



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

File Ref. : EK91220001

PUBLIC SUMMARY REPORT

CLIENT : SYARIKAT KRETAM MILL SDN BHD CERTIFICATION UNIT

PARENT COMPANY : KRETAM HOLDINGS BERHAD

RSPO MEMBERSHIP No.: 1-0189-15-000-00

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	
SYARIKAT KRETAM MILL SDN BHD	Syarikat Kretam Mill	5° 39' 25" N	117° 50' 15" E	Off KM 45, Sandakan – Lahad Datu Highway, Sandakan, Sabah
	Bode Estate	5° 38' 37" N	117° 49' 54" E	
	Masang Estate (2 Div)	5° 39' 47" N	117° 51' 55" E	
	Bukit Sekong Estate (2 Div)	5° 36' 12" N	117° 54' 09" E	Batu 60, Jalan Sukau, Kinabatangan
	Sapagaya Estate	5° 34' 52" N	118° 01' 06" E	KM 82 Jalan Lahad Datu / Sandakan, Kinabatangan
	Seraya Estate	5° 38' 39" N	117° 36' 5" E	Mile 50, Labuk Road, Segaliud-Lokan, 90200, Kinabatangan

MAP : See Attachment 1

AUDIT DATE : 10 – 14 APRIL 2023

DURATION : 19 Auditor days

TYPE OF AUDIT :

☒ Annual Surveillance Audit No. 01

☐ Recertification Audit

STANDARD : MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

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

VALIDITY OF RSPO CERTIFICATE : 18th July 2022 – 17th July 2027

The following attachments form part of this report:

Non-conformity Report(s) ☒

List of additional site(s) ☐

Report by Audit Team Leader

Name : **Mohd Zulfakar Kamaruzaman**

Signature :

Date : **18/7/2023**

Acknowledgement by Client's Representative

Name : **Spencer Joseph**

Signature :

Date : **20/7/2023**

SUMMARY OF AUDITS

Stage 2 audit / Recertification audit				
On-site audit date :	28/03/2022-01/04/2022		No. of auditor days :	26 AD
Audit team :	TLA-Rohazimi Bin Mat Nawi A- Mohd Ab Raouf Asis, Dzulfikar Azmi, Mohd Zulfakar Kamaruzaman, Rozaimiee Ab Rahman, Mohd Nordin Abd Jalil			
No. of major NCR :	2	Indicator:6.2.4 & 7.8.2		Closing date : 29/6/2022
No. of minor NCR :	3	Indicator :7.3.3, 6.7.2 & 1.1.2		
Indicate the stakeholders interviewed during the on-site audit :	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	/		/	/
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
			/	
	Indigenous people	Contractor	Others (Please specify)	
	NA			
Supply base sampled :	Bode Estate, Masang Estate, Sapagaya Estate, Bukit Sekong Estate			
Justification of audit planning :	Total allocation of auditor days for Syarikat Kretam Mill 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 = 21 days each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title			
Name of peer reviewer :	Harso Yuli Antena			
Report approved by :	Kamini Sooriamoorthy		Approval date : 18/07/2022	

Annual Surveillance Audit 1				
On-site audit date :	10 – 14 APRIL 2023		No. of auditor days :	19 Auditor days
Audit team :	Mohd Zulfakar Kamaruzaman, Dzulfikar Azmi, Rozaimiee Ab Rahman, Selvasingam T. Kandiah			
No. of major NCR :	2	Indicator: 3.8.11, 6.1.5		Closing date: 13/07/2023
No. of minor NCR :	4	Indicator : 2.2.2, 3.3.2, 7.3.1, 7.12.7		
Indicate by ticking the stakeholders interviewed during the on-site audit :	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	/		/	
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
				/
	Indigenous people	Contractor	Others (Please specify)	
	NA	/		
Supply base sampled :	Bode Estate, Masang Estate, Bukit Sekong Estate, Seraya Estate			
Changes since the last audit :	Added 1 new estate to certify as per Time Bound Plan which is Seraya Estate into the Certification Unit			
Justification of audit planning :	Total allocation of auditor days for Syarikat Kretam Mill 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 each for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title			
Name of peer reviewer :	NA			
Report approved by :	Kamini Sooriamoorthy		Approval date : 18/07/2023	

SUMMARY OF INFORMATION

TABLE 1

	RA	ASA 1	ASA 2	ASA 3	ASA 4
*Projection Period / Reporting Period	April 2022 – March 2023	April 2023 – March 2024			
Certified FFB Processed (MT)	202,558.00	204,050.00			
Production of Certified CPO (MT)	42,535.40	44,936.88			
Production of Certified PK (MT)	9,118.65	9,207.14			
Certified Areas (Ha)	10,567.66	*11,421.50			
Planted Areas (Ha)	9,587.74	*10,303.60			
Production Areas (Ha)	8,809.94	*9,452.06			
HCV Areas / Conservation Areas (Ha)	250.00	250.00			
REMARKS	*Changes in planted and certified areas including Seraya Estate				

TABLE 2

	PO	PK
Last years certified volume (MT) + extension	42,535.40	9,118.65
Last years actual certified sold (MT)	32,048.50	8,115.73
Last years actual sold under other schemes (MT)	25.15	0.00
Last year's sold conventional (MT)	0.00	0.00
Last year actual sold CSPO credits (where applicable)	0.00	0.00
New year certified volume (MT)	44,936.88	9,207.14

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1.0 AUDIT PROCESS

1.1 Certification Body

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

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

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd Zulfakar Kamaruzaman	Lead Auditor SCCS, Social – External, HCV	Holds a B.Sc. Forestry. He had several years of working experience in the oil palm operation. He is a qualified RSPO P&C, MSPO and RSPO SC Lead Auditor.
Selvasingam T Kandiah	Auditor / Safety related to plantation only, GAP	Holds a B. Sc. (Hons) in Agriculture, he had work as a planter with Kumpulan Guthrie Berhad for more than 10 years including one year in Liberia and 2 years in Estate Department in Guthrie Headquarters. He is a qualified RSPO P&C and MSPO Lead Auditor.
Dzulfiqar Azmi	Auditor Social – Internal, TPB	Holds a B. Sc. in Agriculture from University Teknologi Mara (UiTM). He had more than 5 years of working experience in the oil palm operation and experience in auditing since 2017.
Rozaimie Ab Rahman	Auditor Environment, GAP and Safety, GHG, Metrics Template	Holds a B.Sc. in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation. He is a qualified RSPO P&C, MSPO and RSPO SC Lead Auditor.

1.3 Audit methodology

The audit covered the 1 palm oil mill and 4 estates 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 4 supply base covered during the audit are Bode Estate, Masang Estate, Bukit Sekong Estate, Seraya Estate. The audit included an 1 new estate to be certified as per Timebound plan which is Seraya Estate, and 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

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

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (local / foreign / Orang Asli workers / male & female)	<ul style="list-style-type: none"> a. Workers work 6 days a week with one rest day (Sunday). They work 8 hours with a minimum of 30 minutes' break in between. b. All workers confirmed that they receive a minimum of RM1500 per month. They receive their salaries before 7th of every month. c. Some workers receive their wages in cash and some workers received their wages through bank in. they can withdraw at nearest town i.e., Bukit Garam or Checkpoint. d. Any overtime work is mutually agreed between workers and management, and that there is no element of forcing. e. Documented foreign workers are not subjected to any recruitment fee. Foreign workers who choose to keep their passports at the office have done so with their written consent. f. Undocumented dependant is being legalised in stages with collaboration with the Indonesian consulate. g. Workers are generally satisfied with the way complaints lodged are acted upon. Delays in house repairs, if any, are usually due to the need to order repair parts. h. Workers, including foreign workers get to appoint their own representatives. There is no interference of influence exerted by the employer. i. For newly arrived foreign workers who do understand Bahasa or English, translations are provided during briefings. <p>Please refer to indicator 6.2.1 for name list of workers interviewed at all estates.</p>
2) Settlers	NA
3) Villagers / Local communities (including women representatives, displaced communities)	Interviewed relevant stakeholders such as villager representatives from Kg Batu 8, Kampung Berjaya 1, Kampung Buang Sayang, Kampung Sri Tanjung, Kampung Rantau Abang. No issue.
4) Suppliers	No issue raised. Payments are received in time.

5) Contract workers (local / foreign / Orang Asli workers / male & female)	NA
6) Local & national NGOs	NA
7) Government agencies / Statutory bodies	NA
8) Independent growers / Smallholders	NA
9) Indigenous people	NA
10) Contractor	<p>Some of the contractors sampled:</p> <ol style="list-style-type: none"> 1) Tai Ann and Lo Nyuk Kiong (contractor from Bukit Sekong Estate) 2) Syarikat Sri Manjung and Hasanuddin Company (contractor from Sepagaya Estate) 3) Juita Baru Sdn Bhd, K.K Fong Sdn Bhd, and Gordon Anchi Bersaudara (POM) <p>From the interview with contractors, it can be confirmed that they understand on terms and conditions of the agreement between themselves and KHB. No complaints against the certification unit.</p> <ul style="list-style-type: none"> ▪ Fair dealings with the units in Kretam Mill CU. ▪ Payments are made within 1 months of invoice. ▪ For transporter contractor, the estate mandore and staff will verify the work the contractor has done before his invoice can be approved for payment. ▪ All contractors' workers had attended RSPO training, signed COBC commitment statement and safety briefing. The Company provides PPE. ▪ Suppliers of hardware and spare parts invoices were based on agreed quoted prices. ▪ Payment to contractors were made usually within 45 days of invoice. Renewal of contract is via tender system. ▪ Contractor and his workers knew about the minimum wages order requirement the workers make statutory contributions such as EPF, EIS and SOSCO. Workers details including names, pay slips, were presented for verification. ▪ All contractors also attended stakeholder meetings. ▪ Contractors must provide to the estates copies of their worker details and payslips.
11) Previous land owner (if any)	NA
12) Others (please specify)	NA

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

Syarikat Kretam Mill Sdn. Bhd. and the supply bases owned by Kretam Holdings Berhad (KHB) is located at Bode Estate, Sandakan, Sabah, Malaysia was newly transferred to SIRIM QAS on 21 May 2020. KHB is a plantation organization with operations in 3 regions namely Sandakan, Tawau and Lahad Datu, Sabah, Malaysia. There are 3 mills, one in each region and one refinery in the Sandakan region. The supply bases of Kretam Mill consist of 5 owned estates namely Bode, Sapagaya, Bukit Sekong, Masang and Seraya Estate, which is included in this 2023 Audit for certification, in accordance with the RSPO Timebound Plan.

The palm oil mill operates with a processing capacity of 60MT FFB/hr. The CU has ISCC certification besides RSPO P&C and Supply Chain, and MSPO Certification.

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

The FFB sourced from company owned estates that are certified and a small proportion from third party suppliers. Details of the FFB contribution from each source to the Syarikat Kretam Mill Sdn Bhd were as follow:

Table 1 : Actual FFB production by the supply base for the last reporting period (April 2022–March 2023)

CU own estates	FFB Production	
	Tons	Percentage (%)
Masang	45,095.62	24.38
Bode	55,229.31	29.86
Sapagaya	62,439.03	33.76
Bukit Sekong	19,473.20	10.53
Diversion		
Abedon	2,696.21	1.46
Total	184,933.37	100.00

Table 2: Projected FFB production by supply base for the next reporting period (April 2023 to March 2024)

CU own estates	FFB Production	
	Tons	Percentage (%)
Masang	59,576	29.20
Bode	46,465	22.77
Sapagaya	65,351	32.03
Bukit Sekong	20,273	9.94
Seraya	12,385	6.07
Total	204,050	100

**Table 3: Actual FFB received and CPO & PK dispatch by the Mill for the last reporting period
(March 2022 – March 2023)**

RSPO Supply Chain Model: IP	Total (MT)
FFB Received	184,933.37
FFB Processed	184,818.50
CPO Production	39,132.77
PK Production	8,467.30
CPO delivered as RSPO certified	32,048.50
CPO delivered under other schemes (MT) - ISCC	25.15
PK delivered as RSPO certified	8,115.73
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
(April 2023 – Mac 2024)**

RSPO Supply Chain Model: IP	Total (MT)
FFB Received	204,050.00
FFB Processed	204,305.26
CPO Production	44,936.887
PK Production	9,207.14

Table 5 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Bode Estate	2,803.42	3,472.82
Masang Estate	2,923.46	3,178.62
Bukit Sekong Estate	826.30	866.86
Sepagaya Estate	2,998.18	3,049.77
Seraya Estate	752.24	853.43
Total	10,303.60	11,421.50

Table 6 Planting profile for Syarikat Kretam Mill CU

<u>Estate</u>	<u>Year of planting</u>	<u>Mature >3 years (Ha)</u>	<u>Immature < 3 years(Ha)</u>	<u>Planted area</u>	<u>% of planted area mature</u>	<u>% of planted area immature</u>
Bode Estate	1997	102.03	0.00	102.03		
	1998	127.72	0.00	127.72		
	2000	154.14	0.00	154.14		
	2001	196.47	0.00	196.47		
	2003	210.49	0.00	210.49		
	2004	249.04	0.00	249.04		
	2005	214.64	0.00	214.64		
	2006	246.34	0.00	246.34		
	2007	158.03	0.00	158.03		
	2008	90.90	0.00	90.90		
	2009	78.14	0.00	78.14		
	2012	89.35	0.00	89.35		
	2016	123.94	0.00	123.94		

