayers, fertilizer and rat bait workers were trained in chemical handling. The trade and generic names of the chemicals were made known to them through the SDS training. Training on pesticides/chemical handling was carried out regularly by the CU, sighted latest training in Jan 2021. The training included the safety aspects and usage of PPE when handling with pesticides. Record of training was available for verification. All workers involved in pesticide application were provided with appropriate PPE and replaced FOC when damaged. PPE issue and replacements records were verified by the auditors.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	During Site visit, the chemical stores in Lam Soon Estate were 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), Sign board were following the guidelines Safety Data Sheet. Records of purchase, storage and use were maintained. a) All store buildings were equipped with exhaust fans with the door secured. b) Only authorized personnel are assigned to handle the chemicals. c) All the chemicals were segregated in storage accordingly. d) Hazard signage followed as per SDS – thus previous NCR was satisfactory closed. e) Empty pesticides containers were triple rinsed, holes punched and stored

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Clause	Indicators	Comply Yes/No	Findings
			separately in the scheduled wastes store. Thereafter disposal arrangement will follow accordingly as per procedures.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	YES	At LSP Estate the scheduled wastes were stored not more than 180 days. This was evident from the inventory and disposal of scheduled wastes, which were carried out through the electronic system (eswiss). Disposal to DOE's license contractor, was carried out in Aug 2021.
	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	There was no aerial spraying has been practiced in the LSP Estate. <i>Neproliphis biserata</i> was maintained and encouraged to be planted in LSP CU. This can be seen in their continuous improvement plan. This was to suppress growth of noxious weeds and thus reduce the use of pesticides for selective weeding. Woody sprayings were carried out whenever necessary and only twice a year. Blanket spraying was not practiced in order to encourage soft grasses in inter row and frond stacking area.
	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 therefore demonstrated by Lam Soon CU. 69 workers involved in handling pesticides had been examined under the medical surveillance programme and sent to clinic. From the results, all workers fit to handle chemical. Chemical Hazard Risk Assessment (CHRA) has been carried out for work units which use chemicals namely manure operators, spraying / nursery area operators, workshop area technicians, and chemical storekeeper. Chemical Exposure Monitoring Report for workshop operators was conducted by registered competent personnel. From the assessments, all results were below the permissible exposure limit as per USECHH Regulation 2000. Recommendation made by assessor that the workers continue wearing appropriate PPE when performing the task to ensure the level of exposure is below the permissible limit at all times.
	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	Lam Soon CU estate and mill complied with procedure and guidelines provided the Standard Operating Procedure adopted by the Organisation whereby no work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women. <i>Tidak dibenarkan pekerja wanita yang MENGANDUNG / MENYUSUKAN anak membuat kerja-kerja penyemburan</i>) with the policy LSPSB/POLICY/06/ dated 22/07/2017. During site visits there was no breastfeeding women and underage of 18 workers involved in chemical applications. All estates maintained the list of sprayers. Identification of pregnancy status is made by the respective appointed Medical Assistant during the monthly check-up. Field interviews with the lady workers confirmed that such a regulation is a standard practice in the estate and mill and in compliance.
7.3 Waste is reduced,	7.3.1 A waste management plan which	YES	LSP CU has identified all wastes and sources of pollution. The Waste Management Action Plan FY 2021 were established to mitigate and control the identified wastes and source of

