



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

File Ref. : EH04760001

RSPO PUBLIC SUMMARY REPORT

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

PARENT COMPANY : HAP SENG PLANTATIONS HOLDINGS BERHAD

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

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

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

MAP : See Attachment 1

AUDIT DATE : 18th – 22nd July 2022

DURATION : 19 auditor days

TYPE OF AUDIT : ☒ Annual Surveillance Audit No. 4 ☐ Stage 2 Audit

STANDARD: MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

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

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

The following attachments form part of this report:

Non-conformity Report(s) ☒

List of additional site(s) ☐

Report by Audit Team Leader

Name : **DZULFIQAR AZMI**

Signature :

Date : **26 / 10 / 2022**

Acknowledgement by Client's Representative

Name : **KEE KEOH CHONG**

Signature :

Date : **29.10.2022**

SUMMARY OF AUDITS

Recertification Audit				
On-site audit date :			No. of auditor days:	
Remote audit date :				
Audit team :				
No. of major NCR :		Indicator:	Closing date:	
No. of minor NCR :		Indicator:		
Indicate the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers / Local communities	Suppliers
	Contract workers	NGOs	Govt. agency	Independent growers
	Indigenous people	Contractor	Others (Please specify)	
Supply base sampled :				
Justification of audit planning				
Changes since the last audit :				
Name of Peer reviewer :				
Report approved by :			Date:	

Annual Surveillance Audit 1				
On-site audit date :	1-4 July 2019		No. of auditor days :	17
Audit team :	Mohd Ab Raouf bin Asis (LA), Rozaimie bin Ab Rahman (A), Mohd Zulfakar bin Kamaruzaman (A), Dzulficar bin Azmi (A), Rahayu binti Zulkifli (A).			
No. of major NCR :	2	Indicator: 2.1.1, Clause 5.13 (Supply Chain)	Closing date: 25/9/2019	
No. of minor NCR :	1	Indicator : 6.5.3		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees	Settlers	Villagers / Local communities	Suppliers
	✓	NA	✓	✓
	Contract workers	NGOs	Govt. agency	Independent growers
	-	-	-	NA
	Indigenous people	Contractor	Others (Please specify)	
	NA	✓	-	
Supply base sampled :	Batangan, Lutong, Lokan and Lungmanis			
Changes since the last audit :	No changes			
Justification of audit planning :	Total allocation of auditor days for Jeroco 1 CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 13 days overall for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.			
Report approved by :	Kamini Sooriamoorthy		Approval date: 2/10/2019	

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

	Indigenous people	Contractor	Others (Please specify)
		✓	
Supply base sampled :	Batangan, Lutong, Lokan and Lungmanis		
Changes since the last audit :	Changes to new standard of MYNI 2019 for RSPO Principle & Criteria 2018 and RSPO Supply Chain Standard 2017		
Justification of audit planning :	Total allocation of auditor days for Jeroco 1 CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 13 days overall for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.		
Report approved by :	Kamini Sooriamoorthy		Approval date: 23/10/2020

Annual Surveillance Audit 3 (Remote Audit + Onsite Audit)					
On-site audit date	:	02 – 04 August 2021 (Remote) 17-20/01/2022 (Onsite)	No. of auditor days:	5 auditor days (Remote) 14 auditor days (Onsite)	
Audit team	:	Dzulfiqar Azmi (LA), Rozaimiee Ab Rahman – Remote TLA-Rohazimi Mat Nawati, Mohd Ab Raouf Asis, Mohd Zulfakar Kamaruzaman, Amir bin Bahari – Onsite			
No. of major NCR	:	1	Indicator: 4.3.1.1	Closing date: 15/04/2022	
No. of minor NCR	:	1	Indicator: 7.8.1		
Indicate by ticking the stakeholders interviewed during the on-site audit		Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
		✓	N/A	N/A	N/A
		Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
		N/A	N/A	N/A	✓
		Indigenous people	Contractor	Others (Please specify)	
		N/A	N/A		
Supply base sampled	:	Batangan Estate, Lutong Estate, Lokan Estate and Lungmanis Estate			
Changes since the last audit	:	No changes so far.			
Justification of audit planning	:	Total allocation of auditor days for Jeroco 1 CU were: <ul style="list-style-type: none">Remote Audit = 5 days for remote of documents reviews safety and health, environment, mill/estate best practices, GHG verification and for supply chain certification systems).Onsite Audit = 14 days for verification onsite of implantations safety and health, environment, good agriculture best practices, GHG verification and for supply chain certification systems).			
Name of peer reviewer	:	NA			
Report approved by	:	Kamini Sooriamoorthy	Approval date : 18/04/2022		

Annual Surveillance Audit 4				
On-site audit date	:	18th – 22nd July 2022	No. of auditor days:	19 Auditor Days
Audit team	:	Dzulfiqar Azmi (LA), Rozaimee Ab Rahman, Mohd Zulfakar Kamaruzaman, Mohd Norddin Abd. Jalil		
No. of major NCR	:	3	Indicator: 3.3.1, 3.4.3, 7.8.2	Closing date: 19/10/2022
No. of minor NCR	:	2	Indicator: 1.1.5, 6.5.3	
Indicate the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities
		✓	N/A	N/A
		Contract workers	NGOs	Govt. agency
		N/A	N/A	N/A
		Indigenous people	Contractor	Others (Please specify)
		N/A	N/A	
Supply base sampled	:			
Justification of audit planning	:	Total allocation of auditor days for Jeroco 1 CU were: Mill = 4 days (3 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 15 days overall for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.		
Changes since the last audit	:	No changes		
Report approved by	:	Kamini Sooriamoorthy		Date: 26/10/2022

SUMMARY OF INFORMATION

TABLE 1

	RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period		July 2019 to June 2020	July 2020 to June 2021	*Jan 2022 to Dec 2022	July 2022 to June 2023
Certified FFB Processed (MT)		288,322.00	217,101.00	219,959.00	221,106.00
Production of Certified CPO (MT)		62,726.00	47,326.00	46,009.00	47,088.00
Production of Certified PK (MT)		13,814.00	10,420.00	10,133.00	10,612.00
Certified Areas (Ha)		11,436.67	11,436.67	11,436.67	11,436.67
Planted Areas (Ha)		10,380.00	10,380.00	10,380.00	10,380.00
Production Areas (Ha)		9,713.00	9,713.00	9,713.00	9,713.00
HCV Areas / Conservation Areas (Ha)		386.34	386.34	386.34	386.34
REMARKS	*The actual period covered during this audit was between Jan 2022 to June 2022.				

**There shall be no gap in the projection period/reporting period.*

TABLE 2

	CPO	PK
Last years certified volume (MT)	46,009.00	10,133.00
Last years actual certified sold (MT)	23,405.34	5,321.88
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	0.00	0.00
New year certified volume (MT)	47,088.00	10,612.00

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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
Dzulfiqar Azmi	Lead Auditor / Social Internal	Holds a B. Sc. in Agriculture from University Technology Malaysia (UiTM). He had more than 6 years of working experience in the oil palm operation. He was qualified in the auditing line with experienced in Sustainability, EMS, Supply Chain, MSPO and RSPO audit since 2019.
Rozaimiee Ab Rahman	Auditor / Safety, Environmental & GHG	Holds a B.Sc. (Hons) in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation.
Mohd. Zulfakar Kamaruzaman	Auditor / Supply Chain, HCV & Social External	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.
Mohd Nordin Abdul Jalil	Auditor / Good Agriculture Practice	Holds B.Sc. Agriculture (weed management) and had more than 35 years of working experience in plantation management covering rubber and oil palm.

1.3 Audit methodology

The audit covered the Jeroco 1 palm oil mill and 4 (Batangan Estate, Lutong Estate, Lokan Estate & Lungmanis Estate) of its supply base. The sampling methodology applies for supply base with higher than four estates. The sampling shall be conducted in conformance with the requirement specified in the RSPO Certification Systems Document, Nov 2020. The Jeroco 1 CU supply base covered during the audit are Batangan Estate, Lutong Estate, Lokan Estate & Lungmanis Estate. The audit included an on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by during the on-site audit. In general, there was no negative comments made against this Certification Unit.

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

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	<ul style="list-style-type: none"> ▪ The following were confirmed during the conduct of audit as there was no evidence to prove otherwise: ▪ All workers signed the employment agreements with the estates/mill. They understood the contents of agreement, as these were prepared in English/Bahasa as the case may be. For those who couldn't read, the contents were explained to them in language they understood, usually by fellow countrymen who has worked in Malaysia longer. ▪ They are aware of their working hours (8 hours) and confirmed they were paid overtime for any work in excess of 8 hours. There was no forced overtime. ▪ They have been getting salaries above RM1,100 since January 2020 since the implementation of the Minimum Wages Order (amendmend 2020). ▪ Salaries were paid before the 7th of every month. ▪ No abuse at work, and no sexual harassment. They understand what constitutes sexual harassment. ▪ No discrimination between migrant workers and local workers, between male and female workers. ▪ Comfortable housing with water and electricity provided. ▪ Have access to affordable food from the canteen/sundry shops within the estate/mill premises. ▪ Entitled to free medical facilities at the estate clinic. ▪ Have representatives who attend regular meetings with the management where they can put forward any complaints and or raise any issues. They are aware of the complaints form. They have used them to complaint about house defects. ▪ They knew the types of work offered at mill & estate when they were in their own countries. ▪ All migrant workers keep their own passports. ▪ Overall, no NC's related to the employment conditions.
2) Settlers	<ul style="list-style-type: none"> ▪ Not applicable. There are no settlers within Jeroco 1 CU
3) Villagers / Local communities (including women representatives, displaced communities)	<ul style="list-style-type: none"> ▪ Not applicable. There are no villagers within Jeroco 1 CU
4) Suppliers	<ul style="list-style-type: none"> ▪ Jeroco 1 CU and supplier contract were signed by both parties. Suppliers would be contacted to supply hardward items as and when the need arises. This happens approximately once in two months for suppliers. ▪ Fair dealings with the units in Jeroco 1 CU. ▪ Payments are made within 1 months of invoice.
5) Contract workers (local / migrant / Orang Asli workers / male & female)	<ul style="list-style-type: none"> ▪ No contractors workers been employed.
6) Local & national NGOs	<ul style="list-style-type: none"> ▪ No issues were raised by local and national NGOs
7) Government agencies / Statutory bodies	<ul style="list-style-type: none"> ▪ No issues were raised by Government agencies / Statutory bodies.
8) Independent growers / Smallholders	<ul style="list-style-type: none"> ▪ Hap Seng give support to surrounding smallholders and growers by given them Free Consultation, Free Assessment, and anything

	related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC Plantation.
9) Indigenous people	<ul style="list-style-type: none"> Not applicable. There are no indigenous people living within or in vicinity of Jeroco 1 CU.
10) Contractor	<ul style="list-style-type: none"> No contractors been hired.
11) Previous land owner (if any)	<ul style="list-style-type: none"> The right to use the land at Jeroco 1 CU can be demonstrated and not disputed by any party. Auditor had sighted that there were clear land ownership documents. Land titles were available in documents. The original copies of the documents, were kept in Plantation Central Office (PCO), Sg. Segama. Copies of land titles for all estates were sighted. All the estates were under the jurisdiction of Kinabatangan District. Review of the land titles show that the requirements that the land title for all the estates namely for cultivation of an agricultural crop of economic value have been complied with.
12) Others (please specify)	<ul style="list-style-type: none"> No issues so far.

1.5 Audit plan : Refer to Attachment 2

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

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

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

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

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

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

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

**Table 1: Actual FFB production by the supply base for the last reporting period
(January 2022 to June 2022)**

Supply Based	FFB Production		Certifying CB
	Tons	Percentage (%)	
Batangan	30,746.00	25.09	SIRIM
Lutong	19,309.17	15.76	SIRIM
Lokan	17,477.62	14.26	SIRIM
Lungmanis	7,968.55	6.50	SIRIM
HSP Sister Estates	Tons	Percentage (%)	Certifying CB
Kapis	19,221.45	15.70	SIRIM
Tomanggong	526.35	0.43	SIRIM
Tagas	5,753.12	4.70	SIRIM
Tampilit	515.41	0.42	SIRIM
Litang	14,850.16	12.12	SIRIM
Wecan	5,642.28	4.60	SIRIM
Bukit Mas	277.31	0.23	TÜV Rheinland
Sungai Segama	150.24	0.12	TÜV Rheinland
Apas Claremont	76.36	0.06	TÜV Rheinland
Hap Seng Properties	11.32	0.01	TÜV Rheinland
Total	122,525.34	100.00	

**Table 2: Projected FFB production by the supply base for the next reporting period
(July 2022 to June 2023)**

Supply Based	FFB Contribution		Certifying CB
	Total Mt	Percentage (%)	
Batangan	89,5900.00	40.52	SIRIM
Lutong	56,570.00	25.59	SIRIM
Lokan	59,712.00	27.01	SIRIM
Lungmanis	15,234.00	6.88	SIRIM
Grand Total	221,106.00	100.00	

**Table 3: Actual FFB received and CPO & PK dispatch by Mill for the last reporting period
(January 2022 to June 2022)**

RSPO Supply Chain Model: IP	Total (MT)
FFB Received	122,525.34
FFB Processed	122,525.34
CPO Production	24,884.74
PK Production	5,382.10
CPO delivered as RSPO certified	23,405.34
CPO delivered under other schemes (MT) - ISCC	0.00
PK delivered as RSPO certified	5,321.88
PK delivered under other schemes (MT)	0.00
PK delivered as non-RSPO certified	0.00
Credits traded thru Book & Claim	0.00

**Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period
(July 2022 to June 2023)**

RSPO Supply Chain Model: IP	Total (MT)
FFB Received	221,106.00
FFB Processed	221,106.00
CPO Production	47,088.00
PK Production	10,612.00

Table 5 Planted and certified area of the CU

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

Table 6 Planting profile for Jeroco 1 CU

Estate	Year of planting	Planting Cycle	Mature >3 years (Ha)	Immature < 3 years(Ha)	Planted area	% of planted area mature	% of planted area immature
Batangan Estate	2004	2nd	450.00	0.00	450.00	100.00	0.00
	2006	2nd	388.00	0.00	388.00		
	2008	2nd	151.00	0.00	151.00		
	2009	2nd	148.00	0.00	148.00		
	2010	2nd	280.00	0.00	280.00		
	2011	2nd	682.00	0.00	682.00		
	2012	2nd	458.00	0.00	458.00		
	2013	2nd	406.00	0.00	406.00		
	2014	2nd	151.00	0.00	151.00		
	2015	2nd	280.00	0.00	280.00		
Total Batangan Estate			3,394.00	0.00	3,394.00	100.00	0.00
Lutong Estate	1999	1st	157.00	0.00	157.00	100.00	0.00
	2004	1st	42.00	0.00	42.00		
	2006	2nd	456.00	0.00	456.00		
	2007	2nd	159.00	0.00	159.00		
	2011	2nd	157.00	0.00	157.00		
	2012	2nd	146.00	0.00	146.00		
	2013	2nd	306.00	0.00	306.00		
	2014	2nd	318.00	0.00	318.00		
	2015	2nd	303.00	0.00	303.00		
	2017	2nd	150.00	0.00	150.00		
Total Lutong Estate			2,194.00	0.00	2,194.00	100.00	0.00
Lokan Estate	1998	1st	439.00	0.00	439.00	100.00	0.00
	1999	1st	1,309.00	0.00	1,309.00		
	2014	2nd	244.00	0.00	244.00		
	2015	2nd	149.00	0.00	149.00		
	2016	2nd	296.00	0.00	296.00		

	2017	2nd	0.00	161.00	161.00		
	2018	2nd	0.00	239.00	239.00		
Total Lokan Estate			2,437.00	400.00	2,837.00	85.90	14.10
Lungmanis Estate	1995	1st	765.00	0.00	765.00		
	1996	1st	923.00	0.00	923.00		
	2018	2nd	0.00	267.00	267.00		
Total			1688.00	267.00	1,955.00	86.34	13.66
Sub Total			9,713.00	667.00	10,380.00	93.57	6.43

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as below:

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

3.0 AUDIT FINDINGS

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

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

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

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

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

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

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

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

iii.	Are there associated smallholders (including scheme smallholders) in the CU	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
	If yes, have ALL the associated smallholders (including scheme smallholders) where their fruit supply is included, by the mill, in its certification?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
	If no, please state reasons <u>NA</u>				
iv.	Any new acquisition which has replaced primary forests or HCV areas	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.)					
<u>No changes so far.</u>					

3.4	Status of previous non-conformities *	<input checked="" type="checkbox"/>	Closed	<input type="checkbox"/>	Not closed*
	* If not closed, minor non conformity will be upgraded to major non conformity				
3.5.	Complaint received from stakeholder (if any)				
	<u>No negative feedback or comment was received during onsite audit.</u>				
4.0 DETAILS OF NON-CONFORMITY REPORT					
4.1	For P&C (Details checklist refer to Attachment 3) :				
	Total no. of minor NCR(s) (details refer to Attachment 4)	List : 2	1.1.5, 6.5.3		
	Total no. of major NCR(s) (details refer to Attachment 4)	List : 3	3.3.1, 3.4.3, 7.8.2		
4.2	For SC (Details checklist refer to Attachment 5) :				
	Total no. of minor NCR(s) (details refer to Attachment 5)	List : NA			
	Total no. of major NCR(s) (details refer to Attachment 5)	List :	NA		
5.0 AUDIT CONCLUSION					
The audit team concludes that the organization has established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.					

