



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

File Ref. : EH04760001

RSPO PUBLIC SUMMARY REPORT

CLIENT : JEROCO PLANTATIONS SDN. BHD. – JEROCO PALM OIL MILL 1

PARENT COMPANY : HAP SENG PLANTATIONS HOLDINGS BERHAD

RSPO MEMBERSHIP No.: 1-0098-11-000-00

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	
Jeroco 1	Jeroco Palm Oil Mill 1	N 5°25'52.002"	E 118°25'02.005"	Off KM 50, Jalan Jeroco, 91109 Lahad Datu, Sabah, Malaysia
	Batangan Estate	N 5°24'43.704"	E 118°26'59.803"	
	Lutong Estate	N 5°21'55.601"	E 118°26'26.201"	
	Lokan Estate	N 5°25'51.800"	E 118°22'57.804"	
	Lungmanis Estate	N 5°28'46.304"	E 118°24'11.301"	

MAP : See Attachment 1

AUDIT DATE : 17th- 20th JANUARY 2022

DURATION : 14 auditor days

TYPE OF AUDIT : ☒ Annual Surveillance Audit 3

☐ Recertification Audit

STANDARD : MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

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

VALIDITY OF RSPO CERTIFICATE : 27/09/2018- 26/09/2023

The following attachments form part of this report:

Non-conformity Report(s) ☐

List of additional site(s) ☐

Report by Audit Team Leader

Name : **ROHAZIMI MAT NAWI**

Signature :

Date : **19 / 04 / 2022**

Acknowledgement by Client's Representative

Name : **KZE KEOW CHONG**

Signature :

Date : **25. 4. 2022**

SUMMARY OF AUDITS

Stage 2 audit / Recertification audit				
On-site audit date	:	24-27 July 2018	No. of auditor days	: 17
Audit team	:	Khairul Najwan, Ruzita, Mohd Raouf, Rozaimée & Suzalina		
No. of major NCR	:	1	Indicator: 4.7.3	Closing date: 20/10/2018
No. of minor NCR	:	1	Indicator: 2.1.2	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities
	:	✓	-	✓
	:	Contract workers	NGOs	Govt. agency
	:	-	✓	✓
	:	Indigenous people	Contractor	Others (Please specify)
	:	-	✓	School Teachers
Supply base sampled	:	Lokan, Lungmanis, Batangan and Lutong Estates		
Justification of audit planning	:	Total allocation of auditor days for Jeroco 1 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 = 13 days overall 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	: 15/11/2018

Annual Surveillance Audit 1				
On-site audit date	:	1-4 July 2019	No. of auditor days	: 17
Audit team	:	Mohd Ab Raouf bin Asis (LA), Rozaimée bin Ab Rahman (A), Mohd Zulfakar bin Kamaruzaman (A), Dzulfikar bin Azmi (A), Rahayu binti Zulkifli (A).		
No. of major NCR	:	2	Indicator: 2.1.1, Clause 5.13 (Supply Chain)	Closing date: 25/9/2019
No. of minor NCR	:	1	Indicator : 6.5.3	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities
	:	✓	NA	✓
	:	Contract workers	NGOs	Govt. agency
	:	-	-	-
	:	Indigenous people	Contractor	Others (Please specify)
	:	NA	✓	-
Supply base sampled	:	Batangan, Lutong, Lokan and Lungmanis		
Changes since the last audit	:	No changes		
Justification of audit planning	:	Total allocation of auditor days for Jeroco 1 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 = 13 days overall 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	:	Kamini Sooriamoorthy	Approval date:	2/10/2019

Annual Surveillance Audit 2				
On-site audit date	:	20-24 July 2020	No. of auditor days:	17
Audit team	:	Khairul Najwan bin Ahmad Jahari (LA) Mohd Ab Raouf bin Asis (A), Rozaimée bin Ab Rahman (A), and Tn Hj Norddin (A)		
No. of major NCR	:	1	Indicator: 7.12.4	Closing date: 19/10/2020
No. of minor NCR	:	2	Indicator: 2.2.3 and 7.11.3	
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities
	:	✓	NA	NA
	:	Contract workers	NGOs	Govt. agency
	:	-	-	✓
	:			Independent growers
	:			-

	Indigenous people	Contractor	Others (Please specify)
		✓	
Supply base sampled :	Batangan, Lutong, Lokan and Lungmanis		
Changes since the last audit :	Changes to new standard of MYNI 2019 for RSPO Principle & Criteria 2018 and RSPO Supply Chain Standard 2017		
Justification of audit planning :	Total allocation of auditor days for Jeroco 1 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 = 13 days overall 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 :	Kamini Sooriamoorthy		Approval date: 23/10/2020

Annual Surveillance Audit 3 (Remote Audit)				
On-site audit date :	02 – 04 August 2021		No. of auditor days:	5 auditor days
Audit team :	Dzulfiqar Azmi (LA), Rozaimiee Ab Rahman			
No. of major NCR :	Nil	Indicator: NA		Closing date: NA
No. of minor NCR :	Nil	Indicator: NA		
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	✓			
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :	Batangan Estate, Lutong Estate, Lokan Estate and Lungmanis Estate			
Changes since the last audit :	No changes so far.			
Justification of audit planning :	Remote Audit (30%).			
Name of peer reviewer :	NA			
Report approved by :	Kamini Sooriamoorthy		Approval date : -	

Annual Surveillance Audit 3 (FULL AUDIT)				
On-site audit date :	17-20/1/2022		No. of auditor days :	14 Auditor days
Audit team :	TLA-Rohazimi Mat Nawi, Mohd Ab Raouf Asis, Mohd Zulfakar Kamaruzaman, Amir bin Bahari			
No. of major NCR :	1	Indicator:4.3.1.1		Closing date: 15/04/2022
No. of minor NCR :	1	Indicator :7.8.1		
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	/		/	
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :	Batangan Estate, Lutong Estate, Lokan Estate and Lungmanis Estate			
Changes since the last audit :	No change			
Justification of audit planning :	Total allocation of auditor days for Jeroco 2 CU were: <ul style="list-style-type: none"> Remote Audit = 5 days for remote of documents reviews safety and health, environment, mill/estate best practices, GHG verification and for supply chain certification systems). Onsite Audit = 14 days for verification onsite of implantations safety and health, environment, good agriculture best practices, GHG verification and for supply chain certification systems). 			
Name of peer reviewer :	NA			
Report approved by :	Kamini Sooriamoorthy		Approval date : 18/04/2022	

SUMMARY OF INFORMATION

TABLE 1

	RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period	July 2018 to June 2019	July 2019 to June 2020	*July 2020 to June 2021	Jan 2022 to Dec 2022	
Certified FFB Processed (MT)	199,350.00	288,322.00	217,101.00	219,959.00	
Production of Certified CPO (MT)	43,385.00	62,726.00	47,326.00	46,009.00	
Production of Certified PK (MT)	9,550.00	13,814.00	10,420.00	10,133.00	
Certified Areas (Ha)	11,436.67	11,436.67	11,436.67	11,436.67	
Planted Areas (Ha)	10,380.00	10,380.00	10,380.00	10,380.00	
Production Areas (Ha)	9,267.00	9,713.00	9,713.00	9,713.00	
HCV Areas / Conservation Areas (Ha)	386.34	386.34	386.34	386.34	
REMARKS	*Actual period covered during this reporting period was July 2020 to Dec 2021.				

TABLE 2

	PO	PK
Last years certified volume (MT)	*99,963.84	*22,009.98
Last years actual certified sold (MT)	53,758.32	12,187.46
Last years actual sold under other schemes (MT)	0	0
Last years sold conventional (MT)	0	0
Last year actual sold CSPO credits (where applicable)	0	0
New year certified volume (MT)	46,009.00	10,133.00

*This has been based on extension of volume applied and approved in July, Sept and 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
Rohazimi Mat Nawi	Lead Auditor Environment, Metric Template	Hold B. Sc (Hons) Chemical_Gas Engineering from Universiti Teknologi Malaysia. He has been in the Plantations Industry with various company having served in Palm Oil Mill. He was qualified in the auditing line with experienced in Sustainability, QMS, EMS, OHSMS and Supply Chain audit.
Mohd Zulfakar Kamaruzzaman	Auditor/Supply Chain, Social & HCV	Holds a B.Sc Forestry. He had several years of working experience in palm oil operation. He is a qualified RSPO P&C, RSPO Supply Chain and MSPO Lead Auditor.
Mohd Ab Raouf Asis	Auditor/ Social, 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.
Amir Bahari	Auditor / Safety GAP	Possessed B.Sc (Hons) USM 1985 and Diploma Palm Oil Milling Technology/Management 1996 MPOB. Working experience of 34 years in the oil palm industry including in the mill and estates. A qualified RSPO P&C auditor with experience in ISO, EMS and RSPO/MSPO auditing.

1.3 Audit methodology

The audit covered the Jeroco 1 POM and four of its supply base. The first remote audit had been conducted on 2-4/8/2021 which covered on 30%. For this onsite audit had covered four supply base which were Batangan, Lutong, Lokang Estate and Lungmanis Estate. The audit included on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU management, relevant settlers, employees, contractors and other relevant stakeholders conducted during the audit. Instead of 100% supply base coverage, the sampling methodology applies for supply base with higher than four estates.

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 during the on-site audit. In general, there was no negative comments made against this Certification Unit.

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

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	<p>The following were confirmed during the conduct of audit as there was no evidence to prove otherwise:</p> <ul style="list-style-type: none"> All workers signed the employment agreements with the estates/mill. They understood the contents of agreement, as these were prepared in English/Bahasa as the case may be. For those who couldn't read, the contents were explained to them in language they understood, usually by fellow countrymen who has worked in Malaysia longer. They are aware of their working hours (8 hours) and confirmed they were paid overtime for any work in excess of 8 hours. There was no forced overtime. They have been getting salaries above RM1,100 since January 2020 since the implementation of the Minimum Wages Order (amendmend 2020). Salaries were paid before the 7th of every month. No abuse at work, and no sexual harassment. They understand what constitutes sexual harassment. No discrimination between migrant workers and local workers, between male and female workers. Comfortable housing with water and electricity provided. Have access to affordable food from the canteen/sundry shops within the estate/mill premises. Entitled to free medical facilities at the estate clinic. Have representatives who attend regular meetings with the management where they can put forward any complaints and or raise any issues. They are aware of the complaints form. They have used them to complaint about house defects. They knew the types of work offered at mill & estate when they were in their own countries. All migrant workers keep their own passports. Overall, no NC's related to the employment conditions.
2) Settlers	Not applicable
3) Villagers / Local communities (including women representatives, displaced communities)	Not applicable
4) Suppliers	Not applicable
5) Contract workers	No contract workers.
6) Local & national NGOs	No issues
7) Government agencies / Statutory bodies	No issues
8) Independent growers / Smallholders	Hap Seng give support to surrounding smallholders and growers by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC Plantation.

9) Indigenous people	Not applicable
10) Contractor	Not applicable
11) Previous land owner (if any)	Not applicable
12) Others (please specify)	-

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

Jeroco Palm Oil Mill 1 certification unit (hereafter refer to JPOM1 CU) is one of the business unit under the Hap Seng Plantations Holdings Berhad (HSPHB). Located at Off 50 KM, Jalan Jeroco, Lahad Datu, Sabah, Malaysia, the CU consists of one mill i.e. Jeroco Palm Oil Mill 1 (JPOM1) and 4 supply base i.e. Batangan, Lutong, Lokan and Lungmanis Estates.

Jeroco 1 CU are surrounded by neighboring oil palm stakeholder and forest reserve, this can be shown in the CU's map and consultations with relevant stakeholders. There were no local communities nearby. Most of the local communities is within the Tomanggong Group of Estate and Sungai Segama Group of Estate.

The JPOM1 has a processing capacity of 60 metric tonnes of fresh fruit bunches (FFB) per hour. The mill only receives and processes crops from HSPHB's certified supply bases. The CU have other management system certification scheme such as HACCP, ISCC and MSPO.

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

The FFB sourced fully from company owned estates that are certified. Details of the FFB contribution from each source to the Jeroco 1 Palm Oil Mill were as follow:

**Table 1: Actual FFB production by the supply base for the last reporting period
(Jul 2020 – Dec 2021)**

CU own estates	FFB Production	
	Tons	Percentage (%)
Batangan	74,021.12	26.81
Lutong	42,770.46	15.49
Lokan	38,997.44	14.12
Lungmanis	22,977.54	8.32
HSP Sister Estates	Tons	Percentage (%)
Kapis	42,250.50	15.30
Tomanggong	-	-
Tagas (Tagas & Tampilit)	14,353.07	5.20
Litang (Litang & Wecan)	34,422.46	12.47
Bukit Mas Estate	3,548.09	1.29
Sungai Segama Estate	1,839.28	0.67
Ladang Kawa Estate	527.85	0.19
Apas	285.93	0.10
Hap Seng Properties	96.39	0.03
Total	276,090.13	100%

**Table 2: Projected FFB production by supply base for the next reporting period
(Jan 2022 – Dec 2022)**

CU own estates	FFB Production	
	Tons	Percentage (%)
Batangan	88,520.00	40.24
Lutong	54,890.00	24.96
Lokan	58,159.00	26.44
Lungmanis	18,390.00	8.36
Total	219,959.00	100%

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

RSPO Supply Chain Model: IP	Total (MT)
FFB Received	276,090.13
FFB Processed	276,090.13
CPO Production	58,243.93
PK Production	12,206.20
CPO delivered as RSPO certified	53,758.32
CPO delivered under other schemes (MT) - ISCC	0.00
PK delivered as RSPO certified	12,187.46
PK delivered under other schemes (MT)	0.00
PK delivered as non-RSPO certified	0.00
Credits traded thru Book & Claim	0.00

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

RSPO Supply Chain Model: IP	Total (MT)
FFB Received	219,959.00
FFB Processed	219,959.00
CPO Production	46,009.00
PK Production	10,133.00

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Batangan Estate	3,394.00	3,632.88
Lutong Estate	2,194.00	2,448.40
Lokan Estate	2,837.00	3,155.39
Lungmanis Estate	1,955.00	2,200.00
Total	10,380.00	11,436.67

Table 6 Planting profile for Jeroco 1 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>
Batangan Estate	2004	2nd	450.00	0.00	450.00		
	2006	2nd	388.00	0.00	388.00		
	2008	2nd	151.00	0.00	151.00		

