



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

File Ref. :
ES10170005

RSPO PUBLIC SUMMARY REPORT

CLIENT : SIME DARBY PLANTATION BERHAD – SOU 17 KEMPAS

PARENT COMPANY : SIME DARBY PLANTATION BERHAD

RSPO MEMBERSHIP No.: 1-0008-04-000-00

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 | |
| KEMPAS Strategic Operating Unit (SOU 17) | Kempas Oil Mill | N 2.3211 | E 102.4269 | 77000, Jasin, Melaka |
| | Kempas Estate | N 2.2770 | E 102.4652 | 71000, Jasin, Melaka |
| | Kemuning Estate | N 2.4843 | E 102.3380 | 76460, Tebong, Melaka |
| | Tangkah Estate | N 2.3435 | E 102.6375 | 84900, Tangkak, Johor |
| | Serkam Estate | N 2.3060 | E 102.4610 | 71000, Jasin, Melaka |

MAP : See Attachment 1

AUDIT DATE : 14-18 Mac 2022

DURATION : 18 auditor days

TYPE OF AUDIT : ☒ Annual Surveillance Audit No. 2 ☐ Recertification Audit

STANDARD : MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

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

VALIDITY OF RSPO CERTIFICATE : 20/5/2020 – 19/5/2025

The following attachments form part of this report:

Non-conformity Report(s) ☒

List of additional site(s) ☐

Report by Audit Team Leader

Name : MOHD AB RAOUF BIN ASIS

Signature :

Date : 17/06/2022

Acknowledgement by Client's Representative

Name : SIME DARBY PLANTATION BERHAD (647766-V)
KEMPAS ESTATE

Signature :

Date :

MOHD ROSLI BIN MOHAMED SUHAIMI
SENIOR MANAGER

21/06/2022

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SUMMARY OF AUDITS

| Recertification Audit 2 | | | | |
|--|---|---|--|---------------------------------------|
| On-site audit date | : | 10 - 14 February 2020 | | No. of auditor days : 25 Auditor Days |
| Audit team | : | Mohd Ab Raouf bin Asis (LA), Mohd Zulfakar bin Kamaruzaman, Rozaimee bin Ab Rahman, Rahayu binti Zulkifli, Mohd Norddin bin Abd Jalil. | | |
| No. of major NCR | : | 3 | Indicator: 4.1.1, 4.2.1, 3.6.2 | Closing date : 4/5/2020 |
| No. of minor NCR | : | 5 | Indicator: 1.1.5, 2.1.3, 3.5.1, 6.5.4, 6.7.2 | |
| Indicate the stakeholders interviewed during the on-site audit | : | Employees | Settlers | Villagers / Local communities |
| | | √ | N/A | √ |
| | | Contract workers | NGOs | Govt. agency |
| | | √ | | Independent growers |
| | | Indigenous people | Contractor | Others (Please specify) |
| | | N/A | √ | |
| Supply base sampled | : | Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate | | |
| Justification of audit planning | | Total allocation of auditor days for Kempas CU were: Mill = 5 days (1 day for social, 1 day for supply chain certification systems and 2 days for safety and health, environment, mill best practices, GHG verification, TBP, Partial Certification). Kempas, Kemuning, Tangkah & Serkam Estate = 5 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification plus the verification of Land History and Land Title. | | |
| Changes since the last audit | : | 1) In ASA4, Serkam Division was excluded from Kempas CU. However, it was included back into the supply base of Kempas CU during this recertification audit. 2) Kempas CU has applied to change their supply chain model from MB to IP. The application has been submitted in June 2019 and approved by RSPO EB. It has been noted that during this reporting period, Kempas CU was receiving the outside crop until May 2019. | | |
| Report approved by | | Kamini Sooriamoorthy | | Date: 29/05/2020 |

| Annual Surveillance Audit 1 | | | | | |
|---|---|--|-------------------------|---------------------------------|------------------------------------|
| On-site audit date | : | 26-29 April 2021 (16.0 a.d) | | No. of auditor days : | 22 Auditor Days |
| Remote audit date | : | 22-24 February 2021 (6.0 a.d) | | | |
| Audit team | : | Rozaimee Ab Rahman (LA), Mohd Ab Raouf Asis, Mohd Nordin Abdul Jalil, Ismail Adnan, Amir Bahari, Mohd Zulfakar Kamaruzaman (LA remote), Dzulfikar Azmi (remote) | | | |
| No. of major NCR | : | NA | Indicator: NA | | Closing date : NA |
| No. of minor NCR | : | 2 | Indicator: 3.3.2, 3.7.2 | | |
| 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) | |
| | | NA | √ | | |
| Supply base sampled | : | Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate, Kempas POM | | | |
| Changes since the last audit | : | No changes | | | |
| Justification of audit planning | : | Total allocation of auditor days for Kempas CU (onsite) were: Mill = 4.0 days (1 day for social, 1 day for supply chain certification systems and 2 days for safety and health, environment, mill best practices, GHG verification, TBP, Partial Certification). Kempas, Kemuning, Tangkah & Serkam Estate = 3 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification plus the verification of Land History and Land Title. | | | |
| Report approved by | : | Kamini Sooriamoorthy | | Approval date : 19/05/2021 | |

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| Annual Surveillance Audit 2 | | | | |
|---|--|------------------------------|---------------------------------|------------------------------------|
| On-site audit date | : 14-18 March 2022 | No. of auditor days | : 18 | |
| Audit team | : Mohd Ab Raouf bin Asis (LA), Mohd Zulfakar bin Kamaruzaman, Dzulfiqar bin Azmi, Selvasingam T. Kandiah, Amir bin Bahari | | | |
| No. of major NCR | : 2 | Indicator: 3.8.5, 3.8.6 (SC) | Closing date: 16/6/2022 | |
| No. of minor NCR | : Nil | Indicator : N/A | | |
| Indicate by ticking the stakeholders interviewed during the on-site audit | Employees / Workers organizations | Settlers | Villagers / Local communities | Suppliers |
| | √ | | √ | √ |
| | Contract workers | Local & National NGOs | Govt. agency / Statutory bodies | Independent growers / Smallholders |
| | √ | | | |
| | Indigenous people | Contractor | Others (Please specify) | |
| | √ | | | |
| Supply base sampled | : Kempas Estate, Serkam Estate, Tangkah Estate, Kemuning Estate | | | |
| Changes since the last audit | : No changes | | | |
| Justification of audit planning | : Total allocation of auditor days for Kempas CU (onsite) were: Mill = 4.0 days (1 day for social, 1 day for supply chain certification systems and 2 days for safety and health, environment, mill best practices, GHG verification, TBP, Partial Certification). Kempas, Kemuning, Tangkah & Serkam Estate = 3.5 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV and GHG verification plus the verification of Land History and Land Title. | | | |
| Name of peer reviewer | : NA | | | |
| Report approved by | : Kamini Sooriamoorthy | Approval date : 21/6/2022 | | |

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SUMMARY OF INFORMATION

TABLE 1

| | RA | ASA 1 | ASA 2 | ASA 3 | ASA 4 |
|--|--|----------------------|-----------------------|-------|-------|
| Projection Period | March 2020 – April 2021 | May 2021- April 2022 | March 2022 – Feb 2023 | | |
| Certified FFB Processed (MT) | 238,205.46 | 231,102.16 | 210,165.03 | | |
| Production of Certified CPO (MT) | 59,818.48 | 49,865.00 | 45,752.92 | | |
| Production of Certified PK (MT) | 15,302.40 | 12,379.00 | 11,278.63 | | |
| Certified Areas (Ha) | *12,031.81 | **11,828.51 | 11,828.51 | | |
| Planted Areas (Ha) | *11,268.75 | 10,918.96 | 10,918.96 | | |
| Production Areas (Ha) | 10,151.12 | 9,396.69 | 9,425.26 | | |
| HCV Areas / Conservation Areas (Ha) | 47.79 | ***48.69 | 48.69 | | |
| REMARKS | <p><u>Recertification audit – 2020</u> *Changes in Certified & Planted area includes the following: → Addition of Serkam Estate into Kempas CU. → Inaccuracy in Kemuning Estate reported figure. Previously, they reported the amount of hectareage of the quit rent instead of the land title. → Land acquisition by the government to build Rumah Mampu Milik at Kempas Estate.</p> <p><u>ASA 1 – 2021</u> **Updates on reduction of Certified area as follows: → Kempas: Land sold to Third Party, Armada Warak Sdn Bhd in March 2020. → Tangkah, Serkam, & Kemuning: Reduction of area due to the revision on Internal SAP System for planted hectares. ***HCV areas including the one in Serkam Estate.</p> <p><u>ASA 2 – 202</u> As this SA was carried out in March 2022, the reporting period covered in this audit was between May 2021 and Feb 2022.</p> | | | | |

TABLE 2

| | PO | PK |
|--|-----------|-----------|
| **Last years certified volume (MT) | 49,865.00 | 12,379.00 |
| Last years actual certified sold (MT) | 32,353.81 | 10,773.03 |
| Last years actual sold under other schemes (MT) | 0.00 | 0.00 |
| Last years sold conventional (MT) | 2,636.20 | 0.00 |
| Last year actual sold CSPO credits (where applicable) | 0.00 | 0.00 |
| New year certified volume (MT) | 45,752.92 | 11,278.63 |

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1.0 AUDIT PROCESS

1.1 Certification Body

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

SIRIM QAS International has vast experience in conducting audits related to RSPO certification. It has certified more than a hundred palm oil mills and several estates to ISO 14001 & ISO 45001. SIRIM QAS International has also conducted many audits for sustainable production of palm oil products against the requirements of the RSPO P&C. SIRIM QAS International was approved by the RSPO as a RSPO certification body on 21 March 2008 and re-accredited by ASI on 3 October 2019 (accredited 2014).

1.2 Qualification of audit team

| Member of the Audit Team | Role/area of RSPO requirements | Qualifications |
|-------------------------------|---|--|
| Mohd Ab Raouf bin Asis | Lead Auditor, Environment, Supply Chain | Obtained qualification in B.Sc. (Hons) Management Technology Majoring Production and Operation from UTHM in 2007. He has been in the plantation industry for 7 years assisting Estate Manager managing palm oil estates. He has been trained and qualified as RSPO Lead Auditor. |
| Mohd Zulfakar bin Kamaruzaman | Auditor, Social (External), HCV | Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C and RSPO Supply Chain Lead Auditor. |
| Dzulfiqar bin Azmi | Auditor, Social (Internal) | Holds a B. Sc. in Agriculture from University Teknologi Malaysia (UiTM). He had more than 5 years of working experience in the oil palm operation. He has experience in auditing since 2018. He is RSPO Lead Auditor since Oct. 2020. |
| Amir bin Bahari | Auditor, Safety, Environment | Holds a B.Sc. in Agriculture from Universiti Pertanian Malaysia. He has over 35 years working experience in the oil palm plantation operation. He is qualified lead auditor for RSPO P&C. |
| Selvasingam T. Kandiah | Auditor, GAP | Holds a B.Sc. (Hons) of Agriculture University of Agricultural Sciences, Hebbal, Bangalore, India. He had more than 29 years of working experience in plantation management covering cocoa, rubber and oil palm. He is a qualified RSPO P&C Lead Auditor. |

1.3 Audit methodology

The audit covered the Kempas palm oil mill and all four (4) of its supply bases. The supply bases are Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate. The audit included an on-site audit to the estates, mill, linesite, local communities, contractors and suppliers to verify the implementation of the requirement of the RSPO certification system. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

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 (local / foreign / Orang Asli workers / male & female) | <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 2019. 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. ▪ 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 – Social Dialog ▪ They knew the types of work offered at Kempas CU (mill & estates) when they were in their countries of origin. ▪ All migrant workers keep their own passports. ▪ Shuttle services FOC once a month for workers go to nearest town. ▪ Monthly recognition for workers i.e. highest harvesting productivity and housing cleanness ▪ Alternate Sunday/Rest Work ▪ Complaint channel via various platform i.e. Suara Kami (Platform by Nestle), Impactt (Ulula), WMU Careline (From Region), Whistleblowing (HQ). ▪ Freedom Decision Movement by worker for medical access and leaving of workplace during rest or public holiday via implemented the Guideline Medical |

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| | |
|---|---|
| | Access Procedure & Guideline of Leaving of Workplace. ▪ Currently, SDP reimbursed the recruitment fees to foreign workers. |
| 2) Settlers | Not applicable |
| 3) Villagers / Local communities (including women representatives, displaced communities) | Details to be refer under indicator 4.4.1 – 4.4.6. |
| 4) Suppliers | Interviewed representatives and confirmed fair dealings between them and SDPB. Payments are from made within 3 months of invoice produced by suppliers for purchased items. |
| 5) Contract workers (local / foreign / Orang Asli workers / male & female) | Workers employed by contractors were present in the CU. Sampled for interviews accordingly. |
| 6) Local & national NGOs | No comments were received. |
| 7) Government agencies / Statutory bodies | No comments were received. |
| 8) Independent growers / Smallholders | Not applicable |
| 9) Indigenous people | Interviewed representative from Kg Asli Bukit Putus. Kampung Orang Asli Bukit Putus, within 15km Radius. No direct impact from the estate operation. |
| 10) Contractor | Interview with all contractors and contractor workers that hired by Kempas CU. No issue. |
| 11) Previous land owner (if any) | Not applicable |
| 12) Others (please specify) | Not applicable |

1.5 Audit plan : Refer to Attachment 2

1.6 Date of next audit : The next surveillance audit will be conducted within 12 months but not sooner than 9 months from this audit. (For RA, the next RA will be conducted at least 4 months prior to expiry date of the certificate)

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Kempas Certification Unit (Kempas CU) is one of the Strategic Operating Unit (SOU) of Sime Darby Plantation Berhad. The CU is also known as SOU 17 and was initially certified to the RSPO P&C by SIRIM QAS International Sdn Bhd in 2015. The Kempas CU comprises of the Kempas Palm Oil Mill (Kempas POM) and four (4) supply base i.e. Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate. All the estates are owned by SDPB. The Kempas POM has a mill capacity of 60 mt/hr. All the estates have been fully developed before 2005, hence Principle 7 of the RSPO P&C is therefore not applicable.

Kempas CU has applied to change their supply chain model from MB to IP. The application has been submitted in June 2019 and approved by RSPO EB. It has been noted that during this reporting period, Kempas CU was receiving the outside crop until May 2019. Starting from June 2019 onwards, only 100% certified crop received and processed.

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

The FFB is sourced from company owned estates that were certified with RSPO P&C. Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

**Table 1: Actual FFB production by the supply base for the last reporting period
(May 2021 – Feb 2022)**

| Estates | FFB Production | | Certifying CB |
|-----------------|----------------|----------------|-----------------------------|
| | Tonnes | Percentage (%) | |
| Bukit Asahan | 2,429.58 | 1.48 | BSI |
| Bukit Pelandok | 123.01 | 0.08 | Control Union Certification |
| Bukit Pilah | 54.77 | 0.03 | GGC |
| Diamond Jubilee | 3,297.07 | 2.01 | BSI |
| Kempas | 60,190.90 | 36.77 | SIRIM |
| Kemuning | 35,031.34 | 21.40 | SIRIM |
| Kok Foh | 172.17 | 0.11 | GGC |
| Lanadron | 2,563.82 | 1.57 | BSI |
| Pagoh | 2,419.29 | 1.48 | BSI |
| PD Lukut | 255.84 | 0.16 | Control Union Certification |
| Pengkalan Bukit | 3,173.32 | 1.94 | BSI |
| Salak | 953.72 | 0.58 | Control Union Certification |
| Sengkang | 1,335.58 | 0.82 | Control Union Certification |
| Serkam | 20,931.48 | 12.79 | SIRM |
| Sg Bahru | 946.45 | 0.58 | Control Union Certification |
| Sg Gemas | 168.97 | 0.10 | GGC |
| Sg Sabaling | 27.89 | 0.02 | GGC |
| St Helier | 148.97 | 0.09 | GGC |
| Sua Betong | 753.51 | 0.46 | Control Union Certification |
| Tampin Linggi | 1,210.74 | 0.74 | Control Union Certification |
| Tanah Merah | 779.67 | 0.48 | Control Union Certification |
| Tangkah | 26,041.80 | 15.91 | SIRIM |
| Welch | 673.37 | 0.41 | BSI |
| Total | 163,683.26 | 100.00 | - |

**Table 2: Projected FFB production by supply base for the next reporting period
(March 2022 – Feb 2023)**

| CU own estates | FFB Contribution | |
|--------------------|-------------------|----------------|
| | Tonnes | Percentage (%) |
| Kempas | 82,671.27 | 39% |
| Tangkah | 42,601.71 | 20% |
| Kemuning | 48,193.56 | 23% |
| Serkam | 36,698.49 | 17% |
| Grand Total | 210,165.03 | 100 |

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**Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period
(May 2021 – Feb 2022)**

| | Total (MT) |
|-------------------------------------|------------|
| FFB Received | 163,683.26 |
| FFB Processed | 163,222.87 |
| CPO Production | 36,189.273 |
| PK Production | 10,773.03 |
| CPO delivered as IP | 32,353.810 |
| CPO delivered as non-RSPO certified | 2,636.200 |
| PK delivered as IP | 10,773.030 |
| PK delivered as non-RSPO certified | 0.00 |
| Product sold under Book & Claim | 0.00 |

**Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period
(March 2022 -Feb 2023)**

| | Total (MT) |
|----------------|------------|
| FFB Received | 210,165.03 |
| FFB Processed | 210,165.03 |
| CPO Production | 45,752.92 |
| PK Production | 11,278.63 |

Table 5 Planted and certified area of the CU

| Estate | Planted (ha) | Certified (ha) |
|--------------|------------------|------------------|
| Kempas | 4,368.22 | 4505.45 |
| Kemuning | 2368.66 | 2671.05 |
| Tangkah | 2360.19 | 2537.78 |
| Serkam | 1821.89 | 2,114.23 |
| Total | 10,918.96 | 11,828.51 |