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Clause	Indicators	Comply Yes/No	Findings
recycled, reused and disposed of in an environmentally and socially responsible manner.	includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.		pollution.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	YES	Domestic waste generated from workers quarters was disposed using Contractors to 'Tapak pembuangan Sampah Bangkaruan, Jalan Silam Lahad Datu'. The site was located away i.e. about 70 km from estate. Collection for Domestic Waste is 3 Times per week during Monday, Wednesday and Friday.
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	There was no evidence of fire has been used for waste disposal. All the waste has been disposed trough DOE collector (SW waste) and Majlis Daerah Lahad Datu Land fill area (domestic waste).
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 Lam Soon 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. The sustaining of the soil fertility is guided by the SOPs content among others as stated in sections of the following documents; a) Oil Palm Agricultural Policy Section No 3 - Operation cost sheet - Summary of progress fertilizer program for both mature & immature palms - Procedure for receiving fertiliser - Procedure for issuing fertiliser b) Safe Operating Procedure doc <i>no LS/STOP-16 Manuring</i> . 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.
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	YES	Evidence of periodic tissue foliar and soil analysis to monitor the changes in nutrient status was available and presented in the report by <i>Applied Agriculture Resources Sdn Bhd</i> visit date in May 2021. The results of the analysis were used by the agronomist for their recommendation for fertilizers applications programs year 2022. The soil sampling nutrient status was shown in the report by prepared by 3rd party.
	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	The Lam Soon CU Estate had a nutrient recycling strategy in place which included stacking pruned fronds in the respective fields to decompose, grass cutting harvesters paths and letting the cut mass to decompose in the field, EFB mulching and application of Solid POME. In addition, during replanting, palms were felled, chipped, windrowed and left to decompose.
	7.4.4 Records of fertiliser inputs are maintained.	YES	Fertilizer inputs were based on recommendation by the Applied Agricultural Resources Sdn.Bhd. (AAR). The application programs were monitored using program sheets, bin cards, field cost book and manuring program sheets. Records of programs and applications

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Clause	Indicators	Comply Yes/No	Findings
			of fertilizers were available.
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	There were no fragile/marginal soils in Lam Soon CU. Soil survey and assessment report was conducted by Param Agriculture Soil Surveys (M) Sdn Bhd in February 2017. The purpose of this assessment was to characterize the soils in the estate with a view of grouping the soils into management group for oil palm cultivation and to highlight problem if any.
	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	Lam Soon CU had a management strategy in place for planting on slopes and to minimise and control erosion and degradation of soils. The policy of no planting on primary forest, on peat, no planting on very steep slope which is above 25 degrees as per Lam Soon Management Services Sdn Bhd-oil palm agricultural policy – New Planting & Replanting Oil Palm (March 2017). Item 6.4.2 of the policy advocated that terracing to be carried out on gentle slope (5° to 8°) onwards. The policy together with the SOPs to minimize soil erosion based on conservation terrace to reduce the speed of run-off water, ground cover management, biomass recycling, and terracing. Stacks of pruned fronds on the steeper slopes were sighted. This was to slowdown the speed of any runoff, which otherwise would cause a substantial loss in the soil organic matter. During site visits there was no replanting carried out above 25-degree areas.
	7.5.3 There is no new planting of oil palm on steep terrain.	YES	Lam Soon CU had a management strategy for planting on slopes to minimise and control erosion and degradation of soils. It was observed that there is no new planting of oil palm on steep terrain.
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into 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 soil survey <i>Param Agricultural Soil Surveys (M) Sdn Bhd</i> dated Feb 2017.
	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	Based on document review and site visits, there is no new extensive planting on marginal and fragile soils in Lam Soon CU.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	Soil survey and assessment report was conducted by Param Agriculture Soil Surveys (M) Sdn Bhd on February 2017. Topographic maps also were established during the soil survey assessment. The topographic information was provided and reviewed by the auditors.
7.7 No new planting on	7.7.1 (C) There is no new planting on peat regardless of depth after 15 November	YES	It has been confirmed that Lam Soon CU did not have peat land. It is consistent with the new soils map provided by Param Agriculture Soil Surveys (M) Sdn Bhd. Hence, this

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Clause	Indicators	Comply Yes/No	Findings
peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.	2018 in existing and new development areas.		requirement is not applicable.
	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 has been confirmed that Lam Soon CU did not have peat land. It is consistent with the new soils map provided by Param Agriculture Soil Surveys (M) Sdn Bhd. Hence, this requirement is not applicable.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	It has been confirmed that Lam Soon CU did not have peat land. It is consistent with the new soils map provided by Param Agriculture Soil Surveys (M) Sdn Bhd. Hence, this requirement is not applicable.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	It has been confirmed that Lam Soon CU did not have peat land. It is consistent with the new soils map provided by Param Agriculture Soil Surveys (M) Sdn Bhd. Hence, this requirement is not applicable.
	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,	YES	It has been confirmed that Lam Soon CU did not have peat land. It is consistent with the new soils map provided by Param Agriculture Soil Surveys (M) Sdn Bhd. Hence, this requirement is not applicable.