	2009	2nd	148.00	0.00	148.00		
	2010	2nd	280.00	0.00	280.00		
	2011	2nd	682.00	0.00	682.00		
	2012	2nd	458.00	0.00	458.00		
	2013	2nd	406.00	0.00	406.00		
	2014	2nd	151.00	0.00	151.00		
	2015	2nd	280.00	0.00	280.00		
Total Batangan Estate			3,394.00	0.00	3,394.00	100.00	0.00
Lutong Estate	1999	1st	157.00	0.00	157.00		
	2004	1st	42.00	0.00	42.00		
	2006	2nd	456.00	0.00	456.00		
	2007	2nd	159.00	0.00	159.00		
	2011	2nd	157.00	0.00	157.00		
	2012	2nd	146.00	0.00	146.00		
	2013	2nd	306.00	0.00	306.00		
	2014	2nd	318.00	0.00	318.00		
	2015	2nd	303.00	0.00	303.00		
	2017	2nd	150.00	0.00	150.00		
Total Lutong Estate			2,194.00	0.00	2,194.00	100.00	0.00
Lokan Estate	1998	1st	439.00	0.00	439.00		
	1999	1st	1,309.00	0.00	1,309.00		
	2014	2nd	244.00	0.00	244.00		
	2015	2nd	149.00	0.00	149.00		
	2016	2nd	296.00	0.00	296.00		
	2017	2nd	0.00	161.00	161.00		
	2018	2nd	0.00	239.00	239.00		
Total Lokan Estate			2,437.00	400.00	2,837.00	85.90	14.10
Lungmanis Estate	1995	1st	765.00	0.00	765.00		
	1996	1st	923.00	0.00	923.00		
	2018	2nd	0.00	267.00	267.00		
Total			1688.00	267.00	1,955.00	86.34	13.66
Sub Total			9,713.00	667.00	10,380.00	93.57	6.43

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as shown below:

Name	:	Mr. Kee Keow Chong
Position	:	General Manager - Agronomy
Address	:	Hap Seng Plantations Holdings Berhad C/O: Hap Seng Fertilizers Sdn Bhd, Batu 2, Jalan Kastam Baru, 91119 Lahad Datu, Sabah, Malaysia.
Phone no.	:	+6089 278183, +6089 278138
Fax no.	:	+6089 278168/186
Email	:	keekc@hapseng.com

3.0 AUDIT FINDINGS

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

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

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

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

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

Hap Seng Plantations is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details provided in the Time Bound Plan described in Attachment 6.

ii. Are there any changes to the organization's time bound plan? ☐ Yes ☒ No

If yes, comment in terms of acceptance or non acceptance on the changes in the time-bound plan?

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

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

If no, please state reasons NA

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

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


No changes so far.

3.4 Status of previous non-conformities * ☒ Closed ☐ Not closed*

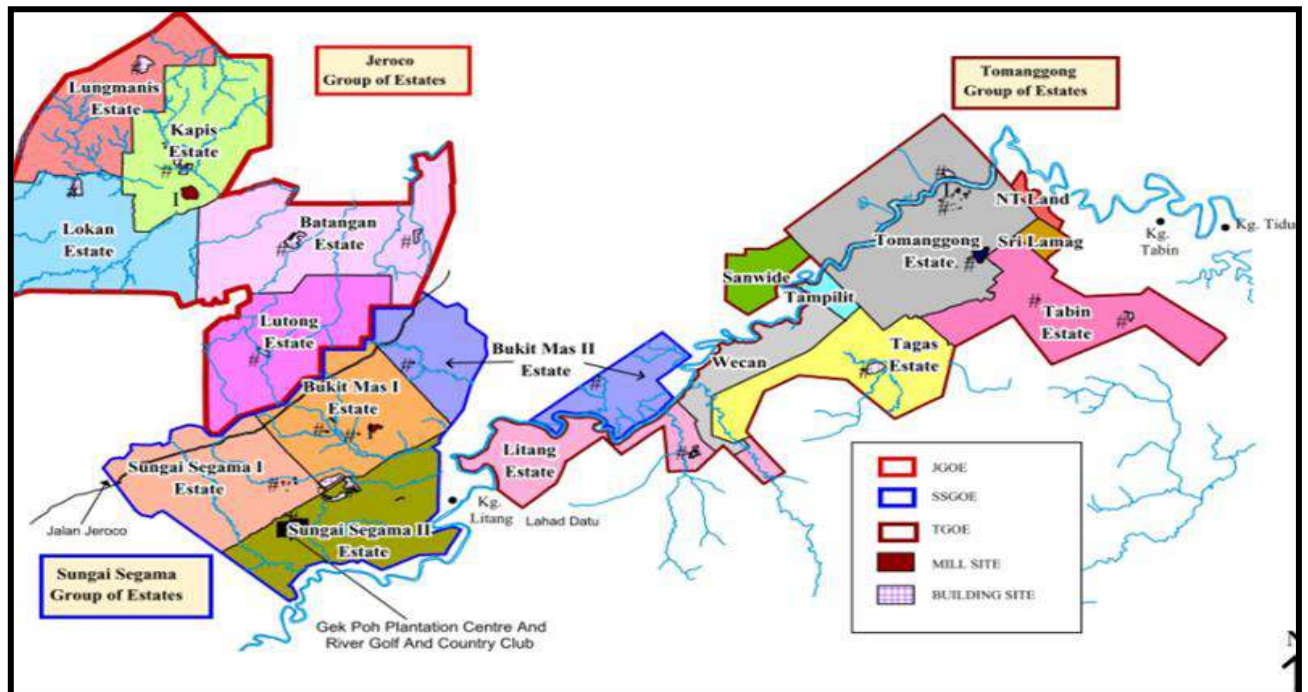
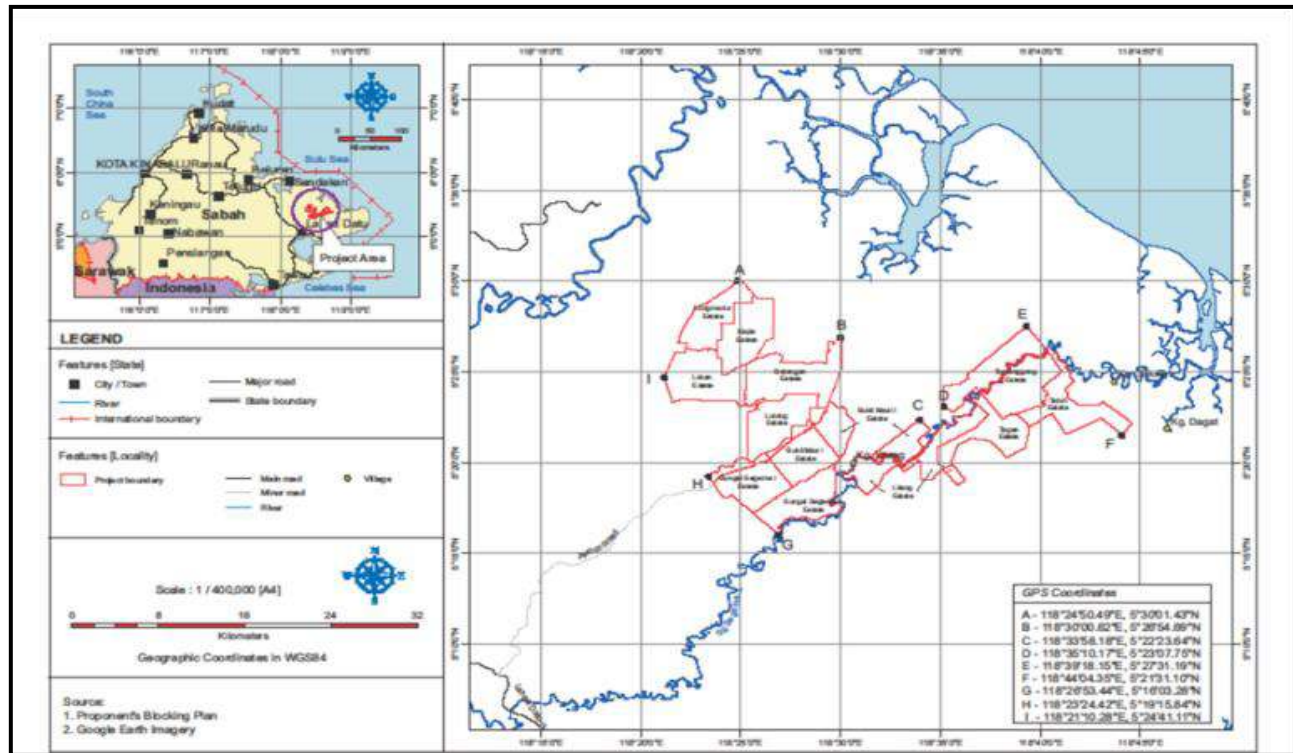
* If not closed, minor non conformity will be upgraded to major non conformity

3.5. Complaint received from stakeholder (if any)

No significant complaints from stakeholders were observed.

4.0	DETAILS OF NON-CONFORMITY REPORT		
4.1	For P&C (Details checklist refer to Attachment 3) :		
	Total no. of minor NCR(s) (details refer to Attachment 4)	List :	1 NCR RMN 1
	Total no. of major NCR(s) (details refer to Attachment 4)	List :	1 NCR AB 1
4.2	For SC (Details checklist refer to Attachment 3) :		
	Total no. of minor NCR(s) (details refer to Attachment 4)	List :	NA
	Total no. of major NCR(s) (details refer to Attachment 4)	List :	NA
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 with improvement on the highlighted as per NCRs.		
6.0	RECOMMENDATION		
	<input type="checkbox"/>	No NCR recorded. Recommended to continue certification.	
	<input checked="" type="checkbox"/>	Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit. <i>Note: Minor NCRs raised in the audit which are not addressed in the subsequent audit shall be upgraded to major NCRs .</i>	
	<input checked="" type="checkbox"/>	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.	
	<input checked="" type="checkbox"/>	Recommended to continue certification.	
	<input type="checkbox"/>	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. <i>Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.</i>	
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.		
<div style="display: flex; justify-content: space-between; align-items: flex-end; padding-top: 20px;"> <div style="width: 45%;"> <p>Audit Team Leader : Rohazimi Mat Nawi</p> <p>_____</p> <p style="text-align: center;">(Name)</p> </div> <div style="width: 25%; text-align: center;">  <p>_____</p> <p>(Signature)</p> </div> <div style="width: 30%; text-align: center;"> <p>15 / 04 / 2022</p> <p>_____</p> <p>(Date)</p> </div> </div>			

Map of Jeroco 1 CU



SURVEILLANCE 3 AUDIT PLAN

1. Objectives

The objectives of the audit are as follows:

- (i) To determine Certification Unit conformance against the relevant certification standards.
- (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** : 17th-20th January 2021

3. **Site of assessment** : Jeroco Palm Oil Mill 1
Batangan Estate
Lutong Estate
Lokan Estate
Lungmanis Estate

4. Reference Standard :

- a. MYNI 2019 of RSPO P&C 2018 / RSPO Independent Smallholder Standard, Nov 2019 / RSPO Management System Requirements and Guidance for Group Certification of FFB Production, March 2018
- b. RSPO Certification System Documents
- c. Company's audit criteria including Company's Manual/Procedures

5. Assessment Team

Trainee Lead Assessor : Rohazimi Mat Nawi (RMN) – (Environment, GHG, Metric Template)
Auditor : Mohd Ab Raouf Asis (MAR)- (Social, TBP)
Amir Bahari (AB)- (GAP, Safety)
Mohd Zulfakar Kamaruzaman (MZK) – (SCCS, Social – External, HCV)

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. 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.

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.

Working Language : English and Bahasa Malaysia

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. |

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

9. Assessment Programme Details : As below

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Day 1 (17/1/2022)

Time	Activities / areas to be visited			
9.00 am	<p>Opening Meeting for Hap Seng Plantations Holdings Berhad – Jeroco 1 Certification Unit.</p> <p>Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.</p> <p>Briefing on the organization background and implementation of RSPO at CU (including actions taken to address previous audit findings) by company Management Representative.</p> <p>Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Jeroco 1 POM</p>			
9.15 am	To assign each audit team members – site and the P&C requirements			
	RMN Jeroco 1 POM (Morning) Continue at Lokan Estate	AB Jeroco 1 POM (Morning) Continue at Lokan Estate	MAR Jeroco 1 POM (Morning) Continue at Lokan Estate	Zulfakar Jeroco 1 POM
	<p>Coverage of assessment: P1, P2, P3, P4, P6, P7:</p> <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Waste management including disposal site Aspects/impacts of mill management Controlled/open burning Pollution mitigating plans River system and Effluent Treatment/Discharge Management and disposal of waste including pesticides containers Training and skill development programs <p>Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, clinic, stores, workshop, landfill area & etc)</p>	<p>Coverage of assessment: P1, P2, P3, P6, P7:</p> <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Safety & Health practice – witness activities at site Hazard identification and Risk Management Chemical management Chemical/ fertilizer store, workshop Controlled/open burning Training and skill development programs Good Agriculture Practice for estates & mill Continuous improvement <p>Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</p>	<ul style="list-style-type: none"> Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Interview with Union/workers representatives Interview with gender committee, worker representative, contractors, supplier, etc Workers Issues & welfare Continuous improvement <p>Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.</p>	<p>Site visit and assessment on Supply Chain Implementation including the:</p> <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 <p>Coverage of assessment: P1, P5, P7, P6:</p> <ul style="list-style-type: none"> Follow up from previous assessment findings Consultation with relevant government agencies Local communities and stakeholders Local sustainable development Support smallholder inclusion Complaints and grievances Mill Boundary, adjacent and neighbouring land use HCV/RTE and action plan

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			<ul style="list-style-type: none"> Continuous improvement
			Other area identified during the assessment
12.30 pm	LUNCH BREAK & ZUHUR PRAYER		
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records		
5.00 pm	Audit team discussion / Interim closing / End of Day 1 audit		
9.00pm	Discussion LA and teams on potential NCRs		

Day 2 (18/1/2022)

Time	Activities / areas to be visited			
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Lokan Estate			
9.15 am	To assign each audit team members – site and the P&C requirements			
	RMN Lokan Estate (Morning) Continue at Batangan Estate	AB Lokan Estate (Morning) Continue at Batangan Estate	MAR Lokan Estate (Morning) Continue at Batangan Estate	Zulfakar Applicable estates
	Coverage of assessment: P1, P2, P3, P4, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Waste management including disposal site Aspects/impacts of mill management Controlled/open burning Pollution mitigating plans River system and Effluent Treatment/Discharge Management and disposal of waste including pesticides containers Training and skill development programs 	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Safety & Health practice – witness activities at site Hazard identification and Risk Management Chemical management Chemical/ fertilizer store, workshop Facilities at workplace (water treatment plant, clinic, stores, workshop, landfill area & etc) Controlled/open burning Training and skill development programs 	<ul style="list-style-type: none"> Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Interview with Union/workers representatives Interview with gender committee, worker representative, contractors, supplier, etc Workers Issues & welfare Continuous improvement <p>Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.</p>	Coverage of assessment: P1, P5, P7, P6: <ul style="list-style-type: none"> Follow up from previous assessment findings Laws and regulations Consultation with relevant government agencies Local communities and stakeholders Local sustainable development Support smallholder inclusion Complaints and grievances HCV/RTE and action plan Continuous improvement <p>Other area identified during the assessment</p>