Table 6 Planting profile for Kempas Estate

| Estate | Year of planting | Planting Cycle | Mature ≥3 years (Ha) | Immature < 3 years (Ha) | Planted area | % of planted area mature | % of planted area immature |
|--------|------------------|-----------------------|-------------------------|----------------------------|--------------|--------------------------|----------------------------|
| Kempas | 1991 | 1 st cycle | 30.39 | 0 | 30.39 | 0.70% | 0 |
| Kempas | 1992 | 1 st cycle | 260.53 | 0 | 260.53 | 5.96% | 0 |
| Kempas | 1993 | 1 st cycle | 133.02 | 0 | 133.02 | 3.05% | 0 |
| Kempas | 1994 | 1 st cycle | 585.71 | 0 | 585.71 | 13.41% | 0 |
| Kempas | 1995 | 1 st cycle | 650.58 | 0 | 650.58 | 14.89% | 0 |
| Kempas | 1998 | 1 st cycle | 81.51 | 0 | 81.51 | 1.87% | 0 |
| Kempas | 2000 | 2 nd cycle | 289.57 | 0 | 289.57 | 6.63% | 0 |
| Kempas | 2001 | 2 nd cycle | 44.47 | 0 | 44.47 | 1.02% | 0 |
| Kempas | 2003 | 2 nd cycle | 40.18 | 0 | 40.18 | 0.92% | 0 |
| Kempas | 2005 | 2 nd cycle | 8 | 0 | 8 | 0.18% | 0 |
| Kempas | 2006 | 2 nd cycle | 19.17 | 0 | 19.17 | 0.44% | 0 |
| Kempas | 2009 | 2 nd cycle | 57.09 | 0 | 57.09 | 1.31% | 0 |
| Kempas | 2011 | 2 nd cycle | 199.36 | 0 | 199.36 | 4.56% | 0 |
| Kempas | 2013 | 2 nd cycle | 158.77 | 0 | 158.77 | 3.63% | 0 |
| Kempas | 2014 | 2 nd cycle | 231.11 | 0 | 231.11 | 5.29% | 0 |
| Kempas | 2016 | 2 nd cycle | 312.46 | 0 | 312.46 | 7.15% | 0 |
| Kempas | 2017 | 2 nd cycle | 0 | 322.19 | 322.19 | 0 | 7.38% |

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|--------------|------|-----------------------|---|--------|-----------------|---|-------|
| Kempas | 2018 | 2 nd cycle | 0 | 300.94 | 300.94 | 0 | 6.89% |
| Kempas | 2019 | 2 nd cycle | 0 | 200.89 | 200.89 | 0 | 4.60% |
| Kempas | 2020 | 2 nd cycle | 0 | 251.35 | 251.35 | 0 | 5.75% |
| Kempas | 2021 | 2 nd cycle | 0 | 190.93 | 190.93 | 0 | 4.37% |
| Total | | | | | 4,368.22 | | |

Table 7 Planting profile for Tangkah Estate

| <u>Estate</u> | <u>Year of planting</u> | <u>Planting Cycle</u> | <u>Mature > 3years (Ha)</u> | <u>Immature < 3 years(Ha)</u> | <u>Planted area</u> | <u>% of planted area mature</u> | <u>% of planted area immature</u> |
|---------------|-------------------------|-----------------------|--------------------------------|----------------------------------|---------------------|---------------------------------|-----------------------------------|
| Tangkah | 1995 | 1 st | 47.12 | 0 | 47.12 | 2% | 0 |
| Tangkah | 1998 | 1 st | 22.38 | 0 | 22.38 | 1% | 0 |
| Tangkah | 1999 | 1 st | 46.80 | 0 | 46.80 | 2% | 0 |
| Tangkah | 2000 | 2 nd | 158.49 | 0 | 158.49 | 7% | 0 |
| Tangkah | 2001 | 2 nd | 374.81 | 0 | 374.81 | 16% | 0 |
| Tangkah | 2002 | 2 nd | 235.62 | 0 | 235.62 | 10% | 0 |
| Tangkah | 2005 | 2 nd | 137.59 | 0 | 137.59 | 6% | 0 |
| Tangkah | 2006 | 2 nd | 271.76 | 0 | 271.76 | 12% | 0 |
| Tangkah | 2007 | 2 nd | 49.53 | 0 | 49.53 | 2% | 0 |
| Tangkah | 2008 | 2 nd | 151.77 | 0 | 151.77 | 6% | 0 |
| Tangkah | 2009 | 2 nd | 291.13 | 0 | 291.13 | 12% | 0 |
| Tangkah | 2010 | 2 nd | 73.39 | 0 | 73.39 | 3% | 0 |
| Tangkah | 2011 | 2 nd | 68.26 | 0 | 68.26 | 3% | 0 |
| Tangkah | 2012 | 2 nd | 67.26 | 0 | 67.26 | 3% | 0 |
| Tangkah | 2013 | 2 nd | 82.84 | 0 | 82.84 | 4% | 0 |
| Tangkah | 2018 | 2 nd | 47.12 | 0 | 47.12 | 2% | 0 |
| Tangkah | 2020 | 2 nd | 0.00 | 227.40 | 227.40 | 0% | 10% |
| Total | | | 2,360.19 | | | | |

Table 8 Planting profile for Serkam Estate

| <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> |
|---------------|-------------------------|-----------------------|--------------------------------|---------------------------------|---------------------|---------------------------------|-----------------------------------|
| Serkam | 2001 | 2 nd | 33.52 | 0 | 33.52 | 1.84% | 0 |
| Serkam | 2002 | 2 nd | 220 | 0 | 220 | 12.08% | 0 |
| Serkam | 2005 | 2 nd | 154.47 | 0 | 154.47 | 8.48% | 0 |
| Serkam | 2006 | 2 nd | 120.99 | 0 | 120.99 | 6.64% | 0 |
| Serkam | 2007 | 2 nd | 87.13 | 0 | 87.13 | 4.78% | 0 |
| Serkam | 2009 | 2 nd | 98.54 | 0 | 98.54 | 5.41% | 0 |
| Serkam | 2010 | 2 nd | 116 | 0 | 116 | 6.37% | 0 |
| Serkam | 2013 | 2 nd | 257.84 | 0 | 257.84 | 14.15% | 0 |
| Serkam | 2015 | 2 nd | 128.07 | 0 | 128.07 | 7.03% | 0 |
| Serkam | 2016 | 2 nd | 167.8 | 0 | 167.8 | 9.21% | 0 |
| Serkam | 2017 | 2 nd | 140.81 | 0 | 140.81 | 7.73% | 0 |
| Serkam | 2018 | 2 nd | 90.95 | 0 | 90.95 | 4.99% | 0 |
| Serkam | 2019 | 2 nd | 205.77 | 0 | 205.77 | 11.29% | 0 |
| Total | | | 1,821.89 | 0 | | | |

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Table 8 Planting profile for Kemuning Estate

| <u>Estate</u> | <u>Year of planting</u> | <u>Planting Cycle</u> | <u>Mature >xx years (Ha)</u> | <u>Immature < xx years(Ha)</u> | <u>Planted area</u> | <u>% of planted area mature</u> | <u>% of planted area immature</u> |
|---------------|-------------------------|-----------------------|---------------------------------|-----------------------------------|---------------------|---------------------------------|-----------------------------------|
| Kemuning | 1995 | 2 nd | 3.82 | 0 | 3.82 | 0.16% | 0 |
| Kemuning | 1999 | 2 nd | 53.58 | 0 | 53.58 | 2.26% | 0 |
| Kemuning | 1999 | 2 nd | 60.79 | 0 | 60.79 | 2.57% | 0 |
| Kemuning | 1999 | 2 nd | 57.93 | 0 | 57.93 | 2.45% | 0 |
| Kemuning | 2000 | 2 nd | 63.18 | 0 | 63.18 | 2.67% | 0 |
| Kemuning | 2000 | 2 nd | 44.39 | 0 | 44.39 | 1.87% | 0 |
| Kemuning | 2000 | 2 nd | 55.87 | 0 | 55.87 | 2.36% | 0 |
| Kemuning | 2000 | 2 nd | 60.58 | 0 | 60.58 | 2.56% | 0 |
| Kemuning | 2000 | 2 nd | 59 | 0 | 59 | 2.49% | 0 |
| Kemuning | 2000 | 2 nd | 81.67 | 0 | 81.67 | 3.45% | 0 |
| Kemuning | 2000 | 2 nd | 88.85 | 0 | 88.85 | 3.75% | 0 |
| Kemuning | 2000 | 2 nd | 64.95 | 0 | 64.95 | 2.74% | 0 |
| Kemuning | 2001 | 2 nd | 50.47 | 0 | 50.47 | 2.13% | 0 |
| Kemuning | 2001 | 2 nd | 66.23 | 0 | 66.23 | 2.80% | 0 |
| Kemuning | 2001 | 2 nd | 43.09 | 0 | 43.09 | 1.82% | 0 |
| Kemuning | 2001 | 2 nd | 36.31 | 0 | 36.31 | 1.53% | 0 |
| Kemuning | 2002 | 2 nd | 49.58 | 0 | 49.58 | 2.09% | 0 |
| Kemuning | 2002 | 2 nd | 21.85 | 0 | 21.85 | 0.92% | 0 |
| Kemuning | 2002 | 2 nd | 23.35 | 0 | 23.35 | 0.99% | 0 |
| Kemuning | 2002 | 2 nd | 95.78 | 0 | 95.78 | 4.04% | 0 |
| Kemuning | 2002 | 2 nd | 97.1 | 0 | 97.1 | 4.10% | 0 |
| Kemuning | 2005 | 2 nd | 40.13 | 0 | 40.13 | 1.69% | 0 |
| Kemuning | 2005 | 2 nd | 65.33 | 0 | 65.33 | 2.76% | 0 |
| Kemuning | 2005 | 2 nd | 12.88 | 0 | 12.88 | 0.54% | 0 |
| Kemuning | 2006 | 2 nd | 67.32 | 0 | 67.32 | 2.84% | 0 |
| Kemuning | 2007 | 2 nd | 31.65 | 0 | 31.65 | 1.34% | 0 |
| Kemuning | 2007 | 2 nd | 71.86 | 0 | 71.86 | 3.03% | 0 |
| Kemuning | 2007 | 2 nd | 50.6 | 0 | 50.6 | 2.14% | 0 |
| Kemuning | 2008 | 2 nd | 41.41 | 0 | 41.41 | 1.75% | 0 |
| Kemuning | 2009 | 2 nd | 47.04 | 0 | 47.04 | 1.99% | 0 |
| Kemuning | 2009 | 2 nd | 62.62 | 0 | 62.62 | 2.64% | 0 |
| Kemuning | 2010 | 2 nd | 35.81 | 0 | 35.81 | 1.51% | 0 |
| Kemuning | 2010 | 2 nd | 10.89 | 0 | 10.89 | 0.46% | 0 |
| Kemuning | 2010 | 2 nd | 70.01 | 0 | 70.01 | 2.96% | 0 |
| Kemuning | 2010 | 2 nd | 89.88 | 0 | 89.88 | 3.79% | 0 |
| Kemuning | 2011 | 2 nd | 53.95 | 0 | 53.95 | 2.28% | 0 |
| Kemuning | 2012 | 2 nd | 51.62 | 0 | 51.62 | 2.18% | 0 |
| Kemuning | 2013 | 2 nd | 57.18 | 0 | 57.18 | 2.41% | 0 |
| Kemuning | 2013 | 2 nd | 59.4 | 0 | 59.4 | 2.51% | 0 |
| Kemuning | 2013 | 2 nd | 34.47 | 0 | 34.47 | 1.46% | 0 |
| Kemuning | 2014 | 2 nd | 29.22 | 0 | 29.22 | 1.23% | 0 |
| Kemuning | 2014 | 2 nd | 32.94 | 0 | 32.94 | 1.39% | 0 |
| Kemuning | 2014 | 2 nd | 42.58 | 0 | 42.58 | 1.80% | 0 |
| Kemuning | 2015 | 2 nd | 20.97 | 0 | 20.97 | 0.89% | 0 |
| Kemuning | 2015 | 2 nd | 37.12 | 0 | 37.12 | 1.57% | 0 |
| Kemuning | 2017 | 2 nd | 33.56 | 0 | 33.56 | 1.42% | 0 |
| Kemuning | 2017 | 2 nd | 39.85 | 0 | 39.85 | 1.68% | 0 |
| Total | | | 2,368.66 | | | | |

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2.3 Organizational Information/Contact Person(s)

The details of the contact person are as below:

| | | |
|-----------|---|--|
| Name | : | Tharani Malar David |
| Position | : | Senior Executive |
| Address | : | Sime Darby Plantation |
| Phone no. | : | 0163692764 |
| Fax no. | : | - |
| Email | : | tharani.malar.david@sime-darbyplantation.com |

3.0 AUDIT FINDINGS

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

There was no significance 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 :

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

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

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

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

If no, please state reasons

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

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

No changes

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

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

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- 3.5. Complaint received from stakeholder (if any)
No complaint received from stakeholder

4.0 DETAILS OF NON-CONFORMITY REPORT

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

Total no. of minor NCR(s) List : Nil

Total no. of major NCR(s) List : Nil

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

Total no. of minor NCR(s) List : Nil
(details refer to Attachment 4)

Total no. of major NCR(s) List : 2 (3.8.5, 3.8.6)
(details refer to Attachment 4)

5.0 AUDIT CONCLUSION

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

6.0 RECOMMENDATION

☐ No NCR recorded. Recommended to continue certification.

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

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

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

☒ Recommended to continue certification.

☐ Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.

Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

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

Audit Team Leader : MOHD AB RAOUF BIN ASIS

(Name)



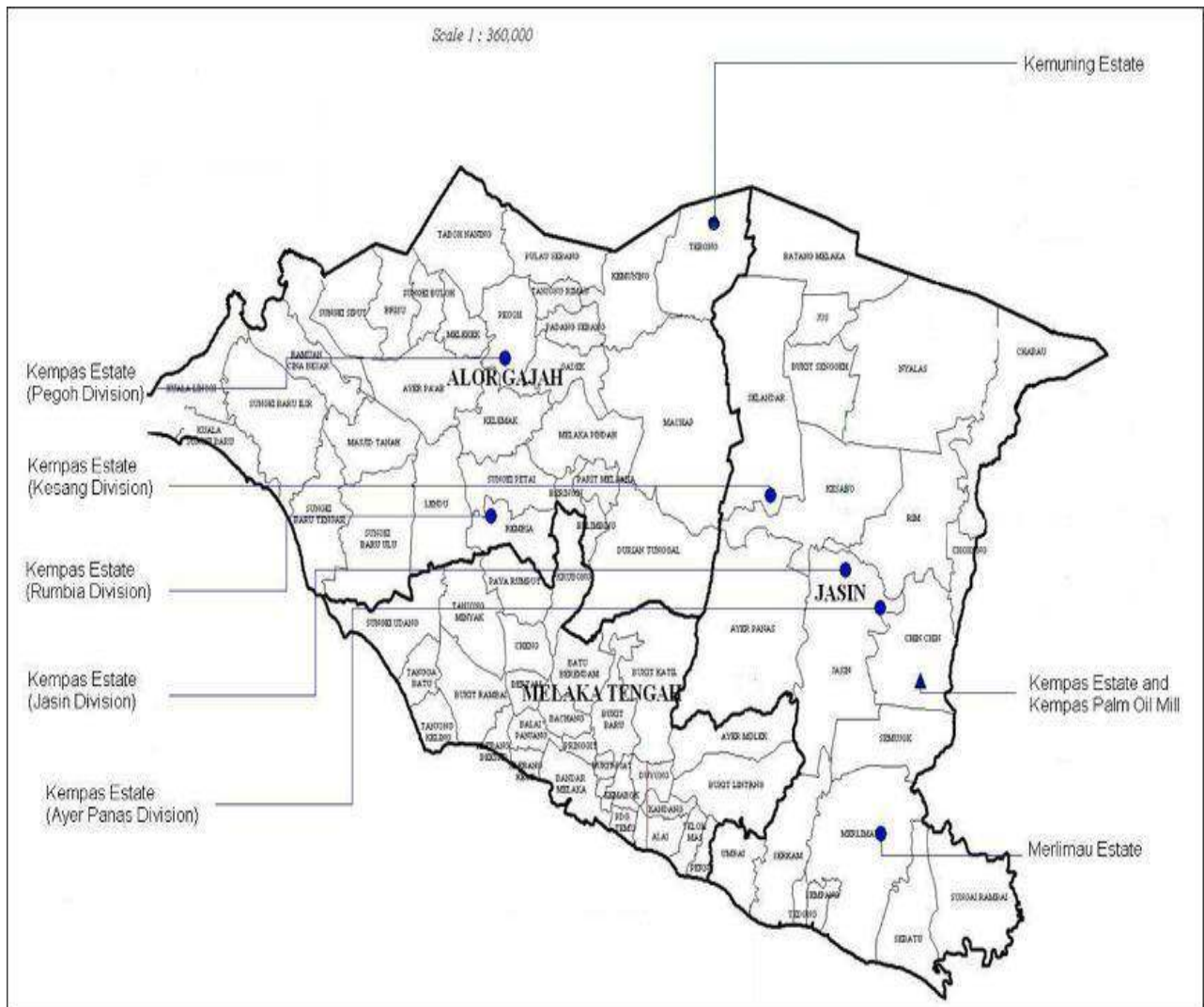
(Signature)