	2017	101.63	0.00	101.63		
	2018	201.72	0.00	201.72		
	2019	40.46	0.00	40.46		
	2021	0.00	292.33	292.33		
	2022	0.00	126.05	126.05		
Sub. Total		2385.04	418.38	2803.42	85.08	14.92
Bukit Sekong Estate	2000	59.60	0.00	59.60		
	2012	185.70	0.00	185.70		
	2015	160.38	0.00	160.38		
	2016	224.86	0.00	224.86		
	2017	195.76	0.00	195.76		
Sub. Total		826.30	0.00	826.30	100.00	0.00
Seraya Estate	2009	11.24	0.00	11.24		
	2010	61.60	0.00	61.60		
	2011	194.85	0.00	194.85		
	2015	102.24	0.00	102.24		
	2016	121.60	0.00	121.60		
	2018	125.55	0.00	125.55		
	2019	62.32	0.00	62.32		
	2022	0.00	72.84	72.84		
Sub. Total		679.40	72.84	752.24	90.32	9.68
Masang Estate	2001	55.06	0.00	55.06		
	2001	237.13	0.00	237.13		
	2002	37.97	0.00	37.97		
	2004	24.13	0.00	24.13		
	2004	213.68	0.00	213.68		
	2005	247.14	0.00	247.14		
	2007	215.63	0.00	215.63		
	2010	299.69	0.00	299.69		
	2011	384.70	0.00	384.70		
	2012	238.48	0.00	238.48		
	2013	324.68	0.00	324.68		
	2014	131.45	0.00	131.45		
	2015	80.55	0.00	80.55		
	2018	145.61	0.00	145.61		
	2019	130.46	0.00	130.46		
	2020	0.00	68.87	68.87		
	2021	0.00	24.14	24.14		
	2022	0.00	64.09	64.09		
Sub. Total		2766.36	157.10	2923.46	94.63	5.37
Sapagaya Estate	2001	445.24	0.00	445.24		
	2003	135.71	0.00	135.71		
	2004	193.79	0.00	193.79		
	2005	232.01	0.00	232.01		
	2006	286.66	0.00	286.66		
	2007	288.2	0.00	288.2		
	2008	275.74	0.00	275.74		
	2009	294.25	0.00	294.25		

	2010	252.47	0.00	252.47		
	2011	197.99	0.00	197.99		
	2012	192.90	0.00	192.90		
	2022	0.00	203.22	203.22		
Sub. Total		2794.96	203.22	2998.18	93.22	6.78
Grand Total		9,452.06	851.54	10,303.60	91.74	8.26

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as below:

Name	:	Spencer Joseph
Position	:	Assistant Manager – Sustainability
Address	:	Head Office Sandakan
Phone no.	:	014-6744861
Email	:	spencer@kretam.com

3.0 AUDIT FINDINGS

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

Changes planted and certified areas to include Seraya Estate, ongoing certification during this audit.

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 :

Refer 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?

Refer attachment 6

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

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

If no, please state reasons

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

3.3	Other changes (e.g. organizational structure, new contact person, addresses, etc.)		
	No Changes		
3.4	Status of previous non-conformities *	<input checked="" type="checkbox"/> Closed	<input type="checkbox"/> Not closed*
	* If not closed, minor non conformity will be upgraded to major non conformity		
3.5.	Complaint received from stakeholder (if any)		
	No complaint received. Other communication as per table consultation.		
4.0	DETAILS OF NON-CONFORMITY REPORT		
4.1	For P&C (Details checklist refer to Attachment 3) :		
	Total no. of minor NCR(s)	List :	DA 02 2023 (2.2.2), STK 01 2023 (3.3.2), RAR 01 2023 (7.3.1), MZK 02 2023 (7.12.7)
	Total no. of major NCR(s)	List :	MZK 01 2023 (3.8.11), DA 01 2023 (6.1.5)
4.2	For SC (Details checklist refer to Attachment 3) :		
	Total no. of minor NCR(s)	List :	
	Total no. of major NCR(s)	List :	
5.0	AUDIT CONCLUSION		
	The audit team concludes that the organization has / has not * established and maintained its management system in line with the RSPO P&C requirements of the standard and demonstrated the ability of the system to systematically achieve agreed criterion & requirements.		

6.0 RECOMMENDATION

☐

No NCR recorded. Recommended to continue certification.

☒

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

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

☒

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

☒

Recommended to continue certification.

☐

Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but not fully accepted by the audit team. NCR(s)..... have not been satisfactorily closed out within 90 days of the audit. Recommended for suspension of the certificate.

Note: Major NCRs which are not addressed within a further 90 days shall result in the certificate being withdrawn.

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

Audit Team Leader :

MOHD ZULFAKAR
KAMARUZAMAN

(Name)

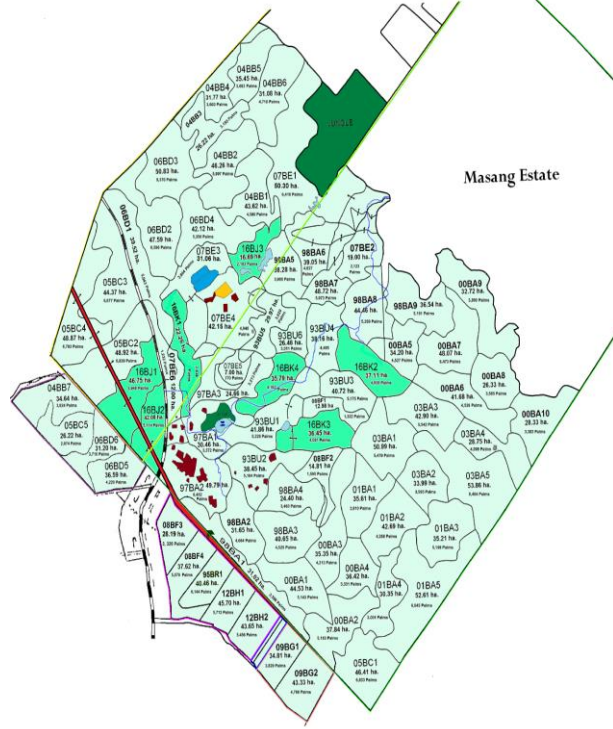


(Signature)

13/7/2023

(Date)

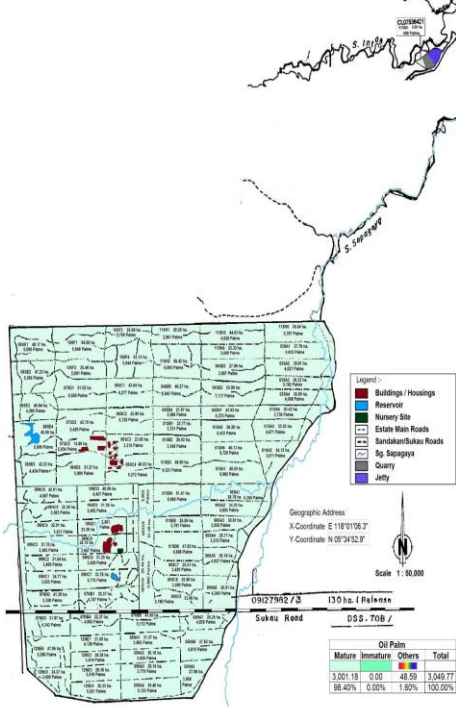
Bode Estate



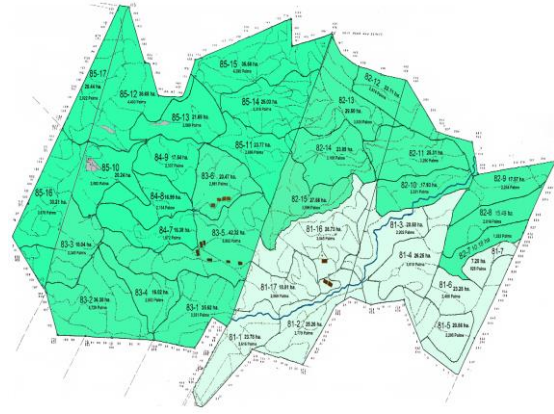
Masang Estate



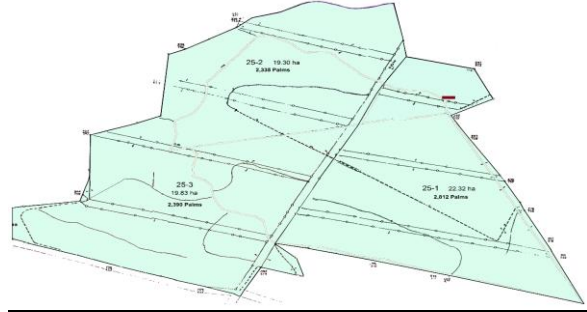
Sapagaya Estate



Bukit Sekong Estate



Sukau (Division 1)



SURVEILLANCE 1 RSPO 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 : 10 – 14 APRIL 2023.

3. Site of assessment : SYARIKAT KRETAM MILL SDN BHD CU:

- Syarikat Kretam Mill POM
- Bode Estate
- Masang Estate
- Bukit Sekong Estate
- Seraya 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	:	Mohd Zulfakar Kamaruzaman (SCCS, Social – External, HCV)
Auditor	:	Dzulfiqar Azmi (Social – Internal, TPB) Rozaimiee Ab Rahman (Environment), GAP and Safety (only Bode) GHG, Metrics Template) Selvasingam T. Kandiah (Safety (Estate and Mill), GAP)
Observer	:	N/A
ASI Witness	:	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 in the next audit.

9. Confidentiality Requirements

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

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

10. Working Language : English and Bahasa Malaysia

11. Reporting

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

12. Facilities Required

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

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

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

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

- a) Reporting time frames for economic data are:
 - i. Calendar year (January to December): January 2022 to December 2022, and
 - ii. 12-month period counting up to two months before audit month: February 2022 to January 2023
- b) Reporting time frames for demographic data:
 - i. For mill and estate workers: as of 31 December 2022
 - ii. For smallholders and outgrowers: January 2022 to December 2022
- c) Reporting time frame for all other social and environmental data:
 - i. January 2022 to December 2022

The updated Metrics Template (as attached, the version 2.0) will be enforced from 1 August 2021. All audits conducted from 1 August 2021 onwards must use the updated Metrics Template (version 2.0).

14. Assessment Program : as below

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Date / Time	Coverage of assessment / Activity / Site	RAR	DA	MZK	STK
Day 1: 10/04/2023 (Monday)					
8.00am – 8.30am	Opening Meeting – Venue: Bode Estate <ul style="list-style-type: none"> Audit team Leader - Briefing on assessment objectives, scope, methodology, confidentiality clarification, audit criteria and programmes Organization Representative - Briefing RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases , Time bound plan, actions taken to address previous audit findings. 	/	/	/	NA
8.30am – 1.00pm	Site observation to Bode Estate P1, P2, P3, P4, P5, P6, P7 <ul style="list-style-type: none"> Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Land titles user rights Social aspects - SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the CU Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, New planting Occupational safety & health aspects, chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management GHG & Metric template verification 	/	/	/	NA
1.00pm	Lunch Break	/	/	/	NA
2.00pm – 4.00pm	Continue assessment at respective sites	/	/	/	NA
4.00-4.30pm	Discussion on any findings / briefing with cu	/	/	/	NA
5.00 pm	End of day 1 audit	/	/	/	NA

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Date / Time	Coverage of assessment / Activity / Site	RAR	DA	MZK	STK
Day 2: 11/04/2023 (Tuesday)					
8.30am – 1.00pm	Site observation to Bukit Sekong Estate P1, P2, P3, P4, P5, P6, P7 <ul style="list-style-type: none"> Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Land titles user rights Social aspects - SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the CU Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, New planting Occupational safety & health aspects, chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management GHG & Metric template verification 	/	/	/	/
1.00pm	Lunch Break	/	/	/	/
2.00pm – 4.00pm	Continue assessment at respective sites	/	/	/	/
4.00-4.30pm	Discussion on any findings / briefing with cu	/	/	/	/
5.00 pm	End of day 2 audit	/	/	/	/
Date / Time	Coverage of assessment / Activity / Site	RAR	DA	MZK	STK
Day 3: 12/04/2023 (Wednesday)					
8.30am – 1.00pm	Site observation to Masang Estate <ul style="list-style-type: none"> P1, P2, P3, P4, P5, P6, P7 Occupational safety & health aspects, chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Social aspects -SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the estate Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. Land titles user rights Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, New planting Interview with workers, contractors etc. Occupational safety & health aspects, chemical management 	/	/	/	/

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	<ul style="list-style-type: none"> Interview with workers, contractors etc. Environmental management, waste & chemical management GHG & Metric template verification 				
1.00pm	Lunch Break	/	/	/	/
2.00pm – 4.00pm	Continue assessment at respective sites	/	/	/	/
4.00-4.30pm	Discussion on any findings / briefing with cu	/	/	/	/
5.00 pm	End of day 3 audit	/	/	/	/
Date / Time	Coverage of assessment / Activity / Site	RAR	DA	MZK	STK
Day 4: 13/04/2023 (Thursday)					
8.30am – 1.00pm	Site observation to Seraya Estate <ul style="list-style-type: none"> P1, P2, P3, P4, P5, P6, P7 Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Social aspects -SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the estate Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. Land titles user rights Good Agricultural Practice such as harvesting, weeding, spraying, EFB mulching, POME application, IPM, New planting Interview with workers, contractors etc. Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management GHG & Metric template verification 	/	/	/	/
1.00pm	Lunch Break	/	/	/	/
2.00pm – 4.00pm	Continue assessment at respective sites	/	/	/	/
4.00-4.30pm	Discussion on any findings / briefing with cu	/	/	/	/
5.00 pm	End of day 4 audit	/	/	/	/