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	Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, clinic, stores, workshop, landfill area & etc)	<ul style="list-style-type: none"> ▪ Mill Best Practice ▪ Continuous improvement Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.		
12.30 pm	LUNCH BREAK & ZUHUR PRAYER			
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records			
5.00 pm	Audit team discussion / Interim closing / End of Day 2 audit			
9.00pm	Discussion LA and teams on potential NCRs			

Day 3 (19/1/2022)

Time	Activities / areas to be visited			
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Batangan Estate			
9.15 am	To assign each audit team members – site and the P&C requirements			
	RMN Batangan Estate (Morning) Continue at Lungmanis Estate	AB Batangan Estate (Morning) Continue at Lungmanis Estate	MAR Batangan Estate (Morning) Continue at Lungmanis Estate	
	Coverage of assessment: P1, P2, P3, P4, P6, P7: <ul style="list-style-type: none"> ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site ▪ Aspects/impacts of mill management ▪ Controlled/open burning ▪ Pollution mitigating plans ▪ River system and Effluent Treatment/Discharge ▪ Management and disposal of waste including pesticides containers ▪ Training and skill development programs Other area identified during the assessment including site	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ Chemical/ fertilizer store, workshop ▪ Facilities at workplace (water treatment plant, clinic, stores, workshop, landfill area & etc) ▪ Controlled/open burning ▪ Training and skill development programs ▪ Mill Best Practice ▪ Continuous improvement 	<ul style="list-style-type: none"> ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives ▪ Interview with gender committee, worker representative, contractors, supplier, etc ▪ Workers Issues & welfare ▪ Continuous improvement Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and	

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	visits Facilities at workplace (water treatment plant, clinic, stores, workshop, landfill area & etc)	Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.	etc.
12.30 pm	LUNCH BREAK & ZUHUR PRAYER		
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records		
5.00 pm	Audit team discussion / Interim closing / End of Day 3 audit		
9.00pm	Discussion LA and teams on potential NCRs		

Day 4 (20/1/2022)

Time	Activities / areas to be visited		
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Lungmanis Estate		
9.15 am	To assign each audit team members – site and the P&C requirements		
	RMN Lungmanis Estate (Morning) Continue at Lutong Estate	AB Lungmanis Estate (Morning) Continue at Lutong Estate	MAR Lungmanis Estate (Morning) Continue at Lutong Estate
	Coverage of assessment: P1, P2, P3, P4, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Waste management including disposal site Aspects/impacts of mill management Controlled/open burning Pollution mitigating plans River system and Effluent Treatment/Discharge Management and disposal of waste including pesticides containers Training and skill development programs <p>Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, clinic, stores, workshop, landfill area & etc)</p>	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Safety & Health practice – witness activities at site Hazard identification and Risk Management Chemical management Chemical/ fertilizer store, workshop Production area (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc) Controlled/open burning Training and skill development programs Good Agriculture Practices Continuous improvement <p>Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</p>	Coverage of assessment: P1, P5, P7, P6: <ul style="list-style-type: none"> Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Interview with Union/workers representatives Interview with gender committee, worker representative, contractors, supplier, etc Workers Issues & welfare Continuous improvement <p>Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.</p>

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12.30 pm	LUNCH BREAK & ZUHUR PRAYER
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records
3.00 pm	Verification on outstanding issues for CU Auditor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.
3.30 pm	Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager
4.00 pm	Closing meeting at the CU / End of audit

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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	Jeroco 1 CU is committed to provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making by upon request. There was procedure available on communication as evidenced in Jeroco 1 CU, Document No.: HSPSB P1 1120 entitled “ <i>Prosedur Memohon Maklumat</i> ”. The procedure had involved internal and external consultation. The procedure provided a form to be filled up by any stakeholder who has the interest to request any information pertaining to Principle 1. Nonetheless, the method of requesting information was not limited by filling up the form alone. It was also described in the procedure that other means of request such as verbal or in writing, would also be entertained. The CU continued to use internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances are available through Hap Seng Plantations Holdings Berhad website at http://www.hapsengplantation.com.my
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	Yes	The CU continued to maintain stakeholders for contractors, vendors/suppliers, government agencies, schools, local communities, etc. It was noted that Hap Seng Plantations has revised their website, http://www.hapsengplantation.com to include all management documents relating to the unit’s environmental, social and legal issues demonstrating commitment towards compliance to RSPO criteria via Hap Seng Plantation Sustainability Report.
	1.1.3 (C) Records of requests for information and responses are maintained.	Yes	The estate and mill maintain records of communication and consultation with external and internal parties. These includes communication with DOSH, Labour Department, Immigration Department, Department of Environment, suppliers and their own workers.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	Yes	Jeroco 1 CU continued to implement the consultation and communication procedures identified as Stakeholder Consultation Procedure - Group Level & Estate/Mill Level. This procedure identifies impacts of the Company’s operations on its stakeholders based on interview, consultation, discussion and meetings with its stakeholders. Jeroco 1 CU also has a Communication Procedure. The document provides the procedures for external and internal stakeholders to lodge a complaint or grievance on matters related to safety, health, cleanliness, environmental, disputes, thefts, and others.

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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	All four (4) Estates and Mill continued to maintain the records of requests for information and responses are maintained which included the government agencies, schools, local communities. Records of request for information and responses were being maintained in the respective files.
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	Jeroco 1 CU had a documented policy to committing on integrity for all their staffs and workers. The code of conduct policy (Code of Conduct and Business Ethic Policy) has been communicated to the new staffs and foreign workers during induction course.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	Yes	The system in place to monitor compliance and implementation of the Policy and overall business conducts include Audit finance done by internal from HQ Corporate Internal Audit and External. Jeroco 1 CU was in line in practicing of tender exercise and they have Plantation Management Committee (PMC) meeting before the tender awarded. Furthermore, Internal audit by Sustainability Team and Safety and Health Team also conducted in frequency of once in a year.

Principle 2: Operate legally and respect rights

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

Clause	Indicators	Comply Yes/No	Findings
2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 (C) The unit of certification complies with applicable legal requirements.	No	Generally, Jeroco 1 CU complied to the applicable legal requirement except for the following: Occupational Safety and Health (Noise Exposure) Regulations 2019 hence Major NCR AB 1 been raised.
	2.1.2 A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.	Yes	The CU continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable to them. Each estate/mill had its own Legal and Other Requirements Register (LORR) and were being evaluated individually annually for compliance. The legal registers were updated by the person in-charge and approved by the respective Managers.
	2.1.3 Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.	Yes	The Estates have maps showing the locations of boundary stones that have been physically located and marked. Inspection of boundary stones/markers/trenching at the 4 estates, during the field inspection confirmed that they were clearly marked and maintained. All the physical markers/Boundary stones along the legal boundaries between was visibly available.
2.2 All contractors providing operational	2.2.1 A list of contracted parties is maintained.	Yes	All contractors providing operational services and supplying labour in Jeroco 1 CU has comply with legal requirements. However, it was noted no Fresh Fruit Bunch (FFB) suppliers due to IP certification in Jeroco 1 CU.

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Clause	Indicators	Comply Yes/No	Findings
services and supplying labour and 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	There was no third party FFB has been send to the Jeroco POM. The estate shops, the replanting works, service providers, has signed agreement that contained specific clauses on meeting applicable legal requirements as verified through contract agreement and in the addendum.
	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	There was no third party FFB has been send to the Jeroco POM. The estate shops, the replanting works, service providers, has signed agreement that contained specific clauses on meeting applicable legal requirements as verified through contract agreement and in the addendum. Addendum Contracts agreements contain clauses disallowing child, forced and trafficked labour. where young workers are employed, the contracts include a clause for their protection. The prohibition against child labour is included in all service contracts and supplier agreements.
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: 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 c) One or more supporting documents for claims d) Valid MPOB license	Yes	All Fresh Fruit Bunches are supplied from Jeroco 1 CU owned estates which are certified to RSPO. There is no third-party FFB sent to the JPOM1. Thus, this Indicator was not applicable to Jeroco 1 CU
	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	All Fresh Fruit Bunches are supplied from Jeroco 1 CU owned estates which are certified to RSPO. There is no third-party FFB sent to the JPOM1. Thus, this Indicator was not applicable to Jeroco 1 CU

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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 3years) is doc that includes, where applicable, a jointly developed business case for Scheme Smallholders.	Yes	Jeroco 1 mill and all the estates possessed respective annual budget for 2022 with projections until 2026. There is a 5-year financial plan comprising of both OPEX and CAPEX. The cost of production are reviewed and compared against expenditure each year with projections in place for future years. The 5-year plan is available for the crop processed and CAPEX.
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	Yes	The replanting programs are documented in the “ <i>Replanting Programme J1GOE 2022-2026</i> ”. The progress of the replanting is monitored and recorded by individual units with monitoring from the Head Office Management with final approval made by Chief Executive Group Plantations. The replanting programme is reviewed at minimum 1x/yearly. Other reviews are subjective based on situational needs of the company. This is made by the Plantation Management Committee.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	Yes	The organization had conducted management review meeting for each operating units with attendant of top management and operating units representatives on 1/6/2021. Among the attendant sighted were Sr General Manager Group of estate as top management representative, General Manager Agronomy, mill managers, estate managers and operating unit executives. Sighted the discussion of the agenda included follow up previous management review, result of internal and external audit, policy review, improvement and etc. Generally, the conclusion had been made that the organization had been implemented and continual improve of the RSPO P&C requirements.
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	Action plans for continual improvement are implements and ongoing - Reduction in use of pesticides, Environmental impacts, Waste reduction and Pollution and greenhouse gas (GHG). In term of social issues, the action plan was carried out based on consideration of the main social and environmental impacts [Management Plan 2020]. These include to continue engagement with relevant stakeholders (workers, surrounding communities, government agencies, agencies, suppliers and contractors).
	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template.		RSPO metrics template had been updated and completed by the organization.
3.3 Operating	3.3.1 (C) SOPs for the unit of certification are in place.	Yes	Jeroco 1 CU continued to use the established manuals and SOPs separately for both the estates and mill.

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Clause	Indicators	Comply Yes/No	Findings
procedures are appropriately documented, consistently implemented and monitored.	3.3.2 A mechanism to check consistent implementation of procedures is in place.	Yes	The organization had conducted internal audit at planned interval by trained internal auditors from sustainability team from HQ. Sighted pending closure of NCR were regard dependents without passport and work permit. Both the estates and the Mill had an established mechanism to perform checking to ensure consistent implementation of procedures. The mechanisms as established have been implemented. This is verified via the records maintained in all units daily, monthly and annually.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	Yes	The implementation of SOPs is monitored on a daily basis by the field staffs and Assistant Managers with overall overview by the Managers. The monitoring is made via supervision and records maintenance. Records of follow up action, if any, are retained.
3.4 A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.	3.4.1 (C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/outgrower scheme, is documented.	Yes	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	At the POM, specific impacts identified include biogas, smoke emissions, noise levels, POME and EFB management. Data were collected and analyzed for compliance with relevant regulations and further actions needed were documented and implemented. There are no significant changes from the current EIA established practice. Due to no changes identified in the mill operation, therefore no timetable for any change is required. During mill visit, the EIA was used as guide and no discrepancy found. The person in charge and the control required were properly recorded in the management plan. At the Estates, field activities that includes fertilizing, spraying, transportation of FFB, garbage disposal, landfill management, road maintenance, wildlife and land conservation activities. The mitigation measures were continued to be implemented to minimize the negative impacts. Records of meetings were also sighted and based on the reports reviewed, there is evidence that it was prepared with the participation of Jeroco 1 CU relevant stakeholders. These included its own workers, government agencies such as MPOA, Immigration Department, Lahad Datu Police Department, Wildlife Department, and Sabah Forestry Department. Also present were neighboring estates. The SIA Report also included the baseline for socio economic data of all four estates, (Batangan Estate, Lokan Estate, Lungmanis Estate, Lutong Estate) and Jeroco Palm Oil Mill 1 and the profile of each individual Estate and Mill, as well as their stakeholders. Identification of the positive and negative social impacts were also made. The report also contained the estates' and mill's background information, labour policies, grievance procedures (internal and external), sexual harassment policies, facilities and amenities offered by the estates, and the social

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Clause	Indicators	Comply Yes/No	Findings
			<p>impact assessment procedures and results.</p> <p>There is evidence that the SIA was prepared with the participation of Jeroco 1 CU relevant stakeholders. These included its own workers, government agencies such as MPOA, Immigration Department, Lahad Datu Police Department, Wildlife Department, and Sabah Forestry Department. Also present were neighboring estates. The SIA Report also included the baseline for socio economic data of all four estates, (Batangan Estate, Lokan Estate, Lungmanis Estate, Lutong Estate) and Jeroco Palm Oil Mill 1 and the profile of each individual Estate and Mill, as well as their stakeholders. Identification of the positive and negative social impacts were also made. The report also contained the estates' and mill's background information, labour policies, grievance procedures (internal and external), sexual harassment policies, facilities and amenities offered by the estates, and the social impact assessment procedures and results. Issues highlighted by workers and stakeholders included illegal racing, roaming chicken, Humana & housing facilities and maintenance and landfill management. Based on interview with employees also, no negative feedback bargain, resulted from the understanding among the employees on the complaints and grievance system. Apart, the management team has taken some fast action to rectify and solve the grievance from any related stakeholders.</p>
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	Yes	<p>Significant environmental aspect and impact mitigation methods was implemented from EIA. 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 EIA assessments had included the identification of aspects and impacts from resulting from the POM and Estate operations. The social and environmental management and monitoring plan were reviewed at least once a year. The consultation including stakeholder from SSGOE, JGOE, TMGOE and Kawa Estate. Total of 18 stakeholders were attended comprising of government agencies, NGO's suppliers, contractors and government schools. Based on interview with employees also, no negative feedback bargain, resulted from the understanding among the employees on the complaints and grievance system. Apart, the management team has taken some fast action to rectify and solve the grievance from any related stakeholders.</p>
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	<p>Standard Operating Procedure (SOP) on Recruitment, Selection, Hiring, Termination, Retirement and Promotion, (Local and Foreign) are documented and made available with Chief Clerk of each estate. There were no workers for terminated, retired or promoted in Jeroco 1 CU, but only a few was resigned.</p>
	3.5.2 Employment procedures are implemented, and records are maintained.		<p>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. it was found the recruitments were following the SOP [Indicator 3.5.1]. This includes records of "Kad Pekerja", Contract Agreement, salary deduction</p>