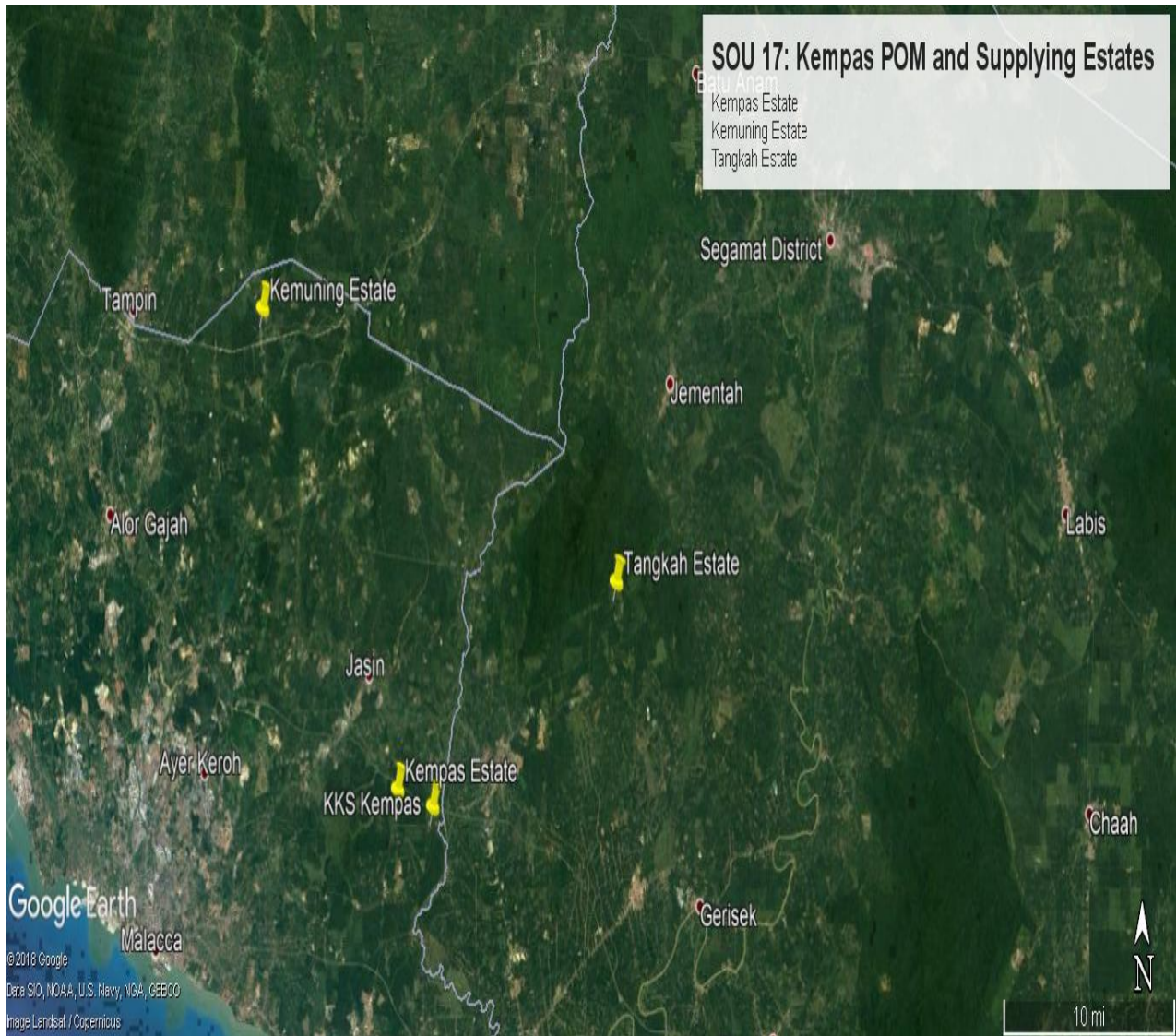
16/6/2022

(Date)

| |
|----------------------------|
| RSPO PUBLIC SUMMARY REPORT |
|----------------------------|

Attachment 1 - Map





Attachment 2 – Audit Plan

SURVEILLANCE AUDIT PLAN

1. Objectives

The objectives of the audit are as follows:

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

2. Date of assessment : 14th March to 18th March 2022

3. Site of assessment : Kempas Certification Unit

- Kempas Palm Oil Mill
- Kempas Estate
- Tangkah Estate
- Serkam Estate
- Kemuning Estate

4. Reference Standard :

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

5. Assessment Team

(i) Audit Team Leader: Mohd Ab Raouf bin Asis (MAR) – SCCS, TBP, Metric Template, Safety

(ii) Auditor : Dzulfikar Azmi (DA) - Social (Internal Stakeholder)

~~Rozaimi bin Ab Rahman (RAR)~~ replaced with Amir bin Bahari– Safety,
Environment

Mohd Zulfakar bin Kamaruzaman (MZK) – HCV, External Stakeholder

Selvasingam T. Kandiah (STK) - GAP

(iii) Witnessed : N/A

(iv) Technical expert : N/A

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

7. Audit Method

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

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

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

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

- a) Reporting time frames for economic data are:
 - i. Calendar year (January to December): **Jan 2021 to Dec 2021**, and
 - ii. 12 month period counting up to two months before audit month: **Jan 2021 to Dec 2021**
- b) Reporting time frames for demographic data:
 - i. For mill and estate workers: **as of 31 Dec 2021**
 - ii. For smallholders and outgrowers: **Jan 2021 to Dec 2021**
- c) Reporting time frame for all other social and environmental data:
 - i. **Jan 2021 to Dec 2021**

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

9. Audit Findings

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

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

For minor non-conformities raised in the surveillance audit, corrective action shall be verified in the next audit. These shall be upgraded to major non-conformities if the corrective actions are not satisfactory implemented in the next audit. Recurring major non-conformities on the same indicator in successive surveillance audits shall result in the immediate suspension of the RSPO P & C certification shall be recommended.

10. Confidentiality Requirements

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

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

11. Working Language : English and Bahasa Malaysia

12. Reporting

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

13. Facilities Required

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

14. Assessment Programme Details : As below

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| Date / Time | Coverage of assessment / Activity / Site | MAR | MZK | DA | AB | STK |
|---|--|-----|-----|----|----|-----|
| Day 0 – 13/3/22 (Sunday) | All auditor travel to accommodation site | / | / | / | / | / |
| Date / Time | Coverage of assessment / Activity / Site | MAR | MZK | DA | AB | STK |
| Day 1-14/3/22 (Monday) 9.00am – 9.30am | Opening Meeting – Venue: To be advised • Audit team Leader - Briefing on assessment objectives, scope, methodology, confidentiality clarification, audit criteria and programmes • Organization Representative - Briefing RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases, Time bound plan, actions taken to address previous audit findings. | / | / | / | / | / |
| 9.30am – 1.00pm | Site observation to Tangkah Estate P1, P2, P3,P4,P5, P6, P7 <ul style="list-style-type: none"> • Social aspects -SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the estate • Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. • Land titles user rights • Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone • Occupational safety & health aspects, chemical management • Good Milling Practice / Good agricultural practices • Legal & Other requirement • Environmental management, waste & chemical management • GHG Calculation • New planting | / | / | / | / | / |
| 1.00pm – 2.00pm | Lunch Break | | | | | |
| 1.30pm – 5.00pm | Continue assessment at respective sites | / | / | / | / | / |
| Date / Time | Coverage of assessment / Activity / Site | MAR | MZK | DA | AB | STK |
| Day 2 – 15/3/22 (Tuesday) 9.00am – 1.00pm | Site observation to Kemuning Estate P1, P2, P3,P4,P5, P6, P7 <ul style="list-style-type: none"> • Verification of basic information estate/Metric templates • Confirmation of time bound plan & review of partial certification • Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone • Occupational safety & health aspects , chemical management • Interview with workers, contractors etc. • Environmental management, waste & chemical management • Social aspects -SIA, management plan & implementation, workers' quarters, • Stakeholder consultation with affected communities surrounding the estate • Interview with gender committee, safety committee, worker representative/Union, contractors, supplier, etc. | / | / | / | / | / |

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| | <ul style="list-style-type: none"> Land titles user rights Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, Peat Management, Buffer Zones, BMP for Buffer Zones. GHG Calculation New planting | | | | | |
|---|---|-----|-----|----|----|-----|
| 1.00pm – 2.00pm | Lunch Break | / | / | / | / | |
| 1.30pm – 5.00pm | Continue assessment at respective site | / | / | / | / | |
| Date / Time | Coverage of assessment / Activity / Site | MAR | MZK | DA | AB | STK |
| Day 3 – 16/3/22 (Wednesday) 8.30am – 1.00pm | Site observation to Kempas POM (MAR, MZK, DA, RAR) P1, P2, P3, P4, P5, P6, P7 <ul style="list-style-type: none"> Supply Chain Verification of basic information mill/Metric templates Confirmation of time bound plan & review of partial certification Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Social aspects -SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the estate Interview with gender committee, safety committee, worker representative/Union, contractors, supplier, etc. Land titles user rights GHG Calculation Site observation to Kempas Estate (STK) <ul style="list-style-type: none"> Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, Peat Management, Buffer Zones, BMP for Buffer Zones. New planting | / | / | / | / | / |
| 1.00pm – 2.00pm | Lunch Break | / | / | / | / | / |
| 2.00pm – 5.00pm | Continue assessment at respective site | / | / | / | / | / |
| Date / Time | Coverage of assessment / Activity / Site | MAR | MZK | DA | AB | STK |
| Day 4 – 17/3/22 (Thursday) 8.30am – 1.00pm | Site observation to Serkam Estate P1, P2, P3, P4, P5, P6, P7 <ul style="list-style-type: none"> Verification of basic information estate/Metric templates Confirmation of time bound plan & review of partial certification Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and | / | / | / | / | / |

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| | | | | | | |
|---|---|------------|------------|-----------|-----------|------------|
| | <ul style="list-style-type: none"> neighbouring land use, riparian zone Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Social aspects -SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the estate Interview with gender committee, safety committee, worker representative/Union, contractors, supplier, etc. Land titles user rights Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, Peat Management, Buffer Zones, BMP for Buffer Zones. GHG Calculation New planting | | | | | |
| 1.00pm – 2.00pm | Lunch Break | / | / | / | / | / |
| 2.00pm – 5.00pm | Continue assessment at respective site | / | / | / | / | / |
| Date / Time | Coverage of assessment / Activity / Site | MAR | MZK | DA | AB | STK |
| Day 5 – 18/3/22 (Friday) 8.30am – 12.30pm | Site observation to Kempas Estate P1, P2, P3, P4, P5, P6, P7 <ul style="list-style-type: none"> Verification of basic information estate/Metric templates Confirmation of time bound plan & review of partial certification Inspection of protected sites with HCV attributes, forested area, plantation boundary, adjacent and neighbouring land use, riparian zone Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Social aspects -SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the estate Interview with gender committee, safety committee, worker representative/Union, contractors, supplier, etc. Land titles user rights Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, Peat Management, Buffer Zones, BMP for Buffer Zones. GHG Calculation | / | / | / | / | / |
| 12.30pm – 2.30pm | Lunch Break | / | / | / | / | / |
| 2.30pm –3.00pm | Continue assessment at respective site | / | / | / | / | / |
| 2.30pm –4.00pm | Audit Team Discussion | / | / | / | / | / |
| 4.00pm – 5.00pm | Closing meeting | / | / | / | / | / |

Note: Please note that the Audit Plan merely serves as a guide and there may be changes as the audit progresses

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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 | SOU 17 Kempas CU continued to use the internet to disseminate public information relating to land titles, human rights, FPIC, safety and health plans, pollution prevention plans and the procedure for complaints and grievances. The SDPB website address is http://www.simedarbyplantation.com/ . For social programmes on education, environment, community and health, etc, Yayasan Sime Darby as the Foundation has expanded its wings from offering scholarships to outstanding and deserving individuals to funding impactful conservation, outreach and development programmes. The SDPB website address http://www.yayasansimedarby.com/ . |
| | 1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders. | Yes | The SDPB website address is available in English - http://www.simedarbyplantation.com/ . Information is available both in Bahasa Malaysia and English and accessible to the relevant stakeholders through correspondence and request as sighted in the "External Communication" files at Kempas SOU |
| | 1.1.3 (C) Records of requests for information and responses are maintained. | Yes | Requests for information and responses were maintained accordingly through the inspections book and letters in the mill and supply bases. The procedure for handling request for information is stated in Section 3 – Documentation and Communication of the Plantation Quality Management System Manual. Latest stakeholder's consultation for Kempas POM and Kempas Estate, using methods of questionnaire due to COVID 19 MCO Restriction. Meanwhile, for Serkam Estate, Tangkah Estate and Kemuning Estate they are using face to face methodology. The questionnaire form and invitation were carried out to external and internal stakeholders i.e. government agencies, school, villagers and private sectors (contractors and neighbouring estates). Evidence of the above stakeholder consultation conducted are available and the stakeholder feedback were recorded in the SIA plan. |
| | 1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative. | Yes | SOU Kempas had identified personnel responsible for handling of complaints. Records of communication were maintained. Communication with the authority such as DOSH, DOE and Labour Department were maintained. For FY 2021, there is no record requested by external stakeholders so far. |

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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 | Stakeholder list FY 2022 was established in both mill and estate. Stakeholder such as local communities, authorities, contractors, suppliers, foreign recruitment agencies, embassy, FFB suppliers and NGOs were included in the list. Nominated representative with contact number and address was sighted. |
| 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 | SDP has developed and implemented Code of Business Conduct where the company implemented the integrity, respect & responsibility, enterprise and excellence during any business process. The policy was developed in Bahasa Malaysia, English and Bahasa Indonesia which can be downloaded via http://www.simedarbyplantation.com/corporate/ethical-business-practices . Besides that, the contractors and suppliers signed the Vendor Integrity Pledge where Code of Business Conduct (COBC) has outlined in the pledge. |
| | 1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice. | Yes | Kempas CU have issued a "Vendor Integrity Pledge" that is to be signed by all contractors, suppliers and vendors. The Pledge states that the undersigned has read, understood and will comply to The Vendor Code of Business Conduct. (includes Ethics and Management Practices). SDP has implemented Whistle Blowing Policy to help all stakeholders raise concern, without fear of retaliation on any wrongdoing that they may observe in SDP Group. The channel of whistleblowing is such as E-form that could be downloaded http://www.simedarbyplantation.com/corporate/whistleblowing or through email, call or write letter to the whistleblowing unit in Head Office. The overall ethical business practice was regularly monitored through the internal audit conducted by the RSQM team. Based on the Code of Business Conduct, it explains where to get guidance, raising a concern or reporting a violation. |

Principle 2: Operate legally and respect rights

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

| Clause | Indicators | Comply Yes/No | Findings |
|---|--|---------------|---|
| 2.1 There is compliance with all applicable local, national and ratified international laws and regulations. | 2.1.1 (C) The unit of certification complies with applicable legal requirements. | Yes | Kempas CU as SOU 17 continued to comply with the legal requirements. Compliance to each applicable law and regulation is monitored by the operating units and SQM sustainability team. SOU 17 had obtained and renewed license and permits as required by the law. |
| | 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 and 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. |

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| Clause | Indicators | Comply Yes/No | Findings |
|---|--|---------------|--|
| | 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 services and supplying labour and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements. | 2.2.1 A list of contracted parties is maintained. | Yes | A list of contracted parties is maintained at Kempas SOU 17 CU. |
| | 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 | It was evident that agreements with third parties contain clauses on meeting applicable legal requirements. |
| | 2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection. | Yes | All contracts signed with contractors contain a clause on compliance with employment laws, which would include laws related to employment of children and young persons. Contractors also sign the Vendor Integrity Pledge in which Vendors undertake to comply with the Vendor COBC. The Vendor COBC in turn, contains provisions which state that Vendors shall not employ anyone under the age of 18 or the applicable minimum legal age in the countries they operate, unless in vocational and/ or formal and structured apprenticeship, educational and training programmes. |
| 2.3 All FFB supplies from outside the unit of certification are from legal sources. | 2.3.1 (C) For all directly sourced FFB, the mill requires: <ul style="list-style-type: none"> Information on geo-location of FFB origins. Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder One or more supporting documents for claims Valid MPOB license | Yes | Since May 2020, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable. |

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| Clause | Indicators | Comply Yes/No | Findings |
|--------|---|---------------|--|
| | 2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1. | Yes | No FFB supplies are received from smallholders, and therefore this Indicator is not applicable. Kempas Palm Oil Mill does not process any FFB from any collection centres, agents or intermediaries. |

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

Implement plans, procedures and systems for continuous improvement.

| Clause | Indicators | Comply Yes/No | Findings |
|---|---|---------------|--|
| 3.1 There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability. | 3.1.1 (C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders. | Yes | The 4 estates, Tangkah, Kemuning, Kempas and Serkam continued to be committed to long-term economic and financial viability. The annual budgets for 2022 to 2026 were sighted. The budget covers activities for upkeep, cultivation, harvesting & evacuation, welfare, capital expenditure, RSPO compliance etc. The budget also included projections on yield/ha, and total cost of production per m ton & per ha and CAPEX – capital expenditure mainly for buildings, furniture and others asset related expenses. |
| | 3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available. | Yes | The long-range replanting programs (LRRP) until 2026 were sighted on all four Estates. The program was reviewed once a year and incorporated into their annual financial budget. The program for the next 5 years was sighted. |
| | 3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken. | Yes | SOU Kempas continued to hold management reviews at planned intervals that is once a week after internal audits. During the review matters related to RSPO/MSPO internal audit results especially and corrective action plan taken based on assessment findings were discussed. For reviewing process performance management had carried out internally meetings & during muster call to discuss related crop quality, etc. Latest management reviews were conducted after internal RSPO/MSPO audits, in Feb & Mar 2022. The agenda of the meeting was to discuss related (input & output): <ul style="list-style-type: none"> • Results of Internal audit • Customer feedback • Process performance & product conformity • Status of preventive & corrective actions • Follow up action from management review • Changes that could affect the management system • Recommendations for improvement |
| 3.2 The unit of certification regularly | 3.2.1 (C) The action plan for continuous improvement is implemented, based on consideration of the main social and | Yes | This has been established in the Continuous Improvement Plan 2022. This compilation was made with subject to the consideration of the main social and environmental impacts. These include to continue engagement with relevant stakeholders (workers, surrounding |

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| Clause | Indicators | Comply Yes/No | Findings |
|--|---|---------------|--|
| monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations. | environmental impacts and opportunities of the unit of certification. | | <p>communities, government agencies, agencies, suppliers and contractors. Management documents related to environmental plans and impact assessments maintained available. Among the documents were:</p> <ul style="list-style-type: none"> (a) Environmental Aspect Identification (EAI) and Environmental Impact Evaluation (EIE) registers. (b) Environmental Improvement Plan (c) Pollution Prevention Plan (d) Water Management Plan. (e) Waste Management Plan <p>Social Improvement Plan</p> <ul style="list-style-type: none"> • Review of social impacts and to implement plans to mitigate the negative impacts and promote the positive ones. • Compliance to SOP and legal requirements regarding to social. • To contribute to local communities' development. • To response on the issues discussed during the various avenues (Stakeholder Meeting, OSH Meeting, Trade Union Meeting, Complaint Book). |
| | 3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template. | Yes | The monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template together with palm trace renewal. |
| 3.3 Operating procedures are appropriately documented, consistently implemented and monitored. | 3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place. | Yes | SOU 17 Kempas continued to use and implement SOPs for each of the processes. Brief version of the SOPs was displayed at the appropriate locations. Copies of the documented SOPs were presented to the audit team. It was observed that activities being implemented which involved safety, health, environmental, quality, employees, and others. |
| | 3.3.2 A mechanism to check consistent implementation of procedures is in place. | Yes | Kempas SOU 17 monitoring was done through RSPO/MSPO internal audits by PSQM team, safety and health meeting and routine inspection (workplace inspection) by assistant manager, staff and hospital assistant. Records showed that the latest Internal RSPO/MSPO Audits were conducted in Feb-Mar 2022. All NCs and OFIs had been closed at time of this audit. In addition, PMU team from HQ had conducted quarterly performance monitoring visits. |
| | 3.3.3 Records of monitoring and any actions taken are maintained and available. | Yes | Records of monitoring and actions taken by the estates continued to be maintained. This was to ensure that the established procedures were consistently implemented. Records of monitoring and actions taken by all 4 estates were maintained and kept for a minimum of 12 months. |
| 3.4 | 3.4.1 (C) In new plantings or operations | Yes | Not applicable |