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Clause	Indicators	Comply Yes/No	Findings
	company could submit other alternate methodologies to be considered by RSPO for recognition.		
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.	YES	It has been confirmed that Lam Soon CU did not have peat land. It is consistent with the new soils map provided by Param Agriculture Soil Surveys (M) Sdn Bhd. Hence, this requirement is not applicable.
	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 has been confirmed that Lam Soon CU did not have peat land. It is consistent with the new soils map provided by Param Agriculture Soil Surveys (M) Sdn Bhd. Hence, this requirement is not applicable.
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	Plans for 2021 were sighted. Among plan been initiated were: <ul style="list-style-type: none"> a) The management plan was updated to include the collection of rainwater, line site water usage monitoring, contingency plan when dry spell or water shortage and action to be taken in case of water pollution, etc. Workers were advised to conserve water, briefing made during muster. b) Rainfall records based on rain gauge reading were available on site. Records of rainfall data, for the last 10 years, to assist in the water management plans were sighted. c) LSP POM Water Management plan was included the recycling of process water, recycle condensate water, reusing of treated water from POME for cleaning purpose at mill and hydro cyclone operation during water shortage, collection of rainwater, line site water usage monitoring and contingency plan to cover dry spell/shortage
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	YES	At LSP drinking water has been supplied through water treatment plan area located at LSP POM Treated water for domestic use are being sent to a 3 rd party lab, for water quality sampling as per the Company's Water Management Plan.

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	7.8.1b Workers have adequate access to clean water.	YES	Based on the interview held with the employees, clean water was adequate supply to them. Sometimes, during prolong drought, the supply might interrupt due to the catchment area could not able to retain the water.																		
	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).	YES	<p>Protection of water courses and wetlands, including maintaining and restoring appropriate riparian buffer zones has been verified at the Lam Soon Estate. Riparian buffer zones have been identified and demarcated. No chemicals and fertilizer application observed been used in their maintenance. In some area's <i>vetiver</i> grass had been planted along the river banks. Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the SOP Lam Soon. The buffer zones established are as following:</p> <table><tr><td></td><td>River width</td><td>Buffer zone</td></tr><tr><td>1</td><td>> 40 meters</td><td>50 meters</td></tr><tr><td>2</td><td>20 - 40 meters</td><td>40 meters</td></tr><tr><td>3</td><td>10 - 20 meters</td><td>20 meters</td></tr><tr><td>4</td><td>5 - 10 meters</td><td>10 meters</td></tr><tr><td>5</td><td>< 5 meters</td><td>5 meters</td></tr></table> <p>During the field visit to all the estates, it was observed that all the buffer zones and watercourses boundaries were maintained without noting any sign of spraying made in the identified areas i.e., Sungai Kam Chong and Sungai Sandau riparian buffer zones.</p>		River width	Buffer zone	1	> 40 meters	50 meters	2	20 - 40 meters	40 meters	3	10 - 20 meters	20 meters	4	5 - 10 meters	10 meters	5	< 5 meters	5 meters
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5	< 5 meters	5 meters																			
7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.	YES	Regular monitoring of effluent have been conducted with sighted latest result by Dynakey Laboratories Sdn Bhd dated in May 2021 shown all level are within permissible 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. Noted the high consumption of water in variation attributed to peak crop and mill cleaning during the monsoon months.																			
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	<p>A plan for improving the efficiency of the use of fossil fuels is in place incorporated into the Environmental Aspect and Impact activities report for 2021, identified in the following</p> <ul style="list-style-type: none">i) Environmental Aspect Identification Summary FY 2021 reviewed accordingly.ii) Environmental Impact Evaluation Summary FY 2021 reviewed accordingly.iii) Fossil fuel plan reduction 2021 <p>It has been carried out accordingly.</p>																		
7.10 Plans to reduce pollution and	7.10.1 (C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are	YES	Sighted & received data GHG calculator calculated for year 2020 for LSP CU. Thus, previous NCR was satisfactory closed. GHG emission has been identified and assessed to the estate and mill through list of waste, EIA, pollution prevention plan, etc. for year																		