6.0 RECOMMENDATION

- ☐ No NCR recorded. Recommended to continue certification.
- ☒ Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit.
Note: Minor NCRs raised in the audit which are not addressed in the subsequent audit shall be upgraded to major NCRs .
- ☒ Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.
- ☒ Recommended to continue certification.
- ☐ Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 60 days of the audit. Recommended for suspension of the certificate.
Note: Major NCRs which are not addressed within a further 60 days shall result in the certificate being withdrawn.

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

Audit Team Leader :

DZULFIQAR AZMI

(Name)

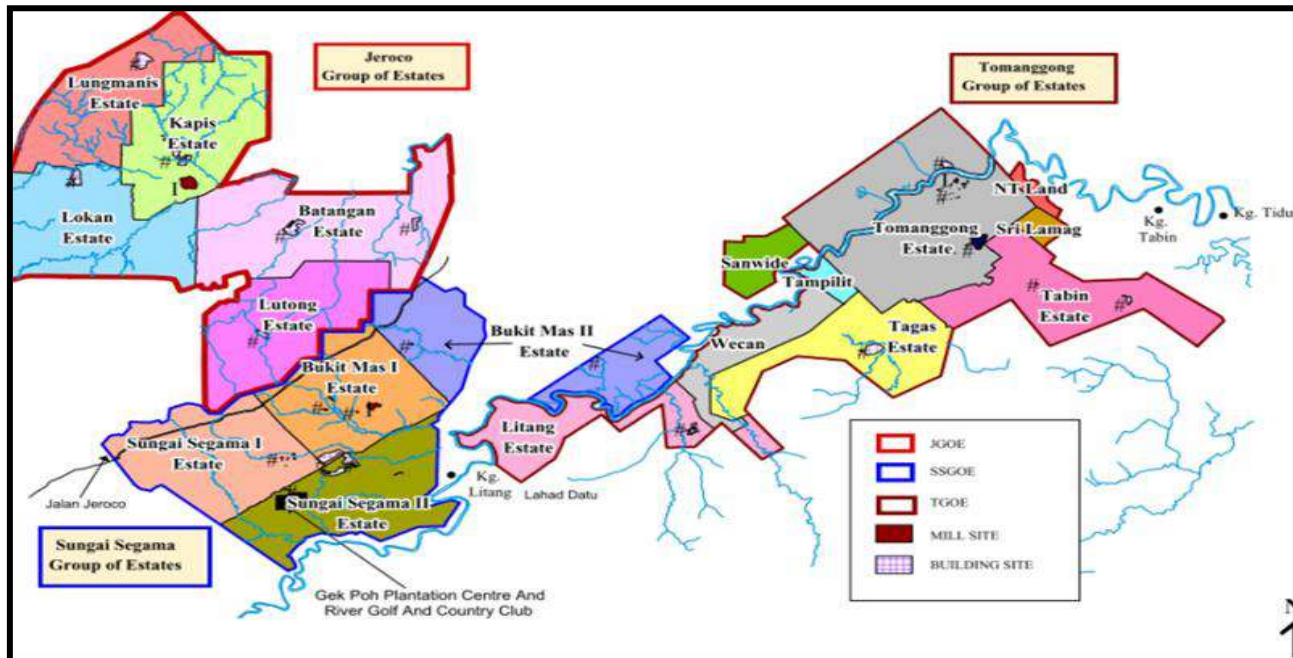
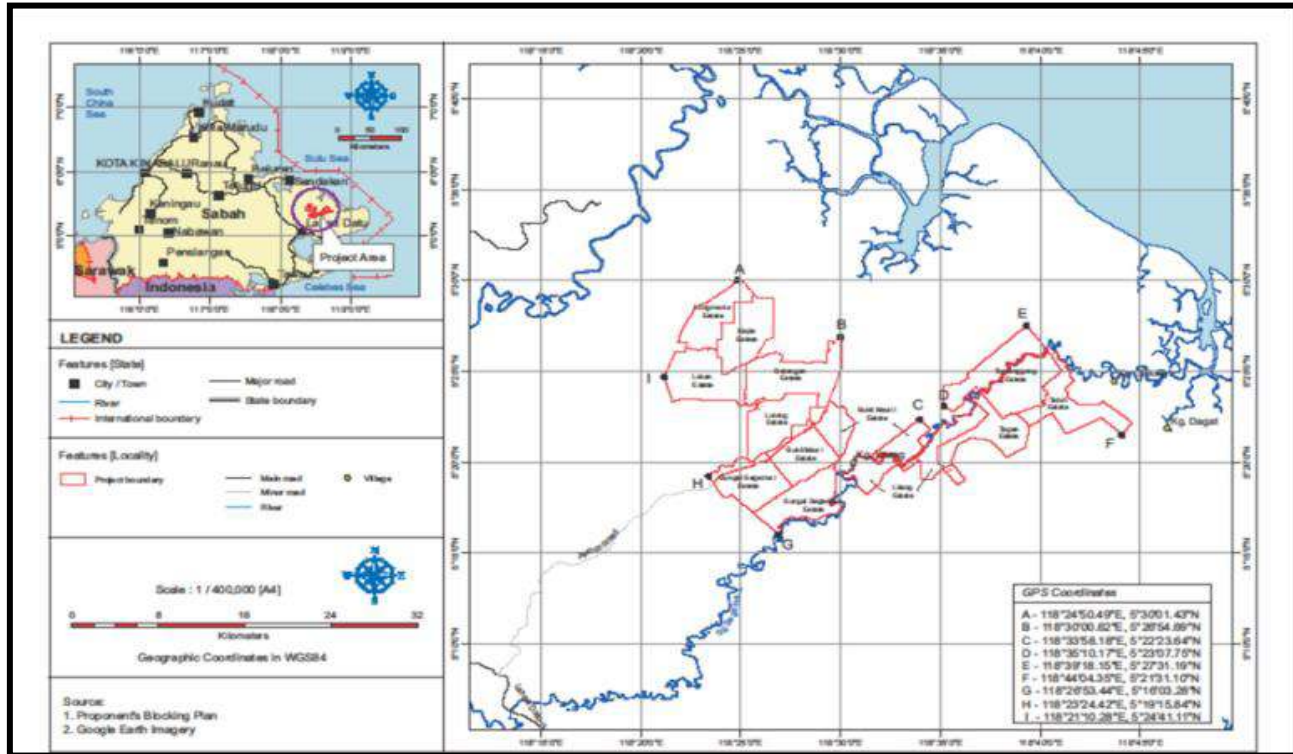


(Signature)

19 / 10 / 2022

(Date)

Map of Jeroco 1 CU



SURVEILLANCE AUDIT PLAN

1. Objectives

The objectives of the audit are as follows:

- (i) To determine Certification Unit conformance against the relevant certification standards.
- (ii) To verify the effective implementation of corrective actions arising from the findings of last audit.
- (iii) To make appropriate recommendations based on the audit findings.

2. Date of assessment : 18th to 22nd July 2022

3. Site of assessment : Jeroco 1 CU:
 1) Jeroco Palm Oil Mill 1
 2) Batangan Estate
 3) Lutong Estate
 4) Lokan Estate
 5) Lungmanis Estate

4. Reference Standard:

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

5. Assessment Team

Lead Auditor : Dzulfikar Azmi (Safety, Environment, TPB, Metric Template, GHG)
 Auditor :

- 1) Rozaimie Ab Rahman (Social – Internal)
- 2) Mohd Zulfakar Kamaruzaman (Supply Chain, Social - External)
- 3) Mohd Norddin Abd. Jalil (GAP)

Observer : 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. 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 by then.

9. Confidentiality Requirements

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

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

10. Working Language : English and Bahasa Malaysia

11. Reporting

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

12. Facilities Required

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

13. 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.

14. Assessment Programme Details : As below

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Day One: 18/07/2022 (Monday)

Time	Activities / areas to be visited			Auditee
9.00 am	Opening Meeting for HSP – Jeroco Plantations Sdn. Bhd.: Jeroco 1 CU . Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.			All CU
9.20 am	Briefing on the organization background and implementation of RSPO at CU (including actions taken to address previous audit findings) by company Management Representative.			Management Representative
9.30 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Jeroco 1 POM			Management Representative
9.45 am	To assign each audit team members – site and the P&C requirements			
	Zulfakar Jeroco 1 POM	Rozaimée Jeroco 1 POM	Dzul Jeroco 1 POM	
	Site visit and assessment on Supply Chain Implementation including the: <ul style="list-style-type: none"> Model used General Chain of Custody System Requirements for the supply chain Documented procedures Purchasing and goods in Outsourcing activity Sales and goods out Processing Records keeping Registration Training Claims Coverage of assessment: P1, P2, P3, P4, P5: <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Interview with external stakeholders i.e. local communities, NGO, smallholders, etc. Site Inspections at Mill/Estate Boundary, adjacent and neighbouring land use & HCV area Training and skill development programs 	Coverage of assessment: P1, P2, P3, P4, P6: <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Facilities inspections (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. Production area inspections – interview with workers at production area (work station, FFB loading ramp, effluent pond, biogas & etc.) Training and skill development programs Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Interview with Union/workers representatives Interview with gender committee, worker representative, contractors, supplier, etc Workers Issues & welfare Continuous improvement <p>Other area identified during the assessment.</p>	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Laws and regulations Facilities inspection (water treatment plant, clinic, stores, workshop, landfill area & etc. Production area field inspections (work station, FFB loading ramp, effluent pond, biogas & etc.) Safety & Health practice – witness activities at site Hazard identification and Risk Management Chemical management Waste management including disposal site Aspects/impacts of estate management Pollution mitigating plans Management and disposal of waste including pesticides containers River system and Effluent Treatment/Discharge Buffer/Riparian Zones Controlled/open burning Mill Best Practices Training and skill development programs Continuous improvement <p>Other area identified during the assessment.</p>	

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	<ul style="list-style-type: none"> Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Consultation with relevant government agencies Local communities and stakeholders Local sustainable development Support smallholder inclusion Complaints and grievances External stakeholders issues & welfare HCV/RTE and action plan Continuous improvement <p>Other area identified during the assessment.</p>		
12.30 pm	LUNCH BREAK & ZUHUR PRAYER		
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records		
5.00 pm	Audit team discussion / Interim closing / End of Day 1 audit		
9.00pm	Discussion LA and teams on potential NCRs		

Day Two: 19/07/2022 (Tuesday)

Time	Activities / areas to be visited				Auditee
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Batangan Estate				Management Representative
9.15 am	To assign each audit team members – site and the P&C requirements				
	Zulfakar Batangan Estate	Rozaimiee Batangan Estate	Dzul Batangan Estate	Hj. Norddin Batangan Estate	
	Coverage of assessment: P1, P2, P3, P4, P5, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Interview with external stakeholders i.e. local communities, Gov. agencies, NGO, smallholders, etc. Site Inspections at Mill/Estate 	Coverage of assessment: P1, P2, P3, P4, P6: <ul style="list-style-type: none"> Follow up from previous assessment findings. Facilities inspections (i.e. worker quarters, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. 	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Facilities inspection (WTP, clinic, stores, workshop, landfill area & etc. Safety & Health practice – witness activities at site (harvesting, 	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Production area field inspections (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc.) 	

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	<p>Boundary, adjacent and neighbouring land use & HCV area</p> <ul style="list-style-type: none"> ▪ Training and skill development programs ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development & Support smallholder inclusion ▪ External stakeholders issues/welfare & Complaints and grievances ▪ HCV/RTE and action plan ▪ Continuous improvement <p>Other area identified during the assessment.</p>	<ul style="list-style-type: none"> ▪ Production area inspections – interview with workers at production area (harvesting, spraying, manuring, OP nursery, replanting area & etc.) ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives, gender committee, contractors, supplier, etc ▪ Workers Issues & welfare ▪ Continuous improvement <p>Other area identified during the assessment.</p>	<p>spraying, manuring, OP nursery, replanting area, peat area & etc.)</p> <ul style="list-style-type: none"> ▪ Hazard & Chemical identification and Risk Management ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ Controlled/open burning ▪ Training and skill development programs ▪ Continuous improvement <p>Other area identified during the assessment.</p>	<ul style="list-style-type: none"> ▪ Safety & Health practice – witness activities at site ▪ Chemical management ▪ Controlled/open burning ▪ Good Agriculture Practices ▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Business Management Plan ▪ Training and skill development programs ▪ Continuous improvement <p>Other area identified during the assessment.</p>
12.30 pm	LUNCH BREAK & ZUHUR PRAYER			
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records			
5.00 pm	Audit team discussion / Interim closing / End of Day 2 audit			
9.00pm	Discussion LA and teams on potential NCRs			

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Day Three: 20/07/2022 (Wednesday)

Time	Activities / areas to be visited				Auditee
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Lungmanis Estate				Management Representative
9.15 am	To assign each audit team members – site and the P&C requirements				
	Zulfakar Lungmanis Estate	Rozaimie Lungmanis Estate	Dzul Lungmanis Estate	Hj. Norddin Lungmanis Estate	
	Coverage of assessment: P1, P2, P3, P4, P5, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Interview with external stakeholders i.e. local communities, Gov. agencies, NGO, smallholders, etc. Site Inspections at Mill/Estate Boundary, adjacent and neighbouring land use & HCV area Training and skill development programs Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Local sustainable development & Support smallholder inclusion External stakeholders issues/welfare & Complaints and grievances HCV/RTE and action plan Continuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P4, P6: <ul style="list-style-type: none"> Follow up from previous assessment findings. Facilities inspections (i.e. worker quarters, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. Production area inspections – interview with workers at production area (harvesting, spraying, manuring, OP nursery, replanting area & etc.) Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Interview with Union/workers representatives, gender committee, contractors, supplier, etc Workers Issues & welfare Continuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Facilities inspection (WTP, clinic, stores, workshop, landfill area & etc. Safety & Health practice – witness activities at site (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc.) Hazard & Chemical identification and Risk Management Aspects/impacts of estate management Pollution mitigating plans Management and disposal of waste including pesticides containers Controlled/open burning Training and skill development programs Continuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Production area field inspections (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc.) Safety & Health practice – witness activities at site Chemical management Controlled/open burning Good Agriculture Practices River system and Effluent Treatment/Discharge Buffer/Riparian Zones Business Management Plan Training and skill development programs Continuous improvement Other area identified during the assessment.	
12.30 pm	LUNCH BREAK & ZUHUR PRAYER				
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records				
5.00 pm	Audit team discussion / Interim closing / End of Day 3 audit				
9.00pm	Discussion LA and teams on potential NCRs				