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| Clause | Indicators | Comply Yes/No | Findings |
|---|--|---------------|--|
| 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. | 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. | | |
| | 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 | Social Impact Assessment (SIA) Report for Kempas CU (SOU 17 Kempas) was verified. The assessment was carried out at SOU Kempas on 16 – 20 December 2013 (Kempas POM, Tangkah Estate, Kemuning Estate and Kempas Estate). For Serkam Estate combined with SOU Diamond Jubilee dated 12 – 15 July 2016. The SIA was done by Social & Environmental Project Unit, PSQM Department. Internal and external stakeholders were consulted during the assessment. The assessments were used methodology of interview workers based on workstation, harvesters, sprayers, worker representatives, gender committee, contractor, supplier, local community, neighbouring estate/smallholders, government agencies, school. The SIA Report also included the baseline for socio economic data of all estates and mills and the social profile, as well as their stakeholders. 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. The secondary data collection – document review/file checking also been made. The report includes both positive and negative impact and its recommendation. Addendum SIA on Replanting Activity was made available. |
| | 3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way. | Yes | The social management action plans are being reviewed and updated on an annual basis at Kempas CU. This takes into account inputs from external stakeholder meetings, Social Dialog, NUPW meetings, OSH Committee meetings, as well as Women & Children Committee meetings. Among the social issues for management and monitoring were COVID 19 issues, vaccine programme, replanting activities, school issues, canteen prices, safety issues related to heavy machineries passing by the workers' housing, making sure PPE replacement is always available, replacement of old workers' housing, and documentation and immunisation of foreign workers' children. The SIA review process had included stakeholders' consultation with regards to social issues. The reviews done had involved respective Managers, Assistants and Sustainability Team with external stakeholders such as from Govt. agencies, neighbouring estates, local communities, suppliers and contractors. Sighted the latest external stakeholders' minutes meeting for Kempas CU was conducted independently. Kempas CU carried out 2 methods of stakeholder consultations. There are |

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| Clause | Indicators | Comply Yes/No | Findings |
|--|--|---------------|---|
| | | | questionnaires' form methods due to COVID 19 Restriction and face to face (meeting) methodology. The consultation was carried out to external and internal stakeholders i.e. government agencies, school, villagers, suppliers and private sectors (contractors and neighboring estates). Evidence of the above stakeholder consultation conducted are available and the stakeholder feedback were recorded in the SIA action plan. |
| 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 | The recruitment process was clearly stated in the procedure where the recruitment was based age, medical fitness and etc. There is no forms of discrimination based on religion, gender, nationality and etc during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc., were noted. SDP also has implemented Group Sustainability & Quality Policy Statement signed by Group Managing Director, where the management is committed to contributing to a better society includes respecting, upholding & no-exploitation of fundamental human rights, providing safe and healthy workplaces and protecting workers' welfare and engaging and empowering communities. |
| | 3.5.2 Employment procedures are implemented, and records are maintained. | Yes | SDP has developed Workforce Management Unit Liaison & Recruitment (LR) Procedure: Hiring local workers - SOP Hiring of Local Workers, Hiring foreign workers - SOPP Workforce Management Unit, WMU-SOPP and Termination – Industry Relation Manual – 08. Misconduct and Discipline. Records are maintained. |
| 3.6 An occupational health and safety (H&S) plan is documented, effectively communicated and implemented. | 3.6.1 (C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented. | Yes | 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; <ul style="list-style-type: none"> a) Change in work process b) Revision/changes in legislative requirement c) Occurrence of accidents <p>The estates had list of review on HIRARC dated Jan 2022 respectively for the estates and mill. Amendments are summarized in a list detailing dates and reasons for updates.</p> |
| | 3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored. | Yes | The effectiveness of implementation health & safety plan has been monitored by daily basis. All the precaution i.e. safety signboard, pictorial safety standards, PPE, etc has been published and display at workplace areas (notice board, muster call, etc). CU also monitored safety risk in workplace operation by monthly basis. The implementation of OSH plan was monitored by internal audits conducted by OSH officers from RSQM department. |
| 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 programs for 2021/22 that covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs were available for all the audited sites. The training plan for each operating unit were established covered staff, workers, pregnant women, etc. A training need identification matrix has been established with target dates for the training identified. |

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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. | | |
| | 3.7.2 Records of training are maintained, where appropriate on an individual basis. | Yes | SOU 17 Kempas continued to train its executives, staff and workers. Records of training were kept in the training file. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue. |
| | 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 | Sighted evidence of training on supply chain, which has been conducted in Feb & Mar 2022, to employees handling critical operation i.e., weighbridge operator, auxiliary police, & weighbridge operator. |

SUPPLY CHAIN REQUIREMENTS FOR MILLS

| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|---|---------------|--|
| 3.8.1 | <p>Identity Preserved Module</p> <p>A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme</p> <p>Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill processes certified and uncertified FFB without physically separating them, the inly MB Module is applicable.</p> | Yes | <p>Kempas POM has continued to maintain Identity Preserved model. Kempas POM obtained certified FFB from owned estate such as:</p> <ul style="list-style-type: none"> • Kempas Estate • KemuningEstate • Tangkah Estate • Serkam Estate <p>Thus, Kempas POM has qualifies for the Identity Preserved supply chain system and module. During the P&C assessment, the audit team verified the volumes and sources of certified FFB entering the mill, the implementation of processing controls and volume sales of RSPO certified products.</p> |
| 3.8.2 | <p>Mass balance Module</p> <p>A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill</p> | Yes | Not applicable due to Kempas POM using Identity preserved model. |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|--|---------------|--|
| | may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3 rd party certified supply base. | | |
| 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 | As provided in the report above – Table 3 (actual) & 4 (projection). |
| 3.8.4 | The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform). | Yes | The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information were: Name: Kempas Oil Mill Country: Malaysia. Member Category: Oil Mil Core product: Palm Oil Start date: 20/05/2020 End date: 19/05/2025 (Upgraded to Identity Preserved on June 2019) Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard. |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|---|---------------|---|
| 3.8.5 | <p>The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organisation's procedures for the implementation of this standard. • The site shall have documented procedures for receiving and processing certified and non-certified FFBs. | No | <p>The site did not have updated written procedures to ensure the implementation of applicable supply chain model specified i.e., RSPO Supply Chain Certification Standard 2020.</p> <p>Based on documentation review, Kempas POM had only documented procedure title 'Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001', version 2, Issue 5 dated April 2019 instead of procedure of the elements RSPO Supply Chain Certification Standard 2020. Therefore, NCR was raised under MAR 01 2022.</p> |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|---|---------------|---|
| 3.8.6 | <p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"> Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. Effectively implements and maintains the standard requirements within its organisation. Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non- conformities shall be subject to management review at least annually. The organisation shall be able to maintain the internal audit records and reports. | No | <p>RSPO internal audit was conducted in Feb 2022 by internal auditors 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 5 major, 3 minor and 2 OFI nonconformance report (NCR) were raised by auditor. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.</p> <p>The site did not have updated written procedure to conduct annual internal audit to determine whether the organization conform to the RSPO Supply Chain Certification Standard, 2020. Based on documentation review, Kempas POM had only documented procedure title 'Sime Darby Plantation Internal Audit Procedure instead of procedure of the elements RSPO Supply Chain Certification Standard 2020. Therefore, NCR was raised as in MAR 02 2022.</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>There were 4 supply bases (estates) sending certified FFBs to KPOM. They were Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate. The validity of the certificate of the supplier has been checked accordingly. Sighted FFB consignment note for Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate From May 2021 – February 2022. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight, quantity, unique identification number. Monitoring records titled as “<i>RSPO & MSPO Mass Balancing Records for Oil Mills</i>” has recorded the tonnage of certified FFB and its supplying estate. Verified through Kempas POM weighing system called ‘<i>SimeWeigh</i>’ and random sample of weighbridge ticket from Kempas Estate, Kemuning Estate, Tangkah Estate and Serkam Estate.</p> <p>There was no non-certified FFB received based on the records.</p> |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|---|---------------|---|
| 3.8.8 | <p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single-documents or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documentation and specification documentation):</p> <ul style="list-style-type: none"> a) The name and address of buyer; b) The name and address of the seller c) The leading or shipment/delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation i) A unique identification number | Yes | <p>Documented procedures related to sales and goods out were sighted and found adequate. Based on verification during the audit, KPOM has deliver certified materials to end buyer such as Bunge Loaders Croklaan, IOI pan Century, SD Nuri, Mewaholeo, Pacific oils & fats, etc. Therefore, following are sample of certified CPO & PK sales which comply to standard requirement.</p> |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|--|------------------|--|
| 3.8.9 | <p>Outsourcing Activities</p> <p>(i) The mill shall not outsource its milling activities. In cases where the mill outsourced activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO SC Certification.</p> <p>(ii) The mill shall ensure the following:</p> <ul style="list-style-type: none"> a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary. c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance. | Yes | <p>There are 1 outsource company CPO transporter. The agreement document was available and communication on the RSPO supply chain requirement were communicated to them. There is a clause regarding Supply chain in the 'annexure 5' of agreement. Record of training in Nv 2020 for transporter contractor was sighted by the auditor.</p> |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|--|---------------|--|
| 3.8.10 | The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products. | Yes | List of contact person for both transporters were made available and up to date in the stakeholder list and was updated accordingly. |
| 3.8.11 | The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products. | Yes | No new contractors used and will be used in the future for the processing or production of RSPO certified materials. |
| 3.8.12 | i. The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements. | Yes | i. Sighted CPO and PK delivery note, weighbridge ticket, production data, internal audit and management review records were found up-to-date. |
| | ii. 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 | ii. Relevant record was maintained for more than 2 years as per Standard operating procedure for Sustainability Supply Chain and Traceability. |
| | 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 | iii. Sighted record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis. |
| | iv) For Mass Balance Module, the mill: 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 | Yes | iv. Not applicable CU used IP model |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|---|---------------|---|
| | conversion ratios stated by RSPO. c. The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.) | | |
| 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 | Kempas POM process all the received certified crop & their processing output will be based on their actual Oil Extraction Rate (OER) as well as Kernel Extraction Rate (KER). OER & KER has been updated by daily basis and monthly summary has been used as guidance. |
| 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 | Global Trading & Marketing (GTM) office informed KPOM by e-mail on the dispatch of RSPO certified CPO/ PK to relevant buyer (i.e. Sime Darby Port Klang Refinery, Sime Darby Langat Refinery/ Sime Darby Plantation Kernell Crushing Plant, Sime Darby Oil Kernell Crushing Plant, Pasir Gudang Edible Oil). The dispatch of the RSPO certified CPO/ PK to buyer by Kempas POM were made based on a specific contract. The receiving pit, pipelines and tanks in Kempas POM were thoroughly cleaned, swept and flushed before RSPO certified CPO was pumped in to avoid contamination. Dedicated tanks were used to store RSPO certified CPO produced. |
| 3.8.16 | Registration of Transactions i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not | Yes | The registration of transaction being carried out by Group Plantation Marketing subordinate using the RSPO Member ID. Mill receive copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in). |

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| Ref. in RSPO SCCS | Indicators | Comply Yes/No | Findings |
|-------------------|---|---------------|--|
| | <p>more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform</p> | | |
| 3.8.17 | <p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p> | Yes | Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. KPOM has not use RSPO corporate logo as well as trademark logo. |

Principle 4: Respect community and human rights and deliver benefits

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

| Clause | Indicators | Comply Yes/No | Findings |
|---|--|---------------|---|
| 4.1 The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders. | 4.1.1 (C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders, is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces. | Yes | The policy to respect human rights is documented in SDP's Human Rights Charter incorporates, inter alia, commitment to providing equal opportunities, respecting freedom of association, eradicating any forms of exploitation, respecting community rights and rights of indigenous peoples, protecting rights of children, eliminating violence and sexual harassment. The policy to prohibit retaliation against Human Rights Defenders (HRDs) is documented in SDP's contained in the Policy on the Protection of Human Rights Defenders. Paragraph 3.3 of this Policy provides protection against violence, threats and retaliation to HRDs and individuals acting in good faith to exercise their fundamental human rights, in the course of their engagement with SDP. |
| | 4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations. | Yes | There is no evidence of any use of violence or the instigation of violence within the Kempas SOU. This was further verified during interviews held with external stakeholders and security personnel. |

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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 Internal Complaint Book was used for employees to lodge complaint pertaining to their houses, and there is evidence that the complaints were resolved in a timely and appropriate manner. The external book was reviewed and found no complaints against the CU. Under Sime Darby's Policy on the Protection of Human Rights Defenders specifically provides for the protection of HRDs with the main objective of ensuring our internal mechanisms prevent harm, protect, and respond to complaints made by HRDs. Clause 3.3 of the Policy states that HRDs and individuals acting in good faith to exercise their fundamental human rights, in the course of their engagement with SDP shall be protected from violence, threats and all forms of retaliation. Anonymity of complainants and whistleblowers are ensured under the Sime Darby Code of Business Conduct which provides an avenue to direct the grievances to a Hotline number, toll-free numbers, email, fax, or letters to the Whistleblowing Unit at HQ. Additionally, SDP has established Suara Kami Helpline and Social Dialog (conducted fortnightly basis). This channel is an alternative independent third-party worker grievance channel with multi-languages and multi-interfaces (toll-free number, SMS and Facebook) that assures worker confidentiality unless personal details are required, where in such situations, consent will be sought. |
| | 4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties. | Yes | Kempas CU ensures that affected parties including illiterate parties understand the procedures by distributing grievance procedure videos as well as posters and presentation materials in pictorial/infographics format and scanning a QR code. |
| | 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 system used by the Kempas CU in resolving disputes and grievances exists in the procedure called "Procedure for Handling Social Issues", and "Carta Aliran Pengendalian Isu Sosial". The Estates within SOU Kempas each has new Internal Complaint web namely Oil Palm Pal 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 CU. The conflict resolution mechanism includes the option of access to independent legal and technical advice. The complainants may choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator. When ensuring anonymity of complainants and whistleblowers, the Sime Darby Code of Business Conduct provides an avenue to direct the grievances to a Hotline number, toll-free numbers, email, fax, or letters to the Whistleblowing Unit at HQ. |
| | 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 | Yes | Paragraph 7 of Appendix 5 Sustainable Plantation Management System, Flowchart and Procedure on Handling Social Issues Version 1, states upon failure of negotiation process involving estate management, representatives from the disputed parties, zone heads, third parties and stakeholders, legal proceedings may follow. Paragraph 8 of Appendix 3 of the same document on procedures Handling Land Disputes states that "further negotiation processes may involve independent third parties such as representatives from the Land Office or from other NGOs." |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | third-party mediator. | | |
| 4.3 The CU 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 | Contribution of Kempas SOU 17 CU to local communities were evident. |
| 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 | Evidence of legal ownership of the land including history of land tenure was verified during this audit. For Tangkah Estate the land was previously owned by The Kundong Rubber Estate Limited, Tangkah Rubber Estate Limited and The Kundong Tanjong Pau Limited. The land was acquired during the merger between Golden Hope, Kumpulan Guthrie Berhad and Sime Darby in 2007. The Land Title was then transferred under the name of Sime Darby Plantation Berhad. While Kemuning Estate was originated from Sime Darby which was bought from Negeri Sembilan State Government. For Kempas Estate and Mill, was originated from Sime Darby which was bought from Melaka State Government. Each estate had legal use of the land through an Ownership signed by the Sultan of Johore and Director of Lands and Surveys of Negeri Sembilan and Melaka following the payment of premium and Land fee. |
| | 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 Sime Darby since 1980. The audit team had confirmed that there were no land issues related to previous owners. |
| | 4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making. | Yes | |

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| Clause | Indicators | Comply Yes/No | Findings |
|--------|--|---------------|--|
| | 4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken. | Yes | |
| | 4.4.2c Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land. | Yes | |
| | 4.4.3 (C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities). | Yes | As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team has also interviewed relevant and, it can be concluded that there was no evidence of any land dispute at Kempas CU. |
| | 4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements. | Yes | As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team has also interviewed relevant stakeholders and, it can be concluded that there was no evidence of any land dispute at Kempas CU. |
| | 4.4.5 (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose. | Yes | No land dispute as mentioned above, hence this requirement is not needed and not applicable for the CU. |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | 4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties. | Yes | No land dispute as mentioned above, hence this requirement is not needed and not applicable for the CU. |
| 4.5 No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions. | 4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available. | Yes | Based on Social Impact Assessment (SIA) Report for SOU Kempas 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 Sime Darby SOU Kempas since 1980. The audit team had confirmed that there were no land issues related to previous owners. |
| | 4.5.2 (C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation. | Yes | As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. |
| | 4.5.3 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 | Yes | As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. |

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| Clause | Indicators | Comply Yes/No | Findings |
|---|---|---------------|--|
| | and carried out prior to new operations. | | |
| | 4.5.4 To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process. | Yes | As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. |
| | 4.5.5 Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands. | Yes | As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. |
| | 4.5.6 Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator. | Yes | As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. |
| | 4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations. | Yes | There were no new lands acquired for plantation and mills after 15/11/2018. The current operation area including mill and estates as per stated in the land title. |
| 4.6 Any negotiations concerning compensation for | 4.6.1 (C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people | Yes | The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Sustainable Plantation Management System document entitled "Procedures for Handling Boundaries Disputes". In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair compensation falls within the purview of |

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| Clause | Indicators | Comply Yes/No | Findings |
|---|--|---------------|---|
| loss of legal, customary or user rights are dealt with thru a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions. | entitled to compensation, is in place. | | the Land Management Department of at the Sime Darby Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs 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 corrective actions taken as a result of this evaluation. | Yes | In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and visited estates. |
| | 4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings. | Yes | There were no scheme small holdings at SOU Kempas. The Fresh Fruit Bunches are supplied from SDPB owned estates which are certified to RSPO. |
| | 4.6.4 The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them. | Yes | There was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties. |
| 4.7 For new planting, where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and | 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 Sustainable Plantation Management System entitled "Procedures for Handling Boundaries Disputes". In accordance with the Procedures for Handling Boundaries Disputes, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Sime Darby Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures. |
| | 4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties. | Yes | There was no issue regarding compensation (monetary or otherwise) with villagers, local community and neighbouring estate. |