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Date / Time	Coverage of assessment / Activity / Site	RAR	DA	MZK	STK
Day 5: 14/04/2023 (Friday)					
8.30am – 1.00pm	Site observation to Syarikat Kretam Mill POM RSPO Supply Chain 2017 <ul style="list-style-type: none"> RSPO Supply chain standard implementation including model requirements P1, P2, P3, P4, P5, P6, P7 <ul style="list-style-type: none"> Occupational safety & health aspects , chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management Land titles user rights Social aspects - SIA, management plan & implementation, workers' quarters, Stakeholder consultation with affected communities surrounding the CU Interview with gender committee, safety committee, worker representative, contractors, supplier, etc. Mill Best Practice such as grading, workshop, boiler, etc New planting Occupational safety & health aspects, chemical management Interview with workers, contractors etc. Environmental management, waste & chemical management GHG & Metric template verification 	/	/	/	/
12.00pm	Friday Prayer/Break	/	/	/	/
1.30pm – 3.30pm	Continue assessment at respective sites	/	/	/	/
3.30-4.30pm	Verification on outstanding issues for CU Auditor to inform auditee on the required document / records Continue Audit Team discussion and preparation of assessment findings.				
4.30-5.00pm	Discussion and acceptance on assessment findings with Management Representative. Closing meeting at CU	/	/	/	/

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	The Syarikat Kretam Mill Sdn Bhd CU – Sandakan Region (KHB Sandakan Region CU) continued to implement the procedure for responding to any communication as outlined in their Estate/Mill Sustainability Department documents. The records of communication were identified and maintained in different files depending on the stakeholder. Among the records reviewed were correspondences with the authorities and employees. The CU continued to use the 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 Kretam Holdings Berhad website at http://www.kretam.com/ .
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	KHB Sandakan Region CU has conducted a meeting with the stakeholder to share any new information on RSPO certification, environmental, social, safety and legal requirement applied to all operating units. The previous stakeholder consultation involved relevant stakeholders such as government authorities, CLC/school's representatives, contractors, local communities, internal stakeholders, neighboring plantations, and etc. were briefed on all the RSPO principles and criteria.
	1.1.3 (C) Records of requests for information and responses are maintained.	YES	Records of requests for information and responses are maintained. Information requests and responses implemented based on Communication Procedure to handle communication for internal and external stakeholders.
	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 Kretam Holdings Berhad for the estates and mill were maintained and available at the audited sites.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	The list of stakeholders 2023 dated Feb 2023 for Kretam Mill CU is maintained and made available during the audit. The stakeholders list at Kretam Mill CU includes internal & external stakeholders.
1.2 The unit of certification commits	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including	Yes	Policy for ethical conduct is available via Code of Conduct & Human Rights Policy signed by Chief Executive Officer (CEO), Datuk Freddy Lim Nyuk Sang dated 1/3/2020. Based on documentation review, observations during audit and interviews conducted, the ethical

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Clause	Indicators	Comply Yes/No	Findings
to ethical conduct in all business operations and transactions.	recruitment and contracts.		conduct policy is implemented in its sampled business operations and transactions. Contractors, suppliers and employees interviewed are aware of conflict of interest and the offence of accepting bribery and have been briefed on the same during stakeholder meetings and company policy briefings.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	There are at least two systems in place that monitor compliance and implementation of ethical conduct: <ul style="list-style-type: none"> a. Establishment of a Tender Committee to ensure transparency, independence and no conflict-of-interest situation. All tenders are reviewed, selected and approved by a Tender Committee based in HQ in Sandakan, Sabah. b. Internal audit and external audit done by selected departments to ensure compliance and implementation of overall ethical business practices.

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	Syarikat Kretam Mill Sdn Bhd CU continued to comply with most applicable legal requirements.
	2.1.2 A documented system for ensuring legal compliance is in place. This system has a means to track changes to the laws and regulations.	YES	List of Related Laws, Regulation and Guidelines has been prepared by Sustainability Team and HR Team with updated date in Nov 2022. The Sustainability Team will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.
	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	In Syarikat Kretam Mill Sdn Bhd CU legal boundaries were clearly demarcated and visibly maintained. During the site review, physical markers were visibly maintained at Bukit Sekong, Masang & Seraya Estates and it was observed that there was no planting beyond these legal boundaries. The boundary of the Oil Palm Mill was Chain link Fence. The perimeter boundary of the estate was visibly maintained with wooden posts along the boundary, especially the ones adjacent to other private estates.
2.2 All contractors	2.2.1 A list of contracted parties is maintained.	YES	The list of contracted parties maintained in stakeholders list which has been updated in Feb 2023.

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Clause	Indicators	Comply Yes/No	Findings
providing operational services and supplying labour and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.	2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/accredited) for migrant workers, service providers and labour contractors, is available.	NO	Legal due diligence is carried out by the Contracts Department at KHB HQ in Sandakan. This include obtaining the contractors' registered company names and addresses, contact numbers, evidence of company registration, details of contractors' principal activities, authorised and paid-up capital, list of shareholders, board of directors, bank details, financial auditors, and current trading/business licences. However, there is no evidence of due diligence of workers regularization agency for migrant workers. Thus, Minor NCR DA 02 2023 has been raised
	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	Contracts sampled, including those for FFB supply, contained clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.
2.3 All FFB supplies from outside the unit of certification are from legal sources.	2.3.1 (C) For all directly sourced FFB, the mill requires: <ul style="list-style-type: none"> Information on geo-location of FFB origins. Evidence of the ownership status or the right/claim to the land, or valid use of land by the grower/smallholder One or more supporting documents for claims Valid MPOB license 	YES	Not applicable. No FFB supply from outside. All owned FFB as production.
	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	Not applicable. No FFB supply from outside. All owned FFB as production.

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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	<p>Syarikat Kretam Mill Sdn Bhd CU continued to have a business plans prepared annually with a projection for 5 years. The business plans acted as a guide towards sustainable business planning for the future. The components of the business plan are presented in a budget format comprising of the following.</p> <ul style="list-style-type: none"> a) Crop yielding area b) Yield statement oil palm c) Total upkeep & cultivation d) Labour statement/Allocation of wages/Labour benefit summary e) Summary of vehicle and running schedule/Job allocation for vehicles f) Summary of workshop running schedule g) Summary of general charges h) Summary cost/ha & cost/mt FFB i) CAPEX <p>The business plan and budget were available and kept in soft copy. The documents were categorised as confidential. Information in the documents were sighted and briefed by the Estates/Mill Managers. Generally, the estates and mill business plan were towards maintaining sustainable business for the next 5 years.</p>
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	Syarikat Kretam Mill Sdn Bhd Cu continued to maintain replanting programs. The replanting programs until FY 2028 were sighted. The programme was reviewed once a year and is incorporated in their annual financial budget.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	<p>Syarikat Kretam Mill Sdn Bhd CU continued to conduct management review meetings: The latest being in March – April 2023. Among the management review agenda discussed were:</p> <ol style="list-style-type: none"> 1. Results of internal audits 2. Customer (internal/external) feedback 3. Process performance and product conformity 4. Status of preventive and corrective actions 5. Follow-up actions from management reviews 6. Changes that could affect the management system 7. Recommendations for improvement <p>Management has transparently addressed the continuous suitability, adequacy and effectiveness of the requirements for effective implementation of RSPO.</p>
3.2 The unit of certification regularly	3.2.1 (C) The action plan for continuous improvement is implemented, based on consideration of the main social and	YES	The continual improvement plan is developed in conjunction with the Social Management Plan. The plan is reviewed every 12 months or more often if significant changes in the Company's operations or in the operating environment occurs.

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Clause	Indicators	Comply Yes/No	Findings
monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.	environmental impacts and opportunities of the unit of certification.		
	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 metric template has been checked and verified during audit. Details and values were appropriate and the RSPO metric template was updated by the CU accordingly. The metric template will be submitted with the PT submission of this project.
3.3 Operating procedures are appropriately documented, consistently implemented and monitored.	3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place.	YES	The CU had SOPs for each of the process and continued to be implemented. Brief versions of the SOPs were displayed at the appropriate locations. Copies of the documented SOPs were presented to the audit team. Generally, it was observed that activities being implemented involved safety and health, environmental, quality, employees, etc.
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	NO	Syarikat Kretam Mill Sdn Bhd CU had in place the mechanism to check consistent implementation of procedures. The mechanism of ensuring consistent implementation was by Periodic reporting from estates, On site visits, inspections and discussions with relevant personnel, Assessments and audits like Internal Audits, SEM visits and by RSPO Audits, and Consultation with RSPO team & management. It was observed that some workers on: 1. Bukit Sekong Estate – Sprayers in Block 15XB1, 2. Masang Estate – Sprayers in Block 12PQ2 of Div 3 and Block 11PO10 of Div 2, Manurers in Block 04MB6 were using caps instead of straw hats. Thus, the Minor NCR STK 01 2023 was issued.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	Records of monitoring and the actions taken by estates in Syarikat Kretam Mill Sdn Bhd Cu continued to be maintained. This was to ensure that the established procedures were consistently implemented.
3.4 A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental	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	A Social Impact Assessment (SIA) was prepared accordingly. KHB Sandakan Region CU has established Social Impact Assessment prepared in June/July 2015 and latest updated in March 2023 to include 1 New Estate which is Seraya Estate. There were five (5) estates and one (1) palm oil mill included in the assessment. The SIA was done by Sustainability Department. The report was prepared with the participation of the relevant stakeholders, such as Government Department and neighbouring villages communities and the assessment has mapped surrounding estate / neighboring such as Ladang Tabung Haji, Wee Tee Tong Sdn Bhd, Lekas Maju, Kg Lot M, Kg Rantau Abang, Sungai Rotan, Juta Maju and Tekad Maju.

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Clause	Indicators	Comply Yes/No	Findings
management and monitoring plan is implemented and regularly updated in ongoing operations.			The Environmental aspect impact assessment (EAIA) which covers form upstream activities such as FFB reception until downstream processes was sighted during assessment. For KHB Sandakan Region CU, latest environment aspect impact assessment was reviewed in March 2023 covering all activities. The main purposed of this assessment was to evaluate and analyse the operations impact on soil, water, and air associated with the organization activities. At the estates, field activities that includes fertilizing, spraying, transportation of FFB, garbage disposal, landfill management, clinical wastes, road maintenance, wildlife, and land conservation activities.
	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	Environmental management Plan (EMP) for Syarikat Kretam Mill has been updated and reviewed in March 2023 regarding all activities. The EMP specific impacts identified include smoke emissions, noise levels, POME, EFB management, Biogas System. Data were collected and analysed for compliance with relevant regulations and further actions needed were documented and implemented. There are no significant changes from the current EMP established practice. Due to no changes identified in the mill operation, therefore no timetable for any change is required. A Social Impact Assessment (SIA) was prepared accordingly. KHB Sandakan Region CU has established Social Impact Assessment prepared in June/July 2015 and latest updated in March 2023 to include 1 New Estate which is Seraya Estate. There were five (5) estates and one (1) palm oil mill included in the assessment.
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	YES	The environmental management and monitoring plans were developed based on the impact identified in the EAIA. The environmental management plan is reviewed and updated regularly in a participatory way. Those activities evaluated as significant were then monitored using the management control and mitigation measure established for each activity where the significant impacts occurred. The management has periodically reviewed the implementation and effectiveness of the established program.
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	KHB has developed employment procedures for recruitment, selection, hiring, promotion, retirement, and termination. The procedure was documented and made available to the workers and their representatives where applicable. The recruitment process was clearly stated in the procedure where the recruitment was based age, medical fitness and etc. There is no discrimination based on religion, gender, nationality and etc during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary and etc.
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Based on the Standard Operating Procedure, sighted clear procedure on walk in process and timeline for the working pass application. In addition, observed also clear procedure or mechanism to ensure zero recruitment fees has been emphasized in the Foreign Worker Policy. Based on interview with sampled new workers engaged, confirmed they are aware of the flowchart walk in job application procedure and all the cost of recruitment fees are bare by the estate management.

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Clause	Indicators	Comply Yes/No	Findings
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 organization had established Master list of Safety and Health Risk Assessment with latest updated in March 2023 for 61 activities and location.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people are monitored.	YES	The organization had established control measures based on the OHS hierarchy. Sighted full sets of SOPs for Safety and Health (Total of 44 SOPS) during the audit. H&S plan for Mill to address health and safety risks to people was monitored accordingly.
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	A documented training program that took into account gender-specific needs, and which covered applicable aspects of the RSPO P&C was available on all estates and POM. The program was accessible to all staff, workers, Scheme Smallholders and outgrowers, taking. A training need identification matrix has been established with target dates for the training identified.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	The training records which had been conducted were reviewed during 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 Feb 2023. The training has been conducted by Engineer to maintenance engineer, assistant mill engineer, admin supervisor, shift supervisor, grader, laboratory assistant, and weighbridge operator. The intention on this training was to create awareness on understanding on supply chain requirement. Training to contractors has been carried out in the same month.