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Day Four: 21/07/2022 (Thursday)

Time	Activities / areas to be visited				Auditee
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Lokan Estate				Management Representative
9.15 am	To assign each audit team members – site and the P&C requirements				
	Zulfakar Lokan Estate	Rozaimie Lokan Estate	Dzul Lokan Estate	Hj. Norddin Lokan Estate	
	Coverage of assessment: P1, P2, P3, P4, P5, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Interview with external stakeholders i.e. local communities, Gov. agencies, NGO, smallholders, etc. Site Inspections at Mill/Estate Boundary, adjacent and neighbouring land use & HCV area Training and skill development programs Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Local sustainable development & Support smallholder inclusion External stakeholders issues/welfare & Complaints and grievances HCV/RTE and action plan Continuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P4, P6: <ul style="list-style-type: none"> Follow up from previous assessment findings. Facilities inspections (i.e. worker quarters, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. Production area inspections – interview with workers at production area (harvesting, spraying, manuring, OP nursery, replanting area & etc.) Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. Interview with Union/workers representatives, gender committee, contractors, supplier, etc Workers Issues & welfare Continuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Facilities inspection (WTP, clinic, stores, workshop, landfill area & etc. Safety & Health practice – witness activities at site (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc.) Hazard & Chemical identification and Risk Management Aspects/impacts of estate management Pollution mitigating plans Management and disposal of waste including pesticides containers Controlled/open burning Training and skill development programs Continuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none"> Follow up from previous assessment findings. Production area field inspections (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc.) Safety & Health practice – witness activities at site Chemical management Controlled/open burning Good Agriculture Practices River system and Effluent Treatment/Discharge Buffer/Riparian Zones Business Management Plan Training and skill development programs Continuous improvement Other area identified during the assessment.	
12.30 pm	LUNCH BREAK & ZUHUR PRAYER				
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records				
5.00 pm	Audit team discussion / Interim closing / End of Day 4 audit				
9.00pm	Discussion LA and teams on potential NCRs				

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Day Five: 22/07/2022 (Friday)

Time	Activities / areas to be visited				Auditee
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Lutong Estate				Management Representative
9.15 am	To assign each audit team members – site and the P&C requirements				
	Zulfakar Lutong Estate	Rozaimee Lutong Estate	Dzul Lutong Estate	Hj. Norddin Lutong Estate	
	Coverage of assessment: P1, P2, P3, P4, P5, P7: <ul style="list-style-type: none">Follow up from previous assessment findings.Interview with external stakeholders i.e. local communities, Gov. agencies, NGO, smallholders, etc.Site Inspections at Mill/Estate Boundary, adjacent and neighbouring land use & HCV areaDiscussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.Local sustainable development & Support smallholder inclusionExternal stakeholders issues/welfare & Complaints and grievancesHCV/RTE and action planContinuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P4, P6: <ul style="list-style-type: none">Follow up from previous assessment findings.Facilities inspections (i.e. worker quarters, surau, community center, School/CLC, Humana/Crèche, provision shop & etc.Production area inspections – interview with workers at production area (harvesting, spraying, manuring, OP nursery, replanting area & etc.)Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.Interview with Union/workers representatives, gender committee, contractors, supplier, etcContinuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none">Follow up from previous assessment findings.Facilities inspection (WTP, clinic, stores, workshop, landfill area & etc.Safety & Health practice – witness activities at site (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc.)Hazard & Chemical identification and Risk ManagementAspects/impacts of estate managementPollution mitigating plansManagement and disposal of waste including pesticides containersControlled/open burningContinuous improvement Other area identified during the assessment.	Coverage of assessment: P1, P2, P3, P6, P7: <ul style="list-style-type: none">Follow up from previous assessment findings.Production area field inspections (harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc.)Safety & Health practice – witness activities at siteChemical managementControlled/open burningGood Agriculture PracticesRiver system and Effluent Treatment/DischargeBuffer/Riparian ZonesBusiness Management PlanTraining and skill development programsContinuous improvement Other area identified during the assessment.	
12.30 pm	LUNCH BREAK & FIRDAY PRAYER				
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records				
3.00 pm	Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager				
4.00 pm	Closing meeting at the CU / End of audit				

Note: This audit plan is subject to change whenever necessary, and the Client's representative will be informed of any

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Attachment 3

RSPO P&C AUDIT CHECKLIST AND FINDINGS (MYNI 2019 FOR RSPO P&C 2018)

Principle 1: Behave ethically and transparently

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

Clause	Indicators	Comply Yes/No	Findings
1.1 The unit of certification provides adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.	1.1.1 (C) Documents that are specified in the RSPO P&C are made available to the public.	YES	Jeroco 1 CU is committed to provide adequate information upon request for information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making by upon request. There was procedure available on communication as evidenced in Jeroco 1 CU, Document No.: HSPSB P1 1120 entitled “ <i>Prosedur Memohon Maklumat Syarikat</i> ” (Request for Information Procedure). The CU continued to use internet for disseminating public information. Information relating to land titles, safety and health plans, pollution prevention plans and the procedure for complaints and grievances are available through Hap Seng Plantations Holdings Berhad website at http://www.hapsengplantation.com
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	The CU continued to maintain stakeholders for contractors, vendors/suppliers, government agencies, schools, local communities, etc. It was noted that Hap Seng Plantations has revised their website, http://www.hapsengplantation.com to include all management documents relating to the unit's environmental, social and legal issues demonstrating commitment towards compliance to RSPO criteria via Hap Seng Plantation Sustainability Report.
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	The estates and mill maintain records of communication and consultation with external and internal parties. These includes communication with DOSH, Labour Department, Immigration Department, Department of Environment, suppliers and their own workers. Comments by DOSH and DOE on mill and estate operation were recorded in the respective DOSH and DOE inspection book. It was noted during this surveillance audit that there were no requests of information from the authority and stakeholders with regards to the agriculture practice, environment, and safety and health requirements.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	The consultation and communication procedures were documented. External and internal communication procedures developed by Hap Seng Plantations for the estates and mill maintained to be followed and available at the audited sites.

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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.	NO	Stakeholder list incomplete. There is no internal stakeholder listed in the stakeholder list at Jeroco 1 CU such as workers leader, women leader, religion head, ethnic leader etc. this group is the biggest affected group by the CU operations. <i>Thus, Minor NCR DA 01 2022 was raised.</i>
1.2 The unit of certification commits to ethical conduct in all business operations and transactions.	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	Jeroco 1 CU has documented policy to committing on integrity for all their staffs and workers by publishing <i>Anti-Bribery and Corruption Policy (ABC Policy)</i> . The CU has communicated the policy for new staffs and foreign/local workers during induction course. Briefing of the ABC Policy was also done to all workers was conducted via morning muster/briefing.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	The company established Internal Audit to monitor the compliance and implementation of the policy throughout the plantations. The contractors and vendors signed on the ABC Policy where they complied with the COBC and other law and regulation. The overall ethical business practice was regularly monitored through the internal audit conducted by the HSP Sustainability Team and Consolidated Berhad (HQ Department). Based on the ABC Policy, it explains where to get guidance, raising a concern or reporting a violation. This is being brief to the worker during morning muster and internal/external stakeholder meeting.

Principle 2: Operate legally and respect rights

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

Clause	Indicators	Comply Yes/No	Findings
2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 (C) The unit of certification complies with applicable legal requirements.	YES	In general, Jeroco 1 CU complies with applicable legal requirements and regulations. Evidence below was verified during the audit.
	2.1.2 A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.	YES	The CU continued to implement and maintain the established documented system for identifying, accessing, tracking and monitoring of compliance with the legal requirements that were applicable to them. Each estate/mill had its own Legal and Other Requirements Register (LORR) and were being evaluated individually annually for compliance. The legal registers were updated by the person in-charge (sustainability department) and approved by the respective Managers.
	2.1.3 Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.	YES	The Estates have maps showing the locations of boundary stones that have been physically located and marked. Inspection of boundary stones/markers/trenching at the 4 estates, during the field inspection confirmed that they were clearly marked and maintained. All the physical markers/Boundary stones along the legal boundaries between was visibly available.

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Clause	Indicators	Comply Yes/No	Findings
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	All contractors providing operational services and supplying labour in Jeroco 1 CU has comply with legal requirements. Sighted the list has been included in the stakeholder list and was updated in January 2022.
	2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/accredited) for migrant workers, service providers and labour contractors, is available.	YES	There was no third party FFB has been send to the Jeroco POM. The contractor agreement has contain specific clauses on meeting applicable legal requirements as verified through contract agreement in Minor Job Contract [clause (d) and (g)].
	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.	YES	There was no third party FFB has been send to the Jeroco POM. Addendum Contracts agreements contain clauses disallowing child, forced and trafficked labour. where young workers are employed, the contracts include a clause for their protection. The prohibition against child labour is included in all service contracts and supplier
2.3 All FFB supplies from outside the unit of certification are from legal sources.	2.3.1 (C) For all directly sourced FFB, the mill requires: a) Information on geo-location of FFB origins. b) Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder c) One or more supporting documents for claims d) Valid MPOB license	YES	All Fresh Fruit Bunches are supplied from Jeroco 1 CU owned estates which are certified to RSPO. There is no third-party FFB sent to the JPOM1. Thus, this Indicator was not applicable to Jeroco 1 CU
	2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.	YES	All Fresh Fruit Bunches are supplied from Jeroco 1 CU owned estates which are certified to RSPO. There is no third-party FFB sent to the JPOM1. Thus, this Indicator was not applicable to Jeroco 1 CU

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

Implement plans, procedures and systems for continuous improvement.

Clause	Indicators	Comply Yes/No	Findings
3.1 There is an implemented management plan for the unit of certification that aims to achieve long-term economic and financial viability.	3.1.1 (C) A business or management plan (minimum three years) is documented that includes, where applicable, a jointly developed business case for Scheme Smallholders.	YES	The Jeroco 1 CU continued to make commitment to long-term economic and financial viability. The annual budgets for 2022 to 2024 which included Capital and Operating Expenditures in addition to FFB yield/Ha, OER and CPO were sighted. The budget provisions cover activities for machinery and plant upkeep, expenditure for mature and immature oil palm upkeep, harvesting and evacuation, welfare, capital expenditure and RSPO compliance. The business plan prepared by the respective Managers and verified by the General Managers for onward approval the Chief Executive - Group Plantations. There are no smallholder schemes managed by J1POM.
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	The replanting programs were documented in the <i>"Replanting Programme J1GOE 2022-2026"</i> . The latest revision being in accordance to a memo issued by the General Manager of Agronomy.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	Jeroco 1 CU continued to hold management reviews at planned intervals to discuss on issues related to sustainability such as Jeroco 1 CU meeting (mill and its supply bases). Estate meeting (estates within Jeroco 1 CU) and operation meeting (estate manager and estate key personnel) for effective implementation of RSPO. The management reviews were carried out in May 2022 for Batangan, Lungmanis, Lokan and Lutong Estates.
3.2 The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.	3.2.1 (C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.	YES	Plans and impact assessments relating to social and environmental impacts maintained available. The Jeroco 1 CU have conducted social assessment titled 'Social Impact Assessment, Management Action Plans and Continuous Improvement Plans' and environmental assessment titled 'Environmental Impact Assessment Management Action Plans and Continuous Improvement Plans'. The SIA & EIA action plan was updated and each of the issues was identified for each of the operating unit.
	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 before the audit started. The auditor already verified and checked the data and figure given was tele with their database system. Apart from that, reporting time frame for this Jeroco 1 CU was verified.

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Clause	Indicators	Comply Yes/No	Findings
3.3 Operating procedures are appropriately documented, consistently implemented and monitored.	3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place.	NO	Jeroco 1 CU continued to use the established manuals and SOPs separately for both the estates and mill, and both are in place. Review of documents found there are migrant workers from Indonesia and Philippines that apply for work at the CU i.e. individual with passport and individual without passport. However, the recruitment procedures for these migrant workers titled 'Recruitment, Selection, Hiring, Termination, Retirement and Promotion of Workers (local & Foreign), did not clearly describe the recruiting procedure for foreign workers via "walk in process" or/and via "agent/quota basis". The procedure also did not clearly outline the mechanism to ensure 'recruitment fees' are not forced on migrant workers employed by the CU. <i>As a result, Major NCR MZK 01 2022 was raised.</i>
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	Jeroco 1 CU continued to implement the mechanism to ensure consistent implementation of operation as per SOPs. The mechanisms to check the implementation of procedures were carried out through RSPO internal audit report, Agronomy Department. Safety and health meeting and routine inspection (workplace inspection) by assistant manager, staff and hospital assistant were also carried out.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	Relevant records on implementation and monitoring of Agriculture Manual and other SOP at the CU were clearly verified. The implementation of SOPs is monitored on a daily basis by the field staffs and Assistant Managers with overall overview by the Managers. The monitoring is made via supervision and records maintenance.
3.4 A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.	3.4.1 (C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/outgrower scheme, is documented.	YES	There was no new planting in Jeroco 1 CU. Environmental Aspect and Impact (EAI) and Social Impact Assessment (SIA) was conducted internally considering activities associated to estate and mill operations. Thus, this indicator not applicable.
	3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.	YES	For Jeroco 1 CU, the SIA and EIA reports separated. Environmental Impact Assessment (EIA), Management Action Plans and Continuous Improvement Plans which covers form upstream activities such as FFB reception until downstream processes was sighted during assessment. Last reviewed in July 2022 by Agronomy Department (Sustainability Team). Identification and evaluation of environmental impact was done for all activities and processes related to the mill and estate operation.
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	NO	The EIA assessments had included the identification of aspects and impacts from resulting from the POM and Estate operations. A timetable with responsibilities for mitigation and monitoring was reviewed and updated as necessary. The CU had appointed specific person in charge (PIC) responsible for taking actions on each of the mitigation measures with specific time intervals. The social management action plans are being reviewed and updated via annual basis at Jeroco 1 CU. This takes into account inputs from external stakeholder meetings, JCC meeting, as well women

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Clause	Indicators	Comply Yes/No	Findings
			committee meetings. Among the social issues for management and monitoring were COVID 19 issues, vaccine programme, replanting activities, school issues, canteen prices, making sure PPE replacement is always available, replacement of old workers' housing, and documentation and immunisation of foreign workers' children. However, SIA addendum for replanting activities was not effectively conducted. The stakeholder involvement was only limited to workers. Only 1 workers union representative and 8 harvesters were assessed. Inadequate involvement of workers such as non-union workers, dependence, gender, races, job scopes and etc. Gathering of negative and positive impact was conducted during morning master call. Additionally, no consultation with neighbouring plantation from IOI Plantation. Furthermore, stakeholder consultation method was not effective. From the minutes of meeting, there were no specific issues related to revising of SIA Management Plan such as discussion about main activities such as replanting. The minutes of meeting only captured awareness on RSPO and MSPO and open issues with guidance to specific topic needed to be addressed. <i>As a result, Major NCR DA 02 2022 was raised.</i>
3.5 A system for managing human resources is in place.	3.5.1 Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable.	YES	Employment procedures which include recruitment, selection and hiring are contained in a document entitled Standard Operating Procedure – Recruitment, Selection, Hiring, Termination, Retirement and Promotion of Workers (Local & Foreign). For matters related to termination of employment and retirement, these are contained in employment contracts. Clause C of the employment contract states that retirement age for workers is 60. These documents are available to workers and their representatives. For Jeroco 1 CU, there is no recruitment agency has been appointed. All foreign and local workers recruited by walk in basis.
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Employment procedures which include recruitment, selection and hiring are contained in a document entitled Standard Operating Procedure – Recruitment, Selection, Hiring, Termination, Retirement and Promotion of Workers (Local & Foreign). For matters related to termination of employment and retirement, these are contained in employment contracts. Clause C of the employment contract states that retirement age for workers is 60. These documents are available to workers and their representatives. For Jeroco 1 CU, there is no recruitment agency has been appointed. All foreign and local workers recruited by walk in basis.
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; Change in work process, Revision/changes in legislative requirement and Occurrence of accidents. The estates had list of review on HIRARC dated in May 2022 respectively Amendments are summarized in a list detailing dates and reasons for updates. HIRARC for the mill was formalized on in Mac 2011 with review made annually the recent being in June 2022 in relation to new operation at boiler & ESP.