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| Clause | Indicators | Comply Yes/No | Findings |
|---|--|---------------|--|
| negotiated agreements. | 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 Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. |
| 4.8 The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights. | 4.8.1 Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC. | Yes | It has been verified that the land is legitimately owned by Sime Darby SOU Kempas since 1980. All the related documentation regarding the land acquisition was kept in Sime Darby HQ Office, Ara Damansara and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. |
| | 4.8.2 (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms. | Yes | Land conflict is not present in the unit of certification. |
| | 4.8.3 Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant req. | Yes | There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. |

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| Clause | Indicators | Comply Yes/No | Findings |
|--------|--|---------------|---|
| | 4.8.4 For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighboring communities where applicable). | Yes | There was no conflict or dispute over the land. |

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 | Since June 2019, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable. FFB prices were not made public, and no regular explanation given to the smallholders. |
| | 5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders. | Yes | |
| | 5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented. | Yes | |
| | 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 | Since June 2019, Kempas Palm Oil Mill became an Identity Preserved Mill and therefore only receives and processes FFB from its own internal sources namely Kempas Estate, Kemuning Estate, Tangkah Estate, Serkam Estate and other SD group of estates. No FFB supplies are received from smallholders, and therefore this Indicator is not applicable. |
| | 5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe. | Yes | There is evidence that contracts entered into with FFB and CPO transporters are fair, legal and transparent. Among others, the contracts are dated, with clear provisions on contract duration, scope of services, payment of fee, obligation and undertaking of |

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| Clause | Indicators | Comply Yes/No | Findings |
|--|--|---------------|--|
| | | | parties, provisions related to default and termination, rights and obligations upon termination, clause on dispute, etc. Annex 2 and 3 of the contracts specify schedule of transportation rates and transport rate adjustment mechanism, respectively. |
| | 5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given. | Yes | Contracts with suppliers contain a provision that payments would be made within one month 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 verified through Metrology Department. This was verified through Borang D (Timbang dan Sukat), Akta Timbang dan Sukat 1972, Peraturan-Peraturan Timbang Dan Sukat 1981 (Peraturan 16, 28A dan 45). |
| | 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 | Sime Darby Plantation supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. However, in SOU Kempas, Fresh Fruit Bunches are supplied from SDPB owned estates (Kempas, Serkam, Kemuning, Tangkah) which are certified to RSPO. There is no third-party FFB sent to the mill. Noted that SOU Kempas has invited nearby smallholders to attend the Stakeholder meeting. CU Kempas has invited smallholders to promote on RSPO certification. |
| | 5.1.9 (C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner. | Yes | A grievance mechanism which respects anonymity and protects complainants is in place at the SOU Kempas as per the SOM Procedure for External Communication, and as per SOP Carta Aliran Pengendalian Isu Sosial. The procedures have been communicated to all levels of workforce and to all stakeholders. |
| 5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains. | 5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification. | Yes | Sime Darby Plantation supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. However, in SOU Kempas, Fresh Fruit Bunches are supplied from SDPB owned estates (Kempas, Serkam, Kemuning, Tangkah) which are certified to RSPO. There is no third-party FFB sent to the mill. Noted that SOU Kempas has invited nearby smallholders to attend the Stakeholder meeting. CU Kempas has invited smallholders to promote on RSPO certification, however currently their preference only MSPO as this certification is compulsory by the Government. |
| | 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 | Yes | Sime Darby Plantation supports Independent Smallholders to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification. |

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| Clause | Indicators | Comply Yes/No | Findings |
|--------|--|---------------|--|
| | RSPO certification (including the RSPO Standard for Independent Smallholder). | | |
| | 5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production. | Yes | Sime Darby Plantation 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. SOU 17 Kempas also encourage them to get the RSPO Certificate, however currently their preference only MSPO as this certification is compulsory by the Government. |
| | 5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling. | Yes | Sime Darby Plantation 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, there was no specific training to train the Scheme Smallholders on pesticide handling as Kempas CU did have any relations with them. In Kempas CU, Fresh Fruit Bunches are supplied from SDPB owned estates (Kempas, Serkam, Kemuning, Tangkah) which are certified to RSPO. There is no third-party FFB sent to the mill. |
| | 5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme. | Yes | As above. In Kempas CU, Fresh Fruit Bunches are supplied from SDPB owned estates (Kempas, Serkam, Kemuning, Tangkah) which are certified to RSPO. There is no third-party FFB sent to the mill. |

Principle 6: Respect workers' rights and conditions

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

| Clause | Indicators | Comply Yes/No | Findings |
|--|--|---------------|--|
| 6.1 Any form of discrimination is prohibited. | 6.1.1 (C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. | Yes | SDP has implemented new Group Sustainability & Quality Policy Statement signed by Group Managing Director. The policy shall be guided by the commitments spelt out in the Company's Human Rights Charter (HRC) where the management is committed to treat all employees fairly in terms of recruitment, progression, terms and conditions of work and representation regardless of race, caste, nationality, gender, sexual orientation, union membership, political view, religion and/or age. The policy was communicated via ILO Briefing through the muster briefing to all workers. |
| | 6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not | Yes | Interviewed with the workers comprises of different gender and nationalities as well as the local workers confirmed that no discrimination has reported. The management treated all equally such as provided free accommodation and medical to all the workers, no charging |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | been discriminated against including charging of recruitment fees for migrant workers. | | of recruitment fees for the foreign workers and offered job based on capability. The worker can request for job transfer if they found they unfit for the job assigned to them. |
| | 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 | SDP has established the Career Progression for Workers Level (both local and foreign workers), where the promotion of workers is based on the work performance, suitability and the leadership quality of the worker. For requirement, SDP has established the Hiring of Local Workers procedure and Workforce Management Unit Liaison & Recruitment procedure to explain the recruitment processes for both local workers. There is no discrimination based on religion, gender, nationality etc., during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary etc. This was confirmed during stakeholder's consultation, worker's interview, complaint book and trade union meeting. Sighted the job description of each workers mention the same regardless of skin colour, religion, race or caste. |
| | 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 | Currently, there were no pregnant women at SOU Kempas as verified with medical assistant and during interview session with women workers. There is also no evidence of pregnancy testing conducted as a discriminatory measure and discriminatory practices against any employee, or group of employees including pregnant women. |
| | 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 | Gender Committee was established in Kempas CU. Seen the appointment letters of the committee from Kempas POM and supply based. |
| | 6.1.6 There is evidence of equal pay for the same work scope. | Yes | There is no discrimination based on religion, gender, nationality etc. during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary etc. This was confirmed during stakeholder's consultation, worker's interview, complaint book and meeting with worker representative. |
| 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 | 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 | For the Kempas CU documentation of pay is in the form of monthly pay slips. Conditions of pay are contained in the workers' respective employment contracts. Labour laws, union and/or other collective agreements detailing payments and other conditions, was made available in the languages understood by the workers and explained to them by a management during induction. |
| | 6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular | Yes | Contracts and conditions of employment are contained in employment contracts signed between the Mill and respective estates on one hand, and their workers on the other. The employment contracts sampled were prepared in either Bahasa |

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| Clause | Indicators | Comply Yes/No | Findings |
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| (DLW). | working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal req.) and payroll documents give accurate info on compensation for all work performed. This includes a form of record for work done by family members. | | Malaysia/Indonesia/Bangladeshi/Indian or in dual-language, namely English and the language commonly used in the worker's country of origin. Among others, the contracts defined the place of work, wages, working hours, medical, accommodation, reasons for dismissal/termination, SOSCO, recruitment free, holiday entitlement, rest day, sick leave, annual leave, maternity leave (for local worker only) workplace transportation, resignation, safety & health, others Labour regulation and compliance, complaint and others term and conditions. For all workers, there is evidence that the payment of statutory contributions such as EPF (for local worker only), SOCSO and Employment Insurance Scheme (for local worker only), are being made in accordance with the relevant legal provisions. The sampled contracts sighted during the audit were as indicator 6.2.1. |
| | 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 | The Kempas CU has complied with legal requirements and MAPA/NUPW Agreement 2019 on regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements. |
| | 6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure. | Yes | The Kempas CU provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to all workers. |
| | 6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food. | Yes | All the workers have provided with 10kg of rice once every two months as per company's policy. Interviewed with the workers confirmed that they are easily access to adequate, sufficient and affordable foods where the mill and estate sundry shop. A visit to the estate's sundry shop had confirmed that the price of the daily needs is reasonable considering the size and location of the grocery store. |
| | 6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on | Yes | Based on the suggested method(s) by RSPO guideline, an assessment of the Prevailing Wage was conducted in an RSPO Certified Unit in Kempas CU, and the calculation was in compliance with the given guidance. |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | <p>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"> • An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers. • There is annual progress on the implementation of living wages • Where a minimum wage, based on equivalent basket of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment. • The unit of certification may choose to implement the “living wage” payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before an eventual scale-up of the living wage implementation <p>Until such time where the Malaysian version of “decent living wage” has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.</p> | | |
| | 6.2.7 Permanent, full-time employment is used for all core work performed by the unit | Yes | All the core works are performed by permanent and full-time employee in Kempas CU. No temporary / casual worker was employed. The estates have appointed contractors for |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal. | | replanting, FFB transporting, upkeep operations and machineries rental. |
| 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 | Available as in the Group Sustainability & Quality Policy Statement signed by Group Managing Director. SDP has also developed Human Rights Charter where they respect Freedom of Association by respecting the rights of employees to form and join unions and bargain collectively. In jurisdictions where this right is limited, they will provide alternative means of employee engagement and grievance redressal. The policy was communicated via ILO Briefing through the muster briefing to all workers. |
| | 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 National Union Plantation Workers (NUPW) is the union that represents workers of Kempas CU. Union membership is open to both local and foreign workers and the workers' representative elected by the NUPW/MAPA itself which is independent party. It was attended by management representatives, NUPW representative and Workers representative, etc. |
| | 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 | Based on the worker's and management interview, the selection of representative workers made from the election among the member without management interference. Foreign worker's nationality included in the committee formation and appointment letter sighted. |
| 6.4 Children are not employed or exploited. | 6.4.1 A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements. | Yes | Available as in the Group Sustainability & Quality Policy Statement signed by Group Managing Director. For contractors, the clause 5.8 abolishment of child labour & protecting the rights of children available in the Vendor COBC, Human Rights Charter-protecting the rights of children. This was verified by examining the master lists of each operating unit where details of the workers' IC numbers and dates of birth are available. |
| | 6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure. | Yes | There was no evidence that the estates and the mill at Kempas CU has employed anyone below the age of 18 years. This was verified by examining the master lists, personal file, contracts and payslip of each operating unit where details of the workers' IC numbers and dates of birth are available. |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | 6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work. | Yes | There was no young person employed by the company as their minimum age was 18 years old. This has verified with the Employee Master Listing and through interviewed with the stakeholders. |
| | 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 | The management has communicated to the stakeholders regarding the Human Rights Charter, Vendor COBC and emphasized that the risk of child labour to the stakeholders. |
| 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 | Available as in the Group Sustainability & Quality Policy Statement signed by Group Managing Director. The policy was communicated through the Gender Committee meeting. |
| | 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 | SDP has established the Human Rights Charter where they respect and uphold reproductive and maternity rights. The Charter is a commitment of the Group Sustainability and Quality Policy Statement. The charter was communicated during morning muster and ILO briefing. The policy is also published on notice board within the mill and estate. Interview with mill female staffs, estate weighbridge clerk and maternity records confirms that there is no reproductive restriction. |
| | 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 committee is in place as a channel where expecting mothers and new mothers are consulted and advised on actions to be taken including discussion with the management on reassigning them to work that has risk and hazard during their pregnancy and breast-feeding period. Interview with workers and GCC chairperson confirmed that mothers are given the rights to breast feed, seek for rest during work hours (if required) and assigned to task that is not imposed any hazard to them. |
| | 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 | Kempas CU has established and implemented the Flowchart and Procedure on Handling Social Issues. Initial negotiation between the management and the dispute parties should be taken within two weeks after outbreak of issue which the involvement of disputed parties, zone heads, third parties and stakeholders. Besides, the company has implemented Whistleblowing Channels where an e-Form, email address and toll-free number / hotline can be found in www.simedarbyplantation.com/corporate/governance/whistleblowing . Additionally, SDP has also established Suara Kami. According to the SOP for Suara Kami Helpline, this is an alternative independent third-party worker grievance channel with multi-languages and multi-interfaces (toll-free number, SMS and facebook) that assures worker confidentiality unless personal details are required, where in such situations, |

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| Clause | Indicators | Comply Yes/No | Findings |
|---|---|---------------|---|
| | | | consent will be sought by the system receiver. |
| 6.6 No forms of forced or trafficked labour are used. | <p>6.6.1 (C) All workers have entered into employment voluntarily, and the following are prohibited:</p> <ul style="list-style-type: none"> • Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) • Charging the workers for recruitment fees • Contract substitution • Involuntary overtime • Lack of freedom of workers to resign • Penalty to the workers for termination of employment • Debt bondage • Withholding of wages | Yes | Kempas CU has implemented dedicated passport locker for safe keeping at their own house. Interview with workers confirm that they kept their own passport. Review of the payslips and productivity sheets at the estates confirmed that there is no withholding of wages. Workers also confirmed there is no involuntary overtime as they will work for overtime willingly if the management asks to. They also understand their contract requirement in case they want to resign from Sime Darby with 8 weeks of notice, they won't be having debt of bondage. Foreign workers also confirmed that they paid for the service fee and the others for passport, visa, medical, food, transportation from village and flight ticket. There was no contract substitution, debt bondage and withheld wages. |
| | 6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented. | Yes | <p>SDP has implemented a Sime Darby's Human Rights Charter and can be easily access via www.simedarbyplantation.com where they committed as below:</p> <ol style="list-style-type: none"> Providing equal opportunity Respecting freedom of association Eradicating any form of exploitation Ensuring favourable working conditions Enhancing Safety and Health <p>All the local and foreign workers will be provided with induction training prior to work. Besides, they were provided with decent living condition and free from any discrimination. The workers informed that they were treated equally without any discrimination. No contract substitution has occurred through interviewed with the workers.</p> |
| 6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health. | 6.7.1 (C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded. | Yes | <p>All the Estates / Mill Managers were appointed as the Chairman of the ESH committee. The Manager subsequently assigned duties of ESH coordinator to the Assistants or healthcare assistant for the down line implementation of ESH practices in the estates. All identified Executives were officially given a letter for such an appointment.</p> <p>All estates and the mill management conduct regular two-way communication with their employees through the quarterly ESH meeting. The dates of meeting held by estates and mill are recorded. Workers during the meeting participated in the discussion mainly on line site and safety. All units adopted the agenda as released PSQM. This agenda list was</p> |

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| Clause | Indicators | Comply Yes/No | Findings |
|--------|--|---------------|---|
| | | | <p>sighted and adequate to discuss salient issues relating safety, environmental and health. The agenda as discussed during the meeting among others includes the following;</p> <ul style="list-style-type: none"> a) <i>Laporan Pemakaian PPE</i> b) <i>Laporan Latihan & SOP</i> c) <i>Laporan Kemalangan</i> d) <i>Laporan Pemeriksaan Tempat Kerja</i> e) <i>Laporan Kesihatan & Kawasan Perumahan</i> f) <i>Laporan Bahan Buangan Terjadual/Isu Alam Sekitar</i> |
| | <p>6.7.2 Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</p> | 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> <ul style="list-style-type: none"> a) <i>Ahli J/Kuasa Pasukan Bertindak Kecemasan 2021</i> headed by the Estate/Mill Manager b) <i>Carta Aliran Pelan Tindakan Kecemasan Semasa Kebakaran</i> c) <i>Carta Aliran Pelan Tindakan Kecemasan Semasa Berlaku Banjir</i> d) <i>Carta Aliran Pelan Tindakan Kecemasan Semasa Berlaku Tumpahan Kimia</i> e) <i>Carta Aliran Pelan Tindakan Kecemasan -Covid 19</i> <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 RSQM and amended to tailor to the situation differences in the estates and mill. ERT members received training and practice in emergency procedures appropriate to 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.</p> <p>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 JKPP 8. Records are kept for a minimum 10 years in the office. Summary for the year is described in the JKPP 8 a mandatory requirement with submission as follows. Accident Statistics are being maintained in a satisfactory manner.</p> |

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| Clause | Indicators | Comply Yes/No | Findings |
|--------|--|---------------|--|
| | 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 | Training and briefing on the operations were provided for workers to educate them on safe working practices. This is also made to ensure that the applicable precautions are adhered. Training for employees are conducted from time to time based on needs through various method such as on the job training, briefings, meetings, etc. The staff and workers such as the storekeepers, Mill workers, harvesters, pruners, field workers, sprayers, fertilizer and rat bait workers were trained, and they had understood the hazards involved and how the chemicals should be used in a safe manner. Based on the HIRARC carried out at both estates and the mill the PPE types for the various activities were identified and recommended. |
| | 6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work-related incidents leading to injury or sickness are covered in accordance with Malaysian law. | Yes | Both the Estates and Mill in the SOU 17 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. |
| | 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 with submission as follows. Accident Statistics are being maintained in a satisfactory manner. |

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 |
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| 7.1 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) | 7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control. | Yes | Kempas SOU 17 continued to implement Integrated Pest Management (IPM) in the 4 estates and continued to manage pests, disease and weeds using appropriate IPM techniques guided by the Agricultural Reference Manual (ARM) Section 15 -Plant Protection. The IPM program among others includes pest management of rats, bagworms, nettle caterpillars and rhinoceros beetles. For bagworm control the program includes the planting of beneficial plants such as Cassia cobanensis, Antigonon leptopus and Turnera spices and for rhinoceros beetles is by using pheromone traps. |
| | 7.1.2 Species referenced in the Global | Yes | Species referenced in the Global Invasive Species Database and CABI.org. are not used in managed areas of the 4 estates. |