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emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.	implemented, monitored through the Palm GHG calculator and publicly reported.		2020/2021. CU calculated the emission through RSPO Palm GHG calculator version 4 (data as table below).																																													
			<u>Summary of Net GHG Emissions (after submission to RSPO on 02/09/2021)</u>																																													
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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	<p>Auditors has verified through checking the www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to the sampled estates areas.</p> <p>Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at Lam Soon CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.</p>																														
	7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	<p>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, N₂O from fertiliser, Fuel Consumption, Peat Oxidation. Plans to reduce or minimise them are in place. The significant pollutants in the mill has been identified in the pollution prevention Plan – FY 2021.</p> <table><tr><th>Environmental issue</th><th>Mitigation measures</th></tr><tr><td>To reduce dark smoke emission</td><td>-Quarterly stack sampling has been carried out by external bodies -Carry out routine maintenance Install CCTV link direct to DOE -installation wet scrubber</td></tr><tr><td>Wastewater discharge through land</td><td>-Regularly effluent ditches and its surrounding for leakage. -to conduct clean up all the trap regularly</td></tr><tr><td>Chemical and lubricant spillage</td><td>-to ensure used oil and rag in drums are properly stacked and well contained -to clean regularly all the sand and oil trap</td></tr><tr><td>Reduction of greenhouse gas emission</td><td>-installation wet scrubber to reduce emission from chimney</td></tr></table>	Environmental issue	Mitigation measures	To reduce dark smoke emission	-Quarterly stack sampling has been carried out by external bodies -Carry out routine maintenance Install CCTV link direct to DOE -installation wet scrubber	Wastewater discharge through land	-Regularly effluent ditches and its surrounding for leakage. -to conduct clean up all the trap regularly	Chemical and lubricant spillage	-to ensure used oil and rag in drums are properly stacked and well contained -to clean regularly all the sand and oil trap	Reduction of greenhouse gas emission	-installation wet scrubber to reduce emission from chimney																				
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7.11 Fire is not used for preparing land and is prevented in the managed area.	7.11.1 (C) Land for new planting or replanting is not prepared by burning.	YES	There was no evidence that fire had been used to prepare land for replanting in all estates.
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	Lam Soon CU had established the fire prevention and control measures for the areas under its direct management. Accident and emergency procedures were available in adherence to the policy on <i>Emergency Response Plan 2021</i> . Each estate and mill had a standard procedure for emergencies situation. There was formation of ERP Team & ERP for all the identified incidences. The organization chart for the ERP team was established and displayed for information to the employees. The important telephone contact numbers were also provided therein. Among the equipments available for fire prevention were water pump, water tank lorry, and fire extinguisher. Training on fire drills and ERT were held in the Lam Soon CU in April and June 2021.
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	Lam Soon CU had also established the fire prevention and control measures with adjacent stakeholders through feedback forms which were distributed in May 2021 to 14 stakeholders as to comply with MCO restriction. The information among others includes a) Compliance to RSPO requirement including zero burning engagement. b) Basic understanding of RSPO the no open burning.
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	Auditors has verified through checking through www.globalforestwatch.com , Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing since 2005.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	HCV assessment with titled "Assessment on HCV within Lam Soon Plantations Sdn Bhd" dated in April 2019, was prepared by Sustainability Department, Lam Soon Plantations Sdn Bhd, Lahad Datu Sabah. The report was reviewed by S.K. Yap Forestry and Landscape Advisor Services, Kuala Lumpur.
	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	The assessment covers KK Estate and KL Estate within the Lam Soon Plantations Sdn Bhd. in Lahad Datu, Sabah to determine the presence of sites with high conservation attributes in line with the certification requirements of Roundtable Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO) certification scheme The HCV Assessment (Clause 5. - HCV Identification findings) was found that the Lam Soon Plantations Sdn Bhd had good representatives of biodiversity in both flora and fauna even with the clearing of the natural vegetation during the plantation establishment. The estate has water catchment area and small river, and their riparian buffer zone are place under HCV 4.2 for erosion control. The most common HCV features were the riparian
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-	YES	