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Clause	Indicators	Comply Yes/No	Findings
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people is monitored.	YES	HSP Health and Safety plan among others include the following target: a) no fatality / penalty b) to enhance OSH awareness through ESH training. The implementation of OSH plan was monitored by internal audits conducted by Sustainability team.
3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.	3.7.1 (C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and outgrowers, taking into account gender-specific needs, and which covers applicable aspects of the RSPO P&C, in a form they understand, and which includes assessments of training.	YES	Formal training programmes for FY 2022 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors by the Jeroco 1 CU. A training needs identification matrix has been established with target dates for the training to be conducted
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	The CU had trained their staff, workers and records of training were kept in the RSPO training file. It has been reviewed during the conduct of audit.
	3.7.3 Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.	YES	Training on Supply Chain requirements has been conducted in March & June 2022. The training has been conducted by Assistant mill engineer to personnel carrying out the tasks critical in SCCS. The intention on this training was to create awareness on understanding on supply chain requirement.

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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	Jeroco 1 Palm Oil Mill (JPOM1) sourced for their FFB only from estates under the same CU which involve, Batangan Estate, Lutong Estate, Lokan Estate, and Lung Manis Estate. Divert crop from other certification units (Bukit Mas estate, Sungai Segama Estate, and Ladang Kawa Estate -Sungai Segama Group of Estate, Litang Estate, Tagas Estate, Tomanggong Estate)
3.8.2	<p>Mass balance Module</p> <p>A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base.</p>	YES	Not Applicable
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	YES	Mill had registered through RSPO IT Platform with Member ID of RSPO Palm Trace i.e., Jeroco Plantations Sdn Bhd – Jeroco Palm Oil Mill 1. Details of actual tonnage produced were provided in Table 4 of this report.
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform).	YES	<p>The mill observed to have met registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information was:</p> <p>Name: Jeroco Plantations Sdn Bhd – Jeroco Palm Oil Mill 1</p> <p>Country: Malaysia.</p> <p>Member Category: Oil Mil</p> <p>Core product: Palm Oil</p> <p>Copy of Shipping Announcement was provided during the audit as evident of compliance to reporting requirement as listed by the standard.</p>
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 	YES	<p>Jeroco 1 POM had used their documented procedure title '<i>Standard operating procedures for Supply Chain</i>'. The procedure described the following:</p> <ul style="list-style-type: none"> - Chapter 1: CSFFB, CSPO & CSPK traceability system – chain of custody - Chapter 2: Harvesting and Loading of Fresh Fruit Bunch - Chapter 3: Delivery and Reception of CSFFB, In- house and Non-In-house FFB - Chapter 4: Dispatch of CSPO and CSPK from the mill to refinery/ bulk transit

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>requirements.</p> <ul style="list-style-type: none"> - 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>installation/ buyer's vessel</p> <ul style="list-style-type: none"> - Chapter 5: Monitoring of CSPO and CSPK sales <p>Appendix 1: Weighbridge Tickets and Delivery Notes RSPO (& ISCC) Stamping Procedure</p> <p>The procedure is complete and up to date covering the implementation of all the elements of the supply chain model requirements including receiving and processing certified and non-certified FFBs. Since this is MB mill, there is no problem regarding noncertified FFB.</p> <p>The procedure was kept in file JPOM 1 Traceability File. Appropriate training for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) has been conducted in March & June 2022.</p> <p>The Assistant Engineer, have overall responsible and authority over the implementation of RSPO supply chain requirement in RSPO JPOM1 POM. Interview with sustainability committee member, mill manager, assistant mill manager & weighbridge operator was confirmed they are understood the supply chain requirements.</p>
3.8.6	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"> a) Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. b) Effectively implements and maintains the standard requirements within its organisation. c) Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non- conformities shall be subject to management review at least annually. The organisation shall be able to maintain the internal audit records and reports. 	YES	<p>As describe under para 8.4 'Standard operating procedures for Supply Chain, JPOM1 refer to flow Chart Internal Audit System which is follow the RSPO Supply Chain Certification Standard Revision 2017 requirements. Audit report has also been established. The audit was conducted against the RSPO Supply Chain Certification Standard Revision 2017 requirements.</p> <p>RSPO internal audit was conducted in April 2022 by internal auditors. The internal audit has followed the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. There are 0 NCR were raised by auditor. Audit Attendance sheet, audit plan, audit notes, was sighted by auditor.</p> <p>The internal audit findings were reported in the management review meeting has been conducted in May 2022 (combine RSPO, RSPO SCCS and MSPO).</p>
3.8.7	<p>The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>The site shall have a mechanism in place for handling non-</p>	YES	<p>Randomly selected FFB delivery notes/dispatch tickets for RSPO-certified FFBs issued by the supplying estates on the in-coming FFBs were verified. It was found that all delivery notes/dispatch tickets had indicated the estate's RSPO Certificate number, the name of the supplying estate and the quantity (weight in Kg) of the FFBs.</p> <p>There was no overproduction of certified FFBs during the period under review.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	conforming oil palm products and/or documents.		No NCP/NCD recorded since last audit.
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; a) The name and address of the seller b) The leading or shipment/delivery date; c) The date on which the documents were issued; d) RSPO certificate number; e) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); f) The quantity of the products delivered; g) Any related transport documentation h) A unique identification number 	YES	<p>The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Hap Seng Plantation Shipping Department (HQ) on behalf of Jeroco 1 POM. Sample of deliveries document were sighted during the audit, and it was found all related information were adequate. Jeroco 1 POM's RSPO certificate number and product name together with model used were stated in the delivery documents.</p>
3.8.9	<p>Outsourcing Activities</p> <ul style="list-style-type: none"> a) 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. b) The mill shall ensure the following: <ul style="list-style-type: none"> c) The mill has legal ownership of all input material to be included in outsourced processes d) 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. e) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. f) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance. 	YES	<p>Not Applicable since transportation and storage of certified finished products are handled internally using budge system. Should there be any additional transporter used in future to carry certified CPO/ PK, JPOM1 prepared Minor Job Contract for acknowledgement by hired service provider informing on the RSPO SCCS requirements.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.10	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.	YES	Not Applicable since transportation and storage of certified finished products are handled internally using budge system. Should there be any additional transporter used in future to carry certified CPO/ PK, JPOM1 prepared Minor Job Contract for acknowledgement by hired service provider informing on the RSPO SCCS requirement.
3.8.11	The mill shall inform its CB in advance prior to conduct of its next audit of the names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products.	YES	Not Applicable since transportation and storage of certified finished products are handled internally using budge system.
3.8.12	The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.	YES	The relevant record pertaining to RSPO SCCS within JPOM1 found to be updated accordingly and easily accessible during the audit. Relevant record pertaining to implementation of RSPO SCCS within JPOM1 retained for minimum 2 years as per established procedure.
	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	
	iii) For Identity Preserved Module, the mill shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis.	YES	RSPO Records for Oil Mills had been updated by relevant personnel and had included the receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK. Their WB.net system also being referred for real-time transaction details as well as daily/ monthly summary of their material movements (FFB, CPO, PK, others).
	a) For Mass Balance Module, the mill: b) 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. c) All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. d) The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)	YES	Not available CU used IP model.
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,	YES	Jeroco POM1 process all the received certified crop & their processing output will be based on their actual Oil Extraction Rate (OER) as well as Kernel Extraction Rate (KER).

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	documented and applied it consistently.		
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	YES	These figures were monitored on daily & monthly basis by the mill using the prepared template (e.g. Monthly Production Report – Physical Movement) to ensure their accuracy as well as monitoring of their ongoing performance.
3.8.15	Processing For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	YES	JPOM1 shall only receive the RSPO certified FFB which are from Jeroco 1 CU own estates. Monitoring records titled as “J1POM FFB Received” has recorded the tonnage of certified FFB and other relevant process details. Verified through L.A.K weighing system (weighbridge system) and random sample of weighbridge tickets, being found that no external FFB intake occurred, hence no downgrade required. Consecutively, it is confirmed that RSPO certified oil palm product is from the certified sources. As for transport, dedicated tankers had been allocated by service provider to prevent cross contamination.
3.8.16	Registration of Transactions a) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date. b) 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	YES	JPOM1 through usually handled by procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Hap Seng Commodities Trading Department (HQ) on behalf of Jeroco 1 POM. The Personnel updated the RSPO IT platform system upon confirmed contract.
3.8.17	Claims The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.	YES	Relevant information on product claim (including applicable SC model and certificate no.) being correctly indicated in the relevant outgoing paperwork e.g. PK billing, CPO billing, JPOM1 weighbridge advice ticket and JPOM1 palm kernel/ CPO delivery note. JPOM1 apply RSPO trademark and adhered to the minimum requirement in term of the corporate communications rules as well as Annex 1 (RSPO trademark usage and guidance) of the RSPO Rules on Market Communications and Claims 2019). Latest renewed in April 2022.

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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	Human Rights policy was made available at Jeroco 1 CU. There is also a sustainable Agriculture Policy signed by CEO contain the clause of prohibiting retaliation against Human Rights Defenders. The policy has been communicated to staffs and workers during morning muster and training. Auditor has verified through interview with workers and workers understand this policy. The Protection of Human right Defenders (HRDs) demonstrates commitment to respect, support and protect international human rights against violence, threats, all forms of retaliation, and effective elimination of all forms of violation of human rights which include against HRD, whistle blowers, complainants and community spokespersons. Besides that, the commitments to respect and uphold the rights of all workers including contract, temporary and migrant workers in accordance to the International Labour Organization's core convention and the United Nation Guiding Principles on Business and Human Rights (where prohibit retaliation of grievance informer). The policy was communicated to all levels of the workforce via morning muster, JCC meeting, gender committee meeting and OSH meeting.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	As at time of audit, it was confirmed that the unit of certification does not instigate violence or use any form of harassment, including the use of mercenaries and paramilitaries in their operations.
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	An agreed and documented system which deals with complaints and grievances is available and documented as Complaint and Grievance and 'Grievances Procedure – Appendix 1' for staffs and workers, Prosedur Aduan and also company has developed procedure named " Mekanisme Melindungi Pengadu Terhadap Tatacara Tidak Wajar (Whistleblower)", to protect the complainants. This SOP is to ensure that the company has a documented system for dealing with complaints and grievances that is agreeable to all sides and accepted by all stakeholders. The company is committed to an open and transparent approach to resolve outstanding grievances with the involvement of affected stakeholders. The company will annually review the procedure and consult with stakeholders during the stakeholder meeting to ensure continued effectiveness. The CU has aligned the Grievance Procedure with the UN Guiding Principles on business and human rights for effective nonjudicial grievance mechanism. This SOP is applicable to all parties who deal with the company who may have complaints and grievances. The procedure also states that complainants' anonymity would be respected and protected if requested. Based on the records of complaints and grievances no issue of whistle-blowing that requires anonymity of complainants and/or grievance parties since last audit. Interview conducted with internal stakeholders among workers and relevant external stakeholders also confirmed the information.
	4.2.2 Procedures are in place to ensure that the system is understood	YES	Based on interview with internal and external stakeholders, found the system was understood by the affected parties. The procedure for complaint/grievance resolution was explained to all workers

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Clause	Indicators	Comply Yes/No	Findings
	by the affected parties, including by illiterate parties.		and external stakeholders through morning muster/briefing, JCC, gender committee and external stakeholder consultation meeting. For foreign workers, the procedure was explained during initial report for duty with assistance of translators.
	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 CU have implemented internal and external complaint book to record any complaint from stakeholders. All requests were responded back to grievance parties within agreed timeframe as acknowledge in the records. Among the internal stakeholder complaint was sighted mainly for amenities fixing. For external stakeholder, there is no complaint received so far. All the mechanism of complaint and grievance procedure was communicated via morning muster/briefing, JCC meeting, gender committee and annual external stakeholders consultation.
	4.2.4 The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.	YES	The system used by the Jeroco 1 CU in resolving disputes and grievances exists in the procedure. The Mill and Estates within Jeroco 1 CU each has its own Internal Complaint Form/Book and External Communication/Complaint Form/Book available. The Internal Complaint Books are mostly for employees to lodge complaint pertaining to their houses. The external stakeholder complaint record/book reviewed did not show complaints against the CU. Sighted the grievance procedure has already include an ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.
4.3 The CU contributes to local SD as agreed by local communities.	4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.	YES	Contributions to community development that are based on the results of consultation with local communities with Jeroco Group of Estate (JGOE) were evident. On top of that, Hap Seng Management also make a commitment towards sustainability, by provide free consultations to their surrounding smallholders to certify with RSPO and MSPO and the result was success. As of to date there are 2 Small growers and 1 Smallholder which has been certified with RSPO.
4.4 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	4.4.1 (C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	YES	The right to use the land at Jeroco 1 CU can be demonstrated and not disputed by any party. Auditor had sighted that there were clear land ownership documents. Land titles were available in documents. The original copies of the documents, however, were kept in Plantation Central Office (PCO), Sg. Segama. Copies of land titles for all estates were sighted. All the estates were under the jurisdiction of Kinabatangan District. Review of the land titles show that the requirements that the land title for all the estates namely for cultivation of an agricultural crop of economic value have been complied with.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Jeroco 1 CU since 1980. The audit team had confirmed that there were no land issues related to previous owners.

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Clause	Indicators	Comply Yes/No	Findings
	4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.	YES	
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the 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 Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.

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Clause	Indicators	Comply Yes/No	Findings
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	The requirement in this indicator does not apply to Jeroco 1 CU
	4.4.5 (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.	YES	The requirement in this indicator does not apply to Jeroco 1 CU
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	The requirement in this indicator does not apply to Jeroco 1 CU
4.5 No new plantings are established on local peoples' land where it can be demonstrated that 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 Jeroco 1 CU and land title, there was no new plantings are established on local peoples' land. It has been verified that the land is legitimately owned by Jeroco 1 CU. The audit team had confirmed that there were no land issues related to previous owners and it was confirmed through interviewed with relevant stakeholder such as the IOI Plantation.
	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 Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. Thus, there were no issues regarding land with villagers, local community and neighboring estate.

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Clause	Indicators	Comply Yes/No	Findings
	4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.	YES	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980.
	4.5.4 To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.	YES	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980.
	4.5.5 Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.	YES	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980.
	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	YES	As reported in Indicator 4.4.1, It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.