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| Clause | Indicators | Comply Yes/No | Findings |
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| techniques. | Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented. | | |
| | 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 | Kempas SOU 17 continued to use the Sime Darby Plantation Berhad's "Responsible Agriculture Charter" revised in 2020 in which item 3.2.5 states "Zero use of fire for land preparation and establish effective monitoring and prevention as well as proactive firefighting measures within a reasonable radius beyond our operational boundaries". There was no use of fire for pest control as there had been no pest outbreaks that required burning in all the 4 Estates visited. |
| 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 | Kempas SOU 17 continued to use agrochemicals based on its Agricultural Reference Manual (ARM) Section 15 and 16, SSOP and Pictorial Safety Standard Book (PSS) where written justifications had been provided for various fields operations. The Manual has included a chemical register list which indicates the use of selective products that are specific to the target pest, weed or disease. The procedures also covered the use of PPE when handling the chemicals. The estates continued to use pesticides as per the SOPs. |
| | 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 | Kempas SOU 17 continued to maintain 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 applied per ha. Pesticides are used only when justified. Areas used were recorded in bin cards, program sheets, chemical register, field cost books and in progress reports. All 4 estates had documented programs for spraying pesticides and for rat baiting. Records of pesticides used were available for verification. |
| | 7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans. | Yes | As part of the IPM plans, the quantity of pesticides required for various field conditions are documented and justified in Sime Darby Plantation Berhad Agriculture Reference Manual (ARM). |
| | 7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines. | Yes | There was no evidence of prophylactic use of pesticides in Kempas SOU 17. |
| | 7.2.5 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due | Yes | Kempas SOU 17 only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations 2000. From the review of the chemical register, it was noted that all pesticides used are of class III & class IV. The use of paraquat had been banned in all Sime Darby Plantation Berhad estates since Nov 2006. 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 had been used. |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to: | | |
| | 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 checklist and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had been used. Hence, the need for judgment of the threat assessment does not apply on the Kempas SOU 17. |
| | 7.2.5b Why there is no other alternative which can be used. | Yes | |
| | 7.2.5c Which process was applied to verify why there is no other less hazardous alternative. | Yes | |
| | 7.2.5d What is the process to limit the negative impacts of the application. | Yes | |
| | 7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak. | Yes | |
| | 7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out. | Yes | Records verified at time of visit showed that pesticides were handled, used and applied by trained persons and as per the MSDS of the pesticide. |
| | 7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices. | Yes | The chemical stores in all estates 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). Records of purchase, storage and used were maintained. |
| | 7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes. | Yes | The procedure for Scheduled Wastes (Hazardous Waste) Management has been established. Visit to waste storage confirmed that empty pesticide containers were collected with proper storage. These items will be punctured and disposed as scheduled waste as the EQA. Content includes the triple rinsing procedures and the relevant training to be conducted. |
| | 7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable | Yes | Aerial spraying was not practiced by all four estates, Tangkah, Kemuning, Serkam and Kempas. There was no evidence to show that any had been carried out. |

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| | 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. | | |
| | 7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated. | Yes | The medical surveillance was carried via competent 3 rd party. The results for the entire workers were positive and declared FIT to handle chemical. |
| | 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 | 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 Estates and Mill had established the waste and pollution management plan 2022 as shown below. The PIC and time frame was also shown in the management plan. |
| | 7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated. | Yes | In Kempas POM and the estates in SOU 17 procedure - Scheduled Wastes (Hazardous Waste) Management has been established. |
| | 7.3.3 The unit of certification does not use open fire for waste disposal. | Yes | SDP has a policy of no open burning. As advocated, the estates practiced zero burning. In the replants visited during the audit in the Estates, it was evident that all palms were felled, shredded, windrowed and left to decompose. There was no evidence that fire had been used to prepare land for replanting in the estate No fire was used for waste disposal. |
| 7.4 Practices maintain soil fertility at, or where improve soil fertility to, a level that ensures optimal and sustained yield. | 7.4.1 Good agriculture practices, as contained in SOPs, are followed to manage soil fertility to optimise yield and minimise environmental impacts. | Yes | Kempas 17 SOU practiced the maintenance of long-term soil fertility by annual application of fertilizers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application, water management and by maintaining soft weeds within interlines. The SOP for manuring was in Section 8 of the Agricultural Reference Manual and Section 14 of the EQMS. Fertilizer application, which was of paramount importance for maintenance of soil fertility, was carried out based on the recommendation made by the Agronomist Sime Darby Plantation Bhd. Annual fertilizer recommendations were made based on annual foliar sampling carried out by SDPB Chemical Laboratory, R&D Centre, Carey Island. |

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| | | | The recommendation by the Agronomist were also available during the inspection and the application of fertilizers had been carried out as recommended and scheduled. |
| | 7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health. | Yes | Periodic tissue and soil sampling were carried out in the Estates by SDPB Chemical Laboratory, R&D Centre, Carey Island to monitor changes in nutrient status and its results formed the basis for the fertilizers input recommendation. The soil analysis provided the indication of soil health and monitors the changes in the organic carbon and total nitrogen. For all 4 estates Agronomic assessment and fertiliser recommendation was conducted by Sime Darby Research Bhd. to of formulate the manuring programme and to suggest relevant agronomic practices for oil palm yield and growth improvement. Annual foliar samplings for Ash, N, P, K, Mg, Ca & B had been were carried out in all Estates in 2021, while the soil analysis for PH, Org C, Total N, Total P, Avail P, Exch K, Exch Ca & Exch Mg was carried out on a 5 years cycle basis and last carried out in 2018/2019. |
| | 7.4.3 A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers. | Yes | All the 4 Estates, Tangkah Estate, Kemuning Estate, Serkam Estate and Kempas continued to have a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and EFB, compost and POME were also applied. EFB was applied 30 mt/ha in mature and 40 mt/ha in immature oil palm areas. It was applied on the stacked palm fronds in the mature areas while for immature palm was applied in the circles. |
| | 7.4.4 Records of fertiliser inputs are maintained. | Yes | Kempas SOU 17 continued to monitor their fertilizer inputs as recommended by their Chief Agronomist 1, Plant Nutrition & Protection, Central West Region, who visited both estates during the annual foliar sampling carried out as mentioned under Indicator 7.4.2. Fertiliser application program was monitored using records like manuring master plan, program sheets, bin cards, field cost book, manuring audits by Planning and Monitoring Department (PMU) under Upstream Department. Records of programs and applications of fertilisers were made available to auditors. |
| 7.5 Practices minimise and control erosion and | 7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available. | Yes | As per the Soil Maps the soil series were as follows: |

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|---|---|--|--|-----------------------|------------------|----------------|---------------|--------|-----------|--------|--------|--------|--------|------------|------|----------|--------------|----------|------------|------------------|--------|-------|----------|-------------------|------------|----------|----------------|---------|-------|------------------|---------|--------|----------------|----------|-------|---------|---------|--------------|----------|--------------|----------|--------|-------|--------|------------------|---------|--------|------|----------------|----------|---------|--|--------------|------|--------------|--|-------|--|--|--|--------|--|--|--|----------------|--|--|--|-----------------------|--|--|--|-------|--|--|--|--------------|--|--|
| degradation of soils. | | | <table><tr><th>Tangkah Estate</th><th>Kemuning Estate</th><th>Kempas Estate</th><th>Serkam Estate</th></tr><tr><td>Bungor</td><td>Batu Anam</td><td>Bungor</td><td>Bungor</td></tr><tr><td>Durian</td><td>Bungor</td><td>Gajah Mati</td><td>Chat</td></tr><tr><td>Jerangau</td><td>Bungor/Kedah</td><td>Holyrood</td><td>Gajah Mati</td></tr><tr><td>Local Alluvium I</td><td>Durian</td><td>Jeram</td><td>Jerangau</td></tr><tr><td>Local Alluvium II</td><td>Gajah Mati</td><td>Kg Kubur</td><td>Local Alluvium</td></tr><tr><td>Malacca</td><td>Jitra</td><td>Local Alluvium I</td><td>Malacca</td></tr><tr><td>Rengam</td><td>Local Alluvium</td><td>Munchong</td><td>Masai</td></tr><tr><td>Serdang</td><td>Malacca</td><td>Organic Clay</td><td>Munchong</td></tr><tr><td>Sungai Buloh</td><td>Munchong</td><td>Rengam</td><td>Pohoi</td></tr><tr><td>Tampin</td><td>Munchong Shallow</td><td>Serdang</td><td>Rengam</td></tr><tr><td>Tavy</td><td>Older Alluvium</td><td>Seremban</td><td>Serdang</td></tr><tr><td></td><td>Padang Besar</td><td>Tavy</td><td>Unclassified</td></tr><tr><td></td><td>Prang</td><td></td><td></td></tr><tr><td></td><td>Rengam</td><td></td><td></td></tr><tr><td></td><td>Rengam Shallow</td><td></td><td></td></tr><tr><td></td><td>Sungai Buloh/Holyrood</td><td></td><td></td></tr><tr><td></td><td>Tebok</td><td></td><td></td></tr><tr><td></td><td>Unclassified</td><td></td><td></td></tr></table> | Tangkah Estate | Kemuning Estate | Kempas Estate | Serkam Estate | Bungor | Batu Anam | Bungor | Bungor | Durian | Bungor | Gajah Mati | Chat | Jerangau | Bungor/Kedah | Holyrood | Gajah Mati | Local Alluvium I | Durian | Jeram | Jerangau | Local Alluvium II | Gajah Mati | Kg Kubur | Local Alluvium | Malacca | Jitra | Local Alluvium I | Malacca | Rengam | Local Alluvium | Munchong | Masai | Serdang | Malacca | Organic Clay | Munchong | Sungai Buloh | Munchong | Rengam | Pohoi | Tampin | Munchong Shallow | Serdang | Rengam | Tavy | Older Alluvium | Seremban | Serdang | | Padang Besar | Tavy | Unclassified | | Prang | | | | Rengam | | | | Rengam Shallow | | | | Sungai Buloh/Holyrood | | | | Tebok | | | | Unclassified | | |
| | | | Tangkah Estate | Kemuning Estate | Kempas Estate | Serkam Estate | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Bungor | Batu Anam | Bungor | Bungor | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Durian | Bungor | Gajah Mati | Chat | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Jerangau | Bungor/Kedah | Holyrood | Gajah Mati | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Local Alluvium I | Durian | Jeram | Jerangau | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Local Alluvium II | Gajah Mati | Kg Kubur | Local Alluvium | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Malacca | Jitra | Local Alluvium I | Malacca | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Rengam | Local Alluvium | Munchong | Masai | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Serdang | Malacca | Organic Clay | Munchong | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Sungai Buloh | Munchong | Rengam | Pohoi | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Tampin | Munchong Shallow | Serdang | Rengam | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Tavy | Older Alluvium | Seremban | Serdang | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Padang Besar | Tavy | Unclassified | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Prang | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Rengam | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Rengam Shallow | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Sungai Buloh/Holyrood | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | Tebok | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Unclassified | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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 | It was observed that no replanting of any individual, contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the SOU. It was also observed that practices to minimise 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 crop 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 | It was observed that there was no new planting of oil palm on steep terrain. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are | 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 | Kempas SOU 17, to demonstrate the long-term suitability of land for palm oil cultivation, had conducted soil surveys identifying marginal and fragile soils, and terrain surveys including steep terrain, as mentioned under indicator 7.5.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7.6.2 Extensive planting on marginal and | Yes | Based on the soil maps provided, that were prepared by SDPB R&D, Precision Agriculture Unit there were no marginal and fragile soils on all 4, Tangkah, Kemuning, Kempas and | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| incorporated into plans and operations. | fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices. | | Serkam, Estates. |
| | 7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure. | Yes | As mentioned under Indicator 7.5.1, Tangkah, Kemuning, Kempas and Serkam Estates. had prepared both soil and slope maps to demonstrate the long-term suitability of land for palm oil cultivation. The information from these maps were used by the respective estates in the planning of drainage and irrigation systems, roads and other infrastructure. |
| 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 <i>not applicable</i> as there is no peat soil in all the 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates. |
| | 7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peat land Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below). | Yes | This is <i>not applicable</i> as there is no peat soil in all the 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates. |
| | 7.7.3 (C) Subsidence of peat is monitored, documented and minimised. | Yes | This is <i>not applicable</i> as there is no peat soil in all the 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates. |
| | 7.7.4 (C) A documented water and ground cover management programme is in place. | Yes | This is <i>not applicable</i> as there is no peat soil in all the 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates. |
| | 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 | Yes | This is <i>not applicable</i> as there is no peat soil in all the 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates. |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | <p>for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation.</p> <p>This is subject to transitional (5 years: 2019 to 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.</p> | | |
| | 7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance. | Yes | This is <i>not applicable</i> as there is no peat soil in all the 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates. |
| | 7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2018) and associated audit guidance. | Yes | This is <i>not applicable</i> as there is no peat soil in all the 4 estates in Kempas SOU 17 as supported by the soil maps of respective estates. |
| 7.8 Practices maintain the quality and availability of surface and groundwater. | 7.8.1 A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following: | Yes | <p>SOU 17 Mill /estates had established its Water Management Plan 2022 which was developed to maintain the quality and availability of natural water resources. The Estates had implemented water managements plans which covered:</p> <ul style="list-style-type: none"> a) Water shortage contingencies b) Water pollution prevention c) Reduce wastage d) Identification & management of waste waters |