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SUPPLY CHAIN REQUIREMENTS FOR MILLS

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.1	Identity Preserved Module A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill processes certified and uncertified FFB without physically separating them, the inly MB Module is applicable.	Yes	Kretam Mill sourced for their FFB only from estates under the same CU which involve, Bode Estate, Masang Estate, Sepagaya Estate, and Bukit Sekong Estate. There is a Diversion crop from other certification units Abedon Estate (certified by Intertek), So the Mill is IP mill. For this Year 2023 there is 1 New Estate will be included in this mill, which is Seraya Estate, the mill will accept the FFB once this site has been certified.
3.8.2	Mass balance Module A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3 rd party certified supply base.	NA	<i>Not applicable since the mill was used Identity Preserved Model</i>
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified oil palm product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced shall then be recorded in each subsequent annual surveillance report.	Yes	As in table 3 & 4 in this report.
3.8.4	The mill shall also meet all registration	Yes	The previous estimated tonnage of CPO and PK products has been recorded in the RSPO IT platform,

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform).		supply chain certificate and public summary audit report as accordingly. Refer to Table 4 of this report.
3.8.5	<p>The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organisation's procedures for the implementation of this standard. • The site shall have documented procedures for receiving and processing certified and non-certified FFBs. 	Yes	Syarikat Kretam Mill POM Organizational, management systems and the operational systems, documented policies and procedures of the organization holding certification, are sufficient and adequately implemented to meet the intent and requirements of the RSPO Supply Chain Certification Standard.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.6	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"> Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. Effectively implements and maintains the standard requirements within its organisation. Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The organisation shall be able to maintain the internal audit records and reports. 	Yes	<p>Procedure to conduct annual internal audit has established Under title 'internal Audit Procedure' revision 2. The purpose of this procedure is to provide guidelines to conduct internal audit for RSPO SCCS & RSPO SCCS & another similar standard.</p> <p>Audit checklist also been established using RSPO Supply Chain Certification Standard to cover all the elements and indicator, sighted latest SCCS Internal Audit report has been carried out in Apr 2023 b the Asst Sustainability Executive. Coverage of audit sufficient & comprehensive to cater for the new standard.</p> <p>No nonconformity has been raised during the internal audit.</p>
3.8.7	<p>The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received.</p> <p>The site shall inform the CB immediately if there is a projected overproduction of certified tonnage.</p> <p>The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.</p>	Yes	<p>i) Syarikat Kretam Mill POM had continued to receive certified FFB from own Estate which is Bode Estate, Masang Estate, Sepagaya Estate, and Bukit Sekong Estate. There is a Diversion crop from other certification units Abedon Estate (certified by Intertek). Sighted sample FFB consignment note for the month of March 2022 – March 2023. Among the information available on the FFB consignment note are estate name, delivery date, no of FFB bunches, FFB weight, quantity, unique identification number. Monitoring records titled as "RSPO Identity Preserved Model Inventory - Monthly Input" has recorded the tonnage of certified FFB and its supplying estate. Verified through Kretam Mill POM weighing system called 'RSPO Identity Preserved Model Inventory - Monthly Input and random sample of weighbridge ticket from. Among the information available i.e. Weighbridge ticket for FFB received from certified Own Estate and Certified</p> <p>Verified incoming documents from estates which found to be in line with SKMPOM internal procedure as well as standard requirements. All the information is adequately presented and traceable. Internal crop of same CU</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.8	<p>Sales and Goods Out</p> <p>The supplying mill shall ensure that the following minimum information for RSPO certified products is made available in document form. The information shall be complete and can be presented either on a single-documents or across a range of documents issued for RSPO certified oil palm products (for example, delivery notes, shipping documentation and specification documentation):</p> <ul style="list-style-type: none"> a) The name and address of buyer; b) The name and address of the seller c) The leading or shipment/delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation i) A unique identification number 	Yes	<p>The procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Sales and Marketing Department (HQ) on behalf of Syarikat Kretam Mill POM.</p> <p>Sample of deliveries document were sighted during the audit and it was found all related information were adequate. Syarikat Kretam Mill POM RSPO certificate number and product name together with model used were stated in the delivery documents.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.9	<p>Outsourcing Activities</p> <p>(i) The mill shall not outsource its milling activities. In cases where the mill outsourced activities to independent third parties (e.g. subcontractors for storage, transport or other outsourced activities), the mill holding the certificate shall ensure that the independent third party complies with relevant requirements of this RSPO SC Certification.</p> <p>(ii) The mill shall ensure the following:</p> <p>a) The mill has legal ownership of all input material to be included in outsourced processes</p> <p>b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary.</p> <p>c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor.</p> <p>d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.</p>	Yes	<p>a) There are 4 old outsource company CPO and PK transporter</p> <p>b) There was a contract document between Kretam POM and the transporters. Access to the outsourcing contractor or operation if an audit was stated in the contract – index's no 7.1</p> <p>c) There were explicit procedures for the outsourced process. "outsourcing activities (CPO&PK0</p> <p>d) Inspection was carried out by Lab Supervisor or lab attendant as additional effort to ensure no contamination.</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	During the stakeholder meeting representatives from 4 contractors attended the meeting. It has been noted that the meeting highlighted the information on the implementation of RSPO standard. There is also addendum stated that the transporter shall comply with 'to ensure that certification bodies (CBs) have access to the outsourcing contractor or operation if an audit is deemed necessary'.
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.	NO	There is 1 New CPO Transporter namely Budaya Potensi Transport Sdn Bhd contract signed dated 25/11/2022, However, it was found that, mill failed to inform 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. Thus, Major NCR MZK 01 2023 has been raised.
3.8.12	The mill shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of this RSPO Supply Chain Certification Standard requirements.	Yes	Sighted CPO and PK delivery note, weighbridge ticket, production data, internal audit and management review records were found up-to-date.
	Retention times for all records and reports shall be a minimum of two (2) years and shall comply with legal and regulatory requirements and be able to confirm the certified status of raw materials or products held in stock.	Yes	All records related to RSPO SC were maintain minimum for 2 years. Sample CPO dispatch note since Jan 2019 until to date was available and well maintained.
	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	Sales activities usually handled by Sales and Marketing Department (HQ) on behalf of Kretam POM. Personnel updated the RSPO IT platform system upon confirmed contract. Mill receive copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in).
	iv) For Mass Balance Module, the mill: a. shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b. All volumes of certified	NA	<i>Not applicable since mill used Identity Preserved Model</i>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO. c. The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock.)		
3.8.13	Extraction rate The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.	Yes	Based on nature of their processing activities, Syarikat Kretam Mill POM's conversion factor shall be based on their oil extraction rate (OER) and kernel extraction rate (KER). These rates being monitored on daily basis as part of their process performance evaluation and consolidated at month end.
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.	Yes	
3.8.15	Processing For Identity Preserved Module, the mill shall assure and verify through documented procedures and record keeping that the RSPO certified oil palm product is kept separated from non-certified oil palm products, including during transport and storage to strive for 100% separation.	Yes	Syarikat Kretam Mill POM shall only receive the RSPO certified FFB which are from Syarikat Kretam Mill CU own estates – same CU. Monitoring records titled as “Daily quality and production report, has recorded the tonnage of certified FFB, CPO produced, Kernel produced, contract, delivered, diesel and water consumption, storage, and quality. Verified through L.A.K weighing system (weighbridge system) and random sample of weighbridge tickets, being found that no external FFB intake has been processed. (only received FFB and process at MB mill – Abedon Mill), hence no downgrade required. Consecutively, it is confirmed that RSPO certified CSPO & CSPK product is from the certified sources. As for transport, dedicated tankers had been allocated by service provider to prevent cross contamination.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.16	<p>Registration of Transactions</p> <p>i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.</p> <p>ii) Remove: RSPO certified volumes sold under different scheme or as conventional, or in case of underproduction, loss or damage shall be removed in the RSPO IT platform</p>	Yes	The procedure in handling of sales and delivery was sighted and found adequate. Sales activities usually handled by Sales and Marketing Department (HQ) on behalf of Kretam POM. Personnel updated the RSPO IT platform system upon confirmed contract. Mills receive copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in
3.8.17	<p>Claims</p> <p>The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.</p>	YES	Relevant information on product claim (including applicable Supply Chain model and certificate number) being correctly indicated in the relevant outgoing paperwork. Syarikat Kretam Mill POM has not use RSPO corporate logo as well as trademark logo

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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	Kretam Mill CU has a Policy to protect human rights is contained in Code of Conduct & Human Rights Policy. The policy frameworks provide for protection for HRD and Whistleblowers and states that no reprisals would be taken against whistleblowers and HRDs. Similarly, the Whistleblowing Policy also aims to protect whistleblowers from reprisals or victimisation. Need further verification during onsite audit. All levels of the workforce at Mill had been briefed on the Human Rights policies during training and stakeholder meeting. New workers were also briefed on the policies during first reporting of duty. All the estates and the mill adopt the Code of Conduct & Human Right Policy, which, among others, respects human rights and will not be complicit in human rights infringement, prohibits retaliation against Human Rights Defenders.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	As observed during the audit, and in interviews held with local communities and workers, there is no evidence of instigation of violence, harassment in their operations at Kretam Mill CU.
4.2 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.	4.2.1 (C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, HRD, community spokespersons and whistleblowers, where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.	YES	The system used by the Syarikat Kretam Mill CU in resolving disputes exists in the procedure called "Procedure on Complaint & Grievances". This SOP is open to all stakeholders, internal workers, NGO's, Third party etc. The system was open to all aggrieved parties as evidenced by the existence. There is also procedure name 'Whistle blowing Policy' ensuring anonymity of complainants, community spokespersons and whistleblowers and Code of Conduct & Human Right Policy" ensuring anonymity HRD. All complaints (workers and stakeholders) were to be recorded in the "Grievance/Complaint" forms. "House repair" book was also available for house repair requests. The books were accessible to all aggrieved parties, internal as well as external. An examination of the books showed that all the complaints were from internal stakeholders and related to house repairs. There were no complaints from external stakeholders.
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	YES	Procedures are in place to ensure affected parties understand the Dispute and Resolution Procedures. For illiterate parties, verbal explanation is given in an easy-to-understand language accompanied by pictorial explanations, and where relevant, flowcharts. If necessary, senior foreign workers who could speak and understand the Bahasa Malaysia act as translators to their other colleagues, especially the newly arrived ones.
	4.2.3 The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is	YES	Kretam Mill CU keeps parties to a grievance informed of its progress, with an agreed timeframe and the outcome is available and communicated to relevant stakeholders. These were evident.

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Clause	Indicators	Comply Yes/No	Findings
	available and communicated to relevant stakeholders.		
	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 Kretam Mill CU in resolving disputes exists in the procedure called "Procedure on Complaint & Grievances". This SOP is open to all stakeholders, internal workers, NGO's, Third party etc. The system was open to all aggrieved parties as evidenced by the existence. There is also procedure name 'Whistle blowing Policy' ensuring anonymity of complainants, community spokespersons and whistleblowers and Code of Conduct & Human Right Policy" ensuring anonymity HRD. All complaints (workers and stakeholders) were to be recorded in the "Grievance/Complaint" forms. "House repair" book was also available for house repair requests. The books were accessible to all aggrieved parties, internal as well as external. An examination of the books showed that all the complaints were from internal stakeholders and related to house repairs. There were no complaints from external stakeholders.
4.3 The unit of certification contributes to local sustainable development as agreed by local communities.	4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.	YES	Syarikat Kretam Mill CU is able to demonstrate that contributions to community development have been made based on consultation results with the local communities. This was confirmed during audit interview with the local communities from Kg Batu 8, Kg Berjaya 1, Kg Berjaya 2, Kg Buang Sayang, Kg Danau Ria, Kg Lot M, Kg Nusa Jaya, Kg Sri Manis, Kg Sri Tanjung, Kg Sungai Rotan, Kg Rantau Abang. Other contributions to the local community developments based on consultation include villagers' access to free medical treatment at the estate clinic, and job opportunities.
4.4 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	4.4.1 (C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	YES	Evidence of legal ownership of the land including history of land tenure was verified during this audit. Each estate was provided with legal use of the land through a Country Lease signed by the Registrar of Titles following the payment of premium. This document was made available by all the individual estates.
	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 Syarikat Kretam Mill Sdn Bhd CU since 1980-2005. The audit team had confirmed that there were no land issues related to previous owners.
	4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities,	YES	

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Clause	Indicators	Comply Yes/No	Findings
	with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.		
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken.	YES	
	4.4.2c Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.	YES	
	4.4.3 (C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities).	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Syarikat Kretam Mill Sdn Bhd CU since 1988-2005. All the related documentation regarding the land acquisition was kept in Kretam Holdings Berhad HQ 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. Hence, there was no map showing the legal, customary, or user right of other users since 1988-2005.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	This requirement in this indicator does not apply to Syarikat Kretam Mill Sdn Bhd CU

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Clause	Indicators	Comply Yes/No	Findings
	4.4.5 (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.	YES	This requirement in this indicator does not apply to Syarikat Kretam Mill Sdn Bhd CU
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	This requirement in this indicator does not apply to Syarikat Kretam Mill Sdn Bhd 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 Syarikat Kretam Mill Sdn Bhd 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 Syarikat Kretam Mill Sdn Bhd CU since 1988-2005. The audit team had confirmed that there were no land issues related to previous owners.
	4.5.2 (C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Syarikat Kretam Mill Sdn Bhd CU since 1988-2005. All the related documentation regarding the land acquisition was kept in Kretam Holdings Berhad HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community, and neighboring estate.
	4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated	YES	

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Clause	Indicators	Comply Yes/No	Findings
	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.		
	4.5.4 To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by Syarikat Kretam Mill Sdn Bhd CU since 1988-2005. All the related documentation regarding the land acquisition was kept in Kretam Holdings Berhad HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community, and neighboring estate.
	4.5.5 Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.	YES	
	4.5.6 Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	YES	
	4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent	YES	There were no new lands acquired for plantation and mills after 15/11/2018 as verified during this Assessment at Syarikat Kretam Mill Sdn Bhd CU. The current operation area including mill and estates as per stated in the land title.