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Clause	Indicators	Comply Yes/No	Findings
	issuance of a new concession or land title to the operator.		
	4.5.7 New lands are not acquired for plantations and mills after 15 Nov 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.	YES	There were no new lands acquired for plantation and mills after 15 November 2018. The current operation area including mill and estates as per stated in the land title.
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with thru a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	4.6.1 (C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.	YES	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Land Dispute Management [Clause B (2)] and Sustainable Agriculture Policy. In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Plantation Advisory Department particularly the Group Compliance Department at the Kuala Lumpur Head Office. The procedure stipulates the involvement of the respective estate management, professional consultant as the land surveyors with reference to relevant authorities such land authority and the affected parties in the negotiation procedures.
	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	YES	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Land Dispute Management [Clause B (2)]. In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Plantation Advisory Department particularly the Group Compliance Department at the Kuala Lumpur Head Office. The procedure stipulates the involvement of the respective estate management, professional consultant as the land surveyors with reference to relevant authorities such land authority and the affected parties in the negotiation procedures.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.	YES	There were no scheme small holdings at Jeroco 1 CU. The Fresh Fruit Bunches are supplied from owned estates which are certified to RSPO.
	4.6.4 The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them.	YES	There were no scheme small holdings at Jeroco 1 CU. The Fresh Fruit Bunches are supplied from owned estates which are certified to RSPO.

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Clause	Indicators	Comply Yes/No	Findings
4.7 For new planting, where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.	4.7.1 (C) A mutually agreed procedure for identifying people entitled to compensation is in place.	YES	In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Plantation Advisory Department particularly the Group Compliance Department at the Kuala Lumpur Head Office. The procedure stipulates the involvement of the respective estate management, professional consultant as the land surveyors with reference to relevant authorities such land authority and the affected parties in the negotiation procedures.
	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation is in place and documented and made available to affected parties.	YES	There was no issue regarding compensation (monetary or otherwise) with villagers, local community due to no local communities within Jeroco 1 CU.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	It has been verified that the land is legitimately owned by Jeroco 1 CU since 1 January 1980. All the related documentation regarding the land acquisition was kept in Plantation Central Office, and the copy in the estate was verified by the auditor.
4.8 The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.	4.8.1 Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	YES	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalan Estate.
	4.8.2 (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict	YES	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. The audit team had also confirmed this through interviewed relevant stakeholders such IOI Plantations, Morissem 2 Plantation (IOI), Amalan Estate.

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Clause	Indicators	Comply Yes/No	Findings
	through appropriate conflict resolution mechanisms.		
	4.8.3 Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant requirements.	YES	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.
	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.	YES	As reported in 4.4.1 of this checklist, Jeroco 1 CU has been developed since 1980, after it was bought from the previous land owner; Sabah Land Development. All the related documentation regarding the land acquisition was kept in PCO and was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate.

Principle 5: Support smallholder inclusion

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

Clause	Indicators	Comply Yes/No	Findings
5.1 The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.	5.1.1 Current and previous period prices paid for FFB are publicly available and accessible by smallholders.	YES	Fresh Fruit Bunches were supplied from Jeroco 1 CU owned estates of Lokan, Lungmanis, Batangan and Lutong which are certified to RSPO Using the Identity Preserved Supply Chain Model. There was no third-party FFB's sent to the mill. There was no third-party FFB's sent to the mill. Thus, no contract involved with smallholder.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	YES	
	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	YES	

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Clause	Indicators	Comply Yes/No	Findings
	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.		
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	Consultation with contractors and suppliers' representatives confirmed they are understood of their rights and obligations under the contract. There was no third-party FFB sent to the mil, Thus, no contract involved with smallholder
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	YES	These contractors interviewed confirmed that payments are made in a timely manner, namely within 14 days of invoice.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	YES	It was evident that the weighing Equipment in Jeroco POM 1 has been calibrated on yearly basis by Metrology Corporation Malaysia Sdn Bhd.
	5.1.8 The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.	YES	Hap Seng Management supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. However Surrounding smallholders and growers are against the idea of ICS they want to certify independently. Hap Seng give support to surrounding smallholders and growers by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading.
	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	Grievance mechanism is in place. There is a document namely 'Procedure for reporting complaints and grievances and 'Grievances Procedure – Appendix 1' for staffs and workers and also the company has developed procedure named " Mekanisme Melindungi Pengadu Terhadap Tatacara tidak Wajar (Whistleblower)" to protect the complainants. The procedure contains the Whistle Blower Complaint Response where the complainant has the option of remaining anonymous by not revealing his/her identity.
5.2 The unit of certification supports	5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in	YES	Hap Seng Management supports Independent Smallholders with certification, They also already consults with interested smallholders (irrespective of type) including women or other partners in their supply base and already assess their needs for support to improve

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Clause	Indicators	Comply Yes/No	Findings
improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.	their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.		their livelihoods and their interest in RSPO certification. However Surrounding smallholders and growers are against the idea of ICS they want to certify independently. Hap Seng give support to surrounding smallholders and growers by given them Free Consultation, Free Assessment, and anything related to RSPO and MSPO certification. Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC plantation.
	5.2.2 The unit of certification develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification.	YES	
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	YES	
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	YES	Sighted the training records on Pesticide handlings given to surrounding Smallholder and Small grower at Lebijaya on 11/1/22, Khoo Chin Hung on 11/8/21, LPC on 21/7/21, Bukit Kretam on 13/1/22, Harus Abadi on 12/2/22 Spark Glory on 19/2/22 and LKM on 11/5/22 Until to date surrounding smallholder who are RSPO certified is Spark Glory, Harus Abadi, and LKM Trading. Currently on progress for RSPO and MSPO certification is Lebijaya, Khoo Chin Hung, Bukit Kretam and LPC plantation.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	YES	Currently Hap Seng Plantations Management has created a system to trace their stakeholder around their estate. Hap Seng Plantations also regularly reviews and publicly reports on the progress of the smallholder support programme.

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,	YES	The Equal Opportunity Policy is publicly available in the estates and POM. The policy statements emphasize on worker information, recruitment and selection, training, employee development, based on business needs, terms of service and records of service. It also states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. This

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Clause	Indicators	Comply Yes/No	Findings
	union membership, political affiliation or age.		policy is posted on notice boards in Bahasa Malaysia and English for the understanding of the public and workers.
	6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for migrant workers.	YES	Evidence is available that no employee has been discriminated against. This is evident from sampled employment contracts where all workers, (male, female, foreign, local) signed the same employment contract. Workers interviewed also confirmed that they face no form of discrimination. Foreign workers and local workers received similar pay rate, stay in the same house, and enjoy similar medical benefits as their local counterparts. Interviews also revealed that there is no discrimination on any bases in the estates/mill. However, due to government policies, education opportunities differ between local and foreign children.
	6.1.3 The unit of certification demonstrates that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available.	YES	As stipulated in the <i>SOP – Recruitment, Selection, Hiring, Termination, Retirement and Promotion of Workers (local & Foreign)</i> , the recruitment selection, hiring and promotion where relevant are based on availability, skills, capabilities, qualities, and medical fitness necessary for the jobs. There is no any 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 JCC 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	There was no evidence that pregnancy tests are being conducted as a discrimination measures. As confirmed by records and interviews conducted with estate medical assistant, pregnancy tests were done monthly on female workers who handled chemicals such as sprayer and manurers. This is to avoid harmful chemical exposure to their fetus. Once a worker is confirmed pregnant, she would be reassigned to another job which is not chemical related.
	6.1.5 (C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.	YES	The gender committees throughout the Jeroco 1 CU are known as the 'Persatuan Wanita'. Membership comprises female employees and the employees' wives. Based on interviews of the committee members and review of meeting minutes, the Committees main activities are to provide awareness to its members on issues of concern as well as opportunities and improvements for women. These relate to sexual harassment, domestic and other forms of abuse, children's health, creche hygiene, no sick children at the creche, childrens' immunization and education, as well as women's reproductive rights, maternity benefits and leave entitlement.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	The Hap Seng Plantations Equal Opportunity Policy is publicly available at the offices of all estates and JPOM 1. This policy states Hap Seng Plantations Policy on equal opportunity in all aspects of its employment including recruitment, training and promotion. The Policy identifies under-represented groups where they are encouraged to apply for training and employment opportunities with the Company, and that where possible,

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Clause	Indicators	Comply Yes/No	Findings
			special training will be provided for such groups to prepare them to compete on equal terms for jobs and promotion.
6.2 Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).	6.2.1 (C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.	YES	<p>Pay and conditions are documented and made available during the audit. These are contained in the workers' payslips and employment contracts. Pay slips were sighted and are provided to workers on a monthly basis as confirmed during interview with management. Pay slips for estates and POM workers show breakdown for all work done such as allowances/incentives received, deductions, no. of days worked, any overtime hours performed. It was also verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages (Amendment) Order 2022 and the Sabah Labour Ordinance.</p> <p>It was verified that the pay slip contains the following information: employee name, employee number, month of pay, work description, (normal work, overtime pay, piece-rate work, public holiday pays, company contributions such as SOCSO, EIS (for Malaysians), KSWP (for Malaysians) and deductions such as passport/electricity, average daily rate, total income for the month, total deductions, net pay.</p>
	6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.	YES	<p>Contracts and conditions of employment are contained in employment contracts signed between the respective estates on one hand, and their workers on the other. The employment contracts sampled were prepared in Bahasa Malaysia or 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, SOCSO, holiday entitlement, rest day, sick leave, annual leave, maternity leave, workplace transportation, resignation, 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 Sabah Labour Ordinance. Among the sampled contracts sighted during the audit were as per indicator 6.2.1.</p>
	6.2.3 (C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.	YES	<p>There is evidence that workers observe regular working hours including overtime hours within the legal confines of the Sabah Labour Ordinance. Workers with medical certificates are given a paid medical leave, entitled to annual leave. Female employees are entitled to 2 months paid maternity leave. This was verified from the workers employment contract, payslips, punch card, checkroll book and interviews with the workers themselves.</p> <p>The is no evidence of termination, and so compliance with reasons for dismissal and period of notice could not be verified during this audit.</p> <p>Salary deductions are made for statutory deductions such as SOCSO, EPF and EIS.</p> <p>Non statutory deductions are made for new passports and passports for dependents renewal and water/electricity. Such non statutory deductions were upon receipt of written permits from the labour office.</p>

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Clause	Indicators	Comply Yes/No	Findings
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.	YES	Evidence is available that the Jeroco 1 CU provide adequate housing and facilities to its employees in accordance with the requirements of the Workers' Minimum Standard of Housing and Amenities Act 1990. Houses are provided rent free. Each house has between 2 to 3 rooms and accommodate between 2 to 5 workers. Foreign workers are provided with accommodation as stated in their employment contracts. Local workers too are offered accommodation. Among the available amenities include football fields, badminton/takraw/volleyball court, children's playground, places of worship, sundry shops and an activity hall. There is evidence that housing inspection are being carried out once a week based on housing inspection records. Records of housing inspections was sighted and available. Water and electricity are also provided, and the bills are shared among occupants and deducted from their wages. The upkeep (sanitation) for JPOM1 and all estates worker quarters visited were observed in good maintained. Perimeter drains are clear of any blockages. The Jeroco 1 CU provided with treated water by water treatment plant and water sampling test was carried out monthly for drinking water for human consumption.
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	Jeroco 1 CU was able to demonstrate that efforts are taken to improve workers' access to adequate, sufficient and affordable food. The JPOM 1 and all estates have their own canteen/grocery store which sells items such as eggs, flour, rice, vegetables, frozen food such as fish, meat, onions, etc. Items seen in the stores are adequate, clearly labelled and within the expiry dates. Prices of certain basic items are monitored regularly by the management.
	6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours. PROCEDURAL NOTE: A written policy with specific implementation plan, committing to payment of a "decent living wage" is in place. The implementation plan with specific targets, and a phased implementation process will be in place, including the following: - 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	YES	All sampled workers receive at least minimum wages based on Minimum Wages Order 2022. Jeroco 1 CU had calculated the prevailing wages and in-kind benefits for their workers. The calculation included housing, electricity, water, transport to work, sports and recreation facilities, education, childcare and healthcare. The auditor had verified the calculation and though the calculation was in line with RSPO Guidance on Calculation Prevailing Wages.

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Clause	Indicators	Comply Yes/No	Findings
	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 Until such time where the Malaysian version of “decent living wage” has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.		
	6.2.7 Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.	YES	All the estates and mill employ full-time employees. Foreign workers are full-time employees but have a contractual duration which is stipulated in their employment contracts which is 2 years for Indonesian and Philippine. This contract duration can be mutually extended subject to the annual work permit from the Malaysian Immigration Department. There is no casual, temporary or day labour employed.
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	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	The Policy on Freedom of Association and Right to Collective Bargaining is available in bilingual (Malay and English). The policy is posted at the Jeroco 1 POM and all estates notice board and information wall. Interviews with workers they are aware of their workers' representatives.
	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	There are no trade unions at Jeroco 1 CU, but the workers' welfare and social committees known as Joint Consultative Committee (JCC) have been established at every unit. The committee comprise management and worker representatives who have been elected by the workers themselves as a communication channel between management and workers. The interval meeting was carried out by minimum once a year. Main reason to gather the information such as feedback from the workers in term of Social, Safety, Environmental, Welfare issues, etc. All the feedbacks were highlighted in the minutes meeting and SIA action plan.
	6.3.3 Management does not interfere with the formation or operation of registered unions/ labour organisations or	YES	Workers' representatives that sit in the Joint Consultative Committee (JCC) have been independently and freely elected by the workers themselves. No evidence of any management interference was observed. Interviews held with the workers at other estates

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Clause	Indicators	Comply Yes/No	Findings
bargaining for all such personnel.	associations, or other freely elected representatives for all workers including migrant and contract workers.		and Mill also confirmed that they were fully elected by their co-workers during an election.
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	Jeroco 1 CU subscribes Child labour policy and Sustainable Agriculture Policy. The Policy states that it would not tolerate the use of child or forced labour, nor exploitation of children in any of its global operations and facilities. This SOP also details out the remediation action to be taken should a child is found working. This includes awareness trainings for all employees and contractors, schools should encourage and motivate children to attend school, parents to be advised and warned verbally on the spot not to allow children to assist them, and the child sent home or to an appropriate childcare facility.
	6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.	YES	Stakeholder interview and documentation verified on the Employee Master List confirmed that all the workers employed were above 18 years old. During site visit also confirmed that no child labour work in the Jeroco 1 CU. There also have a documented age screening verification procedure.
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	YES	Based on documents sighted, interviews and observations, there was no evidence that the Estates and the Mill employ anyone below the age of 18 years. This was verified by examining the master lists of each operating unit where details of the workers' particulars and dates of birth are available. Interviews with workers and staff, as well as observations made during field visits confirm that only those above 18 are employed.
	6.4.4 The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.	YES	Child labour policy was established and implemented where the company shall not use any child labour. The policy was displayed at the notice board outside the office. The contractors have signed on the contract agreement where under addendum agreement clause (3), the contractor shall ensure no child under age of 18 are employed. Briefing of the policy was conducted on 27/04/2021 during external stakeholders meeting. Interview with contractor confirmed that no child labour was employed.
6.5 There is no harassment or abuse in the workplace, and reproductive rights	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	Jeroco 1 CU have displayed policy on sexual harassment titled " <i>Sexual Harassment, Violence and Abuse Policy</i> " and "Flow Chart – Reporting Sexual Harassment (Worker)" at the office notice board. The guidelines emphasize that sexual harassment is a threat to basic human rights and offenders will be punished accordingly, including termination from work. The policy and procedure have been communicated to all the women and men workers during morning muster/briefing, gender committee and JCC.