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|--------|---|-------------------------------|---|---------------|-------------|-------------|----|-------------|-------------|---|-------------|-----------|---|---------------|-----------|---|----------------|-----------|---|------------|----------|---|----------------|-----------|---|--|---|--|--------|------------------|---|---------------|--------------------------|---|-----------------|-------------------------------|---|----------------|------------------------------|
| | | | e) Monitoring rainfall f) Regular water quality analysis. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities. | Yes | Based on stakeholder consultation with local communities and field visit, there was evidence that the CU does not restrict access to clean water or contribute to pollution of water used by communities. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7.8.1b Workers have adequate access to clean water. | Yes | As verified at SOU facilities for workers and through interview with workers, all workers have obtained adequate access to clean water via Syarikat Air Melaka Berhad (SAMB), Syarikat Air Negeri Sembilan and Syarikat Air Johor (SAJ). As for Kemuning Estate, Tebong Div - all workers have obtained adequate access to clean water via their owned water treatment. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7.8.2 (C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017). | Yes | <p>The Estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. The estates adopted the existing SDP policy to maintain the buffer by restricting agrochemical application and left undeveloped during replanting. Water courses and wetlands are protected including maintaining and restoring appropriate riparian buffer zones. The guidelines are detailed in the River Reserve Management (Management of River Reserve in Sime Darby Plantation). The buffer zones established are as follows:</p> <table><tr><th>No</th><th>River width</th><th>Buffer zone</th><th>No</th><th>River width</th><th>Buffer zone</th></tr><tr><td>1</td><td>> 40 meters</td><td>50 meters</td><td>4</td><td>5 - 10 meters</td><td>10 meters</td></tr><tr><td>2</td><td>20 - 40 meters</td><td>40 meters</td><td>5</td><td>< 5 meters</td><td>5 meters</td></tr><tr><td>3</td><td>10 - 20 meters</td><td>20 meters</td><td>-</td><td></td><td>-</td></tr></table> <p>The signboards were displayed accordingly at the site where applicable. The guideline was issued by the GSQM Unit. During the field visit there was no spraying activities or signs left in the visited areas. The buffer zones identified at the estates are as follows:</p> <table><tr><th></th><th>Estate</th><th>Buffer zone area</th></tr><tr><td>1</td><td>Kempas Estate</td><td>Water pond - Eco Retreat</td></tr><tr><td>2</td><td>Kemuning Estate</td><td>Water stream to Sg Tebong 02B</td></tr><tr><td>3</td><td>Tangkah Estate</td><td>P10A Air Panas / Ledang P02A</td></tr></table> <p>Samples are taken from the mill and estates for detection of any pollution arising from the mill and estates activities. Water samples from the intake point are taken for phosphate and nitrate analysis for detection of fertilizer application effect to the water courses.</p> | No | River width | Buffer zone | No | River width | Buffer zone | 1 | > 40 meters | 50 meters | 4 | 5 - 10 meters | 10 meters | 2 | 20 - 40 meters | 40 meters | 5 | < 5 meters | 5 meters | 3 | 10 - 20 meters | 20 meters | - | | - | | Estate | Buffer zone area | 1 | Kempas Estate | Water pond - Eco Retreat | 2 | Kemuning Estate | Water stream to Sg Tebong 02B | 3 | Tangkah Estate | P10A Air Panas / Ledang P02A |
| No | River width | Buffer zone | No | River width | Buffer zone | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | > 40 meters | 50 meters | 4 | 5 - 10 meters | 10 meters | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | 20 - 40 meters | 40 meters | 5 | < 5 meters | 5 meters | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | 10 - 20 meters | 20 meters | - | | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Estate | Buffer zone area | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 | Kempas Estate | Water pond - Eco Retreat | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2 | Kemuning Estate | Water stream to Sg Tebong 02B | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3 | Tangkah Estate | P10A Air Panas / Ledang P02A | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially | Yes | Based on Jadual Pematuhan KPOM disposed effluent on land application via furrow system in Kempas Estate. Sighted the reports submitted to DOE (<i>license</i> valid until 30/06/2022) on quarterly basis. All parameters tested complied with regulatory standards. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | Biochemical Oxygen Demand (BOD), is regularly monitored. | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7.8.4 Mill water use per tonne of FFB is monitored and recorded. | Yes | The mill processing water are obtained from the SAMB and water catchment adjacent to the mill complex. The water usage monitoring is made on a monthly basis. A slightly higher water usage noted, due to the proportionate reduction in volume of FFB being processed. There were variations of performance. Probable factors are linked to rainy days, significant boiler water rinsing/discharging for maintenance etc. | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.9 Efficiency of fossil fuel use and the use of renewable energy is optimised. | 7.9.1 A plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented. | Yes | A plan for improving the efficiency of the use of fossil fuels is in place and has been incorporated into the Environmental Aspect and Impact activities report for 2022. The document was reviewed/updated on Jan 2022. The estates and mill record and monitor the diesel utilization over the running hours of gen-set and other vehicles running. Performance variation in view of several factors i.e. a) Infrastructure of estates, b) Community size / no of gen-sets, c) No. of vehicles / age of machine. d) Weather interference / crop production volume | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.10 Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions. | 7.10.1 (C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported. | Yes | GHG emission has been identified and assessed to all estates and mill through list of waste, EIA, pollution prevention plan, etc. for year 2021. CU calculated the emission through RSPO Palm GHG (data as table below). CU also submitted GHG footprint report to the RSPO and RSPO annual communication of progress (ACOP) (publicly available report) :- <u>Summary of Net GHG Emissions</u> <table><tr><td>Emissions per Product</td><td>tCO2e/tProduct</td><td>Extraction</td><td>%</td></tr><tr><td>CPO</td><td>1.27</td><td>OER</td><td>21.46</td></tr><tr><td>PK</td><td>1.27</td><td>KER</td><td>5.19</td></tr></table> <table><tr><td>Land Use</td><td>Ha</td></tr><tr><td>OP planted area</td><td>46,531.66</td></tr><tr><td>OP planted on peat</td><td>0</td></tr><tr><td>Conservation (forested)</td><td>0</td></tr><tr><td>Conservation (non-forested)</td><td>0</td></tr><tr><td>Total</td><td>46,531.66</td></tr></table> | Emissions per Product | tCO2e/tProduct | Extraction | % | CPO | 1.27 | OER | 21.46 | PK | 1.27 | KER | 5.19 | Land Use | Ha | OP planted area | 46,531.66 | OP planted on peat | 0 | Conservation (forested) | 0 | Conservation (non-forested) | 0 | Total | 46,531.66 |
| Emissions per Product | tCO2e/tProduct | Extraction | % | | | | | | | | | | | | | | | | | | | | | | | | |
| CPO | 1.27 | OER | 21.46 | | | | | | | | | | | | | | | | | | | | | | | | |
| PK | 1.27 | KER | 5.19 | | | | | | | | | | | | | | | | | | | | | | | | |
| Land Use | Ha | | | | | | | | | | | | | | | | | | | | | | | | | | |
| OP planted area | 46,531.66 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| OP planted on peat | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Conservation (forested) | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Conservation (non-forested) | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 46,531.66 | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| Clause | Indicators | Comply Yes/No | Findings | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------|--|---------------|---|------------|----------|--|-------|--|--|-------|------------|-------|------------|-----------|--|--|--|--|-----------------|-----------|------|-----------|------|--------------------------------|-----------|------|----------|------|------------------------------|----------|------|----------|------|------------------|-------|------|-------|------|----------------|---|---|---|---|-------|--|--|--|--|--------------------|------------|-------|------------|-------|----------------------------|---|---|---|---|-------|-----------|------|----------|------|--|-------|------------|-----------|--|--|------|-----------|------|------------------|------|---|------------------------------|--------|---|---------|--|--|----------------------------|---|---|--------------|---|---|--------------|---|---|-------|-----------|------|
| | | | <div>Summary of Field Emissions and Sinks</div> <table><tr><td></td><td colspan="2">Own Crop</td><td colspan="2">Group</td></tr><tr><td></td><td>tCO2e</td><td>tCO2e/tFFB</td><td>tCO2e</td><td>tCO2e/tFFB</td></tr><tr><td>Emissions</td><td></td><td></td><td></td><td></td></tr><tr><td>Land Conversion</td><td>87,116.23</td><td>0.48</td><td>15,549.65</td><td>0.61</td></tr><tr><td>*CO2 Emissions from Fertiliser</td><td>13,191.39</td><td>0.07</td><td>1,769.66</td><td>0.07</td></tr><tr><td>**N2O Emissions - fertilizer</td><td>7,647.51</td><td>0.04</td><td>1,006.35</td><td>0.04</td></tr><tr><td>Fuel Consumption</td><td>39.54</td><td>0.01</td><td>14.59</td><td>0.01</td></tr><tr><td>Peat Oxidation</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Sinks</td><td></td><td></td><td></td><td></td></tr><tr><td>Crop Sequestration</td><td>-82,574.65</td><td>-0.45</td><td>-14,605.19</td><td>-0.57</td></tr><tr><td>Conservation Sequestration</td><td>0</td><td>0</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>25,420.02</td><td>0.14</td><td>3,735.07</td><td>0.15</td></tr></table> <div>Summary of Mill Emissions and Credits</div> <table><tr><td></td><td>tCO2e</td><td>tCo2e/tFFB</td></tr><tr><td>Emissions</td><td></td><td></td></tr><tr><td>POME</td><td>40,789.56</td><td>0.20</td></tr><tr><td>Fuel Consumption</td><td>0.26</td><td>0</td></tr><tr><td>Grid Electricity Utilisation</td><td>513.25</td><td>0</td></tr><tr><td>Credits</td><td></td><td></td></tr><tr><td>Export of Grid Electricity</td><td>0</td><td>0</td></tr><tr><td>Sales of PKS</td><td>0</td><td>0</td></tr><tr><td>Sales of EFB</td><td>0</td><td>0</td></tr><tr><td>Total</td><td>41,303.07</td><td>0.20</td></tr></table> | | Own Crop | | Group | | | tCO2e | tCO2e/tFFB | tCO2e | tCO2e/tFFB | Emissions | | | | | Land Conversion | 87,116.23 | 0.48 | 15,549.65 | 0.61 | *CO2 Emissions from Fertiliser | 13,191.39 | 0.07 | 1,769.66 | 0.07 | **N2O Emissions - fertilizer | 7,647.51 | 0.04 | 1,006.35 | 0.04 | Fuel Consumption | 39.54 | 0.01 | 14.59 | 0.01 | Peat Oxidation | 0 | 0 | 0 | 0 | Sinks | | | | | Crop Sequestration | -82,574.65 | -0.45 | -14,605.19 | -0.57 | Conservation Sequestration | 0 | 0 | 0 | 0 | Total | 25,420.02 | 0.14 | 3,735.07 | 0.15 | | tCO2e | tCo2e/tFFB | Emissions | | | POME | 40,789.56 | 0.20 | Fuel Consumption | 0.26 | 0 | Grid Electricity Utilisation | 513.25 | 0 | Credits | | | Export of Grid Electricity | 0 | 0 | Sales of PKS | 0 | 0 | Sales of EFB | 0 | 0 | Total | 41,303.07 | 0.20 |
| | Own Crop | | Group | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | tCO2e | tCO2e/tFFB | tCO2e | tCO2e/tFFB | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Emissions | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Land Conversion | 87,116.23 | 0.48 | 15,549.65 | 0.61 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| *CO2 Emissions from Fertiliser | 13,191.39 | 0.07 | 1,769.66 | 0.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| **N2O Emissions - fertilizer | 7,647.51 | 0.04 | 1,006.35 | 0.04 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fuel Consumption | 39.54 | 0.01 | 14.59 | 0.01 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Peat Oxidation | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sinks | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Crop Sequestration | -82,574.65 | -0.45 | -14,605.19 | -0.57 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Conservation Sequestration | 0 | 0 | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 25,420.02 | 0.14 | 3,735.07 | 0.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | tCO2e | tCo2e/tFFB | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Emissions | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| POME | 40,789.56 | 0.20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fuel Consumption | 0.26 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Grid Electricity Utilisation | 513.25 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Credits | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Export of Grid Electricity | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sales of PKS | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sales of EFB | 0 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 41,303.07 | 0.20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 7.10.2 (C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them | Yes | Auditors 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 CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| Clause | Indicators | Comply Yes/No | Findings | | | | | | | | | | | | |
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| | prepared and implemented (guided by the RSPO GHG Assessment Procedure for New Development). | | | | | | | | | | | | | | |
| | 7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored. | Yes | <p>An assessment of all polluting activities has been conducted and monitored. This included the gaseous emissions, particulate / soot emissions and effluent. The CU has continued to maintain its environmental aspects/impacts register associated with their activities. Environmental aspect and impact (EAI) records i.e. covers estates and mill activities / operation. 'Pollution Identification Environmental Improvement Action Plan' is used to identify the waste products and sources of pollution, was in place and is reviewed accordingly. Among others the significant environmental receptors for the estates and mill operations were:</p> <table><tr><th>No</th><th>Environmental Receptors</th><th>Source</th></tr><tr><td>1</td><td>Air</td><td>Air emissions –from boiler stack (smoke & particulate), vehicle & generator (smoke and gases). GHG emission from anaerobic processes (ETP, EFB dumping).</td></tr><tr><td>2</td><td>Water</td><td>Water discharges – Cleaning water/run-off/process station waters (hydro cyclone/sterilizer condensate/clarification waste) & boiler quenching water and blow down</td></tr><tr><td>3</td><td>Land</td><td>Land – Scheduled waste, domestic waste and industrial / process waste. Clinical wastes – generated from clinics.</td></tr></table> <p>Kempas Palm Oil Mill has conducted boiler stack sampling for each of the boiler stack. Results were within the acceptable limit. The mill was also equipped with a Continuous Emission Monitoring System (CEMS). The audit team has verified the condition of the CEMS during the audit.</p> | No | Environmental Receptors | Source | 1 | Air | Air emissions –from boiler stack (smoke & particulate), vehicle & generator (smoke and gases). GHG emission from anaerobic processes (ETP, EFB dumping). | 2 | Water | Water discharges – Cleaning water/run-off/process station waters (hydro cyclone/sterilizer condensate/clarification waste) & boiler quenching water and blow down | 3 | Land | Land – Scheduled waste, domestic waste and industrial / process waste. Clinical wastes – generated from clinics. |
| No | Environmental Receptors | Source | | | | | | | | | | | | | |
| 1 | Air | Air emissions –from boiler stack (smoke & particulate), vehicle & generator (smoke and gases). GHG emission from anaerobic processes (ETP, EFB dumping). | | | | | | | | | | | | | |
| 2 | Water | Water discharges – Cleaning water/run-off/process station waters (hydro cyclone/sterilizer condensate/clarification waste) & boiler quenching water and blow down | | | | | | | | | | | | | |
| 3 | Land | Land – Scheduled waste, domestic waste and industrial / process waste. Clinical wastes – generated from clinics. | | | | | | | | | | | | | |
| 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 | SDP has a policy of no open burning. As advocated, the estates practiced zero burning. In the replants visited during the audit in the Estates, it was evident that all palms were felled, shredded, windrow-ed and left to decompose. There was no evidence that fire had been used to prepare land for the OP cultivation. | | | | | | | | | | | | |
| | 7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management. | Yes | <p>This is established in the ERP procedure <i>Kertas Kerja Program Simulasi Kebakaran</i>. Therein containing</p> <ul style="list-style-type: none">a) Objectiveb) Activity and prevention.c) Function of Fire and Rescue Team | | | | | | | | | | | | |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | | | <p>d) Emergency Evacuation Plan / Drill</p> <p>The procedure was formalised by RGSM for use in all operating units in SDP Estates and mills. Training related to fire drill are conducted annually.</p> |
| | 7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures. | Yes | <p>Both the estates and the mill in SOU 17 held engagement with the adjacent stakeholders via briefing sessions in Oct & Dec 2021, as stated in ERP procedure <i>Kertas Kerja Program Simulasi Kebakaran</i> and Fire Prevention and Control Measure. Therein containing</p> <ul style="list-style-type: none"> a) Objective b) Activity and prevention. c) Function of Fire and Rescue Team d) Emergency Evacuation Plan / Drill |
| 7.12 Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced. | 7.12.1 (C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document. | Yes | Auditors has verified through checking 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 CU since 15 November 2018. Hence, this Indicator is not applicable. |
| | 7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows: | Yes | Kempas SOU 17 has reviewed their HCV with new assessment conducted on 10-13 February 2014. Report was lodged on April 2015 for the new HCV assessment titled 'HCV Re-Assessment for Strategic Operating Unit (SOU 17 – Kempas) which included both the planted area and relevant wider landscape-level considerations with villages and forest reserved. For Serkam Estate, HCV Re - Assessment has been conducted in April 2017 titled HCV Re-Assessment for Strategic Operating Unit (SOU 18 – Diamond Jubilee). Based on the HCV assessment report, there is only HCV 4 declare in SOU Kempas with the total area of HCV area for Kempas SOU 17 CU is 48.69 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. | Yes | |
| | 7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into | Yes | |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | 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 | Progress of implementation of the action plans i.e. 'Environmental Management Plan FY: 2021 Objectives & Target – for All Estate were reviewed and verified on the ground. The HCV Action Plan integrated in the Environmental 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). |
| | 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 | Not applicable as no local community was identified in HCV areas. |
| | 7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual | Yes | Although there was no RTE species found in the CU, Kempas SOU 17 still conduct programme to regularly educate the workforce about the status of RTE species in Malaysia. HCV and RTE species training were last held in Dec 2021 for all workers and contractors. Sime Darby also established their own disciplinary measures if any of their staff or workers found to capture, harm, collect or kill the RTE species. If found any activities to capture, harm, collect or kill RTE species, the estates will make a report to the Wildlife Department immediately. |

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| Clause | Indicators | Comply Yes/No | Findings |
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| | working for the company is found to capture, harm, collect, trade, possess or kill these species. | | |
| | 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 | Kempas SOU 17 has conducted an on-going monitoring of their HCV4 areas as evidenced by the records in the 'Monitoring of HCV & Conservation Area' files at all Estates. No RTE species were found within the estates area. Noted the CU had continued to implement planned actions such as awareness to the staffs and public on enhancing biodiversity, posting of relevant information in the Sime Darby webpage and erection of signage at strategically locations. All estates have cooperated with Johor Forestry Department, Johor wildlife Department and the Johor State Parks Authority on forest area encroachment and illegal hunting prevention efforts. |
| | 7.12.8 (C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies. | Yes | Not applicable since no new land clearing without prior HCV assessment since November 2005 and or without prior HCV-HCSA assessment since 15 November 2018 where the Remediation and Compensation Procedure (RaCP) applies. |

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| Clause | Indicators | | Comply Yes/No | Findings |
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| <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) | <p>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.</p> | YES | <p>SDP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills.</p> <p>Indonesia PT Bahari Gembira Ria Sime Darby Plantation does not have management control over the plasma scheme. 1 out of 6 Koperasi Unit Desa (KUD) has been RSPO Certified. And all KUD is planned to undergo RSPO Certification by 2020 as reported in the timebound plan. Socialisation with the entire KUD is currently ongoing. Land Use Change Analysis has been completed for Plasma BGR. Refer to RSPO Certificate & Report for PT BGR - https://rspo.secure.force.com/membership/servlet/servlet.FileDownload?retURL=%2Fmembership%2Fapex%2FRSPOCertSearch&file=00P9000001QioYJEAZ</p> PT Sandika Natapalma & PT Budidaya Agro Lestari Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing. As at June 2017, the smallholders with the total of 29,914 Ha (58% from the total Ha, 51,715 Ha) of associated smallholders in Indonesia has been certified. Certification process for the remaining associated smallholder's areas was on-going. SDP expect to achieve 100% RSPO certification of associated smallholders and out growers by end 2020. PT Bersama Sejahtera Sakti The new project at KKPA Maju Bersama by the plasma community is currently in nursery stage and not yet due for harvesting, the year of planting was in 2014. PT Ladang Rumpun Subu Rubadi SAP 1 Estate PLASMA will be undergone 2 nd stage audit on 2019. PT Guthrie Pecconina PT Bina Sains Cemerlang, PT Sime Indo Agro Land legalization still in progress. PT Bina Sains Cemerlang, PT Sime Indo Agro Issue in getting Surat Perijinan, still in progress. Papua New Guinea (NBPOL) Markham Farming Company Limited (MFCL) / Markham Agro Pte. Ltd. Estimate to be certified on year 2020. The majority of Markham Farms has already been planted by the former owner without following RSPO NPP. Therefore, the Remediation and |

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| | | | | <p>Compensation Procedure will be required to be full filled in order to achieve certification. The Disclosure has been has been initiated on 18.10.18. Currently HCV/HCS, SEIA and LUCA are being undertaken in order to submit and mitigation and remediation plan to RSPO. As this process has never been completed through RSPO in less than 2 years, the time frame for the 100% certification of Markham Farms is set to that duration.https://rspo.org/certification/remediation-and-compensation/racp-tracker no 82</p> |
| | (b) | <p>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;</p> | YES | <p>It can be confirmed that there were several changes to the current time bound plan as verified during this audit.</p> <p>PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera. Refer letter dated 27/6/2019 to RSPO Secretariat and announcement at Bursa Malaysia. http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965.</p> <p>As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI). http://www.simedarbyplantation.com/media/press-releases/sime-darbyplantation-completes-divestment-of-its-liberia-operations</p> |
| | (c) | <p>Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);</p> | YES | As above. |
| | (d) | <p>Where there are isolated lapses in implementation of a time-bound plan, a minor non- compliance shall</p> | YES | As above. |

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| | | be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised. | | |
| 5.5.3 Requirements for uncertified management units: | (a) | No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.12 Any new plantings since 1 st January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB; | YES | Based on internal and external audit (ISPO certified) there was no replacement of primary forest or HCV areas in the uncertified management unit. Except for NBPOL area which have potential liabilities of RSPO grower members and the stages of the Remediation and Compensation Procedures (RaCP) that the management units (MUs) are currently undergoing. https://rspo.org/certification/remediation-and-compensation/racp-tracker no 82 |
| | (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 | Regular discussion was ongoing between Sime Darby Plantation and the group of community (PAC) through bi-monthly Tim Kerja Perwakilan Petani (TKPP) meeting since November 2012. In October 2013, representatives from two of nine villages (Kerunang and Entapang) left TKPP. These two villagers are supported by and working with TuK and OXFAM. They have then requested SDP to enter into Dispute Settlement Facility (DSF) in June 2014. Hence, there were two groups of communities: The TKPP (7 of 9 villages) and the Kerunang & Entapang team (2 of 9 villages). 21 TKPP meetings have been conducted. The most recent one was held on 2/11/2016. Issues related to the 14 demands made by TKPP were closed except for two. As per current status (23/01/2019) SDP and affected parties will be resolved all the issues to proceed with legal review. https://askrspo.force.com/Complaint/s/case/50090000028ErzsAAC/detail However, sighted as at June 2019 PT Mitra Austral Sejahtera has been sold to PT Inti Nusa Sejahtera <u>Refer letter dated 27 June 2019 to RSPO Secretariat and announcement at Bursa Malaysia</u> http://www.bursamalaysia.com/market/listed-companies/company-announcements/6202965 |
| | (c) | Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2; | YES | Based on the internal audit report, there were no labour dispute that were not being resolved yet through an agreed process for all uncertified units for all 7 uncertified units of Sime Darby Plantation Sdn Bhd - Indonesia as at June 2019. |

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| | (d) | Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1; | YES | Based on internal and external audit (ISPO certified) there was no legal non-compliance recorded at the CU. |
| | (e) | The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 5.5.3 (a) – (d) above by the audit team based on self-declarations only by the company, | YES | <p>For TBP dated Dec 2021, there was several CUs located in Indonesia and 1 unit in Papua New Guinea (NBPOL) not yet completed. Summarized as below:</p> <p>Land legalization – PT Guthrie Pecconina, PT Bina Sains Cemerlang, PT Sime Indo Agro (INA)</p> <p>Surat perijinan in progress (Jadual Pematuhan) – PT Sandika Natapalma/PT Budidaya Agro Lestari (INA)</p> <p>NPP – Markham Farming & Markham Agro (NBPOL)</p> <p>Sold off – PT Mitral Austral Sejahtera (INA), Sime Darby Plantation Grand Cape Mount (Liberia).</p> |
| | | with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach: | | |
| | | <ul style="list-style-type: none"> A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement; | | |
| | | <ul style="list-style-type: none"> Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team. | | |
| | | <ul style="list-style-type: none"> Desktop study e.g. web check on relevant complaints | | |
| | | <ul style="list-style-type: none"> If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements. | | |
| | (f) | For requirements 5.5.3 (a)-(d) above, the classification of critical and non-critical is as stated in the RSPO P&C. | YES | As above |