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Clause	Indicators	Comply Yes/No	Findings
	domain of the federal and state land acquisition legislations.		
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 Procedure in resolving land conflict'. The CU had also developed a SOP - Fair Compensation in order to handle any issues related with compensation. In accordance with the and SOP - Fair Compensation and Land Dispute, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Kretam Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures. However, it has been noted that there was no negotiation concerning compensation for this CU during the reporting period.
	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	YES	In accordance with the "Procedure in resolving land conflict and SOP - Fair Compensation and Land Dispute, the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with staff and workers at mill and visited estates.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.	YES	There were no scheme small holdings at Syarikat Kretam Mill Sdn Bhd CU. The Fresh Fruit Bunches are supplied from Kretam Holdings owned estates which are certified to RSPO.
	4.6.4 The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them.	YES	There was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties.
4.7 For new planting, where it can be demonstrated that local peoples have legal, customary or	4.7.1 (C) A mutually agreed procedure for identifying people entitled to compensation is in place.	YES	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the Procedure in resolving land conflict'. The CU had also developed a SOP - Fair Compensation in order to handle any issues related with compensation. In accordance with the and SOP - Fair Compensation and Land Dispute, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the Kretam Head Office. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.

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Clause	Indicators	Comply Yes/No	Findings
user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.	YES	There was no issue regarding compensation (monetary or otherwise) with villagers, local community and neighboring estate.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	It has been verified that the land is now legitimately owned by Syarikat Kretam Mill Sdn Bhd CU since 1988-2005. All the related documentation regarding the land acquisition was kept in Kretam Holdings Berhad HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community, and neighboring estate.
4.8 The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.	4.8.1 Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	YES	It has been verified that the land is now legitimately owned by Syarikat Kretam Mill Sdn Bhd CU since 1988-2005. All the related documentation regarding the land acquisition was kept in Kretam Holdings Berhad HQ Office, Sandakan and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community, and neighboring estate.
	4.8.2 (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.	YES	Land conflict is not present in the area of the unit of certification.
	4.8.3 Where there is evidence of acquisition through dispossession or forced abandonment of customary	YES	There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations.

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

Principle 5: Support smallholder inclusion

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

Clause	Indicators	Comply Yes/No	Findings
5.1 The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.	5.1.1 Current and previous period prices paid for FFB are publicly available and accessible by smallholders.	YES	Current and past prices paid for Fresh Fruit Bunches (FFB) was made available at Kretam Mill POM weighbridge. However, it was for collecting centre inside the mill separate ramp. This mill is IP mill. All FFB are from own estate, thus this indicator was not applicable.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	YES	There is evidence that Kretam Mill POM regularly explains the FFB Pricing to Smallholder who sent to their collection centre. FFB Survey form has been send at FFB Supplier in Feb 2023 to all FFB Supplier to collection centre. The FFB Supplier Survey form is actually ask and explain regarding Pricing Mechanism, Complaints and Grievance Procedure, MSPO certification, Assistance training, explain RSPO incentive and Supports smallholder by offering free training and consultation for RSPO, and calculation of pricing given to Smallholder.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	YES	In Kretam Mill POM Collection Centre, Price for FFB are follow by MPOB Pricing, all price are calculate by the MPOB and the mill take the price and follow what MPOB guide, Interview with Smallholder who sent FFB to Collection centre they are quite happy due to current price are rise and they think price at collection quite fair compare to outsider Mill and also other mill also far from them
	5.1.4 (C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes	YES	There is no Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms due to Fresh Fruit Bunches were supplied from Syarikat

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Clause	Indicators	Comply Yes/No	Findings
	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.		Kretam Mill Sdn Bhd CU owned estates, which is Bode Estate, Masang Estate, Sapagaya Estate and Bukit Sekong Estate. For this Year 2023 there is 1 New Estate will be included in this mill which is Seraya Estate. So far, there was no third-party FFBs sent to the mill.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	No third-party FFBs sent to the mill. 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	Interviews conducted with contractors and suppliers confirmed their understanding of their rights and obligations under the contract. Both contractors confirmed the fairness of the terms of their contract, and payments are usually received within 15-30 days of invoice issuance.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	YES	Weighing Equipment in Kretam CU has been calibrated by yearly basis using accredited weighing company 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	Kretam Holdings Berhad supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material. However, in Syarikat Kretam Mill Sdn Bhd CU, there is no third-party FFB sent to the mill. Noted that Syarikat Kretam Mill Sdn Bhd CU has invited nearby smallholder to promote on RSPO certification collaboration with Wild Asia, but for now, smallholders are willing to go for MSPO only.
	5.1.9 (C) The unit of certification has a grievance mechanism for smallholders and all grievances raised are dealt with in a timely manner.	YES	A grievance mechanism which respects anonymity and protects complainants is in place at the Syarikat Kretam Mill Sdn Bhd CU as per the Procedure for External Communication, and as per SOP Complaints and Grievances. As at to date there is no complaint by stakeholders.
5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.	5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.	YES	Kretam Holdings Berhad has consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification. Noted that Syarikat Kretam Mill Sdn Bhd CU has invited nearby smallholder to promote on RSPO certification collaboration with Wild Asia, Sighted the letter and Training has been send to Surrounding Smallholder dated in Feb 2023. But some smallholders are willing to go for MSPO only. However, in Syarikat Kretam Mill Sdn Bhd CU, The FFB are from Syarikat Kretam Mill Sdn Bhd CU owned estates, which is Bode Estate, Masang Estate, Sapagaya Estate and Bukit Sekong Estate which are certified to RSPO, for this Year 2023 there is 1 New Estate

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Clause	Indicators	Comply Yes/No	Findings
			will be included in this mill which is Seraya Estate. There is no third-party FFB sent to the mill.
	5.2.2 The unit of certification develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder).	YES	Kretam Holdings Berhad has consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification. Noted that Syarikat Kretam Mill Sdn Bhd CU has invited nearby smallholder to promote on RSPO certification collaboration with Wild Asia, Sighted the letter and Training has been send to Surrounding Smallholder in Feb 2023. But some smallholders are willing to go for MSPO only.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	YES	Noted that Syarikat Kretam Mill Sdn Bhd CU has invited nearby smallholder to promote on RSPO certification collaboration with Wild Asia.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	YES	No specific training on pesticide handling. Only training related to smallholder support program, which has been conducted in Feb 2023.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	YES	Kretam Holdings Berhad regularly reviews and publicly reports on the progress of the smallholder support programme. There is evidence that the Management of Kretam Holdings do the communication with Wild Asia to certify the surrounding smallholder.

Principle 6: Respect workers' rights and conditions

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

Clause	Indicators	Comply Yes/No	Findings
6.1 Any form of discrimination is prohibited.	6.1.1 (C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.	Yes	KHB have implemented Code of Conduct & Human Rights Policy and Social Policy. The policy was be guided by the commitments to respect human right were stated promoting diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of race, nationality, religion, or gender, and practice no contract substitution. KHB according to the statement, also will facilitate opportunities for advancement for their employees, especially women by removing barriers to progress and respecting reproductive and maternal rights.

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Clause	Indicators	Comply Yes/No	Findings
			The human right and social policy were communicated through the morning muster briefing to all workers.
	6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for migrant workers.	Yes	Based on documentation reviewed such as employment contracts and letters of offer, pay slips, allocation of housing at the worker quarters and audit interviews, there is no evidence that local and foreign workers, women and local communities have been discriminated against. Interviews conducted with sampled workers (male, female, local and migrant) as well as local communities also confirmed that this is so. There is also no evidence of payment of recruitment fees by migrant workers. Workers' pay slips were also sampled which showed that workers receive the same amount of daily rate of RM57.69 per day for the same work irrespective of gender, age or nationality.
	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	KHB has developed employment procedures for recruitment, selection, hiring, promotion, retirement, and termination. The procedure was documented and made available to the workers and their representatives where applicable. There is no discrimination based on religion, gender, nationality etc., during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary etc. This was confirmed during stakeholder's consultation, worker's interview, complaint book and 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	Based on interviews with sampled female workers, Estate Health Assistant, there was no evidence that pregnancy tests are being conducted as a discriminatory measure. Should a worker whose job comes into contact with chemicals, e.g., sprayers, or lab assistants become pregnant, she would immediately be re-assigned to an alternative job employment that doesn't involve contact with chemicals.
	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.	NO	Gender committee was established in Syarikat Kretam Mill and all estates. Meetings were conducted and the latest minutes of meetings were reviewed. Among the input discussion in the minutes are complaints and grievance, raise awareness, identify and address issues of concern. There was no issue related to sexual harassment or violence reported as seen in the meeting minute. WhatsApp group was established as an alternative method to monitor if there is issue. Based on the interview with the GC representative and verification of the minutes of the GC meeting, the gender committee's function was found to be very limited and focused on the awareness of sexual and physical harassments. It was also revealed that the committee did not fully comprehend the main goals of the committee's formation. The assessment team confirmed that there is no specific agenda discussed. The GC meeting is more like a training platform. Issues concerns about the assistance or contributions to single moms, assistance and support for older female workers, assistance for widowers, as well as their retirement plan. These concerns were not highlighted at the GC meeting. The findings showed that the role of the Gender Committee in practice does not reflect the role defined by Indicator 6.1.5, which includes to identifying and addressing issues of

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Clause	Indicators	Comply Yes/No	Findings
			concern as well as opportunities and improvements for women. Moreover, there is no dedicated budget was provided to the committee to execute the opportunities and improvements for women. Therefore, Major NCR DA 01 2023 was raised.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	The equal opportunities policy is contained within the policy of Social Policy, Foreign Workers Policy and Code of Conduct & Human Rights Policy, which states that all employees shall be treated fairly in terms of recruitment, progression, terms and conditions of work regardless of race, caste, nationality, gender, physique, sexual orientation, union membership, political view, religion and age. The policies were displayed on notice boards in both Bahasa Malaysia and English.
6.2 Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).	6.2.1 (C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.	YES	The employment contract is drafted according to the Sabah Labor Ordinance Cap.67. Both local and foreign employment adopt the same contract. As Sabah State has not recognized the Malaysian National Union for Plantation Workers, no collective agreements are in place. At the estates, the piece rate pricing is published on notice board. Sample of workers' employment contract were reviewed to confirm contracts are in Bahasa Malaysia. Bahasa Malaysia language is deemed appropriate and sufficient as generally the workers of the certified units are either local, Indonesian or Philippines who understand Bahasa Malaysia. Furthermore, as stated in the employment contract, it is the responsibility of the company to explain the terms of employment and the company regulations before the workers signs the contracts. In general, the workers understood the basic employment terms. The documentation of pay is in the form of monthly pay slips. Conditions of pay are contained in the workers' respective employment contracts. Samples of the monthly pay slips and employment contracts were made available and reviewed during the audit. Each pay slip documents the name of employee, employee ID, month of pay, income (basic, overtime, reimbursement, allowances), deductions (statutory such as EPF, SOCSO and non-statutory such as shop deduction, passport deduction), net salary, annual leave, public holiday and medical leave taken, etc.
	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	Details of payments and conditions of employment are stated and documented in the employment contracts given to all workers. The contract contains terms related to duration, hours of work, overtime, annual/medical leave, public holiday, mutual termination, salary deductions, maternity entitlement, etc. The terms are in compliance with the Sabah Labour Ordinance.

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Clause	Indicators	Comply Yes/No	Findings
	6.2.3 (C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.	YES	The employment contract is drafted according to the Sabah Labor Ordinance Cap.67. Both local and foreign employment adopt the same contract. As Sabah State has not recognised the Malaysian National Union for Plantation Workers, no collective agreements are in place. At the estates, the piece rate pricing is published on notice board. There is evidence of legal compliance as per contract agreement such as regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements. The working hours as per contract agreement were, working hours at 48 hours per week. For overtime, it has been mutually agreed upon between the management and workers and met the legal requirements. Overtime will be offered when there is additional job and no discrimination observed.
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.	YES	The unit of certification provided adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards. For workers with family, each will be given a house while for single workers, it will be given shared house of 2 or 3 people per house. Other amenities such as community hall, place of worship sport facilities is provided. Government schools and CLC are available within or near by the estate complex while crèche is made available in the estate. Seen the Budget for housing repairs, sanitation, garden upkeep and CAPEX & OPEX from all operating units.
	6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.	YES	All units within KHB Sandakan Region CU except Bukit Sekong Estate (nearest to Kinabatangan Town) have their own canteen/grocery store which sells basic items such as eggs, flour, rice, vegetables, frozen food such as fish, meat, onions, etc. Items seen in the stores are adequate, clearly labelled and within the expiry dates.
	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	YES	All sampled workers receive at least minimum wages based on Minimum Wages Order 2022. The 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 breakdown of the prevailing wages calculation as follows:

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Clause	Indicators	Comply Yes/No	Findings																		
	<p>place.</p> <p>The implementation plan with specific targets, and a phased implementation process will be in place, including the following:</p> <ul style="list-style-type: none">• An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers.• There is annual progress on the implementation of living wages• Where a minimum wage, based on equivalent basket of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment.• The unit of certification may choose to implement the “living wage” payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before an eventual scale-up of the living wage implementation <p>Until such time where the Malaysian version of “decent living wage” has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.</p>		<table><tr><td></td><td>Local Worker (RM)</td><td>Foreign worker (RM)</td></tr><tr><td>Bode Estate</td><td>2408.59</td><td>2420.08</td></tr><tr><td>Bukit Sekong Estate</td><td>2128.60</td><td>2465.70</td></tr><tr><td>Masang Estate</td><td>2107.58</td><td>2024.79</td></tr><tr><td>Seraya Estate</td><td>1898.48</td><td>2111.99</td></tr><tr><td>Kretam Mill</td><td>1946.58</td><td>2198.58</td></tr></table>		Local Worker (RM)	Foreign worker (RM)	Bode Estate	2408.59	2420.08	Bukit Sekong Estate	2128.60	2465.70	Masang Estate	2107.58	2024.79	Seraya Estate	1898.48	2111.99	Kretam Mill	1946.58	2198.58
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	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	Employment contracts detailing payments and conditions of employment available to the permanent workers employed as per samples sighted in indicator 6.2.1 above. No casual, temporary and day labour employed within all operating units within KHB Sandakan Region CU.																		
6.3 The unit of certification respects the rights of all	6.3.1 (C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa	YES	The published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) was available in the Code of Conduct & Human Rights Policy and Social Policy signed by Chief Executive Officer and was publicly available on the notice board. The policy was explained to all																		