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Clause	Indicators	Comply Yes/No	Findings
are protected.	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.	YES	A policy to protect women reproductive rights titled 'Policy on Reproductive Rights' was made available at Jeroco 1 CU. The Policy gives the employees the right to decide freely and responsibly of their planning to have children, and to make decisions concerning reproduction free of discrimination, coercion and violence.
	6.5.3 Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified.	NO	There was no evidence of records needs of new mothers' assessment in consultation with the new mothers, and actions are taken to address the needs. <i>As a result, Minor NCR DA 03 2022 was raised.</i>
	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	The CU have developed a grievance mechanism, which respects anonymity and protects complainants. All the mechanism is implemented and communicated via Morning Muster, JCC Meeting and Gender Committee.
6.6 No forms of forced or trafficked labour are used.	6.6.1 (C) All workers have entered into employment voluntarily, and the following are prohibited: a) Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) b) Charging the workers for recruitment fees c) Contract substitution d) Involuntary overtime e) Lack of freedom of workers to resign f) Penalty to the workers for termination of employment g) Debt bondage h) Withholding of wages	YES	Collective evidence is available that all sampled workers have entered into employment voluntarily. This is based on the following: 1) Review of sampled employment contracts which contain mutually agreed termination clause; 2) Review of documents where workers signed consenting for their passports to be kept at the office; 3) Interview with foreign workers who confirmed they could have access to the passports at any time; 4) Review of contract agreement and interview with foreign female and male workers, where no recruitment fee is payable by the workers and confirmed by the workers (except for passport, medical in and biometrics in home country); 5) There is no recruitment agency has been appointed. All foreign and local workers recruited by walk in basis. 6) Records of punch cards and worker's confirmation that overtime work is mutually agreeable and not forced on them; 7) Confirmation from the foreign workers that they received accurate briefing in their home country on the job they would be doing in Malaysia; 8) Confirmation from the workers that there is no debt bondage or withholding of wages.
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	A special labour policy for employment of foreign workers has been addressed in the "Labour Policy for Foreign Workers". The policy mentioned that all employees should be treated fairly in terms of recruitment, terms and conditions of work, provide decent living, no contract substitution and post arrival programme will be conducted once arrived for

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Clause	Indicators	Comply Yes/No	Findings
			three months. The CU maintained its specific procedure / flowchart for employment of foreign workers titled 'Sourcing Process for Foreign Workers'. The procedure has been implemented for any employment related with foreign workers.
6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health.	6.7.1 (C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.	YES	The letter of appointment for the Managers signed by the respective Superiors were sighted for the appointment as the ESH Chairman. The Managers subsequently assigned duties of ESH coordinator to the Assistants for the down line implementation of ESH practices in the estates. All identified Executives were officially given a letter for such an appointment. All estates and the mill management conduct regular two-way communication with their employees through the quarterly ESH meeting. Minutes of meetings held by the mill and estates were verified.
	6.7.2 Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.	YES	The procedures for accident and emergencies have 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. The organization chart for the ERP team was established and displayed for information of the employees. The important telephone contact numbers were also provided therein. Procedures guidelines were issued by Sustainability Dept and amended to tailor to the situation differences in the estates and mill.
	6.7.3 (C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.	YES	The mill and estates issued PPE to its employees for their protection at workplace. Records of PPE issued are maintained individually to all employees. PPE issued to the workers is safety helmets, safety shoes. Special PPE for workers assigned to height, confined space. Safety shoes issued on a 6 monthly basis and recorded. During the site visit the staff/workers were noted to be equipped with their proper attire & PPE. Acknowledgement of receipt was recorded. Based on the HIRARC carried out at the estates and mill the PPE types for the various activities has been identified and implemented. Sighted issuance of PPE record for the following employees in 2021 & 2022
	6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work-related incidents	YES	Both the Estates and Mill in the Jeroco 1 CU uses SOCSO for the coverage for the local and foreign workers. The insurance coverage has ceased effective 2018 following the Government directive on the coverage. Cases requiring heavier attention will be referred

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Clause	Indicators	Comply Yes/No	Findings
	leading to injury or sickness are covered in accordance with Malaysian law.		to district health office and Lahad Datu Hospital.
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	Records of all accidents are kept and filed. The methodology of occupational injuries is recorded using LTA. (Lost Man Day MC.) This is summarized officially in the 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 for submission to DOSH by Jan of the subsequent year. Cases if any are reviewed during safety meetings. Accident cases are mainly on FFB operations incident related to FFB harvesting and frond stacking. There were no LTI of more than 4 days.

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

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

Clause	Indicators	Comply Yes/No	Findings
7.1 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	YES	Jeroco 1 CU continued to implement Integrated Pest Management (IPM) in 4 estates and continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the HSPHB Oil Palm Agriculture Policy (OPAP) - Chapter 10 - Pest and Diseases Management. The IPM program among others includes pest and diseases management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. All the estates carried out the census of pests and diseases on a monthly basis and the Pests and Diseases Report (Early Warning System) indicate the result of the census.
	7.1.2 Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.	YES	The management were aware of the Global Invasive Species List and CABI.org. There were no invasive species listed in the Global Invasive Species list that were used for pest control in any of the estates. Though no invasive species are used, monitoring of IPM is carried out on a regular basis by the Agronomy team to ensure that no invasive species spreads in the estates.
	7.1.3 There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.	YES	Jeroco 1 CU maintained a Zero Burning policy in relation to all new plantings, replanting or other development. The Zero Burning Policy were clearly stated on the Sustainable Agriculture Policy. There are no signs of fire used for pest control and this was verified during the field visits and interviews with the employees.
7.2 Pesticides are used in ways that do not	7.2.1 (C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest,	YES	Jeroco 1 CU continued to use agrochemicals based on HSPHB Oil Palm Agriculture Policy (OPAP) Chapter 10 - Pest and Diseases Management and Safe & Standard Operating Procedure / Accounting/Administrative Procedure (AAP) manual where written justifications of all pesticides used had been provided for various fields operations. The Manual has included a chemical register list which

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Clause	Indicators	Comply Yes/No	Findings
endanger health of workers, families, communities or the environment.	weed or disease are prioritized.		indicates the use of selective products that are specific to the targeted pest, weed or disease and the correct dosage of agrochemicals to be used. All chemicals usage were based on the “need to do basis” to enhance field operations. It was found that no Class I chemicals had been used. The procedures also covered the use of PPE when handling these chemicals. The Estates had maintained chemical registers and were updated periodically. The registers were updated as of June, 2022. The chemical used in the estates among others as listed below;
	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	Jeroco 1 CU had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications and active ingredients(ai) applied per ha. Variation of chemical usage are attributed to sizes of immature areas, rainfall pattern and the regeneration growth of weeds in different type of soil series. Explanatory notes for the usage variation were provided in the assessment. 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 HSPHB Oil Palm Agriculture Policy (OPAP) – Chapter 10 - Pests and Diseases Management. All estates continued to minimise the usage of agrochemicals by implementing IPM plan. Blanket spraying was not practised by this CU and soft grasses maintained in the field. It had also been the practice that insecticides are used only after a threshold level has been exceeded as per the HSPHB Oil Palm Agriculture Policy (OPAP)- Chapter 10 - Pests and Diseases Management.
	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 except in immature and young fields, where prophylactic spraying using diluted cypermethrin are still practised for the Pest and Diseases management such as control of Rhinoceros Beetle justified in HSPHB Oil Palm Agriculture Policy (OPAP) Chapter 10 - Pests and Diseases Management for estates operations. Jeroco 1 CU only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations 2000.
	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	Jeroco 1 CU only used pesticides that were officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with USECHH Regulations 2000. From the review of the chemical register, it was noted that all pesticides used are of Class II, Class III & Class IV.

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Clause	Indicators	Comply Yes/No	Findings
	diligence process, or when authorized by gov. authorities for pest outbreaks. The due diligence refers:		
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	
	7.2.5b Why there is no other alternative which can be used.	YES	
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	
	7.2.5d What is the process to limit the negative impacts of the application.	YES	
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	YES	
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers. Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	Jeroco 1 CU had records showing that pesticides were handled, used and applied by trained persons and as per the SDS of the pesticide. The staffs and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained, and they had understood the hazards involved and how the chemicals should be used in a safe manner. Pesticide applications were guided by HSPHB's OPAP manual, CHRA and by SDS supplied by the manufacturer.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	In Jeroco 1 CU, all pesticides were stored in accordance with the legal requirement, in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations as well as recommendation by manufacturer as per applicable MSDS. The chemical and fertiliser stores (with cemented floors and roofing) are locked & handled only by authorised personnel i.e. storekeeper. The stores in the estates were ventilated (equipped with exhaust fans). All the chemicals were arranged/segregated according to the type. The fertilizers were well stacked. The stores are equipped with showers, wash area and a PPE storage area. Adequate Safety Signage have been placed at both internal and external of the building. A proper premixing area with eye wash facilities and bathing area is available at the estates. The wastewater from the washing of empty

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Clause	Indicators	Comply Yes/No	Findings
			chemical containers and PPE, and chemical mixing was pumped to a storage tank for reuse in chemical mixing. This is to avoid any contamination of chemicals to the ground. Triple rinsing activities was continually implemented for empty pesticide containers. The activities were carried out at a concrete pond of 3 levels. Empty pesticide containers observed were punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	YES	The documentation and identification of all waste product such as scheduled wastes, domestic wastes, clinical wastes, recyclable wastes such as metal, tins, plastics, bottles, mill wastes and polluting material. Scheduled wastes identified included used batteries (SW102), hydraulic oil (SW305), spent lubricant oil (SW306), used chemical containers/drums (SW409), fertilizers bag (SW410), chemical wastes (SW429) and laboratory wastes (SW430). Scheduled wastes were stored at centralized scheduled waste store in Jeroco Central workshop. Disposal of empty pesticide containers were carried out as per established procedures. Triple rinsing procedures was continually implemented for empty pesticide containers. The rinsed containers were then pierced and stored prior disposal. Records on usage and disposal were well recorded and documented. Scheduled wastes had been disposed of through a licensed contractor approved by DOE.
	7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.	YES	Aerial spraying of pesticides is not a practice in Jeroco 1 CU. There was no evidence to show that such a method being used in the 4 Estates. This was also supported through interviews with executives, field staffs and workers. No such activities being witnessed during the site/field visit.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	YES	Specific annual medical surveillance for pesticide operators was documented action to treat related health conditions was demonstrated. Medical surveillance has been carried out and results shown that they were fit to handle chemicals.
	7.2.11 (C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.	YES	All the estates and mill in the CU complied with procedure and guidelines provided in the <i>Polisi Pengendalian Racun Perosak Bertoksik Tinggi in SOP Penyemburan Racun Rumpai</i> , whereby <i>no work with pesticides is given to pregnant or breast-feeding women. Tidak dibenarkan pekerja wanita yang MENGANDUNG / MENYUSUKAN anak membuat kerja-kerja penyemburan</i>). The estates maintained the list of sprayers. Identification of pregnancy status is made by the respective appointed Medical Assistant during the monthly check-up. Field interviews with the lady workers confirmed that such a regulation is a standard practice in the estates and in compliance.

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Clause	Indicators	Comply Yes/No	Findings
7.3 Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.	YES	The organization had established and maintained Waste Management Plan with latest updated in July 2022. Among the sources of waste been identified were Solid waste including domestic and Scheduled waste, liquid waste including POME. Among the action be taken proper scheduled waste management, installation of septic tank and domestic waste weekly collected and disposed at landfill area.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	YES	Proper disposal of waste material such as domestic waste and schedule waste, according to the internal established procedure. It was disposed through DOE contractor and land fill areas. During interview with employees and executive can demonstrated and understanding related to the procedures.
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	During site visit no evidence of open fire has been used to burn all the waste. It was sighted all the domestic waste has been disposed at designated area, located far from waterways and housing complexes.
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	Jeroco 1 CU practised the maintenance of long-term soil fertility by annual application of fertilizers based on periodic tissue/leaf sampling and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB application, water management and by maintaining soft weeds within interlines. These SOPs are implemented and monitored. The monitoring of daily implementation of SOPs by estate workers is done by the field conductors, Estate Assistant Managers and Estate Managers. Periodic visits by the agronomists serve as an additional monitoring to ensure that the SOPs have been well implemented and correctly monitored by the estate management. 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/leaf and soil sampling were carried out in Jeroco 1 CU to monitor changes in the nutrient status of the palms. Annual tissue/leaf sampling for the nutrients N, P, K, Mg, Ca & B had been carried out in 2021 and its results formed the basis for the fertilizers input recommendation to maintain and improve soil fertility. The soil sampling is made in a 5 year cycle for a particular field. Soil analysis for the entire CU was made in phases on a 20% basis of an estate to complete a 5-year cycle to monitor changes in nutrient status. The soil analysis provided the indication of soil fertility and plant health and monitor the changes in the organic carbon and total nitrogen.
	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	Jeroco 1 CU had a nutrient recycling strategy in place. Palm fronds were stacked in the inter row to decompose and Empty Fruit Bunches (EFB) application were given to replants, immature fields and young mature areas. Empty Fruit Bunch (EFB) and Belt Press Solids (BPS) produced by the mill are applied in the field. The strategy includes EFB mulching and application of BPS in the fields in the estates.
	7.4.4 Records of fertiliser inputs are maintained.	YES	Jeroco 1 CU continued to monitor their fertilizer inputs as recommended by their agronomist, who visited the estates during the annual tissue/leaf sampling had been carried out. Fertiliser application programs were monitored using records like reconciliation of fertiliser application

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Clause	Indicators	Comply Yes/No	Findings																																																														
			schedule, program sheets, bin cards, field cost book and manuring audits through GAP Progress Report. The main fertilizer recommended for 2022 for Batangan Estate, Lokan Estate, Lungmanis Estate and Lutong Estate were NK Mixture (NK), Ammonium Sulphate (SOA),Muriate of Potash (MOP), Kieserite (KIE), Rock Phosphate (RP), Bunch Ash (BA) and High Grade Fertilizer Borate (HGFB), Empty Fruit Bunches (EFB) and Belt Press Solid (BPS) while for immature areas were guided by OPAP Chapter 11 and the main fertilizer recommended were Mix 44, NK Mixture (NK), Ammonium Sulphate (AS), Muriate of Potash (MOP), Kieserite (KIE), Rock Phosphate (ERP), and High Grade Fertilizer Borate (HGFB). Records of programs and applications of fertilisers were made available to auditors. From the review of the records, it was noted that the actual fertilizer application for 2021 and 2022 was in line with the recommendation.																																																														
7.5 Practices minimise and control erosion and degradation of soils.	7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available.	YES	<p>During the field visit and the soil maps provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in Jeroco 1 CU. As per the Soil Maps, the soil series were as follows:</p> <table><tr><th>Batangan Estate</th><th>Lungmanis Estate</th><th>Lokan Estate</th><th>Lutong Estate</th></tr><tr><td>Kretam</td><td>Lungmanis</td><td>Rumidi</td><td>Kretam</td></tr><tr><td>Kinabatangan</td><td>Kretam</td><td>Kretam</td><td></td></tr><tr><td>Lungmanis</td><td>Lokan</td><td>Lokan</td><td></td></tr><tr><td>Rumidi</td><td></td><td></td><td></td></tr></table> <p>The topography details are as follows. Figures in % otherwise stated</p> <table><tr><th></th><th>topography</th><th>Lutong</th><th>Lokan</th><th>Lungmanis</th><th>Batangan</th></tr><tr><td>1</td><td>0-5</td><td>85.95</td><td>89.65</td><td>91.48</td><td>92.30</td></tr><tr><td>2</td><td>6-10</td><td>12.26</td><td>9.52</td><td>6.80</td><td>6.00</td></tr><tr><td>3</td><td>11-15</td><td>1.47</td><td>0.63</td><td>1.13</td><td>1.00</td></tr><tr><td>4</td><td>16-25</td><td>0.23</td><td>0.51</td><td>0.43</td><td>0.70</td></tr><tr><td>5</td><td>>25</td><td>0.14</td><td>0.09</td><td>0.16</td><td>-</td></tr><tr><td></td><td>Total</td><td>100</td><td>100</td><td>100</td><td>100</td></tr></table>	Batangan Estate	Lungmanis Estate	Lokan Estate	Lutong Estate	Kretam	Lungmanis	Rumidi	Kretam	Kinabatangan	Kretam	Kretam		Lungmanis	Lokan	Lokan		Rumidi					topography	Lutong	Lokan	Lungmanis	Batangan	1	0-5	85.95	89.65	91.48	92.30	2	6-10	12.26	9.52	6.80	6.00	3	11-15	1.47	0.63	1.13	1.00	4	16-25	0.23	0.51	0.43	0.70	5	>25	0.14	0.09	0.16	-		Total	100	100	100	100
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	7.5.2 No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	Jeroco 1 CU had a management strategy for planting on slopes and to minimise and control erosion and degradation of soils. The plantings on slopes were guided by its Oil Palm Agriculture Policy. This compliance being addressed in the " <i>Slope and River Protection</i> " signed by the CEO stating the following among others; "Slope of >25 degree to be excluded from any new plantation development and replanting program. For slope <25 degree the existing crop all vegetative shall be maintained accordingly". The Agronomy Department guided by Land Survey Department to established slope map for all estates.																																																														
	7.5.3 There is no new planting of oil	YES	Jeroco 1 CU had a management strategy for palm oil cultivation, taking into account the soil maps and																																																														