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Clause	Indicators	Comply Yes/No	Findings																								
			permission, annual leave payment, Induction on Job Training, Medical Examination, 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.	Yes	<p>The estates 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;</p> <ul style="list-style-type: none">a) Change in work processb) Revision/changes in legislative requirementc) Occurrence of accidents <p>There are no new activities in both mill and estates. Appropriate risk control measures were determined and implemented for the respective activities and operation. Most of the moving part and rotating machinery were installed with machine guarding and properly covered. Appropriate administrative controls such as safety signage were displayed at all workstations in the mill and estate office and workshop. In general, the control measures were appropriate to the identified risks.</p>																								
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.	Yes	<p>HSP Health and Safety plan among others include the following:</p> <ul style="list-style-type: none">a) No fatality / penaltyb) to enhance OSH awareness through ESH training <p>The implementation of OSH plan was monitored by internal audits conducted by Sustainability team. The OSHA plan among others initiated by the estates/mill are as follows;</p> <table><tr><th></th><th>Task</th><th>Activity</th></tr><tr><td>1</td><td>OSH Legal Compliance</td><td>Review all relevant legal compliance</td></tr><tr><td rowspan="3">2</td><td rowspan="3">Emergency Response Plan</td><td>ERP Training</td></tr><tr><td>Fire drill</td></tr><tr><td>Enforcement Visit</td></tr><tr><td rowspan="2">3</td><td rowspan="2">OSH Management System</td><td>Review documentation</td></tr><tr><td>HIRARC review</td></tr><tr><td rowspan="3">4</td><td rowspan="3">Risk Management</td><td>Identify High Risk Area</td></tr><tr><td>maintenance</td></tr><tr><td>Hygiene Tech</td></tr><tr><td rowspan="3">5</td><td rowspan="3">Accident Investigation/ Reporting</td><td>Accident Investigation</td></tr><tr><td>JKKP 8/6 submission</td></tr><tr><td>Chemical Register</td></tr></table>		Task	Activity	1	OSH Legal Compliance	Review all relevant legal compliance	2	Emergency Response Plan	ERP Training	Fire drill	Enforcement Visit	3	OSH Management System	Review documentation	HIRARC review	4	Risk Management	Identify High Risk Area	maintenance	Hygiene Tech	5	Accident Investigation/ Reporting	Accident Investigation	JKKP 8/6 submission
	Task	Activity																									
1	OSH Legal Compliance	Review all relevant legal compliance																									
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4	Risk Management	Identify High Risk Area																									
		maintenance																									
		Hygiene Tech																									
5	Accident Investigation/ Reporting	Accident Investigation																									
		JKKP 8/6 submission																									
		Chemical Register																									
3.7 All staff, workers, Scheme Smallholders,	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	Yes	Formal training programmes for 2020/2021 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors by the Jeroco 1 CU. Year 2021 & Year 2022 Training Plan were both established in January 2021. A training needs identification matrix has been established with target dates for the																								

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Clause	Indicators	Comply Yes/No	Findings
outgrowers, and contract workers are appropriately trained.	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.		training to be conducted. The organization also implementing assessments of training via post training assessment form and found available during the audits which had been sampled.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	Yes	The CU had trained their staff, workers and records of training were kept in the RSPO training file. The records included information a) title of the training b) name and signature of the attendees c) name of the trainer, d) Time and venue.
	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	Training on Supply Chain requirements has been conducted on 21/6/2021. The training has been conducted by Assistant mill engineer to AP, weighbridge operator, accountant clerk, lab operator and budge contractor. The intention on this training was to create awareness on understanding on supply chain requirement.

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	Jeroco 1 Palm Oil Mill (JPOM1) sourced for their FFB only from estates under the same CU which involve, Batangan Estate, Lutong Estate, Lokan Estate, and Lung Manis Estate. Divert crop from other certification units (Bukit Mas estate, Sungai Segama Estate, and Ladang Kawa Estate -Sungai Segama Group of Estate, Litang Estate, Tagas Estate, Tomanggong Estate)

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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.		Not Applicable
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	Mill had registered through RSPO IT Platform with Member ID of RSPO Palm Trace Registration no. RSPO_PO1000000936 (Jeroco Plantations Sdn Bhd – Jeroco Palm Oil Mill 1. Details of actual tonnage produced were provided in Table 4 of this report.
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform).	Yes	The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information was: Name: Jeroco Plantations Sdn Bhd – Jeroco Palm Oil Mill 1 Country: Malaysia. Member Category: Oil Mil Core product: Palm Oil Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard.

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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"> i. Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. ii. Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). iii. 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. iv. The site shall have documented procedures for receiving and processing certified and non-certified FFBs. 	Yes	<p>Jeroco 1 POM had used their documented procedure title '<i>Standard operating procedures for Supply Chain SOP/COC/001, issue 04.</i></p> <p>The procedure is complete and up to date covering the implementation of all the elements of the supply chain model requirements including receiving and processing certified and non-certified FFBs. Since this is MB mill, there is no problem regarding noncertified FFB.</p> <p>The procedure was kept in file JPOM 1 Traceability File. Appropriate training for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) has been conducted in June 2021 attended by PICs: Clerk, Assistant Engineer, Staff, Weighbridge Operator and Attendance list & photograph was seen. The Assistant Engineer have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO JPOM1 POM. Interview with sustainability committee member, mill manager, assistant mill manager & weighbridge operator was confirmed they are understood the supply chain requirements</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"> a) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. b) Effectively implements and maintains the standard requirements within its organisation. c) 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>As describe under para 8.4 '<i>Standard operating procedures for Supply Chain SOP/COC/001, issue 04</i>, JPOM1 refer to flow Chart Internal Audit System which is follow the RSPO Supply Chain Certification Standard Revision 2017 requirements. Audit report has also been established. The audit was conducted against the RSPO Supply Chain Certification Standard Revision 2017 requirements.</p> <p>RSPO internal audit was conducted in May 2021 by the internal audit team. The internal audit has followed the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. There are 0 NCR were raised by auditor. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.</p>

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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>	Yes	<p>The actual FFB production by supply base recorded since last audit were provided in Table 1 of this report. Based on verification of data through RSPO IT Platform and those recorded by J1POM, there is no overproduction was observed.</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; i. The name and address of the seller ii. The leading or shipment/delivery date; iii. The date on which the documents were issued; iv. RSPO certificate number; v. A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); vi. The quantity of the products delivered; vii. Any related transport documentation viii. A unique identification number 	Yes	<p>The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Hap Seng Plantation Shipping Department (HQ) on behalf of Jeroco 1 POM. Sample of deliveries document were sighted during the audit and it was found all related information were adequate. Jeroco 1 POM's RSPO certificate number and product name together with model used were stated in the delivery documents.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.9	<p>Outsourcing Activities</p> <ul style="list-style-type: none"> - 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. - The mill shall ensure the following: <ul style="list-style-type: none"> o The mill has legal ownership of all input material to be included in outsourced processes o 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. o The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. o 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. 	Yes	<p>Not Applicable since transportation and storage of certified finished products are handled internally using budge system. Should there be any additional transporter used in future to carry certified CPO/ PK, JPOM2 prepared Minor Job Contract for acknowledgement by hired service provider informing on the RSPO SCCS requirements.</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	Not Applicable since transportation and storage of certified finished products are handled internally using budge system. Should there be any additional transporter used in future to carry certified CPO/ PK, JPOM1 prepared Minor Job Contract for acknowledgement by hired service provider informing on the RSPO SCCS requirement.
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	Not Applicable since transportation and storage of certified finished products are handled internally using budge system. Should there be any additional transporter used in future to carry certified CPO/ PK, JPOM1 prepared Minor Job Contract for acknowledgement by hired service provider informing on the RSPO SCCS requirements. The management also decided to not plan to use outsider contractors.
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	The relevant record pertaining to RSPO SCCS within JPOM1 found to be updated accordingly and easily accessible during the audit.
	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 pertaining to implementation of RSPO SCCS within JPOM2 retained for minimum 2 years as per statement on Chapter 1 of ' <i>Standard operating procedures for Supply Chain SOP/COC/001</i> '.JPOM1 also had established various reporting template to ensure that they will be able to track movement of their certified FFB as well as finished products (CPO & PK).
	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	RSPO Records for Oil Mills had been updated by relevant personnel and had included the receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK. Their WB.net system also being referred for real-time transaction details as well as daily/ monthly summary of their material movements (FFB, CPO, PK, others).
	d) 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 available CU used IP model.

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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	Jeroco POM1 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. Monthly Production Report – Physical Movement) 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	JPOM1 shall only receive the RSPO certified FFB which are from Jeroco 1 CU own estates. Monitoring records titled as “J1POM FFB Received” has recorded the tonnage of certified FFB and other relevant process details. Verified through the weighing system (weighbridge system) and random sample of weighbridge tickets, being found that no external FFB intake occurred, hence no downgrade required. Consecutively, it is confirmed that RSPO certified oil palm product is from the certified sources. As for transport, dedicated tankers had been allocated by service provider to prevent cross contamination.
3.8.16	Registration of Transactions c) 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	JPOM1 through usually handled by procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Hap Seng Commodities Trading Department (HQ) on behalf of Jeroco 1 POM. The Personnel updated the RSPO IT platform system upon confirmed contract.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	being the Bill of Lading or the dispatch documentation date. d) 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 SC model and certificate no.) being correctly indicated in the relevant outgoing paperwork e.g. PK billing, CPO billing, JPOM1 weighbridge advice ticket and JPOM1 palm kernel/ CPO delivery note. JPOM1 adhered to the minimum requirement in term of the corporate communications rules as well as Annex 1 (RSPO trademark usage and guidance) of the RSPO Rules on Market Communications and Claims 2019).

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 Human Rights Policy had stated commitment to protection of Human Rights for workers, contractors, indigenous people, local communities and anyone affected by the company's operations. The company also has a Sustainable Agriculture Policy, signed on 15 August 2019, which contains a declaration to "Respect and Support the Universal Declaration of Human Rights" [clause 3.1] "HSPHB recognizes and supports the Universal Declaration of Human Rights by the United Nation including prohibition of retaliation against Human Rights Defenders (HRD) in accordance with the National Declaration on HRD. Labour policy for foreign workers was made available at all estates and Jeroco POM 1 as displayed at notice board. The policy had included statement as described by specific guidance in the indicator of Statement of the non-discriminatory practices and no contract substitution.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	Yes	It has been verified that Jeroco Group of Estate (JGOE) legitimately owned the said lands as Country Lease Land Title (CL) from the Sabah State Government. The land was not previously owned by any users and subject to customary rights of local communities and indigenous people.

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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 system used by the Jeroco 1 CU in resolving disputes and grievances exists in the procedure called Procedures for reporting complaints and grievances (<i>aduan dan permasalahan</i>) for stakeholders. The Mill and Estates within Jeroco 1 CU has its own Internal Complaint Book and External Communication Book. The Internal Complaint Books are for employees to lodge complaint pertaining to their houses. The external book was reviewed and found no complaints against the Jeroco 1 CU.
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	Yes	The procedures were explained from time to time during 6 th JGOE, SSGOE, TMGOE & Kawa Estate Stakeholder Consultation Meeting Minutes. Attendance list and copy of presentation was reviewed by auditor.
	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	The Jeroco 1 CU keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders through stakeholders meeting. Review of 6 th JGOE, SSGOE, TMGOE & Kawa Estate Stakeholder Consultation Meeting Minutes found the stakeholders were satisfied with Jeroco 1 CU on handling any issues.
	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 system used by the Jeroco 1 CU in resolving disputes and grievances exists in the procedure called Procedures for reporting complaints and grievances (<i>aduan dan permasalahan</i>) for stakeholders. The Mill and Estates within Jeroco 1 CU has its own Internal Complaint Book and External Communication Book. The Internal Complaint Books are for employees to lodge complaint pertaining to their houses. The external book was reviewed and found no complaints against the Jeroco 1 CU.
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	Contributions to community development that are based on the results of consultation with local communities with Jeroco Group of Estate (JGOE) are demonstrated such as Water supply, Fixing wiring and Upgrading classroom Jeroco's school.

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Clause	Indicators	Comply Yes/No	Findings
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	The right to use the land at Jeroco 1 CU can be demonstrated and not disputed by any party. Auditor had sighted that there were clear land ownership documents. Land titles were available in documents. The original copies of the documents, however, were kept in Plantation Central Office (PCO), Sg. Segama. Copies of land titles for all estates were sighted. All the estates were under the jurisdiction of Kinabatangan District. Review of the land titles show that the requirements that the land title for all the estates namely for cultivation of an agricultural crop of economic value have been complied with.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Jeroco 1 CU since 1980. The audit team had confirmed that there were no land issues related to previous owners. The audit team has also interviewed relevant stakeholder such as the IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate. From the interviews, it can be concluded that there was no evidence of any land dispute at Jeroco 1 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.		
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken.		
	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		

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Clause	Indicators	Comply Yes/No	Findings
	communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.		
	4.4.3 (C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities).	Yes	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, 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.	NA	The requirement in this indicator does not apply to Jeroco 1 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.	NA	The requirement in this indicator does not apply to Jeroco 1 CU
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	NA	The requirement in this indicator does not apply to Jeroco 1 CU
4.5 No new plantings are established on local peoples' land where it can be demonstrated that	4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.	Yes	Based on Social Impact Assessment (SIA) Report for Jeroco 1 CU and land title, there was no new plantings are established on local peoples' land. It has been verified that the land is legitimately owned by Jeroco 1 CU. The audit team had confirmed that there were no land issues related to previous owners and it was confirmed through interviewed with relevant stakeholder such as the IOI Plantation.

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Clause	Indicators	Comply Yes/No	Findings
there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.	4.5.2 (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 info and doc made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.	Yes	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.
	4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.	Yes	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.
	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 Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.

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Clause	Indicators	Comply Yes/No	Findings
	4.5.5 Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.	Yes	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.
	4.5.6 Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	Yes	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.
	4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.	Yes	There were no new lands acquired for plantation and mills after 15 November 2018. The current operation area including mill and estates as per stated in the land title.
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with thru a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own	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 procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Land Dispute Management [Clause B (2)] and Sustainable Agriculture Policy. In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Plantation Advisory Department particularly the Group Compliance Department at the Kuala Lumpur Head Office. The procedure stipulates the involvement of the respective estate management, professional consultant as the land surveyors with reference to relevant authorities such land authority and the affected parties in the negotiation procedures.
	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	Yes	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Land Dispute Management [Clause B (2)]. In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Plantation Advisory Department particularly the Group Compliance Department at the Kuala Lumpur Head Office. The procedure stipulates the involvement of the respective estate management, professional consultant as the land surveyors with reference to relevant authorities such land authority and the affected parties in the negotiation procedures.