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Clause	Indicators	Comply Yes/No	Findings
personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.		workers during morning muster and demonstrably implemented in the Workers Representative Committee (JCC). The JCC implemented for the employees to speak freely, and the meeting will be conducted once every 3 months. Interviews with sampled 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	Although there were no official trade unions in Sabah operating within the KHB Sandakan Region CU, workers had appointed their own representatives to sit on the Workers Representative Committee. The Workers Representative Committee (JCC) comprise worker and management representatives. Minutes of the Workers Representative Committee meetings were documented, sighted and verified.
	6.3.3 Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers.	YES	Interviewed with the workers' representatives in KHB Sandakan Region CU confirmed that the management did not interfere the formation of the association. All of them were elected freely by the workers via 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	The formal policy statement for the protection of children, including prohibition of child labour and remediation was in place under Social Policy. The policy emphasized that the company is committed to ensure all workers and children safety are protected and all employment are within minimum age limit and in compliance with national regulations and state ordinance. The policy was communicated directly during various meeting with both internal and external stakeholders of mill and estate within KHB Sandakan Region CU.
	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	The records of employment documentation verified including the Employee Master Lists and sample personal particulars confirmed that minimum age requirements of above 18 years old met for all the workers employed in all operating units within KHB Sandakan Region CU.
	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 all estates and the POM employed 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	YES	The company has a no child labour policy statement which is displayed on the company's notice boards. Interview with sampled workers indicates the policy has been communicated to them at their morning musters. Also, during stakeholders' consultations

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Clause	Indicators	Comply Yes/No	Findings
	labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.		with the communities and third-party contractors, they did confirm the policy has been share with them and communicated to their understanding. In addition, KHB Sandakan Region CU have issued a COBC Pledge by Vendor that is to be signed by all contractors, suppliers and vendors. The Pledge states that the undersigned has read, understood and will comply to The Vendor Code of Business Conduct.
6.5 There is no harassment or abuse in the workplace, and reproductive rights are protected.	6.5.1 (C) A policy to prevent sexual and all other forms of harassment and violence is implemented and communicated to all levels of the workforce.	YES	KHB have implemented Sexual Harassment Policy dated 07/01/2015 and signed by Chief Executive Officer. The policy guidelines emphasize that sexual harassment is a threat to basic human rights and offenders will be punished accordingly, including termination from work. The policy was communicated through the morning muster briefing to all workers and placed publicly in the notice board at housing area and office. It is also being explained during the induction course for the newly arrived workers. KHB Sandakan Region CU have formed a Gender Committee which is responsible for organizing relevant activities and programmes. The sexual policy and flowchart for handling social issues have been explained to all level of workforce during the Gender Committee meeting.
	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.	YES	KHB Sandakan Region CU has developed Social Policy where provides protection of reproductive rights of all, especially of women. The Labour Standard specifies that the company recognizes the rights of employees to reproduction and reproductive health, including the right to make decision on reproduction. Based on interviews with the sampled female workers, there is evidence that this standard is being implemented where female workers are entitled to 60 days paid maternity leave, and pregnant women are given light work to do.
	6.5.3 Management has assessed the needs of new mothers, in consultation with the new mothers, and actions are taken to address the needs that have been identified.	YES	Management has assessed the needs of new mothers and consultation with the new mothers. The gender committee has supported the assessment for the mother and their kid's needs. The actions are taken to address the needs that have been identified. Adequate space and paid breaks were provided to enable mothers with infants 24 months or younger to breastfeed or express and store breast milk with privacy.
	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 system used by the Syarikat Kretam Mill CU in resolving disputes exists in the procedure called "Procedure on Complaint & Grievances". This SOP is open to all stakeholders, internal workers, NGO's, Third party etc. The system was open to all aggrieved parties as evidenced by the existence. There is also procedure name 'Whistle blowing Policy' ensuring anonymity of complainants, community spokespersons and whistleblowers and Code of Conduct & Human Right Policy" ensuring anonymity HRD. All complaints (workers and stakeholders) were to be recorded in the "Grievance/Complaint" forms. "House repair" book was also available for house repair requests. The books were accessible to all aggrieved parties, internal as well as external. An examination of the books showed that all the complaints were from internal stakeholders and related to house repairs. There were no complaints from external stakeholders.

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Clause	Indicators	Comply Yes/No	Findings
			The CU maintained affirms that its dispute system is open to any affected parties. Relevant policy and procedures were observed maintained available for sighted. Anonymity of complainants and whistle blowers will not be revealed to third parties where requested as explained in the job description and the employment contract.
6.6 No forms of forced or trafficked labour are used.	6.6.1 (C) All workers have entered into employment voluntarily, and the following are prohibited: <ul style="list-style-type: none"> • Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) • Charging the workers for recruitment fees • Contract substitution • Involuntary overtime • Lack of freedom of workers to resign • Penalty to the workers for termination of employment • Debt bondage • Withholding of wages 	YES	Based on interview with the sampled workers, they hold their passports and safety locker was provided by the management to ensure passport is saved. They will only surrender the passport to management when it is due for renewal permit. There is no contract substitution reported as most of them are dependents of workers and they requested for work by walk-in to the estate and mill. Overtime was on voluntarily basis and payment was made accordingly. There is no restriction of movement as they are allowed to go out anytime. They have freedom to resign and no penalty on the termination of employment. In addition, 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	KHB has established foreign workers policy and signed by CEO. The policy mentioned that all foreign 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 three months. The CU maintained its specific procedure / flowchart for employment of foreign workers. The procedure has been implemented for any employment related with foreign workers. The company implemented no contractor substitution and no discrimination to the foreign workers. Besides, the company also comply with Minimum Wage Order Malaysia and provided orientation to the workers to brief them on the language, safety, regulations in Malaysia and culture. Decent housing was provided to the foreign workers.
6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to	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	YES	Syarikat Kretam Mill Sdn Bhd CU had identified and appointed responsible persons for H & S. All identified Executives were officially given a letter for such an appointment.

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Clause	Indicators	Comply Yes/No	Findings
health.	issues raised are recorded.		<p>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.</p> <p>At the meetings workers participated in the discussion mainly on housing and safety. All units adopted the agenda as released sustainability department. This agenda list was sighted and adequate to discuss salient issues relating safety, environmental and health.</p>
	6.7.2 Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.	YES	<p>Accident and emergency procedures were available in adherence to the Kretam Holdings Berhad Group, Safety and Health SOP. Accident cases were reported accordingly.</p> <p>First aider had been trained by St John Ambulance Malaysia. First aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed by HA. During site visit at workshop, chemical store, premix areas, spraying and manuring operators was sighted emergency shower was available and eye wash was provided to PIC on site.</p>
	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	<p>All Training and Briefing on the operations were provided for workers to educate them on safe working practices to ensure applicable precautions are adhered. During site visit at all estates and mill all PPE has been provided free of charge and was sighted all workers wearing appropriate PPE such as:</p> <ul style="list-style-type: none"> • harvester: gloves, google, wellington boots & safety helmet • sprayer: respirator mask, nitrile gloves, google, wellington boots, safety helmet, and apron • Mill operator – Safety boots, earmuff, safety vest, helmet, cotton glove • Water treatment Plant Operator - Safety boots, ear muff, safety vest, helmet, cotton glove, dust mask. <p>Staff and workers such as the storekeepers, harvesters and sprayers were continuously trained and random interviews conducted showed that they had understood the hazards involved and the usage and handling of chemicals in a safe manner. Appropriate PPE were given to employees of estate and mill visited. All the PPE is provided free of charge to all workers at the place of work to cover all potentially hazardous operations. During site at spraying activities, manuring activities, harvesting activities and LF collection, they were seen to wearing PPE such as face masks respirators, goggles, rubber boots, nitrile gloves, apron and hard hat, to cover all potentially hazardous operations. Sanitation facilities for those applying pesticides was available near to chemical store area, after</p>

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Clause	Indicators	Comply Yes/No	Findings
			completed spraying activities, the workers will change out of PPE, wash and put on their personal clothing at the area. Meanwhile, during site inspection estate and mill workshop, most of the moving part and rotating machinery were installed with machine guarding and properly covered. Noted also the set of oxygen and acetylene cylinders in the workshop available with “flash back arrestors”.
	6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work-related incidents leading to injury or sickness are covered in accordance with Malaysian law.	YES	The Mill and Estates provide medical care and insurance coverage for all the workers. Local Workers and foreign workers – covered by SOCSO. Verified through ‘ <i>Jadual Caruman Bulanan</i> ’ Borang 8A. In addition, the estates and mill provide medical care to all workers using their own Medical Assistant services. Cases requiring additional/serious treatment are referred to Hospital Kinabatangan which located near to certification unit.
	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. Incident investigation all had been conducted and appropriate corrective action been implemented, and these been sighted been reviewed during safety meetings.

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	Syarikat Kretam Mill Sdn Bhd CU had established and documented a common IPM plan, which was reviewed yearly for 5 Estates, Bode, Masang, Sapagaya, Bukit Sekong and Seraya. The Integrated Pest Management had been implemented in Kretam Holding Berhad Group as part of compliance to the RSPO, ISCC & MSPO P&C requirements. The Kretam Holding Berhad group also has an Environment Policy and Sustainable Policy to advocate issues related to good agricultural practices and environment protections. Every plantation region had their IPM plan and addressed to the individual estates. The estates had in place documented the IPM plan which covered monitoring of pest, control of pest population levels at below threshold levels by using cultural, biological, physical/mechanical and use of pesticides. The plan was guided by Planting Manual. For Sandakan Region estates, it was summarized in this compiled report. IPM program by individual estates, too, had been drawn-up and the actual progress of the implementation will be reviewed by the management periodically. Supporting documents in such as census forms, monitoring forms and other information in related to the IPM implementations will be kept in proper filing for estate management to review.

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Clause	Indicators	Comply Yes/No	Findings																																				
	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	There was no evidence that species referenced in the Global Invasive Species Database and CABI.org are to be used in managed areas, as per site visited and as per the stakeholder consultation with relevant workers.																																				
	7.1.3 There is no use of fire for pest control unless in exceptional circumstances, i.e., where no other effective methods exist, and with prior approval of government authorities.	YES	The Syarikat Kretam Mill Sdn Bhd Cu had 2 policies on Zero Buring a main policy and sub policy. As advocated, all 4 estates had practised Zero burning and there was no evidence on use of fire for any purpose inclusive of for pest control.																																				
7.2 Pesticides are used in ways that do not endanger health of workers, families, communities or the environment.	7.2.1 (C) Justification of all pesticides used is demonstrated. Selective products and application methods that are specific to the target pest, weed or disease are prioritized.	YES	<p>Justification of all pesticides used had been documented. The use of selective products that are specific to the targeted pest, weed or disease had been defined in Planting Manual and SOP. The Manual and SOP had included a chemical register list which indicated the purpose of usage (intended target), hazards signage, trade and generic names. All the Estates had maintained chemical registers and were updated periodically.</p> <table><tr><td></td><td>Chemical name</td><td>Class</td><td></td><td>Chemical name</td><td>Class</td></tr><tr><td>1</td><td>Glyphosate isopropylamine</td><td>III</td><td>6</td><td>Cypermethrin</td><td>II</td></tr><tr><td>2</td><td>Sodium chlorate</td><td>III</td><td>7</td><td>Triclopyr butoxy ester</td><td>III</td></tr><tr><td>3</td><td>Glufosinate ammonium</td><td>III</td><td>8</td><td>Canyon 20G</td><td>IV</td></tr><tr><td>4</td><td>Triclopyr butoxy</td><td>III</td><td>9</td><td>Amine 2.4 D</td><td>II</td></tr><tr><td>5</td><td>Metsulfuron methy 20% w/w</td><td>III</td><td>10</td><td>Bayfolan</td><td>III</td></tr></table>		Chemical name	Class		Chemical name	Class	1	Glyphosate isopropylamine	III	6	Cypermethrin	II	2	Sodium chlorate	III	7	Triclopyr butoxy ester	III	3	Glufosinate ammonium	III	8	Canyon 20G	IV	4	Triclopyr butoxy	III	9	Amine 2.4 D	II	5	Metsulfuron methy 20% w/w	III	10	Bayfolan	III
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	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	Pesticides were used only when justified and as programmed. Records of pesticides used by area, quantity used, hectares applied, LD 50 and Ai/Ha were made available to auditors. Records were maintained in store issue chits, bin cards, program sheets, field cost books and progress reports.																																				
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	YES	<p>The Syarikat Kretam Mill Sdn Bhd CU continued to apply pesticides by proven methods that minimise risk and impacts. Application of pesticides was based on and guided by the following documents:</p> <ul style="list-style-type: none">a) CHRAb) MSDS/SDS supplied by the manufacturerc) Planting Manuald) Safe work procedure Manual <p>As part of the IPM plans, the quantity of pesticides required for various field conditions are documented and justified in Kretam Holding Berhad's Planting Manual in the chapters Weed</p>																																				