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Clause	Indicators	Comply Yes/No	Findings
	palm on steep terrain.		surveys identifying marginal and fragile soils, including steep terrain for the palm oil long term suitability. The soil maps were provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in Jeroco 1 CU.
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.	7.6.1 (C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.	YES	Jeroco 1 CU had a management strategy for palm oil cultivation, taking into account the soil maps and surveys identifying marginal and fragile soils, including steep terrain for the palm oil long term suitability. The soil maps were provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in Jeroco 1 CU. Soil maps are taken into account in plans and operations of estates to ensure long term suitability of land for palm oil cultivation. Maps are used to identify areas that are inappropriate for planting such as slope maps to indicate steep terrain. There are no new plantings carried out in all the estates visited.
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.	YES	There were no marginal and fragile soils in the Jeroco 1 CU.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	The soil surveys and topographic information were provided and reviewed by the auditors.
7.7 No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.	7.7.1 (C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas.	YES	This is not applicable as there is no peat soil series of all the Jeroco 1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. 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 not applicable as there is no peat soil series of all the Jeroco 1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	This is not applicable as there is no peat soil series of all the Jeroco 1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.

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Clause	Indicators	Comply Yes/No	Findings
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	This is not applicable as there is no peat soil series of all the Jeroco 1 CU estates. The fact was supported by the soil map prepared by the Group Agronomy Dept.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. This is subject to transitional (5 years: 2019 to 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.	YES	
	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	
	7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed	YES	

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Clause	Indicators	Comply Yes/No	Findings
	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.		
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>The water management plan is confined to only Jeroco Group of Estates engulfing the plans from nursery to fresh fruit processing. This report also includes the domestic water use with the after effect of water use to the surrounding environment. The plans cover the process of water abstraction, shortage, utilization in cultivation, chemical and natural treatments to utilize water at processing, domestic purposes and wastewater management. All these aspects are included with monitoring, mitigation (if required), implementation and prevention or minimize pollution of these plan.</p> <p>Identified physical system in management of JGOE:</p> <ul style="list-style-type: none"> • Treated water quality standard • Baseline data for water quality and frequency quality standard • Contingency plans during dry season • Flow meter monitoring at J1POM and J2POM.
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	YES	The continued availability of water sources and to avoid negative impacts on other users in the catchment has been conclude in the Environmental Compliance Report (ECR). ECR was conducted by third party consultant - the latest ECR Report dated in Jan 2022. Based on the result, water quality monitoring is generally within Class IIB of NWQS at all monitoring points.
	7.8.1b Workers have adequate access to clean water.	YES	The organization had not restricted access to clean water. Monitoring of water quality is evident.
	7.8.2 (C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with ‘RSPO Manual on BMPs for the management and rehabilitation of riparian reserves’ (April 2017).	NO	Water courses and wetlands was not protected, including maintaining and restoring appropriate riparian and other buffer zones was not in line with ‘RSPO Manual on BMPs for the management and rehabilitation of riparian reserves’ (April 2017). During site inspections at Lungmanis Estate (Replanting Area Field 2022), sighted blanket of chemical spraying activities was carried out close to the water edge at the artificial drainage and waterways that directly channel to riparian reserve. <i>Hence a Major NCR MN 01/2022 had been raised.</i>

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Clause	Indicators	Comply Yes/No	Findings																				
	7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially BOD, is regularly monitored.	YES	<ul style="list-style-type: none">License number valid until 30/06/2023. The license indicated that the mill has a capacity of 90mt/hrTreated effluent is allowed to be discharge as water ways.Analysis of the final discharge was carried out on monthly basis by accredited laboratory. Review of the results indicated that all parameters were within the regulatory limit.																				
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	YES	Process water is obtained from water catchment near to the mill. The water usage per tonne of fresh fruit bunches (FFB) continued to be monitored on monthly basis. A slight inconsistent trend was noted. This was due to process cleaning of the mill.																				
7.9 Efficiency of fossil fuel use and the use of renewable energy is optimised.	7.9.1 A plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented.	YES	<p>The plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented. Record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Among the plan for improving fossil fuel are:</p> <ul style="list-style-type: none">Closely monitored operation of tractorsMinimise the electricity usage at workers housingReplace light bulb with energy saving bulbTo switch off and unplug all the electrical equipment after usedMinimise the lubricant oil usage through using small tractor for FFB evacuation																				
7.10 Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.	7.10.1 (C) GHG emissions are identified and assessed for the unit of certification. Plans to reduce or minimise them are implemented, monitored through the Palm GHG calculator and publicly reported.	YES	<p>The CU had used RSPO Palm GHG version 4.0 Calculator as a tool to calculate the GHG emissions. The input data was verified, and the following were determined:</p> <table><tr><th>Description</th><th>tCO₂e/tProduct</th></tr><tr><td>CPO</td><td>0.75</td></tr><tr><td>PK</td><td>0.75</td></tr></table> <table><tr><th>Land Use</th><th>Ha</th></tr><tr><td>OP Planted Area</td><td>26,895.80</td></tr><tr><td>OP Planted on Peat</td><td>0.00</td></tr><tr><td>Conservation (forested)</td><td>461.84</td></tr><tr><td>Conservation (non-forested)</td><td>850.23</td></tr></table> <p>Milling extraction rate:</p> <table><tr><td>OER</td><td>20.58</td></tr><tr><td>KER</td><td>4.31</td></tr></table>	Description	tCO ₂ e/tProduct	CPO	0.75	PK	0.75	Land Use	Ha	OP Planted Area	26,895.80	OP Planted on Peat	0.00	Conservation (forested)	461.84	Conservation (non-forested)	850.23	OER	20.58	KER	4.31
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	7.10.2 (C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the dev. are estimated and a plan to minimise them prepared and implemented (guided by the RSPO GHG Assessment Proc for New Dev).	YES	Auditor has verified through checking the www.globalforestwatch.com , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at Jeroco 1 CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.																																																																										

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Clause	Indicators	Comply Yes/No	Findings
	7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	The Environmental Impact Assessment and Pollution Prevention Plan was used to identify the GHG emissions. Some of the Greenhouse Gas emissions are through Land Conversation, Crop Sequestration, Fertilizer, NO ² from fertilizer, Fuel Consumption, Peat Oxidation. Plans to reduce or minimise them are in place. Jeroco 1 CU also plan to reduce GHG by construct Biogas plant to capture Methane gas generated from the Effluent Treatment Plant to generate biogas engine to produce electricity for mill and domestic use.
7.11 Fire is not used for preparing land and is prevented in the managed area.	7.11.1 (C) Land for new planting or replanting is not prepared by burning.	YES	All palms have been chipped and left for decomposed.
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	Jeroco 1 CU had established the fire prevention and control measures for the areas under its direct management. Accident and emergency procedures were available in adherence to the Hap Seng Plantations Holdings Berhad's policy on ' <i>Fire Emergency Response</i> ' Plan. Each estate had a standard procedure for emergencies situation. There was formation of ERP Team & ERP for all the identified incidences. The organization chart for the ERP team was established and displayed for information to the employees. The important telephone contact numbers were also provided therein. Procedures guidelines were issued by Agronomy Department and amended to tailor to the situation differences in the estates and mills.
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	All the estates had conducted JCC meeting and invited all adjacent stakeholders and internals stakeholder including neighboring Estates for fire prevention and control measures.
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	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 acc. with the RSPO LUCA guidance doc.	YES	There was no new land clearing since November 2005 in Jeroco 1 CU.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	Jeroco 1 CU has conducted HCV Assessment available in report "Potential High Conservation Value Area Assessment Report in Lutong Estate, Batangan Estate, Lokan Estate, Lungmanis Estate and Jeroco Palm Oil Mill 1 (JGOE 1)". This report was prepared by the Sustainability Executive and was made available during the surveillance audit. The report was completed in October 2012 and further reviewed in June 2022.
	7.12.2a For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November	YES	The report has identified all the HCV areas within and adjacent to the Jeroco 1 CU, as well as rare, threatened and endangered species (RTEs) for Lutong, Lungmanis, Batangan, and Lokan Estates. The

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Clause	Indicators	Comply Yes/No	Findings
protected or enhanced.	2018, the current HCV assessment of those plantations remains valid.		management and action plans for the HCV areas has been Included in the report. The report has also identified 8 potential HCV areas with the total area of 386.34 Ha.
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.	YES	
	7.12.4 (C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).	YES	The HCV Report of Jeroco 1 CU has identified a potential RTE species along Sg Kretam at Batangan Estate, namely crocodiles. Crocodile is listed as Endangered in the IUCN Red List. Measures taken to maintain/enhance this species as stated in the HCV Action Plan include monthly monitoring, maintain riparian reserve, prohibiting against cutting down trees, spraying, periodic visit to monitor illegal activities, awareness briefings to the workforce during muster on the prohibition against hunting, spraying and manuring within buffer zones. The SOU has established and reviewed the action plan and monitoring programme for HCVs area after consultation with relevant stakeholders. The appropriate measures that are expected to maintain and/or enhance them were implemented through an action. There were no major changes to the integrated management plan, except awareness training, continuous monitoring for HCVs area.
	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,	YES	There are no local communities living adjacent to or nearby Jeroco 1 CU. Thus, this indicator was not audited

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Clause	Indicators	Comply Yes/No	Findings
	obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.		
	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.	YES	Jeroco 1 CU continues to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signage to prohibit hunting, fishing and pesticide spraying not allowed within buffer area at the HCV Area. It was noted that CCTV was placed at strategic area surrounding the estate to control everything including any illegal activities. The CCTV is in operation 24hours. The list of RTE species found in the Jeroco 1 CU has made available in HCV Report [Table 4]. Thus, Jeroco 1 CU established their own disciplinary measures if any of their staff or workers found to capture, harm, collect or kill the RTE species.
	7.12.7 The status of HCVs, HCS forests after 15 Nov 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.	YES	The Jeroco 1 CU will notify the relevant authorities immediately if any individual or workers for the company is found to capture, harm, collect or kill these species or if found any activities to capture, harm, collect or kill RTE species, the estates will make a report to the Wildlife Department immediately. This is in-line with Policy on Rare, Threatened & Endangered Species Policy [clause 4]. There is evidence that monitoring of HCV are being conducted by all the Estates under Jeroco 1 CU monthly.
	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 Nov 2018, the RaCP applies.	YES	Auditors has verified through checking through www.globalforestwatch.com , Google Maps, Estate Maps and also through site visit to all estates. Based on the audit findings, it was confirmed that no land clearing at Jeroco 1 CU since Nov 2005. RaCP did not apply.

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

Clause	Indicators		Comply Yes/No	Findings
<p>5.5.2 Time-bound plan</p> <p>A time-bound plan for certifying all its management units and/or entities, including the units where the organization has mgmt. control and/or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan shall contain a current list of all estates and mills.</p>	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	Yes	HSP was committed towards getting the 100% RSPO certification. The target year for certification was revised to 2022 (as in ACOP 2020). Northbank and Tabin Estate are currently undergone Remediation and Compensation Procedure (RaCP). A meeting was held at RSPO office with RSPO Compensation Manager Ms Khing Su Li to discuss on the revise of Concept Note. HSP have response after the meeting by providing updated Concept Note and documents on 01/03/2021. Meanwhile, based on Retrospective HCV assessment made by certified HCV assessor (Green Harvest S/B) there were no clearance of primary forest at Pelipikan Estate. However, there were land clearing made in May 2006, September 2010 and February 2011. Whereas clearing was made without HCV assessment. HSP received the reviewer's comment on the LUCA assessment and latest replied on 18/04/2021.
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	Yes	There were no changes to the current time bound plan. It was confirmed during audit with representative of HSPHB. Time bound plan was verified by CB.
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	Yes	The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.
	(d)	Where there are isolated lapses in	Yes	The details of the Time Bound Plan described as per attachment

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		implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised.		6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP. As of this audit and Verification of documents and Timebound Plan there are no isolated lapses and fundamental failure to proceed with implementation of the plan in implementation of a time-bound plan
5.5.3 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.12. 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	<p>Assessment of compliance to RSPO Partial Certification Requirements was conducted in Northbank and Tabin Estate on 08-09/03/2021 and for Pelipikan Estate on 07-08/10/2020. From the assessment, the status of the uncertified management unit was summarized as follows:</p> <p><u>Northbank and Tabin Estate</u></p> <p>a) HCV Assessment at Northbank and Tabin Estate has been conducted in year 2013 and completed the report on 20 November 2013.</p> <p>b) Northbank and Tabin Estate are currently undergone Remediation and Compensation Procedure (RaCP). A meeting was held at RSPO office with RSPO Compensation Manager Ms Khing Su Li to discuss on the revise of Concept Note. HSP have response after the meeting by providing revised Concept Note and documents on 11/01/2020.</p> <p><u>Pelipikan Estate</u></p> <p>a) Based on Retrospective HCV assessment made by certified HCV assessor (Green Harvest Sdn. Bhd.) there were no clearance of primary forest at Pelipikan Estate. However, there were land clearing made on May 2006, September 2010 and February 2011. Whereas clearing was made without HCV assessment.</p> <p>received the reviewer's comment on the LUCA assessment and latest replied on 18/04/2021.</p>
	(b)	Land conflicts, if any, are being resolved through a mutually agreed process, such as the RSPO Complaints System or Dispute Settlement Facility, in accordance with RSPO P&C criteria 4.4, 4.5, 4.6, 4.7 and 4.8;	Yes	<p>The latest internal assessment has been made to Northbank and Tabin Estate on 08-09/03/2021 and for Pelipikan Estate on 07-08/10/2020:</p> <p><u>Northbank and Tabin Estate</u></p> <p>Land conflict are still under court case. Please refer Hap Seng Plantations 2018 Annual Report – refer page 115 (b)</p> <p><u>Pelipikan Estate</u></p> <p>Land conflict was resolved with the affected and relevant parties. Please refer Hap Seng Plantations 2018 Annual Report – refer page 269 (c)</p>