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Clause	Indicators	Comply Yes/No	Findings
representative institutions.	corrective actions taken as a result of this evaluation.		In addition, "Sustainable Agriculture Policy", has stated to Respect the Rights of Indigenous and Local Communities [clause 3.5] and to Respect Land Tenure Rights [clause 3.4]
	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 were no scheme small holdings at Jeroco 1 CU. The Fresh Fruit Bunches are supplied from 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 were no scheme small holdings at Jeroco 1 CU. The Fresh Fruit Bunches are supplied from owned estates which are certified to RSPO.
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 Management [Clause B (2)] and Sustainable Agriculture Policy. In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Plantation Advisory Department particularly the Group Compliance Department at the Kuala Lumpur Head Office. The procedure stipulates the involvement of the respective estate management, professional consultant as the land surveyors with reference to relevant authorities such land authority 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 due to no local communities within Jeroco 1 CU. Furthermore, the surrounding of Jeroco 1 CU is owned by IOI Plantations, Morissem 2 Plantation (IOI), Amalan Estate.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	Yes	It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor.
4.8 The right to use the land is demonstrated and is not legitimately	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,	Yes	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2

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Clause	Indicators	Comply Yes/No	Findings
contested by local people who can demonstrate that they have legal, customary, or user rights.	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.		Plantation (IOI), Amalania Estate.
	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	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.
	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.	Yes	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.
	4.8.4 For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable).	Yes	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalania Estate.

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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 Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	Yes	Fresh Fruit Bunches were supplied from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.
	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 from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's 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 Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's 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	Consultation with contractors and suppliers' representatives confirmed they are understood of their rights and obligations under the contract or Minor Job Contract (MJC). There was no third-party FFB sent to the mil, Thus, no contract involved with smallholder.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	Yes	These contractors interviewed confirmed that payments are made in a timely manner, namely within 14 days of invoice.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	Yes	Weighing Equipment in Jeroco POM 1 (JPOM1) (Gold Cells 70,000kgx10kg) has been calibrated on yearly basis by Metrology Corporation Malaysia Sdn Bhd as in "Perakuan Penentuan Timbang dan Sukat" (Borang D - Timbang dan Sukat).

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Clause	Indicators	Comply Yes/No	Findings
	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	Hap Seng Management supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. However Surrounding smallholders and growers are against the idea of ICS they want to certify independently. Hap Seng give support to surrounding smallholders and growers by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC plantation.
	5.1.9 (C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner.	Yes	There is a document namely 'Procedure for reporting complaints and grievances (Prosedur Melapor Aduan dan Permasalahan)' and 'Grievances Procedure – Appendix 1' for staffs and workers, Prosedur Aduan and also company has developed procedure named " Mekanisme Melindungi Pengadu Terhadap Tatacara tidak Wajar (Whistleblower)", to protect the complainants. The procedure contains the Whistle Blower Complaint Response where the complainant has the option of remaining anonymous by not revealing his/her identity.
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	Hap Seng Management supports Independent Smallholders with certification, They also already consults with interested smallholders (irrespective of type) including women or other partners in their supply base and already assess their needs for support to improve their livelihoods and their interest in RSPO certification. However Surrounding smallholders and growers are against the idea of ICS they want to certify independently. Hap Seng give support to surrounding smallholders and growers by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC plantation.
	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	Hap Seng Plantations already develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies. Hap Seng give support to surrounding smallholders and growers by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC plantation.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB	Yes	Hap Seng give support to surrounding smallholders and growers to promote legality of their FFB production by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for

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Clause	Indicators	Comply Yes/No	Findings
	production.		RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC plantation.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	Yes	Hap Seng give support to surrounding smallholders and growers to certify under RSPO by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Sighted also training on Pesticide handlings has been given to surrounding Smallholder and Small grower in Jan, Feb, Mar, Apr, July & Aug 2021.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	Yes	Currently Hap Seng Plantations Management has created a system to trace their stakeholder around their estate. Hap Seng Plantations also regularly reviews and publicly reports on the progress of the smallholder support programme as per see in the Hap Seng Plantation Holdings Berhad 2019 ACOP report in the clause G.4.4.1. As of todate surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading.

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 an Equal Opportunities Policy, including words of prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. It states that equal opportunities for hiring, promotions, benefits, etc. shall be provided to all workers regardless of race, religion or gender.
	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	No complaints of discrimination were observed from all the workers interviewed (sprayers, harvesters and mill workers which comprise local and foreign men and women). They confirmed that pay and benefits received were the same regardless of job functions and there was no evidence of discrimination in any form.
	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	It has been demonstrated during the surveillance audit that recruitment selection, hiring and promotion are based on skill, qualities, capabilities and medical fitness, while vacancy notices for higher positions do not contain any discriminatory elements. Vacancies are made known among local populations based on word of mouth. Employment of foreign workers, follow Company SOP entitled ' <i>Syarat-syarat Penggajian Pekerja Asing</i> '. There is

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Clause	Indicators	Comply Yes/No	Findings
			no indication of discrimination related to locality, gender, race and origins (nationality). Every worker could achieve positions as long as meet the requirements.
	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, it was confirmed by the Health Assistants and workers at the Lokan, Lutong, Lungmanis and Batangan Estates, pregnancy tests were conducted when the workers presented themselves at the estate clinic and not conducted in a discriminatory manner. One general worker (sweeper) at the Lokan Estate and one worker at Batangan 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 the manurer/sprayer who confirmed her pregnancy was 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	A gender committee throughout the Jeroco 1 CU are known as the Gender Committee. Membership comprises female employees and the employees' wives. The meeting agenda covers, among other things, policy awareness, grievances procedures, newly appointed committee, functions of the Gender Committee, woman health and reproductive, and the activities for the year 2021-2022. The minutes of meeting were verified by auditor and found that gender committee was in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women in Jeroco 1 CU.
	6.1.6 There is evidence of equal pay for the same work scope.	Yes	Interviews with local and foreign workers (male and female), found that they agreed that they received equal pay for the same work scope. Interviewed sprayer gang has been paid by piece rate and the same gang also receive the piece rate pay, for harvester also they receive same rate as the all harvester in the estate. For mill and estate general workers they receive daily payment as per Minimum Wages Order Amendmend 2020. This is in-line with displayed on notice boards in both Bahasa Malaysia and English of the Equal Opportunities Policy, which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age.
6.2 Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).	6.2.1 (C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.	Yes	Pay and conditions are documented and made available during the surveillance audit. These are contained in the workers' payslips and employment contracts. Pay slips were sighted and are provided to workers on a monthly basis as confirmed during interview with management. Pay slips for Mill and Estate field workers show breakdown for all work done such as allowances received, deductions, no. of days worked and for the Mill, any overtime hours performed. It was also verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages (Amendment) Order 2020 (from January 2020 onwards) and the Sabah Labour Ordinance. Documentation of pay are available in the form of monthly pay slips, and conditions of pay are contained in employment contracts and letters of employment offer. Copies of these documents are provided to the workers. Briefing on relevant provisions on the Sabah

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Clause	Indicators	Comply Yes/No	Findings
			Labor Ordinance on their rights under the employment contract such as public holidays, paid annual leave, paid maternity leave, final repatriation costs to be paid by employer, and termination of contract.
	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>The employment contracts signed between the Jeroco 1 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.</p> <p>The pay slip is the document that give accurate information on compensation for all work performed. It contains the following information: employee name, IC/passport, month of pay, work description, (normal work, overtime pay, piece-rate work, public holiday pay, company contributions such as SOCSO, EIS, KSWP, deductions such as advance, average daily rate, total income for the month, total deductions, net pay. None of the workers have family members working to help them with their work. Sighted were employment contracts of the following workers and their pay slips as reported in Indicator 6.2.1.</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>There was evidence that workers observe regular working hours including overtime hours within the legal confines of the Sabah Labor Ordinance. This was verified from the mill workers' employment contracts, punch cards and interviews with the workers themselves. They are also entitled to at least 30 minutes' rest after 5 hours of work.</p> <p>Similarly, workers with medical certificates are given a paid medical leave, and female workers are given 3 months maternity leave. There was no evidence of termination, and so compliance with reasons for dismissal and period of notice could not be verified during this audit. Salary deductions are made for statutory deductions such as SOCSO, EPF, and EIS. For non-statutory deductions such as for payment of electricity and water bills, records are available of written permits from the Department of Labour, Sabah.</p>
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or 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	Yes	<p>Visits were made to the workers' housing facilities of each estate reveal that generally, the Estates and Mills provide adequate housing to their employees. 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 in accordance with the requirements of the ILO Guidance on Workers' Housing Recommendation No. 115.</p>

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Clause	Indicators	Comply Yes/No	Findings
	of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.		
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	Yes	Generally, all units within Jeroco 1 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.
	<p>6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>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:</p> <ul style="list-style-type: none"> i. An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers. ii. There is annual progress on the implementation of living wages iii. 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. iv. The unit of certification may choose to implement the "living wage" payment 	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. Jeroco 1 CU also has carried out the calculation of prevailing wages and in-kind benefits as evidenced from prevailing wages calculation. The calculation took into account i.e. housing, electricity, water, education, child care and healthcare. Based on the breakdown given, the calculation of prevailing wages including in-kind benefits is reasonable and in line with RSPO Guidance on calculating prevailing wages.

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Clause	Indicators	Comply Yes/No	Findings
	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 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.		
	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 workers in Jeroco 1 CU are a permanent and full-time worker and all the workers used for core work such as Harvesting, Manuring, Spraying, Milling Operation, Grading, Engine driver and workshop. There are no temporary workers use in the CU. Site visit found no full-time workers were observed performing work of a casual worker and vice versa.
6.3 The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.3.1 (C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.	Yes	Jeroco 1 Group subscribes to the documented policy on Freedom of Association and Right to Collective Bargaining. This Policy is available in dual language, i.e. Bahasa Malaysia and English and it recognizes and respects of employees to join trade union of their choice and to bargain collectively subject to the provisions of relevant national legislations. Employment contracts sighted do not contain any prohibitive clause from joining any trade unions. The language used in both Policies were English and Bahasa Malaysia. This was appropriate for workers as most were Malaysians and Indonesians whose main language was in Bahasa.
	6.3.2 Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request.	Yes	The Joint Consultative Committee (JCC) have been established at every unit in Jeroco 1 CU. The Committee comprise management and worker representatives. Evidence is available that management holds regular meetings with the Joint Consultative Committee (JCC). Meeting minutes between management representatives and workers' representatives were sighted. Based on the minutes meeting sighted, certain problems raised since last year resolved while certain problems were in progress with action taken from the management.
	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	Workers' representatives that sit in the Joint Consultative Committee (JCC) have been independently and freely acted by the workers themselves. No evidence of any management interference was observed.
6.4 Children are not employed or	6.4.1 A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and	Yes	Jeroco 1 CU subscribes to Hap Seng Plantations Holdings Berhad Child Labour Policy. The Policy states Hap Seng does not tolerate child labour, any forms of child exploitation and child abuse. This includes awareness trainings for all employees and contractors,

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Clause	Indicators	Comply Yes/No	Findings
exploited.	included into service contracts and supplier agreements.		schools should encourage and motivate children to attend school, parents to be advised and warned verbally on the spot not to allow children to assist them, and the child sent home or to an appropriate child care facility. The prohibition against child labour is included in all service contracts and supplier agreements. This was evidenced in Jeroco 1 POM Appendix 1 of the contracts entered into with servicing machinery, namely, Alfa Laval Malaysia Sdn Bhd. All contracts entered into with third parties contain a clause which states that the contractor shall ensure no minors (below 18 years old) are employed. Clause 10 of the contracts contain a provision that the contractor shall comply with the provisions of the relevant Acts, regulations and by-laws, including Employment of Children and Young Persons (Employment) Act 1966.
	6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.	Yes	Based on documentation review (master check roll, personal files containing copies of passport, KTP or Malaysian IC), interviews conducted and observations in the field, all employees were above the age of 18 when they commenced work at Jeroco 1 CU. Evidence is available that minimum age requirements are met. Documented age screening procedure is available namely Standard Operating Procedure (SOP) - Recruitment, Selection, Hiring, Retirement and Promotion of Workers (Local & Foreign) and Sustainable Agricultural Policy clause 3.2 (i).
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	Yes	Jeroco 1 CU has a guidance document which defines young person as someone below 18 years of age and is applicable for employment of local and foreign workers. This includes house cleaning, weighbridge clerk, gardening, loose fruit picking (excluding loading), FFB checker, filling polybags, EFB mulching, creche helper, sundry shop helper, and line sweeping.
	6.4.4 The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.	Yes	Child Protection Policy states that Jeroco 1 CU does not tolerate child labour, any forms of child exploitation and child abuse. It was explained to external stakeholders during stakeholder meetings. The policy briefings to workers, and during induction trainings for new workers.
6.5 There is no harassment or abuse in the workplace, and reproductive rights are protected.	6.5.1 (C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.	Yes	A Policy against sexual harassment, violence, and abuse has been established. This Policy was used to guide procedures to be taken in the event of sexual harassment incident and communicated to all staffs and workers during morning muster and via the Gender Representative Committee meetings. Based on interview held with workers (male and female), no incident involved of sexual harassment as at audit done.
	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.	Yes	A Policy to protect reproductive rights of all, especially women is implemented. This Policy namely Reproductive Rights Policy gives the employees the right to decide freely and responsibly of their planning to have children, and to make decisions concerning reproduction free of discrimination, coercion and violence. Additionally, an SOP for

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Clause	Indicators	Comply Yes/No	Findings
			Maternity Leave and Allowances (following in line with Sabah Labor Ordinance) gives the rights of maternity leave and allowances subject to the fulfilment of the terms and conditions. This Policy is applicable to all female workers, including foreign female workers. These Policies were communicated to all levels of workforce during muster briefings, Policy awareness briefings and via the Gender Representative Committee meetings.
	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	Gender Committees have been established at the Mill and Estate levels to help disseminate awareness on issues relating to reproductive rights and need of new mothers. Interviews held with female workers who had given birth before, found their needs have been taken into account such as providing a private place for expressing milk and access to a fridge for storage, and permission granted enabling them to go home to breastfeed their babies. The assessment includes the needs of new mothers and in addition awareness of immunization program. As at 2022 Surveillance audit, there is no new mothers in the Jeroco 1 CU.
	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 which respects anonymity and protects complainants is in place at the CU as per Grievance Procedure, and the detailed procedure is known as Reporting of Complaints and Grievances: Internal and Stakeholders (Complaints Flowchart). This system is open to all affected parties to resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistle blowers. A grievance procedure is also contained in the Social Impact Assessments for Jeroco 1 Group which defines what a grievance is. It also states that it is the responsibility of the Estates and Mill together with the respective Social Liaison Officers to educate staff and workers about the grievance procedure, and that the workers must be well aware of the grievance procedure and their rights to complaint their grievances. The grievance mechanism identifies who can submit complaints (public, staff, workers, villagers), who can receive the complaints (clerk, chief clerk, assistant manager, manager). There is also a flowchart on how the dispute is to be handled. There is also an option for complaints to remain anonymous, by keeping the complaints in a confidential file kept in Manager's office with an undertaking that information would be kept confidential. These procedures are being exhibited at estate offices.
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: - Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes)	Yes	Based on interviews conducted with foreign workers, review of documents signed by workers agreeing to voluntarily keep their passports at the estate /mill office, as well as observations made, there is evidence that workers are given an option to either keep their own passports, or to keep them at the office. Those who chose to keep the passports at the office, keep them in locked pigeonholes with one key each kept by the worker, and one by the office. Workers have full access to their own passports and have given written confirmation of their agreement to keep their passports with the office. The estates and mill do not charge their workers recruitment fee. The Company is also responsible for worker levy, medical check-up, work pass, agency processing fees and