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Clause	Indicators	Comply Yes/No	Findings
			<p>Control & Selective Weeding and Calibration. The implementation in the field was consistent with the Planting Manual Sections and IPM Plan. In the implementation of the IPM plans the following practices were adopted by The Syarikat Kretam Mill Sdn Bhd CU .</p> <p>Established growth of beneficial plants (<i>Cassia cobanensis</i>, <i>Antigonon leptopus</i> and <i>Tunera subulata</i>) to attract natural predators and reduce use of insecticides. During the site visit the auditor observed notable quantity of beneficial plants been planted. The estates in order to reduce the use of pesticides to control rats carried out baiting only in areas where attack was above threshold level.</p> <p>The Syarikat Kretam Mill Sdn Bhd CU is committed to minimize the usage of agrochemicals by implementing IPM with the increased in the planting of beneficial plants such as <i>Tunera subulata</i>, <i>Cassia cobanensis</i> and <i>Antigonon leptopus</i>.</p> <p>a) Blanket spraying is also not practiced by the CU and soft grasses were maintained in the field.</p> <p>b) It had also been the practice that insecticides and rat baits are used only after a threshold level has been exceeded as per the S.O.P. and Planting Manual.</p> <p>The chemicals used for the nurseries are as provided in the Planting Manual and where necessary by the GM/Agronomist during the visits.</p>
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	YES	There was no evidence of prophylactic use of pesticides in Syarikat Kretam Mill Sdn Bhd CU 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 as per SOP. Syarikat Kretam Mill Sdn Bhd 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, III & IV. The use of paraquat had been banned in all estates in Syarikat Kretam Mill Sdn Bhd CU since late 2017.
	7.2.5 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:	YES	During the audit, it was noted that Syarikat Kretam Mill Sdn Bhd CU had not use chemicals categorized as World Health Organization (WHO) type 1A or 1B or listed by the Stockholm or Rotterdam Conventions. Except for Amine and Cypermethin which were Class II chemicals, all others were of Class III & IV.
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	As mentioned above in 7.2.5 of this check list and based on audit findings, there was no evidence of pesticides that are categorized as World Health Organization Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions and paraquat had not been
	7.2.5b Why there is no other alternative		

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Clause	Indicators	Comply Yes/No	Findings
	which can be used.		
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.		
	7.2.5d What is the process to limit the negative impacts of the application.		
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.		
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	Records showed that pesticides were handled, used and applied by trained persons and as per the MSDS/SDS of the pesticide and Kretam Holdings Berhad SOPs on Safety & Health. 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. The estates had a SOP for use of PPE during working. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issue and replacements records were verified by the auditors. It was also observed that PPE was used by workers working in the fields. The estates had a SOP for handling of chemical/pesticide management. The employees involved in the chemical handling such as the storekeepers, sprayers, fertilizer and rat bait workers were trained in chemical handling training and they understood the hazards of the chemicals and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to them through the SDS training. It was also noted that SDS are available at chemical and fertilizers during the audit.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	The storage of pesticides at Syarikat Kretam Mill Sdn Bhd CU was found to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations. The chemical and fertiliser stores (with cemented floors and roofing) are locked & handled only by authorized personnel i.e. storekeeper. The stores in estate and mill were ventilated (equipped with exhaust fans). All the chemicals were arranged/segregated according to the type. During site visit in the estates i.e. chemical and fertilizer store, sighted relevant SDS were displayed. Adequate safety signage has been placed at both internal and external of the building. A proper premixing area with eye wash facilities and bathing area is available near to the chemical stores. The wastewater from the washing of empty 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 onto the ground. Triple rinsing activities continued to be implemented for empty pesticide containers. The detailed procedure for this purpose is available in SOP for Scheduled Wastes Management and SOP for Triple Rinsing.

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Clause	Indicators	Comply Yes/No	Findings
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	YES	Empty pesticide containers were punctured and disposed in an environmentally and socially responsible way, such that there is no risk of contamination of water sources or to human health. Inventory and consignment documents verified for confirmation of proper management and disposal. The scheduled wastes generated at Syarikat Kretam Mill Sdn Bhd CU not more than 180 days @ 20mt.
	7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.	YES	Aerial spraying was not practiced by all the visited estates and there was no evidence to show that any had been carried out.
	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 been conducted. Records reviewed and workers are fit to work.
	7.2.11 (C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.	YES	The organization had a Social Policy and SOP Sprayer which stated that no work with pesticides shall be undertaken by pregnant or breast-feeding women. On all 4 estates sampled, identification of pregnancy was done by the HA based on interview with their women workers on the last menstrual period dates. This interview was done during the 6-month interval medical check-up. Pregnancy test was carried on doubtful cases. Monthly medical check-up for women sprayer was also being carried out by VMO. There was no evidence that the work with pesticides was undertaken by pregnant or breast-feeding women. This has also been confirmed through interviewed with workers. For Mill, records showed that pesticides were handled, used and applied by trained persons and as per the SDS of the product.
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.	NO	<p>Waste management and disposal plan to avoid or reduce pollution had been documented and implemented. Procedures and guideline were used to guide the waste disposal activities and to reduce pollution on the routine operation.</p> <p>In the sampled estate and mill, the waste management program and plan seen incorporated with environmental impact aspect assessments. The assessment seen effectively covers on matured maintenance, FFB collection, workshop, schedule waste / chemical / fertilizer store and etc.</p> <p>The waste disposed were seen only household and food waste and disposed via landfill. As for the line-site cleaning, it scheduled on weekly basis by Hospital Assistant.</p>

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Clause	Indicators	Comply Yes/No	Findings
			During site inspections, sighted disposal of domestic was not conducted accordingly sighted domestic waste (i.e bottle, drums, etc) has been disposed at back site of housing areas at Bode & Seraya Estate) thus, #Minor NCR RAR 01 2023 has been raised.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	YES	Procedures and guidelines were used to guide the waste disposal activities and to reduce pollution on the routine operation. Standard Operating Procedure Waste Disposal. In the waste management plan, the documentation and identification of all waste product such as scheduled wastes, domestic wastes, clinical wastes, recyclable wastes such as metal, tins, plastics, bottles, mill wastes and polluting material e.g., EFB and POME.
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	The CU had 2 policies on Zero Burning in place. There is no trace of fire burning on the ground and use open fire for waste disposal have been carried out.
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	All the Estates in Syarikat Kretam Mill Sdn Bhd CU continued to implement the good agriculture practices to maintain long-term soil fertility by annual application of fertilizers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB application. Fertilizers application, which was of paramount importance for maintenance of soil fertility, was carried based on the recommendation made by the Boris Agriculture Services Sdn. Bhd. Annual fertilizer recommendations were made based on annual foliar sampling. Soil sampling was carried out yearly consistent with foliar sampling. Fertilizer application program was monitored using program sheets, bin cards, Field Cost book and Fertilizer Quality Assessment by appointed 3 rd party.
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	Yes	Fertilizer application, which was of paramount importance for maintenance of soil fertility, were carried out based on the recommendation made by the agronomist based on annual foliar sampling carried out. The recommendation by the Agronomist was also available during the inspection and the application of fertilizers had been carried out as recommended and scheduled. Noted from the records that the actual number of fertilizers recommended in 2022 had been completed. For 2023, the application was in progress.
	7.4.3 A nutrient recycling strategy is in place, which includes the recycling of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), palm residues and optimal use of inorganic fertilisers.	Yes	All 4 Estates continued to have a nutrient recycling strategy in place. Palm fronds were stacked in the fields to decompose and EFB applied. EFB was applied at 40 tons /Ha/year in single layers in plots between palms. Records of application and maps were reviewed by the audit team.
	7.4.4 Records of fertiliser inputs are maintained.	YES	The Syarikat Kretam Mill Sdn Bhd CU continued to monitor their fertilizer inputs as recommended by their agronomist. The records of the fertiliser inputs were maintained in the Fertilizer Application Record Books and the Bin Card.

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Clause	Indicators	Comply Yes/No	Findings																																												
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>Description of the soil characteristics such as texture, depth, drainage, parent material and key aspect for management was also available. The soil series in the 4 estates were classified as follows and was last updated in May 2014.</p> <table><tr><th>Masang Estate</th><th>Bukit Sekong Estate</th><th>Sapagaya Estate</th><th>Seraya Estate</th></tr><tr><td>Jempol</td><td>Jeram</td><td>Lungmanis</td><td>Lungamanis</td></tr><tr><td>Jeram</td><td>Stom</td><td>Silabukan</td><td>Lokan</td></tr><tr><td>Stom</td><td>Tanjong Lipat</td><td>Rumidi</td><td></td></tr><tr><td>Tanjung Lipat</td><td>Kumansi</td><td>Kretam</td><td></td></tr><tr><td>Kumansi</td><td>Talisai</td><td>Gomantong</td><td></td></tr><tr><td>Talisai</td><td>Kuah</td><td>Lokan</td><td></td></tr><tr><td>Tebok</td><td></td><td></td><td></td></tr><tr><td>Briah</td><td></td><td></td><td></td></tr><tr><td>Selangor</td><td></td><td></td><td></td></tr><tr><td>Kerayong</td><td></td><td></td><td></td></tr></table> <p>There were no problematic soils (e.g. podzols and acid sulphate soils) on Syarikat Kretam Mill Sdn Bhd CU. The estates maintained the following maps and documents for proof of recognized legal rights. Documents were sighted and verified. The terrain in Bukit Sekong Estate was rolling (6 to 12 mainly flat and undulating, 79.52%, which is 0°-15°. Only 1.91% of Bukit Sekong Estate was slopes >25°.</p>	Masang Estate	Bukit Sekong Estate	Sapagaya Estate	Seraya Estate	Jempol	Jeram	Lungmanis	Lungamanis	Jeram	Stom	Silabukan	Lokan	Stom	Tanjong Lipat	Rumidi		Tanjung Lipat	Kumansi	Kretam		Kumansi	Talisai	Gomantong		Talisai	Kuah	Lokan		Tebok				Briah				Selangor				Kerayong			
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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	<p>It was observed that practices to minimize and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines. Cover crops were planted in the replants and in mature areas. The cover crop <i>Mucuna bracteata</i> had been planted along some slopes by management. Large areas with <i>Neprolepis biserrata</i> in the inter rows were sighted during the visit. The topography maps were provided with details showing the various terrain and slope categories in the estates.</p>																																												
	7.5.3 There is no new planting of oil palm on steep terrain.	Yes	<p>This compliance being specified in the following guidelines. “This compliance being addressed in the “Slope and River Protection” signed by the CEO dated Dec 2019 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”.</p>																																												
7.6 Soil surveys and topographic information are used for site planning in the establishment of	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	<p>The Syarikat Kretam Mill Sdn Bhd CU continued to demonstrate the long-term suitability of land for palm oil cultivation and had conducted soil surveys identifying marginal and fragile soils, and terrain surveys including steep terrain, As mentioned under indicator 7.5.1 soil maps and topography maps were made available. There were no peat soils, marginal soils and fragile soils on All Estates. The soil and topography of the estates were taken into account in plans and operations.</p>																																												

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Clause	Indicators	Comply Yes/No	Findings
new plantings, and the results are incorporated into plans and operations.	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.	Yes	Based on the soil maps provided and field visits there were no fragile and problem soils in all the estates.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	Yes	Topographic maps also were established during the soil survey assessment. The topographic information was provided and reviewed by the auditors.
7.7 No new planting on 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 in all estates in the Syarikat Kretam Mill Sdn Bhd CU as supported by the soil maps of respective estates.
	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peat land Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).	Yes	This is not applicable as there is no peat soil in all estates in the Syarikat Kretam Mill Sdn Bhd CU as supported by the soil maps of respective estates.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	Yes	This is not applicable as there is no peat soil in all estates in the Syarikat Kretam Mill Sdn Bhd CU as supported by the soil maps of respective estates.
	7.7.4 (C) A documented water and ground cover management programme is in place.	Yes	This is not applicable as there is no peat soil in all estates in the Syarikat Kretam Mill Sdn Bhd CU as supported by the soil maps of respective estates.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before	Yes	This is not applicable as there is no peat soil in all estates in the Syarikat Kretam Mill Sdn Bhd CU as supported by the soil maps of respective estates.