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Clause	Indicators	Comply Yes/No	Findings
	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.		buffer zone which was common in the two estates of KK and KL estate. The HCV assessment had identified no HCV/Biodiversity found directly within the boundaries of any of the sites of Lam Soon CU, This, was because considering the Lam Soon Plantations CU are completely surrounded by other oil palm plantations. However, the management decide to maintain the Buffer Zone as their conservation Area i.e., 122 Ha.
	7.12.4 (C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).	YES	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 sighted. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action plan dated 01/6/21 and made available in Lam Soon Estate and it was reviewed with participation of stakeholders during stakeholders meeting at during stakeholders meeting in May 2021 (Surrounding Stakeholders) and Feb 2021 with Wildlife Department. The appropriate measures to maintain and/or enhance them were implemented through an action plan as per guidance by wildlife department and surrounding stakeholders. The visited estates have maintained its HCVs.
	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 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	YES	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 as these was explained during awareness in May 2021, and posters are placed at rollcall area and main gate of CU. Lam Soon Plantations CU management will notify the relevant authorities immediately if any individual working for the company is found to capture, harm, collect or kill these species. This

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Clause	Indicators	Comply Yes/No	Findings
	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.		training and implementation to be verified during on site audit
	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 Lam Soon Estate. Lam Soon Estate has conducted Three Monthly monitoring of their Buffer zone and Boundary. There is no RTE species found within the estates area. 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 Lam Soon webpage and erection of signage at strategically locations.
	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	Auditors has verified through checking through www.globalforestwatch.com , Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing at Segamaha CU since Nov 2005. Remediation and Compensation Procedure (RaCP) did not apply.

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RSPO Certifications Systems for P&C and RISS, Nov 2020

Clause	Indicators		Comply Yes/No	Findings
<p>5.5.2 Time-bound plan</p> <p>A time-bound plan for certifying all its management units and/or entities, including the units where the organization has mgmt. control and/or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan shall contain a current list of all estates and mills.</p>	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	YES	For the time-bound plan, Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(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	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(d)	Where there are isolated lapses in implementation of a time-bound	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam

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		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.		Pahang.
5.5.3 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 7.12. 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	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(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 4.4, 4.5, 4.6, 4.7 and 4.8;	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2;	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(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 5.5.3 (a) – (d) above by the audit team based on self-declarations only by the company,	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.

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		with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:		
		<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; 	YES	
		<ul style="list-style-type: none"> Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team. 	YES	
		<ul style="list-style-type: none"> Desktop study e.g. web check on relevant complaints 	YES	
		<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. 	YES	
	(f)	For requirements 5.5.3 (a)-(d) above, the classification of critical and non-critical is as stated in the RSPO P&C. If a non-compliance against a critical indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless it is actively addressed. Evidence of active engagement with RSPO in resolving the non-compliance shall be available.	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.
	(g)	Failure to address any outstanding non-compliances within uncertified unit(s) as defined in 5.5.3 (f) above	YES	Lam Soon Cannery Private Limited has already certified all their units Such as Lam Soon CU at Lahad Datu and Dara Lam Soon at Muadzam Pahang.

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		may lead to suspension of certificate of the certified unit(s), in accordance with the provisions of these Certification Systems.		
<p>5.6.6</p> <p>The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p> <p>The CB shall have a mechanism in place to identify the interested parties and ensure a represented samples size of the interested parties are consulted in each audit.</p> <p>The CB shall keep track which party that has been interviewed in the previous audits to ensure proper coverage of the parties throughout the certification cycle.</p>		No additional indicators	YES	<p>After the review of the document provided, it has been verified that the land titles were previously owned by Pacific Cocoa Plantations Sdn Bhd. The Pacific Cocoa bought land from the government of Sabah on 24 April 1986. The Company has changed her named into Lam Soon Plantations Sdn Bhd in 8 July 2000. The Land title is Country Lease and also specified that the purpose of the planting is either for oil palm or agricultural crops for economic value. It can be confirmed that Lam Soon Plantations maintained and complied with the terms of the land title. The following land titles were available at the Mill and estate office;</p> <ul style="list-style-type: none"> • Company: Lam Soon CU • Land title: 095314837 • Area (Ha): 5,885 • Status: CL • Leasing: from 1 Jan 1980 until 31 Dec 2080