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Clause	Indicators	Comply Yes/No	Findings
	<ul style="list-style-type: none"> - Charging the workers for recruitment fees - Contract substitution - Involuntary overtime - Lack of freedom of workers to resign - Penalty to the workers for termination of employment - Debt bondage - Withholding of wages 		insurance. The worker only pays fees related to passport renewal. This breakdown in payment is agreed between the hiring Company and the recruitment agents. There was no form of contract substitution. All foreign workers interviewed confirmed that while still in their home countries, they were briefed by the recruitment agents of the types of job they would be doing in Malaysia. There was no evidence of involuntary overtime, and all overtime work is done on a mutual basis, as confirmed by general workers, sprayers, and mill workers interviewed.
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	Yes	The CU has a documented Labour Policy for Foreign Workers which states a commitment to non-discrimination, no contract substitution, post arrival orientation program (which includes briefing on language, safety, labour laws, cultural practices, and others) and provision of decent living conditions for foreign workers. The policy was posted on the main estate notice board. Among the topics covered included company policies, personal protective equipment, emergency procedures, disciplinary procedures, employment contract such salary, holidays, rest days, annual leave, overtime, working hours, medical leave, 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	The letter of appointment for the Managers signed by the respective Superiors were sighted for the appointment as the ESH Chairman. The Managers subsequently assigned duties of ESH coordinator to the Assistants for the down line implementation of ESH practices in the estates. All identified Executives were officially given a letter for such an appointment. All estates and the mill management conduct regular two-way communication with their employees through the quarterly ESH meeting. Minutes of meetings held by the mill and estates were verified. At the meetings workers participated in the discussion mainly on housing and safety. All units adopted the agenda as released Sustainability/Agronomy Dept. This agenda list was sighted and adequate to discuss salient issues relating safety, environmental and health.
	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	Yes	<p>The procedures for accident and emergencies has been established. There is formation of ERP Team & ERP for all the identified incidences. In addition the procedures have been summarized in a chart flow form and displayed for information of all employees in the estate. They includes emergencies relating fire, chemical spillage, flood and accident at work place.</p> <p>The organization chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. Procedures guidelines were issued by Sustainability Dept and amended to tailor to the situation differences in the estates and mill.</p> <p>ERT members received training and practice in emergency procedures appropriate to</p>

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Clause	Indicators	Comply Yes/No	Findings
	aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		their respective workplace and degree of risk. The training are conducted by an accredited or qualified organization who can demonstrate their suitability to provide training. The trained personnel for the First Aid were among the employees working as field staff/mandores. The first aid boxes were available at various points in the estate office, workshop, and store. The estate distributed the first aid box to the mandores and brought along to the field during operations. In addition, there are also first aid boxes kept in the office, store and workshops.
	6.7.3 (C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.	Yes	The mill and estates issued PPE to its employees for their protection at workplace. Records of PPE issued are maintained individually to all employees. PPE issued to the workers is safety helmets, safety shoes. Special PPE for workers assigned to height, confined space. Safety shoes issued on a 6 monthly basis and recorded. During the site visit the staff/workers were noted to be equipped with their proper attire & PPE. Acknowledgement of receipt was recorded. Based on the HIRARC carried out at the estates and mill the PPE types for the various activities has been identified and implemented.
	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	Both the Estates and Mill in the Jeroco 1 CU uses SOCSO for the coverage for the local and foreign workers. The insurance coverage has ceased effective 2018 following the Government directive on the coverage. Cases requiring heavier attention will be referred to district health office and Lahad Datu Hospital.
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	Yes	Records of all accidents are kept and filed. The methodology of occupational injuries is recorded using LTA. (Lost Man day MC.) This is summarized officially in the JKKP 8. Records are kept for a minimum 10 years in the office. Summary for the year is described in the JKKP 8 a mandatory requirement for submission to DOSH by Jan of the subsequent year. Cases if any are reviewed during safety meetings. Accident cases are mainly on FFB operations incident related to FFB harvesting and frond stacking. There were no LTI of more than 4 days.

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

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

Clause	Indicators	Comply Yes/No	Findings
7.1 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	Yes	The IPM Plan for the estates have been established and documented in OPAP Chapter 10 - Pest and Diseases. Potential pests, thresholds for each pests that calls for chemical treatment, chemical and biological techniques to control pests, minimization of pesticide use and review of plans are illustrated in the IPM plan. Census of pests are made on a monthly basis and the Pests and Diseases Report (Early Warning System) indicates the result of the census. Pest management includes of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. For bagworm control the program includes the planting of beneficial plants such as <i>Cassia cobanensis</i> , <i>Antigonon leptopus</i> and <i>Turnera subulate</i> . The SOP to implement IPM and monitor its effectiveness is contained in OPAP 10 titled Pests and Diseases Management. Records are available Pests & Diseases Report (Early Warning System, Rat Infestation Report, Rat Infestation Status Report.
	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	The company personnel are aware of the Global Invasive Species List and CABI.org. There are no invasive species listed in the Global Invasive Species list that are used for pest control in any of the estates. Though no invasive species are used, monitoring of IPM is carried out on a regular basis by the Agronomy team to ensure that no invasive species spreads in 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	The SOP for pest control is stipulated in OPAP 10 titled Pests and Diseases Management. Fire is not used in any circumstances. The Zero Burning Policy is clearly stated on the Sustainable Agriculture Policy. Hence no fire is used for pest control or any purpose whatsoever.
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	Justification of the use of pesticides had been documented. The use of selective products that are specific to the targeted pest, weed or disease had been defined in Estates HSPHB's Oil Palm Agricultural Policy (OPAP) Manual, Safe & Standard Operating Procedure / Accounting/Administrative Procedure (AAP) manual, OPAP 10 titled Pests and Diseases Management, and the Oil Palm Agriculture Policy (OPAP).
	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 estates had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and active ingredients (ai) per ha. a) Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, field-cost books and in progress reports. Records of pesticides used were available and verified. b) All pesticides used were those officially registered under the Pesticide Act 1974. The CU had used only class II, class III & class IV pesticides.

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Clause	Indicators	Comply Yes/No	Findings
			<p>c) No illegal agrochemicals (stated by local and international laws) in particular paraquat were used in their estates.</p> <p>Variation of chemical usage are attributed to sizes of immature areas, rainfall pattern and the regeneration growth of weeds in different type of soil series. Explanatory notes for the usage variation were provided in the assessment.</p>
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	Yes	<p>All estates continued to minimise the usage of agrochemicals by implementing IPM. Blanket spraying was not practiced by this CU and soft grasses maintained in the field. It had also been the practice that insecticides are used only after a threshold level has been exceeded as per the HSPHB Oil Palm Agriculture Policy (OPAP). As part of the IPM plans, management of all estates had established nectariferous beneficial plants (<i>Cassia cobanensis</i>, <i>Antigonon leptopus</i> and <i>Turnera subulata</i>) nurseries for continuous planting in order to attract natural predators and thus to reduce use of insecticides. During the visit it was observed a number of beneficial plants had been planted and all 4 estates had plants ready for planting in the nurseries. Pheromone traps to trap Rhinoceros Beetles were sighted in all replants and immature in all the 4 estates.</p>
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	Yes	<p>There is no prophylactic use of pesticides. The quantity of agrochemicals required for various field conditions are documented and justified in HSP SOP for estates operations.</p> <p>a) J1 CU estates only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations 2000.</p> <p>b) From the review of the chemical register, it was noted that all pesticides used are of class III & class IV. The use of paraquat had been banned in all estates since 2007.</p>
	7.2.5 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:	Yes	<p>The estates 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 were of class III & class IV. The use of paraquat had been prohibited in all HSP estates.</p> <p>b) There was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that were listed by the Stockholm or Rotterdam Conventions been used.</p> <p>c) The class 1a chemical, Methamidophos (Enforce) in all Estates was packed individually and kept in a locked separate room with proper ventilation. The chemical was used for a bagworm outbreak in 2013. Chemical being kept in event of fresh outbreak in the estates. Regulatory requirement for the purchase in 2013 was sighted and complied.</p> <p>d) Sighted from records and interviews with workers, staff and estate assistants, concluded that training were held with all precautions being taken and all legal</p>

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Clause	Indicators	Comply Yes/No	Findings
			requirements met.
	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 no paraquat had been used. Hence, the need for a judgment of the threat assessment does not apply on the Jeroco 1 CU.
	7.2.5b Why there is no other alternative which can be used.		
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.		
	7.2.5d What is the process to limit the negative impacts of the application.	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 no paraquat had been used. Hence, the need for a judgment of the threat assessment does not apply on the Jeroco 1 CU.
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.		
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	Yes	Records showed that pesticides were handled, used and applied by trained persons and as per the SDS of the product. a) The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained and they had understood the hazards involved and how the chemicals should be handled in a safe method. b) The trade and generic names of the chemicals were made known to the workers through the SDS training. SDS was also displayed at all storage areas as observed during the audit. c) The training included the safety aspects and usage of PPE when handling with pesticides. All workers involved in pesticide application were provided with appropriate PPE and replaced when worn-out. PPE issuance & replacement records were verified by the auditors.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	Yes	The chemical stores in the 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). a) Records of purchase, storage and use were maintained. b) All store buildings were equipped with exhaust fans with the door secured. c) Only authorized personnel are assigned to handle the chemicals. d) All the chemicals were segregated in storage accordingly. Empty pesticides containers were triple rinsed, holes punched and stored separately in the scheduled wastes store. Disposal are made together with the scheduled waste disposal under SW409.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if	Yes	Empty pesticides containers were triple rinsed, holes punched and stored separately in the SW store. Thereafter disposal arrangement will follow accordingly as per procedure in HSP

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Clause	Indicators	Comply Yes/No	Findings
	used for other purposes.		SOP - 2017 – Scheduled Wastes (Hazardous Waste).
	7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.	Yes	Aerial application of agrochemicals is not practiced in all HSP estates in the CU. This is confirmed through observation during the site visit, estate complex and interview with the employees. Such method is no longer in existence in the estate's practices.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	Yes	The CHRA for the estates was within the 5-year validity period. The details of the CHRA for all the units in J1 CU as shown below. The CHRA report among others described requirement of medical surveillance to be made for employees handling organophosphate.
	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	All the estates and mill in the CU complied with procedure and guidelines provided in the <i>Polisi Pengendalian Racun Perusak Bertoksik Tinggi in SOP Penyemburan Racun Rumpai</i> , whereby <i>no work with pesticides is given to pregnant or breast-feeding women. Tidak dibenarkan pekerja wanita yang MENGANDUNG / MENYUSUKAN anak membuat kerja-kerja penyemburan</i> . The estates maintained the list of sprayers. Identification of pregnancy status is made by the respective appointed Medical Assistant during the monthly check-up. Field interviews with the lady workers confirmed that such a regulation is a standard practice in the estates and in compliance.
7.3 Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.	Yes	The organization had established and maintained Waste Management Plan. Among the sources of waste been identified were Solid waste including domestic and Scheduled waste, liquid waste including POME. Among the action be taken proper scheduled waste management, installation of septic tank and domestic waste weekly collected and disposed at landfill area.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	Yes	Record of Scheduled waste disposal sighted with procedures understood by workers and managers.
	7.3.3 The unit of certification does not use open fire for waste disposal.	Yes	No sign sighted at estates and mill that open fire been used for waste disposal. All operating units been disposed their domestic waste inside landfill.
7.4 Practices maintain soil fertility at, or where improve soil	7.4.1 Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts.	Yes	J1GOE Estates CU adopted an established manuals and standard operating procedures among others as listed below for the day-to-day operations.; The maintaining of soil fertility was guided by its HSPHB's OPAP manual. These SOPs are implemented and monitored. The monitoring of daily implementation of SOPs by estate workers is done by the field conductors, Estate Assistant Managers and Estate Managers. Periodic visits by the

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Clause	Indicators	Comply Yes/No	Findings
fertility to, a level that ensures optimal and sustained yield.			agronomists serve as an additional monitoring to ensure that the SOPs have been well implemented and correctly monitored by the estate management. The fertilizer application SOP, elaborating details on the nursery, immature, mature palm manuring type of fertilizers. Application of fertilizer timing and placement were also described. Other information includes sub-soil manuring, fertilizer sampling, and stacking of fertilizer in estate store. Rainfall data, yield trends, level of nutrients in the palm fronds, level of nutrients in the soil, total fertilizer application for each type of organic and inorganic fertilizers are monitored on a monthly basis. There is continuity in the data obtained and utilized for analysis.
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	Yes	All the estates maintained records of foliar and soil analysis in respective office. These records are compiled and issued from the Agronomy Dept. e) Foliar sampling is conducted on an annual basis and the soil sampling is made in a 5 year cycle for a particular field. Foliar analysis for J1GOE was completed in the following period and reports respectively. Soil analysis for the entire CU was made in phases on a 20% basis of an estate to complete a 5-year cycle to monitor changes in nutrient status. There was no obvious change of soil chemical properties as compared to previous years where estates are required to maintain the current agronomic practices recommended. f) Results of the foliar and soil analysis are taken into account by the agronomists. Correlation of the results of the results of analysis and the recommended fertilizer inputs were noted.
	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	There is a nutrient recycling programme in place. Empty Fruit Bunch (EFB) and Belt Press Solids (BPS) produced by the mill are applied in the field. The strategy includes EFB mulching and application of BPS in the fields in the estates. Records of application are duly retained by each estate. EFB is applied at rate of 35-70 mt/ha subject to Agronomist recommendations. Immature area at rate of 25 mt/ha. BPS is applied at dosage of 15 kg /palm. The application records taken selectively as shown below for data of 2021.
	7.4.4 Records of fertiliser inputs are maintained.	Yes	Fertilizer application program was monitored using records like program sheets, bin cards, field cost book, Fertilizer Application monitoring forms, etc. Records of programs and applications of fertilizers were reviewed by auditors. Review of the records revealed that the actual fertilizers applied in 2021 was in line with the program. The following fertilizers were applied in CU estates subject to the recommendation by the Agronomist.
7.5 Practices minimise and control erosion and	7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available.	Yes	All estates have soil maps detailing their soil profile including marginal and fragile soils. The slope maps identify steep areas within each estate.