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	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2;	Yes	<p>The latest internal assessment has been made to Northbank and Tabin Estate on 08-09/03/2021 and for Pelipikan Estate on 07-08/10/2020:</p> <p><u>Northbank and Tabin Estate</u> JCC meeting with stakeholder which include local communities was conducted on 29/06/2020. The result of the meeting had no significant negative impact by the local community.</p> <p><u>Pelipikan Estate</u> There were no labour dispute reported during JCC with stakeholder meeting conducted on 13/03/2020. Overall no negative impacts.</p>
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	<p>The latest internal assessment has been made to Northbank and Tabin Estate on 08-09/03/2021 and for Pelipikan Estate on 07-08/10/2020, there was no issue on legal non-compliance for all uncertified unit.</p>
	(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, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:	Yes	<p>Based on the latest internal assessment carried out in Feb 2020, the progress of the certification was concluded as non-compliance against 4.5.4. (a-d) on new planting requirement, HCV, legal compliance and labour disputes for Tabin, Northbank and Pelipikan Estate. With regards to the land disputes, the action to address the issues were on-going.</p>
		<ul style="list-style-type: none"> A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement; 	Yes	<p>It was evident that in handling uncertified management unit has conducted the Joint Consultation Committee (JCC) meeting on 29/06/2020 (Northbank and Tabin Estate) and 13/03/2020 (Pelipikan Estate) to address unresolved issues. Actions in progress.</p>
		<ul style="list-style-type: none"> Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team. 	Yes	<p>Further information can be obtained from https://document.rspo.org/Hap_Seng_Plantations_Holdings_Bhd_ACOP2020.pdf</p>
		<ul style="list-style-type: none"> Desktop study e.g. web check on relevant complaints 	Yes	<p>As of this audit Hap Seng Plantations still on track and follow the requirement of uncertified requirement units, Further information can be obtained from https://document.rspo.org/Hap_Seng_Plantations_Holdings_Bhd_ACOP2020.pdf . The details of the Time Bound Plan described as per attachment 6. HSP is progressively undergoing the RSPO Certification process towards 100% RSPO certification of estates/mills. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.</p>
		<ul style="list-style-type: none"> If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements. 	Yes	

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	(f)	For requirements 5.5.3 (a)-(d) above, the classification of critical and non-critical is as stated in the RSPO P&C. If a non-compliance against a critical indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless it is actively addressed. Evidence of active engagement with RSPO in resolving the non-compliance shall be available.	Yes	
	(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	

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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>The right to use the land at Jeroco 1 CU can be demonstrated and not disputed by any party. Auditor had sighted that there were clear land ownership documents. Land titles were available in documents. The original copies of the documents however, were kept in Plantation Central Office (PCO), Sg. Segama. Copies of land titles for all estates were sighted. All the estates were under the jurisdiction of Kinabatangan District. Review of the land titles show that the requirements that the land title for all the estates namely for cultivation of an agricultural crop of economic value have been complied with.</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
MZK 01 2022 3.3.1 (C)	Major	<p>Finding: Standard Operating Procedures (SOP) for the unit of certification was not in line with current RSPO P&C MYNI e.g.:</p> <p>I. SOP Employment for recruiting foreign workers via walk in process was not documented and available.</p> <p>II. SOP Employment for recruiting foreign workers via agent/quota basis was not clear to ensure zero recruitment fees</p> <p>Objective evidence: Review of documents found there are migrant workers from Indonesia and Philippines that apply for work at the CU i.e. individual with passport and individual without passport. However, the recruitment procedures for these migrant workers titled 'Recruitment, Selection, Hiring, Termination, Retirement and Promotion of Workers (local & Foreign) dated 31/05/2020 did not clearly describe the recruiting procedure for foreign workers via "walk in process" or/and via "agent/quota basis". The procedure also did not clearly outline the mechanism to ensure 'recruitment fees' are not forced on migrant workers employed by the CU.</p>	<p>Root cause: The Certification Unit misunderstand on the definition of New RSPO P&C MYNI 2019 (3.3.1) that just required the SOP to be in place viz. only update for major process of Recruitment, Termination, Retirement and Promotion of Workers (for any revision be made). Hence no latest updates to the Standard Operating Procedures (SOP) that involving sub-process of recruitment in term of "walk-in" and "against/quota basis".</p> <p>Correction: The Certification Unit has immediately requested Personnel & Administration Department (P&AD) to revise the Standard Operating Procedure (SOP) Recruitment, Termination, Retirement and Promotion of Workers to further describe the recruiting procedure for foreign workers via "walk in process" or/and via "agent/quota basis". (Attachment 5)</p> <p>Corrective action: The Sustainability Team will cross-check the updating status of Standard Operating Procedure for recruitment, selection, hiring, promotion, retirement and termination (local & foreign workers) at yearly basis.</p>	<p>Auditor have received evidence of Standard Operating Procedure (SOP) – Recruitment, Selection, Hiring, Termination, Retirement and Promotion Of Workers (Local & Foreign) dated 16/08/2022. The updated/amended recruiting procedure for foreign workers via "walk in process" or/and via "agent/quota basis" was clearly described. The procedure also did clearly outline the mechanism to ensure recruitment fees are not forced on migrant workers employed by the CU.</p> <p>Status: Closed</p>
DA 02 2022 3.4.3 (C)	Major	<p>Finding: The social management and monitoring plan was not fully implemented and reviewed in a participatory way.</p> <p>Objective evidence: SIA addendum for replanting activities was not effectively conducted. The stakeholder involvement was only limited to workers. Only 1 workers union</p>	<p>Root cause: Lack of understanding by Certification Unit on the needs to consult the worker and neighbouring plantation from IOI Plantation (Morisem Estate and Leepang Estate) who had been affected in replanting activities. Apart from that, Lungmanis Estate's management also has</p>	<p>Auditor have received evidence of Social Impact Assessment, Management Action Plans and Continuous Improvement Plans with revision dated 08/07/2022. The social management and monitoring plan was implemented and reviewed in participatory</p>

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		<p>representative and 8 harvesters were assessed. Inadequate involvement of workers such as non-union workers, dependence, gender, races, job scopes and etc. Gathering of negative and positive impact was conducted during morning master call. Additionally, no consultation with neighbouring plantation from IOI Plantation (Morisem Estate and Leepang Estate).</p> <p>Furthermore, stakeholder consultation method was not effective. Only two sessions of consultation i.e. groups stakeholders consultation dated 27/04/2021 and JCC Meeting (Lungmanis Estate) dated 23/06/2022 was conducted. The meeting was likely a stakeholders meeting. From the minutes of meeting, there were no specific issues related to revising of SIA Management Plan such as discussion about main activities such as replanting. The minutes of meeting only captured awareness on RSPO and MSPO and open issues with guidance to specific topic needed to be addressed.</p>	<p>lack of understanding on JCC Meeting that management only cover on awareness on RSPO and MSPO and open issues with guidance to specific topic needed to be addressed but not discuss specific issues related to revising of SIA Management Plan such as discussion about main activities such as replanting.</p> <p>Correction: Lungmanis Estate's management immediately consulted the worker and neighbouring plantation from IOI Plantation (Morisem Estate and Leepang Estate) who had been affected in replanting activities (Attachment 3a) and specifically discussed in JCC meeting (Attachment 3b) on replanting activities (only estate that involve with replanting activities) and discuss/include in Social Impact Assessment Report (Attachment 3c) at yearly basis.</p> <p>Corrective action: Sustainability Team to cross-check the consultation by Certification Unit to the worker and neighbouring plantation who had been affected in replanting activities (if any) and specifically discussed in JCC meeting (Attachment 3b) on replanting activities (only estate that involve with replanting activities) at yearly basis.</p>	<p>way. Sighted the mechanism to the assessment such as:</p> <ol style="list-style-type: none"> 1) Questionnaire assessment among internal stakeholders 2) JCC minutes meeting dated 29/06/2022 focusing on social impact of replanting activities. The meeting was carried out with internal and external stakeholder affected. <p>Status: Closed</p>
<p>MN 01 2022</p> <p>7.8.2 (C)</p>	<p>Major</p>	<p>Finding: Water courses and wetlands was not protected, including maintaining and restoring appropriate riparian and other buffer zones was not in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).</p> <p>Objective evidence:</p> <p>During site inspections at Lungmanis Estate (Replanting Area Field 2022), sighted blanket of chemical spraying activities was carried out close to the water edge at the artificial drainage and waterways that directly channel to riparian reserve.</p>	<p>Root cause:</p> <p>Estate's Sprayer has lack of understanding on the chemical spraying prohibition to the area close to the water edge at the artificial drainage and waterways that directly channel to natural waterways also will lead to pollution.</p> <p>Correction:</p> <p>Training to the workers (sprayers) to avoid spraying to the area close to the water edge of the artificial drainage and waterways that directly channel to natural waterways that will lead to pollution. (Attachment 4)</p> <p>Corrective action:</p> <p>Sustainability Team to monitor (twice a year) the efficiency of training conducted by estate on</p>	<p>Auditor had verified evidence attached training material i.e. training report, pictures of training and attendance list. The training of <i>best practices on riparian reserves management</i> was conducted for all sprayers on 03/09/2022 and trained by estate manager.</p> <p>Status: Closed</p>

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			area to prohibit spraying i.e. Riparian area and area close to the water edge at the artificial drainage and waterways that directly channel to natural waterways.	
DA 01 2022 1.1.5	Minor	<p>Finding: Stakeholder list incomplete.</p> <p>Objective evidence: There is no internal stakeholder listed in the stakeholder list at Jeroco 1 CU such as workers leader, women leader, religion head, ethnic leader etc. this group is the biggest affected group by the CU operations.</p>	<p>Root cause: The Certification Unit misunderstand that the current list of stakeholders has included workers leader, women leader, religion head, ethnic leader etc. in the internal list stakeholders.</p> <p>Correction: The Certification Unit has immediately appointed workers leader, women leader, religion head, ethnic leader etc. to be included in the internal list of stakeholders. (Attachment 1a, 1b, 1c, 1d and 1e)</p> <p>Corrective action: Estate and mill management to monitor the list of internal stakeholders at yearly basis to ensure stakeholder list is updated.</p>	<p>Corrective action plan has been reviewed and deemed to be satisfactory to address the Minor Nonconformity. Evidence of the CAP will be verified during next assessment.</p> <p>Status: Open</p>
DA 03 2022 6.5.3	Minor	<p>Finding: Management yet to assess the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified.</p> <p>Objective evidence: There are no evidence of records needs of new mothers' assessment at Jeroco 1 CU.</p>	<p>Root cause: The Certification Unit misunderstand that the needs of new mothers' assessment only covered the First kid and not assess the needs of new mothers for Second, Third, Fourth and Fifth kid.</p> <p>Correction: The Certification Unit has immediately assessed the needs of new mothers (with > 1 kid), in consultation with the new mothers. (Attachment 2a, 2b, 2c, 2d, and 2e)</p> <p>Corrective action: The Sustainability Team will cross-check the estate/mill's assessment of the needs of new mothers, in consultation with the new mothers with proper record and ensure this agenda to be discussed on gender meeting at yearly basis.</p>	<p>Corrective action plan has been reviewed and deemed to be satisfactory to address the Minor Nonconformity. Evidence of the CAP will be verified during next assessment.</p> <p>Status: Open</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
2.1.1	Major	<p>Finding: The unit of certification did not comply with applicable legal requirements under Occupational Safety and Health (Noise Exposure) Regulations 2019 Section 4. This regulation gazette on 01/03/2019 and come into operation on 01/06/2019.</p> <p>Objective evidence: Jeroco 1 CU has yet to conduct the Noise Risk Assessment (NRA) during the audit process. The CU only managed awarded the contract to Chemsain Konsultant Sdn. Bhd. to conduct the NRA.</p>	<p><u>Root cause:</u> Noise risk Assessment not yet conducted due to prolong of Movement Restriction Order (MCO) of Covid-19 pandemic causing late receiving of assessment instrument (sent to Cirrus Research, UK for calibration) by appointed consultant and then affected/delayed the performing of Noise Risk assessment at 4 estate and mill.</p> <p><u>Correction:</u> Noise Risk Assessment has been immediately conducted on 14.3.22 as per confirmation of estates/mills appointed consultant.</p> <p><u>Corrective Action:</u> Operating unit to find alternative consultant that can conduct Noise Risk Assessment earlier than appointed consultant (if any) or to closely follow-up with result/supporting document if the current consultant has shown the sign of delaying the assessment proposal to conduct the assessment within the agreed timeline, in order to ensure the Noise Risk Assessment be conducted timely/soonest possible.</p>	<p><i>Jeroco 1 POM</i> Noise Risk Assessment were available and was conducted on 14/03/2022 by Chemsain Konsultant Sdn and the assessor are Mr Erwin Sylvester Joseph (DOSH Registration no.: #HQ/121/PEB/00/00043). This assessment was carried out to identified and explain the finding of noise risk assessment at mill operation. From this assessment work unit i.e., biogas operator, laboratory, gas engine, mechanic, engine driver, boiler, fitter, mill supervisor have been risk assessed. Baseline audiometric testing shall be conducted for work unit i.e boiler, engine driver, fitter, technician, laboratory, wiremen, supervisor, workshop, processing.</p> <p><i>Supply Based Estates</i> Noise Risk Assessment were available and was conducted on 14 & 16/03/2022 by Chemsain Konsultant Sdn and the assessor are Mr Erwin Sylvester Joseph (DOSH Registration no.: #HQ/121/PEB/00/00043). This assessment was carried out to identified and explain the finding of noise risk assessment at estate operation. From this assessment work unit i.e., tractor driver, grass cutter, genset operator, and mechanic have been risk assessed.</p> <p>Status: Closed</p>

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7.8.1	Minor	<p>Finding: The water management plan review 9th December 2021 was not comprehensive.</p> <p>Objective evidence:</p> <p>Sighted that first quarterly report for month of January 2021 for JPOM 1 was exceed limit parameter. However, the organization had yet to include corrective action plan to address this off-spec situation when occurred inside water management plan.</p>	<p>Root cause: Water management plan not updated the off-spec effluent final discharge analysis result detected by CU due to JGOE and JPOM are guided by the latest finding (April '21) raised by SIRIM QAS auditor to other Certification Unit viz. only prolonged off-spec parameter analysis result need to include and update its correction action plan in the water management plan (which is more practical and logic against current finding justification given by this audit)</p> <p>Corrective action: Monthly monitoring and review will be conducted</p>	<p>The water management plan has been included action plan if found Off spec on POME, in water consumption action plan no. 4. BOD level of effluent final discharge off-spec-action taken has been made through monthly monitoring basis by Biogas Engineer, latest on 29/06/2022- result on specs.</p> <p>Status: Closed</p>
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ATTACHMENT 6 – Timebound Plan

HAP SENG PLANTATIONS HOLDINGS BERHAD TIME BOUND PLAN ON RSPO CERTIFICATION

No.	CU	Location	Date of Certification	Valid until	CAB
1	Hap Seng Plantations (River Estates) Sdn Bhd - Sg Segama Group of Estate & Bukit Mas Palm Oil Mill	Lahad Datu	24/05/2017	23/05/2022	PT TUV Rheinland
2	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill	Lahad Datu	27/09/2018	26/09/2023	SIRIM QAS
3	Jeroco Plantations Sdn Bhd Jeroco Palm Oil Mill 2	Lahad Datu	27/09/2018	26/09/2023	SIRIM QAS
4	Hap Seng Plantations (River Estates) Sdn Bhd - Tomanggong Group of Estates	Lahad Datu	09/01/2020	08/01/2025	SIRIM QAS
5	Kawa Estate and Hap Seng Estate, Hap Seng Plantations (Ladang Kawa) Sdn Bhd *combined with Sg Segama Group of Estate & Bukit Mas POM, w.e.f 2018	Tawau	24/05/2017	23/05/2022	PT TUV Rheinland
6	2.1.1	Kota Marudu	2022 (as per ACOP 2020)	Not Applicable	Not Applicable
7	Hap Seng Plantations (River Estates) Sdn Bhd – Tomanggong Group of Estates – North Bank Estate and Tabin Estate	Lahad Datu	2022 (as per ACOP 2020)	Not Applicable	Not Applicable

Note:

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