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| | | 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. | | |
| | (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 above |

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| <p>5.6.6</p> <p>The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p> <p>The CB shall have a mechanism in place to identify the interested parties and ensure a represented samples size of the interested parties are consulted in each audit.</p> <p>The CB shall keep track which party that has been interviewed in the previous audits to ensure proper coverage of the parties throughout the certification cycle.</p> | | No additional indicators | Yes | <p>As it has been mentioned in 4.4.1 of this checklist, evidence of legal ownership of the land including history of land tenure was verified during this audit. For Tangkah Estate the land was previously owned by The Kundong Rubber Estate Limited, Tangkah Rubber Estate Limited and The Kundong Tanjong Pau Limited. The land was acquired during the merger between Golden Hope, Kumpulan Guthrie Berhad and Sime Darby in 2007.</p> <p>The Land Title was then transferred under the name of Sime Darby Plantation Berhad. While Kemuning Estate was originated from Sime Darby which was bought from Negeri Sembilan State Government. For Kempas Estate and Mill, was originated from Sime Darby which was bought from Melaka State Government. Each estate had legal use of the land through an Ownership signed by the Sultan of Johore and Director of Lands and Surveys of Negeri Sembilan and Melaka</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 |
|-----------------|---------------------------|--|---|--|
| 3.8.5 (SC) | Major | <p>Requirement: 3.8.5 (SC) - The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organisation's procedures for the implementation of this standard. The site shall have documented procedures for receiving and processing certified and non-certified FFBs. <p>Finding: The site do not have updated written procedures to ensure the implementation of applicable supply chain model specified i.e RSPO Supply Chain Certification Standard 2020.</p> <p>Objective evidence: Based on documentation review, Kempas POM had only documented procedure title 'Standard operating procedure for Sustainability Supply Chain and Traceability SD/SDP/PSQM/001', version 2, Issue 5 dated April 2019 instead of procedure of the elements RSPO Supply Chain Certification Standard 2020.</p> | <p>Root cause: The existing SOP is in the progress of revision by Group Sustainability. The revised SOP is to be integrated with the information on the new system of MSPO SCC, hence cause the delay in establishment of the revised SOP for RSPO SC 2020.</p> <p>Correction: The Group Sustainability has established new SOP with the clause on procedure of the elements RSPO Supply Chain Certification Standard 2020. Training on the SOP is planned to be conducted in 8th of April 2022 to all the traceability personnel in the mill.</p> <p>Corrective Action: The PIC for traceability will communicate with Group/ Regional Sustainability for any identified revision in Supply Chain Certification Standard.</p> | <p>Updated procedure dated 1 Jun 2022 has been verified. Training has been done to the related person dated 7/6/2022. Status: CLOSED</p> |

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| 3.8.6 (SC) | Major | <p>Requirement: 3.8.6 (SC) - The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"> • Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. • Effectively implements and maintains the standard requirements within its organisation. • Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non- conformities shall be subject to management review at least annually. The organisation shall be able to maintain the internal audit records and reports. <p>Finding: The site do not have updated written procedure to conduct annual internal audit to determine whether the organization conform to the RSPO Supply Chain Certification Standard, 2020.</p> <p>Objective evidence: Based on documentation review, Kempas POM had only documented procedure title 'Sime Darby Plantation Internal Audit Procedure Doc ID: SD/SDP/PSQM/IAP dated 1/11/2017 instead of procedure of the elements RSPO Supply Chain Certification Standard 2020.</p> | <p>Root cause: The existing internal audit procedure is in the progress of revision by Group Sustainability. The revised SOP is to be integrated with the information on the new system of MSPO SCC, hence cause the delay in establishment of the revised SOP for RSPO SC 2020.</p> <p>Correction: The Group Sustainability has established new internal audit procedure with the clause on procedure of the elements RSPO Supply Chain Certification Standard 2020. Training on the SOP is planned to be conducted in 8th of April 2022 to all the traceability personnel in the mill.</p> <p>Corrective Action: The PIC for traceability will communicate with Group/ Regional Sustainability for any identified revision in Supply Chain Certification Standard.</p> | <p>Updated procedure dated 1 Jun 2022 has been verified. Training has been done to the related person dated 7/6/2022. Status: CLOSED</p> |
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ATTACHMENT 5

STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

| P & C Indicator | Specification Major/Minor | Detail Non-conformances | Corrective Action | Verification by Assessor |
|----------------------|---------------------------|---|---|--|
| 3.3.2 RAR 01 2021 | Minor | <p>Requirement: A mechanism to check consistent implementation of procedures is in place.</p> <p>Finding: During site visit at Serkam Estate (Serkam Division) oil trap at skid tank was full of mud and not maintained accordingly.</p> | <p>Correction: The skid tank area was cleaned</p> <p>Corrective Action: Workplace inspection has included checking on oil trap and surrounding of skid tank in quarterly basis. Workplace inspection will be done quarterly by OSH committees.</p> | <p>During site visit on onsite audit at Serkam Estate, there was found that oil trap at skid tank was maintained accordingly. The auditor was verified checklist of inspection which has been done by OSH committee.</p> <p>Status: Closed</p> |
| 3.7.2 MN 01 2021 | Minor | <p>Requirement: Records of training are maintained, where appropriate on an individual basis.</p> <p>Finding: During the visit to both Kemuning and Tangkah Estates, it was found out that trainings on HIRARC and PPE were not done, although both the trainings were listed in the training matrix.</p> | <p><u>Kemuning Estate</u></p> <ol style="list-style-type: none"> 1) Briefing on types and usage of PPE to all workers on 4th May 2021 is recorded. 2) Briefing on hazards at workplace and risk control to workers on 4th May 2021. Refresher training on HIRARC to be conducted to OSH committees on 24th May 2021 <p><u>Tangkah Estate</u></p> <ol style="list-style-type: none"> 1) Estate had arranged supplier Mycrop to conduct awareness training on PPE to sprayers on 4th May 2021. 3) Briefing on hazards at workplace and risk control to workers on 4th May 2021. Refresher training on HIRARC to be conducted to OSH committees on 25th May 2021 | <p>Auditor has verified evidence of the trainings on HIRARC and PPE done at Kemuning and Tangkah Estate as follows:</p> <p>Kemuning Estate – date training done on 4/5/2021 and 24/5/2021.</p> <p>Tangkah Estate – date training done on 4/5/2021 and 25/5/2021.</p> <p>Auditor also verified through interview with employees, staffs and assistants managers, all of them aware and understand on HIRARC and PPE.</p> <p>Status: Closed</p> |

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ATTACHMENT 6 – Timebound Plan as of Dec 2021

SDP - RSPO Certification Status for Malaysia Operations

| SOU No. | Name of SOU | Location | Date of Certification | Remarks |
|---------|-----------------|-------------------------------|-----------------------|---|
| 1 | Sg. Dingin | Karangan, Kedah | 12 Aug '10 | |
| 2 | Chersonese | Kuala Kurau, Perak | 5 Oct '11 | |
| 3 | Elphil | Sg Siput, Perak | 18 Jun '11 | |
| 4 | Flemington | Teluk Intan, Perak | 5 Oct '11 | |
| 5 | Seri Intan | Teluk Intan, Perak | 3 Mar '11 | |
| 5 | Selaba | Teluk Intan, Perak | 3 Mar '11 | |
| 6 | Tennamaram | Bestari Jaya, Selangor | 3 Mar '11 | |
| 7 | Bkt Kerayong | Kapar, Selangor | 15 Apr '11 | |
| 8 | East | Carey Island, Selangor | 19 May '10 | |
| 9 | West | Carey Island, Selangor | 19 May '10 | |
| 10 | Bukit Puteri | Raub, Pahang | 7 Jul '11 | |
| 11 | Kerdau | Temerloh, Pahang | 7 Jul '11 | Jentar Estate has merged with Kerdau Estate and reported to the CB in March/April 2021. |
| 12 | Jabor | Kuantan, Pahang | 7 Jul '11 | |
| 13 | Labu | Nilai, Negeri Sembilan | 30 Dec '11 | New Labu Estate has become a division of Labu Estate. |
| 14 | Tanah Merah | Port Dickson, Negeri Sembilan | 19 May '10 | |
| 15 | Sua Betong | Port Dickson, Negeri Sembilan | 18 Feb '14 | Siliau Estate has now been merged into Salak Estate and Bradwall Estate. |
| 16 | Kok Foh | Bahau, Negeri Sembilan | 7 Jul '11 | Sg. Gemas Estate has now been merged into Sg Senarut Estate. |
| 17 | Kempas | Jasin, Melaka | 20 May '15 | Serkam Estate, previously from SOU18(Diamond Jubilee) is now part of SOU 17(Kempas) |
| 18 | Diamond Jubilee | Jasin, Melaka | 5 Oct '11 | Serkam Estate, previously from SOU18(Diamond Jubilee) is now part of |

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| | | | | SOU 17(Kempas). Welch Estate, previously from SOU 19 (Pagoh) is now part of SOU 18(Diamond Jubilee). |
| 19 | Pagoh | Muar, Johor | 28 Jan '14 | |
| 20 | Chaah | Chaah, Johor | 18 Nov '10 | |
| 21 | Gunung Mas | Kluang, Johor | 19 May '10 | SDP acquired Lian Seng Estate in Johor in April 2017. Lian Seng Estate is merged into Bk Paloh Estate of SOU 21 Gunung Mas, Lian Seng has been incorporated in the RSPO Certification Scope of SOU Gunung Mas in 2018. |
| 22 | Bukit Benut | Kluang, Johor | 5 Oct '11 | SDP acquired Talisman Estate in Johor in April 2017. Talisman Estate is merged into CEP Nyior Estate of SOU 22 Bk Benut and has been incorporated in the RSPO Certification Scope of SOU Bk Benut in 2018. |
| 23 | Ulu Remis | Layang-layang, Johor | 11 Apr '11 | |
| 24 | Hadapan | Layang-layang, Johor | 29 Mar '11 | |
| 25 | Sandakan Bay | Sandakan, Sabah | 1 Oct '08 | |
| 26 | Melalap | Tenom, Sabah | 21 Jan '11 | |
| 27 | Binuang | Kunak, Sabah | 16 Jan '09 | |
| 28 | Giram | Kunak Sabah | 16 Jan '09 | |
| 29 | Merotai | Tawau, Sabah | 16 Jan '09 | |
| 30 | Lavang | Bintulu, Sarawak | 30 Dec '11 | |
| 31 | Rajawali | Bintulu, Sarawak | 30 Dec '11 | |
| 32 | Derawan | Bintulu, Sarawak | 30 Dec '11 | |
| 33 | Pekaka | Bintulu, Sarawak | 30 Dec '11 | Status: withdrawn. Pekaka Mill is being mothballed and all the supply bases certified to it (Pekaka Estate; Ruai Estate, Dulang Estate, Paroh Estate & Chartquest Estate.) has been transferred to SOU Lavang effective Dec 2017. |

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| 34 | Bintang | Johor | | SDP acquired Bintang Palm Oil Mill in Johor in April 2017. As at Dec 2017, the selling off process of this mill is being initiated hence the RSPO certification process for Bintang Oil Mill is being put on hold. As at 1st Oct 2018, the mill has completed the selling off transaction |
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SDP- RSPO Certification Status for Indonesia Operations

| NO | Name of PT | Name of Mill | Location | Date of Certification | Remarks |
|----|----------------------------|--------------|--|-----------------------|--|
| 1 | PT LAHAN TANI SAKTI | ALUR DUMAI | Bagan Sinembah/Tanh Putih, Pujud, Rokan Hilir, Riau | 16-Jan-12 | |
| 2 | PT SAJANG HEULANG | ANGSANA MINI | Sebamban, Indonesia | 3-Jul-13 | |
| 3 | PT SAJANG HEULANG | MUSTIKA | Sebamban, Indonesia | 3-Jul-13 | |
| 4 | PT LADANGRUMPUN SUBURUBADI | ANGSANA | Sebamban, Indonesia | 9-Nov-16 | |
| 5 | PT LANGGENG MUARAMAKMUR | BEBUNGA | Pamukan Utara, Tanah Grogot, Kotabaru/Pasir, Kalimantan Selatan/Kalimantan Timur | 16-Mar-12 | Recertification of Bebunga POM is in progress. |
| 6 | PT KRIDATAMA LANCAR | SUKAMANDANG | Seruyan Tengah, Sampit, Seruyan, Kalimantan Tengah | 2-Sep-16 | |

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| 7 | PT BAHARI GEMBIRA RIA | LADANG PANJANG | Kumpeh Ulu, Jambi, Muaro Jambi, Jambi | 9-Jul-12 | |
| 8 | PT TUNGGAL MITRA PLANTATIONS | MANGGALA | Riau, Indonesia | 25-Nov-10 | |
| 9 | PT PARIPURNA SWAKARSA | PONDOK LABU | Pamukan Selatan, Tanah Grogot, Kotabaru, Kalimantan Selatan | 16-Mar-12 | Recertification of Pondok Labu POM is in progress. |
| 10 | PT BERSAMA SEJAHTERA SAKTI | GUNUNG ARU | Sebamban, Indonesia | 21-Oct-16 | |
| 11 | PT GUTHRIE PECCONINA | RANTAU PANJANG | Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan | 16-Mar-12 | Land legalisation process for 4152.70 ha is still in process. Sungai Jernih Estate and the KKPA Estates has undergone audit. Land legalisation process is still in process. |
| 12 13 | PT LAGUNA MANDIRI | RANTAU BETUNG | Sungai Durian, Kotabaru, Kalimantan Selatan | 30-Dec-11 1-April-14 | |
| 14 | PT INDOTRUBA TENGAH | SEKUNYIR | Kalimantan Tengah, Indonesia | 23-Nov-10 | |
| 15 | PT SWADAYA ANDIKA | SELABAK | Sungai Durian, Kotabaru, Kalimantan Selatan | 16-Mar-12 | Mill closed down and all the supply bases was transferred to Rantau Mill - PT Laguna Mandiri. The Selabak Est, Randi Est, Sangkoh Est, Lanting Est is currently under PT Laguna Mandiri - Rantau Factory certification. |

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| 16 | PT BINA SAINS CEMERLANG | SG PINANG | Muara Lakitan, Lubuk Linggau, Musi Rawas, Sumatera Selatan | 11-Sep-12 | Land legalisation process for 308.35 ha is still in process. |
| 17 | PT TEGUH SEMPURNA | PEMANTANG | Kuala Kuayan, Sampit, Kotawaringin Timur, Kalimantan Tengah | 9-Sep-16 | |
| 18 19 | PT BHUMIREKSA NUSA SEJATI | TELUK BAKAU MANDAH | Pelangiran, Sg. Guntung, Indragiri Ilir, Riau | 01-Dec-16 1-April-14 | |
| 20 | PT ANEKA INTIPERSADA | TELUK SIAK | Tualang, Perawang, Siak, Riau | 8-Dec-16 | |
| 21 | PT TAMACO GRAHA KRIDA | UNGKAYA | Witaponda, Kolonodale, Morowali, Sulawesi Tengah | 10-Jul-12 | |
| 22 | PT SIME INDO AGRO | BK AJONG | Kalimantan Barat, Indonesia | 18-Jul-16 | Land legalisation process for East Est for 5815.64 ha is still in process. Land legalisation for Sei Mawang is still in process |
| 23 | PT PADANG PALMA PERMAI/PT PERKASA SUBUR SAKTI | BLANG SIMPO | Karang Baru, Kuala Simpang, Aceh Tamiang, Nangroe Aceh Darussalam | 3-May-13 | |
| 24 | PT SANDIKA NATAPALMA/PT BUDIDAYA AGRO LESTARI | LEMBIRU | Desa Suka Karya Kec. Marau Kab. Ketapang, Kalimantan Barat | 3-Jul-14 | PT Sandika Natapalma and PT Budidaya Agro Lestari is sharing one mill i.e. Lembiru Mill. Perijinan' process is ongoing |

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| | | | | | Perijinan informasi lahan is obtained in 2015 while the other 'perijinan' is still in processing HGU obtained as per May 2018 |
| 25 | PT MITRAL AUSTRAL SEJAHTERA | MAS Mill | Desa Rahayu Kec. Parindu Kab.Sanggau, Kalimantan Barat | NA | The properties was sold and currently SDP have no control in the management. A letter to RSPO Secretariat has been sent on 27 June 2019 on the confirmation of disposal of PT MAS and reported to Bursa Malaysia accordingly. |

SDP - RSPO Certification Status for NBPOL Operations

| NO | Management Unit | Location | Date of Certification | Remarks |
|----|---|---|-----------------------|--|
| 1 | Guadalcanal Plains Palm Oil Limited (GPPOL) | Guadalcanal Province, Solomon Islands | 18-Mar-11 | |
| 2 | Milne Bay Estates (MBE) | Milne Bay Province, Papua New Guinea | 15-Feb-18 | |
| 3 | Poliamba (POL) | New Ireland Province, Papua New Guinea | 19-Mar-12 | |
| 4 | Ramu Agricultural Industries Ltd (RAIL) | Morobe Province, Papua New Guinea | 5-Aug-10 | |
| 5 | Higaturu Oil Palm (HOP) | Oro Bay Province, Papua New Guinea | 1-Feb-13 | |
| 6 | West New Britain (WNB) | Kimbe, West New Britain, Papua New Guinea | 10-Sep-08 | |
| 7 | Markham Farming Company Limited (MFCL)/Markham Agro Pte. Ltd. | Markham Farms | 27 March 2020. | There is total area for NPP: 710.30 ha which is currently excluded from the certification scope until the NPP is approved. |

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SDP - RSPO Certification Status for Liberia Operations

| NO | Management Unit | Location | Date of Certification | Remarks |
|----|---|-------------------------|-----------------------|---|
| 1 | Sime Darby Plantation (Liberia) Grand Cape Mount | Grand Cape Mount County | NA | <p>As at 16 Jan 2020, Sime Darby Plantation under its unit Sime Darby Plantation Investment (Liberia) Pte Ltd has completed its disposal of its entire interest in Sime Darby Plantation (Liberia) Inc (SDP Liberia) to Mano Palm Oil Industries Ltd (MPOI).</p> <p>http://www.simedarbyplantation.com/media/press-releases/sime-darbyplantation-completes-divestment-of-its-liberia-operations</p> |