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Clause	Indicators	Comply Yes/No	Findings
degradation of soils.	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	There is no replanting on steep terrains. This was verified during the field visits. It was observed that practices to minimize and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines. Cover crops were planted in the replants and in some mature areas. The cover crop <i>mucuna bracteata</i> had been planted along some slopes by management. Large areas with <i>neprolepis biserrata</i> in the inter rows were sighted during the visit.
	7.5.3 There is no new planting of oil palm on steep terrain.	Yes	This compliance being addressed in the " <i>Slope and River Protection</i> " signed by the CEO stating the following among others; "Slope of >25 degree to be excluded from any new plantation development and replanting program. For slope <25 degree the existing crop all vegetative shall be maintained accordingly".
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	This is not applicable to Jeroco 1 Group of Estates as there is no new plantings made. Soil maps are taken into account in plans and operations of estates to ensure long term suitability of land for palm oil cultivation. Maps are used to identify areas that are inappropriate for planting such as slope maps to indicate steep terrain. There are no new plantings carried out in all the estates visited.
	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	There were no marginal and fragile soils in the Jeroco 1 CU.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	Yes	Construction of drainage is evident at planted areas where water needs to be drained out especially at the terraces at the undulating areas and along the estate roads. Soil analysis and slope mapping have been used to guide the planning of drainage systems. Information obtained from soil analysis and slope mapping is taken into consideration when roads and infrastructure need to be developed. However, as all the estates in this unit of certification has been long established, there is rarely any new additional roads and drainages been developed. There are also no signs of soil erosion and this was verified during the field visits
7.7 No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.	7.7.1 (C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas.	Yes	This is not applicable as there is no peat soil series of all the J1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat.	Yes	This is not applicable as there is no peat soil series of all the J1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.

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Clause	Indicators	Comply Yes/No	Findings
	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).		
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	NA	This is not applicable as there is no peat soil series of all the J1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
	7.7.4 (C) A documented water and ground cover management programme is in place.	NA	This is not applicable as there is no peat soil series of all the J1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. This is subject to transitional (5 years: 2019 to 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.	NA	This is not applicable as there is no peat soil series of all the J1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for	NA	This is not applicable as there is no peat soil series of all the J1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.

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Clause	Indicators	Comply Yes/No	Findings
	existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.		
	7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2018) and associated audit guidance.	NA	This is not applicable as there is no peat soil series of all the J1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
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:	No	The water management plan is confined to only Jeroco Group of Estates engulfing the plans from nursery to fresh fruit processing. This report also includes the domestic water use with the after effect of water use to the surrounding environment. The plans cover the process of water abstraction, shortage, utilization in cultivation, chemical and natural treatments to utilize water at processing, domestic purposes and wastewater management. All of these aspects are included with monitoring, mitigation (if required), implementation and prevention or minimize pollution of these plan. Identified physical system in management of JGOE: Treated water quality standard Baseline data for water quality and frequency quality standard Contingency plans during dry season Flow meter monitoring at J1POM and J2POM. However, the water management plan needs to be refine to include action plan if found Offspec on POME, hence Minor NCR RMN 1 had been raised.
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	Yes	The continued availability of water sources and to avoid negative impacts on other users in the catchment has been conclude in the Environmental Compliance Report (ECR). ECR was conducted by third party consultant. Verified the latest ECR Report 3rd quarter of 2021 received in Jan 2022. Based on the result, water quality monitoring is generally within Class IIB of NWQS at all monitoring points.
	7.8.1b Workers have adequate access to clean water.	Yes	The organization had not restricted access to clean water.
	7.8.2 (C) Water courses and wetlands are protected, including maintaining and	Yes	Riparian buffer zones areas were identified and marked. No activities in buffer zone area. Vetiver grass had been planted along the riverbanks and water catchments.

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Clause	Indicators	Comply Yes/No	Findings																				
	restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the mgmt and rehabilitation of riparian reserves' (April 2017).																						
	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	The quarterly report was sent to DOE accordingly. Date of submission sighted for 8/4/2021,12/07/2021,13/10/2021 & 10/1/2022. From the report shown that parameters BOD and others are compliance with syarat lessen ASSH/SDK(B)31/152000/76. Sighted that BOD in January 2021 reading at 23 Mg/L which found above limit 20 Mg/L.																				
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	Yes	For year 2021, mill had recorded use of water per tonne of FFB 2.09 M³/Mt.																				
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 baseline renewable energy is in place, monitored and documented.	Yes	The plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented. Record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement.																				
7.10 Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimize GHG emissions.	7.10.1 (C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimize them are implemented, monitored through the Palm GHG calculator and publicly reported.	Yes	<div>The CU had used RSPO Palm GHG version 4.0 Calculator as a tool to calculate the GHG emissions. Sighted report sends to RSPO in Aug 2021. The input data was verified and the following were determined:</div> <table><tr><td>Description</td><td>tCO₂e/tProduct</td></tr><tr><td>CPO</td><td>0.56</td></tr><tr><td>PK</td><td>0.56</td></tr></table> <div><table><tr><td>Production</td><td>t/yr</td></tr><tr><td>FFB Processed</td><td>276,090.13</td></tr><tr><td>CPO Processed</td><td>57,529.99</td></tr></table><table><tr><td>Land Use</td><td>Ha</td></tr><tr><td>OP Planted Area</td><td>26,569.30</td></tr><tr><td>OP Planted on Peat</td><td>0.00</td></tr><tr><td>Conservation (forested)</td><td>386.34</td></tr></table></div>	Description	tCO ₂ e/tProduct	CPO	0.56	PK	0.56	Production	t/yr	FFB Processed	276,090.13	CPO Processed	57,529.99	Land Use	Ha	OP Planted Area	26,569.30	OP Planted on Peat	0.00	Conservation (forested)	386.34
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Clause	Indicators	Comply Yes/No	Findings					
			Conservation (non-forested)		0.00			
			Milling extraction rate:					
			OER		20.84			
			KER		4.35			
			Mill Emission					
			Own Crop					
			Emission source		tCO2e	tCO2e/tFFB		
			POME		5558.44	0.02		
			Fuel consumption		304.45	0.00		
			Grid electricity utilisation		0.00	0.00		
			Credits					
			Export of excess electricity to housing & grid		0.00	0.00		
			Sale of PKS		0.00	0.00		
			Sale of EFB		0.00	0.00		
			Total		5862.89	0.02		
			Plantation / field emission					
			Own Crop					
			Emission sources		tCO2e	tCO2e/ha	tCO2e/FFB	
			Land Conversion		114422.49	9.00	0.52	
			*CO2 Emissions from Fertiliser		4561.06	0.36	0.02	
			**N2O Emissions from Fertiliser		6450.15	0.51	0.03	
			Fuel Consumption		4604.72	0.36	0.02	
			Peat Oxidation		0.00	0.00	0.00	
			Sinks					
			Crop Sequestration		-101641.79	-8.00	-0.46	
			Conservation Sequestration		0.00	0.00	0.00	
			Total		28396.63	2.23	0.13	
Palm Oil Mill Effluent (POME) Treatment								
Diverted to compost			0%					
Diverted to anaerobic digestion			100%					

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Clause	Indicators	Comply Yes/No	Findings
			Diverted to Anaerobic Digestion
			Diverted to anaerobic pond
			Diverted to methane capture (flaring)
			Diverted to methane capture (electricity generation)
	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 minimize them prepared and implemented (guided by the RSPO GHG Assessment Procedure for New Development).	Yes	Auditor has verified through checking the www.globalforestwatch.com , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at Jeroco 1 CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.
	7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimize them implemented and monitored.	Yes	The Environmental Impact Assessment and Pollution Prevention Plan was used to identify the GHG emissions. Some of the Greenhouse Gas emissions are through Land Conversation, Crop Sequestration, Fertilizer, NO ² from fertilizer, Fuel Consumption, Peat Oxidation. Plans to reduce or minimise them are in place. Jeroco 1 CU also plan to reduce GHG by construct Biogas plant to capture Methane gas generated from the Effluent Treatment Plant to generate biogas engine to produce electricity for mill and domestic use.
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	Sighted at Lungmanis Estate PR21, no sign of burning been done by the estate. While for others estate, no replanting been done.
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	Yes	Jeroco 1 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 Hap Seng Plantations Holdings Berhad's policy on 'Fire Emergency Response' Plan. Each estate 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. Procedures guidelines were issued by Agronomy Department and amended to tailor to the situation differences in the estates and mills.
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	Yes	All the estates had conducted JCC meeting and invited all adjacent stakeholders and internals stakeholder including Almanian Estate for fire prevention and control measures.,
7.12 Land clearing does not cause deforestation or damage any area required to protect or	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	Yes	There was no new land clearing since November 2005 in Jeroco 1 CU.

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Clause	Indicators	Comply Yes/No	Findings
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.	Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.		
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	Yes	Jeroco 1 CU has conducted HCV Assessment available in report "Potential High Conservation Value Area Assessment Report in Lutong Estate, Batangan Estate, Lokan Estate, Lungmanis Estate and Jeroco Palm Oil Mill 1 (JGOE 1)". This report was prepared by the Sustainability Executive and was made available during the surveillance audit. The report has identified all the HCV areas within and adjacent to the Jeroco 1 CU, as well as rare, threatened and endangered species (RTEs) for Lutong, Lungmanis, Batangan, and Lokan Estates. The management and action plans for the HCV areas has been Included in the report. The report has also identified 8 potential HCV areas with the total area of 386.34 Ha.
	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.		
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.		
	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	<p>The HCV Report of Jeroco 1 CU has identified a potential RTE species along Sg Kretam at Batangan Estate, namely crocodiles. Crocodile is listed as Endangered in the IUCN Red List. Measures taken to maintain/enhance this species as stated in the HCV Action Plan include monthly monitoring, maintain riparian reserve, prohibiting against cutting down trees, spraying, periodic visit to monitor illegal activities, awareness briefings to the workforce during muster on the prohibition against hunting, spraying and manuring within buffer zones.</p> <p>Visits are also being conducted to HCV sites to check on indiscriminate spraying, monitor for illegal activities, monitor housing area for any capture of protected wildlife, and continuation of buffer zone maintenance. The SOU has established and reviewed the action plan and monitoring programme for HCVs area after consultation with relevant stakeholders. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action.</p>

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Clause	Indicators	Comply Yes/No	Findings
	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	There are no local communities living adjacent to or nearby Jeroco 1 CU. Thus, this indicator was not applicable.
	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.	Yes	The list of RTE species found in the Jeroco 1 CU has made available in HCV Report [Table 4]. Thus, Jeroco 1 CU established their own disciplinary measures if any of their staff or workers found to capture, harm, collect or kill the RTE species. The Jeroco 1 CU will notify the relevant authorities immediately if any individual or workers for the company is found to capture, harm, collect or kill these species or if found any activities to capture, harm, collect or kill RTE species, the estates will make a report to the Wildlife Department immediately. This is in-line with Policy on Rare, Threatened & Endangered Species Policy [clause 4] dated 20 November 2017. There is evidence that monitoring of HCV are being conducted by all the Estates under Jeroco 1 CU on a monthly basis.
	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	Jeroco 1 CU continues to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signage to prohibit hunting, fishing and pesticide spraying not allowed within buffer area at the HCV Area. It was noted that CCTV was placed at strategic area surrounding the estate to control everything including any illegal activities. The CCTV is in operation 24hours. Progress of implementation of the HCV Management Plan FY2022 for Jeroco 1 CU were reviewed and verified.
	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 Jeroco 1 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	HSP was committed towards getting the 100% RSPO certification. The target year for certification was revised to 2022 (as in ACOP 2020). Northbank and Tabin Estate are currently undergone Remediation and Compensation Procedure (RaCP). A meeting was held at RSPO office with RSPO Compensation Manager Ms Khing Su Li to discuss on the revise of Concept Note. HSP have response after the meeting by providing revised Concept Note and documents on 11/01/2020. Meanwhile, based on Retrospective HCV assessment made by certified HCV assessor (Green Harvest S/B) there were no clearance of primary forest at Pelipikan Estate. However, there were land clearing made in May 2006, September 2010 and February 2011. Whereas clearing was made without HCV assessment. HSP received the reviewer's comment on the LUCA assessment. HSP need to provide major clarification.
	(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	There were no changes to the current time bound plan. It was confirmed during audit with representative of HSPHB. Time bound plan was verified by CB.
	(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	Yes	The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.