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ATTACHMENT 4

DETAILS OF NON-CONFORMITIES AND CORRECTIVE ACTIONS TAKEN

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Root Cause & Corrective Action Taken by the CU	Verification Statement by Auditors						
3.6.1	Major	<p>Requirement: All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.</p> <p>Finding : The HIRARC for harvesting operations in tall palms are not risk assessed to identify H&S issues.</p> <p>Objective evidence : Sighted HIRARC at Lam Soon Estate was not risk assessed on the usage of goggle to prevent debris entering the eye during tall palm harvesting in field 93G.</p>	<p>Root cause: HIRARC was assessed on the use of PPE to prevent debris entering the eye during tall palm harvesting but not mention in details PPE i.e., goggle.</p> <p>Corrective Action: Safety committee had conducted the meeting dated 24/12/2021 and agree to use safety goggle as PPE during tall palm harvesting. HIRARC was reviewed on 24/12/2021 to include safety goggle as PPE during tall palm harvesting.</p>	<p>Auditor has verified the minute meeting by Safety Committee dated 24/12/2021 and copy of reviewed HIRARC which included the goggle as PPE during tall palm harvesting.</p> <p>Status: CLOSED</p>						
3.8.7 (SC)	Major	<p>Requirement: 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>Finding : There is a projected overproduction of certified tonnage for CPO and PK at Lam Soon POM.</p> <p>Objective evidence : Sighted evidence there is overproduction of certified tonnage for CPO PK and Lam Soon POM has yet to inform the CB. The figure as below:</p> <table><tr><td></td><td>CPO</td></tr><tr><td>Projected</td><td>25,406.26mt Sighted also extension has been made on 17/07/2020 for additional 7,065 mt total = 32,471.26 mt</td></tr><tr><td>Actual</td><td>33,755.37 mt</td></tr></table>		CPO	Projected	25,406.26mt Sighted also extension has been made on 17/07/2020 for additional 7,065 mt total = 32,471.26 mt	Actual	33,755.37 mt	<p>Root cause: Overproduction of certified tonnage due to ASA 4 (remote audit) certified volume was not updated in palm trace system and different timelines for certified tonnage calculation. Refer to RSPO remote audit report, projection ASA 4 was start from Jun 2021 until May 2022.</p> <p>Corrective Action: Management has extend the volume of CPO & PK production via email dated 21/12/2021. Projected CPO production from Nov 2021 until Mac 2022; 10,200 mt and PK production from Nov 2021 until Mac 2022; 2125mt.</p>	<p>Auditor has verified the copy of the email to the CB, dated 21/12/2021.</p> <p>Status: CLOSED</p>
	CPO									
Projected	25,406.26mt Sighted also extension has been made on 17/07/2020 for additional 7,065 mt total = 32,471.26 mt									
Actual	33,755.37 mt									

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ATTACHMENT 5

STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
7.10.1 RAR 01 2020	Major	<p>Finding : Palm GHG not publicly reported.</p> <p>Objective evidence : LSP CU has a problem to log in using new version calculator and not yet reported to RSPO and auditor</p>	Registered with RSPO (GHG unit) and correct URL (web application) was used to redo the Palm GHG 2019 and submitted to auditor.	<p>Auditor received the evidence Palm GHG has been calculated and submitted to for review. And evidence result has been checked by the auditor and follow the RSPO guidelines.</p> <p>Status: Closed The effectiveness of implementation will be verified during next audit</p>
7.12.4 MZK 01 2020	Major	<p>Finding : HCV management plan have been not developed with participation of affected stakeholders</p> <p>Objective evidence : It was found that the HCV integrated management plan at Lam Soon CU is not developed in consultation with relevant stakeholder in adaptive to changes in HCVs Plan. and Result of monitoring also was not included.</p>	<ul style="list-style-type: none"> There are 3 feedback from the stakeholder reviewed. Discussion with the relevant stakeholder Jabatan Hidupan Liar Kota Kinabatangan was made on 8/9/2020 to discuss a few HCVs plan photo of discussion with the officer. LSP will be included into chat group of wildlife monitoring Elephant movement. 	<p>Auditor received the evidence letter has been sent to surrounding stakeholder affected and Government agency who are affected and also comment from the stakeholder. Auditor also received updated HCV Action Plan including comment from stakeholder.</p> <p>Status: Closed The effectiveness of implementation will be verified during next audit</p>

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ATTACHMENT 6 – Timebound Plan

Lam Soon Cannery Private Limited Time Bound Plan on RSPO Certification.

Certification Unit	2017	2018
Lam Soon POM Lahad Datu	Certified on August 2017	
Dara Lam Soon Muadzam Shah		Certified on May 2018