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		registered with the local notary or chamber of commerce (or equivalent);		
	(d)	Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised.	Yes	The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP. As of this audit and Verification of documents and Timebound Plan there are no isolated lapses and fundamental failure to proceed with implementation of the plan in implementation of a time-bound plan
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 7.3. Any new plantings since 1 st January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	Yes	<p>Assessment of compliance to RSPO Partial Certification Requirements was conducted in Northbank 16-17/6/2021, Tabin Estate 14-15/6/2021 and for Pelipikan Estate on 24/12/2020. From the assessment, the status of the uncertified management unit was summarized as follows:</p> <p><u>Northbank and Tabin Estate</u></p> <p>a) HCV Assessment at Northbank and Tabin Estate has been conducted in year 2013 and completed the report on 20 November 2013.</p> <p>b) Northbank and Tabin Estate are currently undergone Remediation and Compensation Procedure (RaCP). A meeting was held at RSPO office with RSPO Compensation Manager Ms Khing Su Li to discuss on the revise of Concept Note. HSP have response after the meeting by providing revised Concept Note and documents on 11/01/2020.</p> <p><u>Pelipikan Estate</u></p> <p>a) Based on Retrospective HCV assessment made by certified HCV assessor (Green Harvest Sdn. Bhd.) there were no clearance of primary forest at Pelipikan Estate. However, there were land clearing made on May 2006, September 2010 and February 2011. Whereas clearing was made without HCV assessment.</p> <p>b) HSP received the reviewer's comment on the LUCA assessment. HSP need provide major clarification.</p>
	(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8;	Yes	<p>The latest internal assessment has been made to Northbank 16-17/6/2021, Tabin Estate 14-15/6/2021 and for Pelipikan Estate on 24/12/2020:</p> <p><u>Northbank and Tabin Estate</u></p> <p>Land conflict are still under court case. Please refer Hap Seng Plantations 2018 Annual Report – refer page 115 (b)</p>

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			<p><u>Pelipikan Estate</u> Land conflict was resolved with the affected and relevant parties. Please refer Hap Seng Plantations 2018 Annual Report – refer page 269 (c)</p>
(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2;	Yes	<p>The latest internal assessment has been made to Northbank and Tabin Estate on 15-18/07/2019 and for Pelipikan Estate on 18-22/02/2020:</p> <p><u>Northbank and Tabin Estate</u> JCC meeting with stakeholder which include local communities was conducted on 28/08/2018. The result of the meeting had no significant negative impact by the local community.</p> <p><u>Pelipikan Estate</u> There were no labour dispute reported during JCC with stakeholder meeting conducted on 09/04/2020. Overall no negative impacts.</p>
(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	The latest internal assessment has been made to Northbank and Tabin Estate on 15-18/07/2019 and for Pelipikan Estate on 18-22/02/2020, there was no issue on legal non-compliance for all uncertified unit.
(e)	<p>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,</p> <p>with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:</p>	Yes	<p>Based on the latest internal assessment carried out in Feb 2020, the progress of the certification was concluded as non-compliance against 4.5.4. (a-d) on new planting requirement, HCV, legal compliance and labour disputes for Tabin, Northbank and Pelipikan Estate. With regards to the land disputes, the action to address the issues were on-going.</p> <p>It was evident that in handling uncertified management unit has conducted the Joint Consultation Committee (JCC) meeting on 28/08/2018 (Northbank and Tabin Estate) and 09/04/2020 (Pelipikan Estate) to address unresolved issues. Actions in progress.</p> <p>Further information can be obtained from https://document.rspo.org/Hap_Seng_Plantations_Holdings_Bhd_ACOP2_019.pdf</p>
	d) 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;		
	e) Targeted stakeholder consultation, including		

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		consultation with the relevant NGO's will be carried out by the audit team.		
		f) Desktop study e.g. web check on relevant complaints		
		g) If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.		
	(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	As of this audit Hap Seng Plantations still on track and follow the requirement of uncertified requirement units, Further information can be obtained from https://document.rspo.org/Hap_Seng_Plantations_Holdings_Bhd_ACOP2_019.pdf . The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.
	(g)	Failure to address any outstanding non-compliances within uncertified unit(s) as defined in 5.5.3 (f) above may lead to suspension of certificate of the certified unit(s), in accordance with the provisions of these Certification Systems.	Yes	As of this audit Hap Seng Plantations still on track and follow the requirement of uncertified requirement units, Further information can be obtained from https://document.rspo.org/Hap_Seng_Plantations_Holdings_Bhd_ACOP2_019.pdf . The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.
5.6.6 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		No additional indicators	Yes	The right to use the land at Jeroco 1 CU can be demonstrated and not disputed by any party. Auditor had sighted that there were clear land ownership documents. Land titles were available in documents. The original copies of the documents however, were kept in Plantation Central Office (PCO), Sg. Segama. Copies of land titles for all estates were sighted. All the estates were under the jurisdiction of Kinabatangan District. Review of the land titles show that the requirements that the land title for all the estates namely for cultivation of an agricultural crop of economic value have been complied with.

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<p>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>				
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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
2.1.1	Major	<p>Finding: The unit of certification did not comply with applicable legal requirements under Occupational Safety and Health (Noise Exposure) Regulations 2019 Section 4. This regulation gazette on 01/03/2019 and come into operation on 01/06/2019.</p> <p>Objective evidence: Jeroco 2 CU has yet to conduct the Noise Risk Assessment (NRA) during the audit process. The CU only managed awarded the contract to Chemsain Konsultant Sdn. Bhd. to conduct the NRA. The contract details: Kapis Estate: Dated 11/01/2021, ref. no #A-14/8 (009/2021). JPOM 2: Dated 01/08/2020, contract no. JP0176.</p>	<p><u>Root cause:</u> Noise risk Assessment not yet conducted due to prolong of Movement Restriction Order (MCO) of Covid-19 pandemic causing late receiving of assessment instrument (sent to Cirrus Research, UK for calibration) by appointed consultant and then affected/delayed the performing of Noise Risk assessment at 4 estate and mill.</p> <p><u>Correction:</u> Noise Risk Assessment has been immediately conducted on 14.3.22 as per confirmation of estates/mills appointed consultant.</p> <p><u>Corrective Action:</u> Operating unit to find alternative consultant that can conduct Noise Risk Assessment earlier than appointed consultant (if any) or to closely follow-up with result/supporting document if the current consultant has shown the sign of delaying the assessment proposal to conduct the assessment within the agreed timeline, in order to ensure the Noise Risk Assessment be conducted timely/soonest possible.</p>	<p>Auditor had verified evidence attached letter on confirmation monitoring scheduled from Chemsain Konsultant Sdn. Bhd. dated 23/02/2022 to conduct Noise Risk Assessment on 14-16/03/2020 at Jeroco 1 CU.</p> <p>Status: Closed</p>
7.8.1	Minor	<p>Finding: The water management plan review 9th December 2021 was not comprehensive.</p> <p>Objective evidence: Sighted that first quarterly report for month of January 2021 for JPOM 1 was exceed limit parameter. However, the organization had yet to include corrective action plan to address this off-spec situation when occurred inside water management plan.</p>	<p>Root cause: Water management plan not updated the off-spec effluent final discharge analysis result detected by CU due to JGOE and JPOM are guided by the latest finding (April '21) raised by SIRIM QAS auditor to other Certification Unit viz. only prolonged off-spec parameter analysis result need to include and update its correction action plan in the water management plan (which is more practical and logic against current finding justification given by this audit)</p> <p>Corrective action: Monthly monitoring and review will be conducted</p>	<p>Status: Open</p> <p>Will be verify in the next audit.</p>

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Attachment 5

STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Spec. Major/ Minor	Detail Non-conformances	Corrective Action	Verification by Assessor
2.2.3 KN01/2020	Minor	<p>Finding: Contracts agreements does not contain clauses disallowing child, forced and trafficked labour. where young workers are employed, the contracts include a clause for their protection.</p> <p>Objective evidence: Contract Agreement between Jeroco 1 CU and Estate Shop Agreement(s) of Ding Enterprise [agreement dated 1st January 2016] (Lungmanis Estate), Ding Choo Tong [agreement dated 1st January 2016] (Lokan Estate), Perusahaan Lutong Baru [agreement dated 1st January 2016] (Lutong Estate), Fong Enterprise [agreement dated 1/1/2020-31/12/2020] (Batangan Estate), and replanting works agreement "Agreement Proposed Oil Palm Replanting in Field RP2020 (353ha) at Lungmanis Estate, [01/20-RP2020-Syarikat Istimaju/JGOES]" found no clauses on disallowing child, forced and trafficked labour, and clause for young workers protection (if employed).</p>	<p>Due to new requirement 2018 RSPO P&C, the estate management has missed out the clauses of "disallowing child, forced and trafficked labour and where young workers are employed are protected" in the contract agreement between Jeroco 1 CU and Sundry Shop & Replanting contractor that handled by central office.</p> <p>The contract agreement between Jeroco 1 CU and Estate Shop (Attachment 1a,1b,1c,1d) & Replanting agreements (Attachment 2a) have been immediately included with the clauses of "disallowing child, forced and trafficked labor and where young worker are employed are protected" Sustainability Team will carry out yearly cross checking to ensure the clauses of "disallowing child, forced and trafficked labour and where young worker are employed are protected" are included in the contract agreement whenever there is a new suppliers/contractor.</p>	<p>There was no third party FFB has been send to the Jeroco POM. Review on Estate Shop Agreement of Ding Enterprise (Lungmanis Estate), Ding Choo Tong (Lokan Estate), Perusahaan Lutong Baru (Lutong Estate), Fong Enterprise (Batangan Estate) found the agreements for Estate Shop was signed on 29/07/2020, has contain specific clauses on meeting applicable legal requirements as verified through contract agreement in Estate Shop [clause 5].</p> <p>Replanting works agreement "Agreement Proposed Oil Palm Replanting in Field RP21 (321ha) at Lungmanis Estate, with contractor King Foh enterprise date 20/05/2021 were also verified during the audit. (clause 21)</p> <p>Alfa Laval Malaysia Sdn Bhd, dated 23/03/2021 (Intermediate Service for Separator), has contain specific clauses on meeting applicable legal requirements as verified through contract agreement in Minor Job Contract [clause (d) and (g)].</p> <p>Addendum Contracts agreements contain clauses disallowing child, forced and trafficked labour. where young workers are employed, the contracts include a clause for their protection.</p> <p>Status: Closed</p>
7.12.4 (C) KN02/2020	Major	<p>Finding: Records of consultation with relevant stakeholders regarding the developed HCV management plan, includes the directly managed area and any relevant wider landscape level considerations (where these</p>	<p>The developed HCV management plan that including the directly managed area were discussed in the 6th JCC Stakeholder meeting. However, the details of developed HCV management plan were not included in the report due to inadequate</p>	<p>The HCV Report of Jeroco 1 CU has identified a potential RTE species along Sg Kertam at Batangan Estate, namely crocodiles. Crocodile is listed as Endangered in the IUCN Red List. Measures taken to maintain/enhance this species</p>

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		<p>are identified) were not sufficient</p> <p>Objective evidence: Consultations with relevant stakeholders on 16 April 2018 and 6th Stakeholder Consultation Meeting on 29 April 2019, regarding the developed HCV management plan, includes the directly managed area and any relevant wider landscape level considerations (where these are identified) were not clearly recorded and discussed in "Potential High Conservation Value Area Assessment Report in Lutong Estate, Batangan Estate, Lokan Estate, Lungmanis Estate and Jeroco Palm Oil Mill 1 (JGOE 1)" during the revision on 10 June 2020.</p>	<p>understanding of RSPO P&C 7.12.4. The 2020 HCV Management Plan has immediately included the clear record of the matter regarding "the developed HCV Management Plan includes the directly managed area and any relevant wider landscape level considerations (where these are identified)"</p> <p>Estate will ensure the developed HCV management plan (includes the directly managed area and any relevant wider landscape level considerations (where these are identified)) be added into the agenda of JCC Stakeholder meeting and include the details of the developed HCV management plan in the reports.</p>	<p>as stated in the HCV Action Plan include monthly monitoring, maintain riparian reserve, prohibiting against cutting down trees, spraying, periodic visit to monitor illegal activities, awareness briefings to the workforce during muster on the prohibition against hunting, spraying and manuring within buffer zones.</p> <p>the consultations with relevant stakeholders on 27/04/2021 regarding the developed HCV management plan, includes the directly managed area and any relevant wider landscape level considerations (where these are identified) were clearly recorded and discussed in "Potential High Conservation Value Area Assessment Report in Lutong Estate, Batangan Estate, Lokan Estate, Lungmanis Estate and Jeroco Palm Oil Mill 1 (JGOE 1)".</p> <p>Records of consultation with relevant stakeholders regarding the developed HCV management plan, includes the directly managed area and any relevant wider landscape level considerations (where these are identified) were sufficient discussed in the report with information received by relevant stakeholder such as Jabatan Aalam Sekitar, Jabatan Perhutanan Sabah, Jabatan Perhilitan Sabah, Local villahgers & relevant stakeholders.</p> <p>Status: Closed</p>
7.11.3 MANJ01/2020	Minor	<p>Finding: The were no engagement with adjacent stakeholders on fire prevention and control measures.</p> <p>Objective evidence: The were no engagement with adjacent stakeholders of Amalan Estate on fire prevention and control measures at Lutong Estate</p>	<p>Due to new requirement 2018 RSPO P&C, the estate management has missed out to discuss on fire prevention and control measures with adjacent stakeholders during Joint Consultative Committee (JCC) stakeholder meeting.</p> <p>The engagement with adjacent stakeholders of Amalan Estate on the preventive control measures and control measure at Lutong Estate has been immediately conducted on 10.8.2020</p> <p>The estate management will include fire prevention and control measures in their agenda for future JCC stakeholder meeting.</p>	<p>All the estates had conducted JCC meeting and invited all adjacent stakeholders and internals stakeholder including Alman Estate for fire prevention and control measures with meeting minutes sighted.</p> <p>Status: Closed</p>

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ATTACHMENT 6 – Timebound Plan

HAP SENG PLANTATIONS HOLDINGS BERHAD TIME BOUND PLAN ON RSPO CERTIFICATION

No.	CU	Location	Date of Certification	Valid until	CAB
1	Hap Seng Plantations (River Estates) Sdn Bhd - Sg Segama Group of Estate & Bukit Mas Palm Oil Mill	Lahad Datu	24/05/2017	23/05/2022	PT TUV Rheinland
2	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill	Lahad Datu	27/09/2018	26/09/2023	SIRIM QAS
3	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 2	Lahad Datu	27/09/2018	26/09/2023	SIRIM QAS
4	Hap Seng Plantations (River Estates) Sdn Bhd - Tomanggong Group of Estates	Lahad Datu	09/01/2020	08/01/2025	SIRIM QAS
5	Kawa Estate and Hap Seng Estate, Hap Seng Plantations (Ladang Kawa) Sdn Bhd *combined with Sg Segama Group of Estate & Bukit Mas POM, w.e.f 2018	Tawau	24/05/2017	23/05/2022	PT TUV Rheinland
6	Pelipikan Estate	Kota Marudu	2022 (as per ACOP 2020)	Not Applicable	Not Applicable
7	Hap Seng Plantations (River Estates) Sdn Bhd – Tomanggong Group of Estates – North Bank Estate and Tabin Estate	Lahad Datu	2022 (as per ACOP 2020)	Not Applicable	Not Applicable

Note:

- It has been confirmed during the audit that Shalimar Estate and Batang Berjuntai, which located in Selangor is under Euro Asia Brand Holding Company (Euro Asia). Euro Asia who certified to MSPO, belongs to Hap Seng Properties Sdn Bhd (HS Properties). HS Properties is one of subsidiaries of Hap Seng Consolidated Bhd. (Hap Seng Consolidated.)
- As of now, neither Hap Seng Consolidated nor HS Properties are registered as RSPO member.
- There is no management control between HS Properties & Hap Seng Plantations Holdings Berhad (HS Plantations), (two different companies with two CEOs). But both companies are subsidiaries to Hap Seng Consolidated.
- In terms of RSPO certification process, HS Plantations is registered as RSPO member. The above TBP is parked under HS Plantations.
- Following the RSPO Membership Rules 2020, [Clause 5.2.6 (ii) a],
 - Hap Seng Consolidated is a parent company but not an RSPO member, but one of its related entities are holding RSPO membership i.e. HS Plantations.
 - Only HS Plantations is an RSPO member.
 - Hap Seng Consolidated is not involved in activities related to the palm oil supply chain.
 - Corporate Group Membership is not applicable to Hap Seng Consolidated.