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Clause	Indicators	Comply Yes/No	Findings
	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.		
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.	Yes	This is not applicable as there is no peat soil in all estates in the Syarikat Kretam Mill Sdn Bhd CU as supported by the soil maps of respective estates.
	7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2018) and associated audit guidance.	Yes	This is not applicable as there is no peat soil in all estates in the Syarikat Kretam Mill Sdn Bhd CU as supported by the soil maps of respective estates.
7.8 Practices maintain the quality and availability of surface and groundwater.	7.8.1 A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:	YES	<p>The CU Water Management Plan has been reviewed and updated in March 2023. The objective was to meet the needs of existing and future populations and ensure that habitat and ecosystems are protected, the nation water must be sustainable and renewable.</p> <p>The water management measures are identified stage as part of the progress towards the objective of water management plan. There are 3 major parts which are general water management, water quality management and emergency management. General Water</p>

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Clause	Indicators	Comply Yes/No	Findings
			Management covers mainly on the efficient water usage practices and ways to achieve it. Factors such as education, infrastructure and water using processes are being analysed to achieve the water management goal. Water quality management for various water using processes in the mill and for domestic use in the estate especially for drinking water. Water supply for mill and estates are mainly from flowing river/reservoir apart from rainwater. Emergency management is the discipline of dealing with and avoiding risks of water shortage. Water spillage during pre-mixing of chemicals, from washing of PPE and from triple rinsing was collected from in sumps and recycled for spraying.
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	YES	For Estate, the continued availability of water sources and to avoid negative impacts on other users in the catchment has been concluded in the Environmental Compliance Report assessment, which was carried out once every 4 months. Based on the result, water quality monitoring is generally within Class IIB of INWQS at all monitoring points. For POM, final discharge samples were taken on a monthly basis and sent to an accredited laboratory for analysis. The results of analysis were submitted to the DOE on quarterly basis. All parameters were within the regulatory limit such as BOD discharged to land irrigation.
	7.8.1b Workers have adequate access to clean water.	YES	Water supplies are made to all housing areas and office complexes in the respective estates and POM as the sources are from the internal water pond and catchment. The worker's quarters have adequate clean water supply by estate and mill management, the management also done the analysis to ensure water was safe for domestic use. Domestic water analysis results showed no adverse quality.
	7.8.2 (C) Water courses and wetlands are protected, including maintaining and restoring appropriate riparian and other buffer zones in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).	YES	Water courses and wetlands was protected, including maintaining and restoring appropriate riparian and other buffer zones and in line with 'RSPO Manual on BMPs for the management and rehabilitation of riparian reserves' (April 2017).
	7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.	YES	Methane Capture Plant (Biogas Lagoon) and Effluent Treatment Plant (ETP) are available at Syarikat Kretam Mill to treat the POME. Effluent treatment process flow sighted in the Lay Out Effluent Pond. Stated in the process flow is the maximum mill capacity per hour is 60mt ffb/hr. According to DOE's license, the disposal method of the final discharge is through water ways. The Biogas and ETP were regularly maintained by desludging of the ponds to ensure its efficiency. Final discharge samples were taken on monthly basis and sent to an accredited laboratory for analysis. The results of analysis were submitted to the DOE on quarterly bais. All parameters were within the regulatory limit such as BOD discharged to land irrigation.
	7.8.4 Mill water use per tonne of FFB is	YES	Process water is obtained from water catchment near to the mill. The water usage per tonne

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Clause	Indicators	Comply Yes/No	Findings																		
	monitored and recorded.		of fresh fruit bunches (FFB) continued to be monitored on monthly basis. The average factory water consumption to FFB Processed slightly high due to low crop season and mill cleaning.																		
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 tractors▪ Minimise the electricity usage at workers housing▪ Replace light bulb with energy saving bulb▪ To switch off and unplug all the electrical equipment after used.▪ Minimise the lubricant oil usage through using small tractor for FFB evacuation <p>The CU showed evident that they are compiling the data by monthly basis and document it for further action to improve on their efficiency of using the renewable and non-renewable energy. Apart from the use of grid electricity, palm fibre and shells were also used to generate electricity through biogas plant.</p>																		
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 Calculator as a tool to calculate the GHG emissions. For input FY 2022, the report sends via email to RSPO through the Palm GHG calculator and publicly reported. 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>0.44</td></tr><tr><td>PK</td><td>0.44</td></tr></table> <table><tr><th>Land Use</th><th>Ha</th></tr><tr><td>OP Planted Area</td><td>14674.31</td></tr><tr><td>OP Planted on Peat</td><td>0.00</td></tr><tr><td>Conservation (forested)</td><td>861.79</td></tr><tr><td>Conservation (non-forested)</td><td>0.00</td></tr><tr><td>FFB production per ha</td><td>12.06</td></tr></table>	Description	tCO ₂ e/tProduct	CPO	0.44	PK	0.44	Land Use	Ha	OP Planted Area	14674.31	OP Planted on Peat	0.00	Conservation (forested)	861.79	Conservation (non-forested)	0.00	FFB production per ha	12.06
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			Palm Oil Mill Effluent (POME) Treatment <table><tr><td>Diverted to compost</td><td>0%</td></tr><tr><td>Diverted to anaerobic digestion</td><td>100%</td></tr></table> Diverted to Anaerobic Digestion <table><tr><td>Diverted to anaerobic pond</td><td>0%</td></tr><tr><td>Diverted to methane capture (flaring)</td><td>0%</td></tr></table>	Diverted to compost	0%	Diverted to anaerobic digestion	100%	Diverted to anaerobic pond	0%	Diverted to methane capture (flaring)	0%
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7.10.2 (C) Starting 2014, the carbon stock of the proposed development area and major potential sources of emissions that may result directly from the development are estimated and a plan to minimise them prepared and implemented (guided by the RSPO GHG Assessment Procedure for New Development).	YES	Auditor has verified through checking the www.globalforestwatch.com , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at KHB Sandakan Region CU since November 2005. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.									
7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	The Environmental Impact and Aspect Assessment and Pollution Prevention Plan was used to identify the GHG emissions. Some of the Greenhouse Gas emissions are through Land Conversation, Crop Sequestration, Fertiliser, N ₂ O from fertiliser, Fuel Consumption, Peat Oxidation. Plans to reduce or minimise them are in place. The 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	There was no land preparation in the CU by burning ever since KHB practice zero burning since 2016.								
	7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.	YES	The CU had established fire prevention and control measures for the areas under direct management estate and POM. In the mill their water hydrant and valid fire extinguishers at the various operating stations. All estates visited had valid fire extinguishers at the office, employee quarters, chemical & fertiliser stores, diesel skid tank, etc.								
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	The CU also engaged with adjacent to stakeholders on fire prevention and control measures by inviting them to join training conducted during stakeholder meeting in August 2022								
7.12 Land clearing does not cause deforestation or damage any area	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	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 Syarikat Kretam Mill CU since Nov 2005.								

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Clause	Indicators	Comply Yes/No	Findings
required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.	forests. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.		
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	The report “HCVF Assessment Two Parcels of Forest at Masang Estate, Kota Kinabatangan” is available. The study was conducted by HCVF External Assessor and the report was completed in October 2012. The finding from Assessment stated that ‘There is no fauna of significance that is found in these parcels of forest. There is no ERT or Endangered, Rare and Threatened species within these forests. Since Parcel A and B is very close to each other there is not much difference in wildlife composition including the birds. Many species of bird are adapting to the oil palm plantation (OPP)’ and ‘The two parcels of forestland despite their small size qualify as HCVF on four criteria namely HCV 1.2, and 1.4, HCV 4.1 and HCV 5. There is also extended assessment conducted by internal Assessor Kretam namely ‘Baseline Biodiversity Assessment and Planning for forest area, Unplanted Area, Water Catchment Area and Buffer Zones in KHB Plantation in Sandakan Region’ dated May /July 2015 updated yearly and last review in October 2020. The study covered all the High Conservation Value (HCV) within and adjacent to the Kretam Mill CU. The HCV assessment had identified the rare, threatened and endangered species (RTEs) for estate named Masang, Bode, Bukit Sekong and Sepagaya Estate including the management and action plan. In general, Kretam Mill CU had identified 4 potential HCV and the stated HCV area is 50 Ha for Parcel A and 200 ha in Parcel B resulted in overall amount as 250 Ha.
	7.12.2a For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid.		
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.		
	7.12.4 (C) Where HCVs, HCS forests after 15 November 2018, peatland and other conservation areas have been identified, they are protected and/or enhanced. An integrated management plan to protect and/or enhance HCVs, HCS forests, peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider	YES	There was a presence of ERT species within HCV HCV 1.2, 1.4,4.1 and 5 in the CU. In managing the HCVs, the CU had a regular programme to educate its employees pertaining to the protection of the RTE as well as the protection of buffer zone and all protected areas. The CU has conducted a regular patrol of HCV areas, access and boundary of estates in its monitoring programme. Signage, such as “HCV attributes”, “No Hunting”, “No Fishing”, “Buffer Zone” was erected on sites. No use of chemicals had been applied in the buffer zone as prohibited by the CU. In general, the action plan has been implemented accordingly as per detailed of action plan concerning HCV contained in the report section.

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Clause	Indicators	Comply Yes/No	Findings
	landscape level considerations.		
	7.12.5 Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.	YES	There were no local communities living nearby with Syarikat Kretam Mill CU. So, this indicator was not applicable with this CU.
	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	A training programme for year 2022 was available at All estates and awareness training like morning briefing has also been conducted. An appropriate disciplinary measure, was instituted in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.
	7.12.7 The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.	NO	The implementation of HCV monitoring followed prescriptions in the “The HCV and RTE action plan was as in ‘Monitoring Checklist of Biodiversity Area by Monthly’. The main approach taken included conservation of species and maintenance of connectivity between protected forest within, and surrounding Kretam Mill CU. Management included demarcation, education (awareness briefing) and constant monitoring. The status of HCV and RTE species that are affected by plantation or mill operations had also been documented in the report. However, it was found that, Syarikat Kretam Mill CU had Management Plan already identify Wider landscape Level, and the RTE monitoring program, However, Outcomes of Latest HCV/RTE Monitoring was not fed back into the Latest management Plan to consider Plan Inventory Monitoring after the RTE such as Elephant etc. enter the estate. Thus, Minor NCR MZK 02 2023 has been raised.
	7.12.8 (C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior	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 Syarikat Kretam Mill CU since Nov 2005.

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Clause	Indicators	Comply Yes/No	Findings
	HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.		

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

Clause	Indicators		Comply Yes/No	Findings
5.5.2 Time-bound plan 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.	(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	KHB Plantation already certified in July 2021 for all estates and mills. However, on October 2021, KHB Plantation has newly acquired property (Seraya Estate) @ 853.43 ha. KHB Plantation has deviated the TPB to 2024. The uncertified unit required 3 years' time frame to setup and prepared towards RSPO certification. In 2023 Annual Surveillance 1 Audit, KHB Plantations already added Seraya Estate into the Syarikat Kretam Mill CU, therefore TBP has already accomplished.
	(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	In 2023 Annual Surveillance 1 Audit, KHB Plantations already added Seraya Estate into the Syarikat Kretam Mill CU, therefore TBP has already accomplished.
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any	Yes	In 2023 Annual Surveillance 1 Audit, KHB Plantations already added Seraya Estate into the Syarikat Kretam Mill CU, therefore TBP has already accomplished.

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		newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);		
	(d)	Where there are isolated lapses in implementation of a time-bound plan, a minor non-compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised.	Yes	The details of the Time Bound Plan described as per attachment 6. KHB is achieving the RSPO Certification process towards 100%. 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 7.13. 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	For uncertified management unit, the HCV assessment has been carried out in Nov 2007 by Dr Edwin J Bosi from Fauna Consultant (wildlife management) and has been upgraded on Sept 2018 by Malaysian Environmental Consultants Sdn Bhd.
	(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	There was no issue on land. Seraya Estate has a valid land title. Land title status has been described below: Government.Land title no: country lease CL096290363, CL095311078, CL095311256, CL095310464. Land status for purpose of cultivation of agricultural crop of economic value. Total land bank 853.43 ha.
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2;	Yes	Procedure was established to resolve any labour disputes i.e. Complaints & grievances procedure, document no: KHB-HR-P05. Sighted the grievance book (aduan perbaikan kerosakan rumah) established for workers to channel complaint related to housing complaint, etc.
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	KHB complied with all the related legal requirement. Evidences & document reference such as HCV report results, land title, Racp status, LUCA status, planting statement, SOP for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, SOP calculating and distributing fair compensation, etc. were concluded adequate in the report for all uncertified management

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			units.
(e)	<p>The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 5.5.3 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:</p>	Yes	<p>Based on statement in (a) to (d) above, the CU has assessed the condition of their uncertified unit and has stated full commitment to comply with all relevant requirements as specified above.</p> <ul style="list-style-type: none"> Sighted the series of Internal Audit and External Audit (MSPO Certification) on their uncertified unit as conducted and reported accordingly. The audit was conducted against RSPO P&C and RSPO Partial Certification Requirements. Evidence of audit attendance list, audit checklist & report were made available to auditor as the supporting evidence. Verification through www.globalforestwatch.com , GOOGLE maps data, estates maps and through HCV assessment report, and planting profile there was no new planting and no new development of area was observed. With this, it can be concluded that the positive assurance made was justified.
	<ul style="list-style-type: none"> A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement; 		
	<ul style="list-style-type: none"> Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team. 		
	<ul style="list-style-type: none"> Desktop study e.g. web check on relevant complaints 		
	<ul style="list-style-type: none"> If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements. 		
(f)	For requirements 5.5.3 (a)-(d) above, the classification of critical and non-critical is as stated in the RSPO P&C. If a non-compliance against a critical indicator in a non-certified management unit is identified, the current certification assessment	Yes	As of this audit, KHB still on track and follow the requirement of uncertified requirement units, Further information can be obtained from KHB ACOP. The details of the Time Bound Plan described as per attachment 6. KHB is progressively undergoing the RSPO Certification process towards 100%. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.

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		cannot proceed to a successful conclusion unless it is actively addressed. Evidence of active engagement with RSPO in resolving the non-compliance shall be available.		
	(g)	Failure to address any outstanding non-compliances within uncertified unit(s) as defined in 5.5.3 (f) above may lead to suspension of certificate of the certified unit(s), in accordance with the provisions of these Certification Systems.	Yes	As of this audit, KHB still on track and follow the requirement of uncertified requirement units, Further information can be obtained from KHB ACOP. The details of the Time Bound Plan described as per attachment 6. KHB is progressively undergoing the RSPO Certification process towards 100%. Details were provided in the Time Bound Plan described as per attachment/revision in the TBP.
<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</p>		No additional indicators	Yes	It has been verified that KHB Sandakan Region CU has bought the land and Kretam has the right to use the land which is legitimately owned by their company.

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throughout the certification cycle.				
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ATTACHMENT 4

DETAILS OF NON-CONFORMITIES AND CORRECTIVE ACTIONS TAKEN

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Root Cause & Corrective Action Taken by the CU	Verification Statement by Auditors
2.2.2 DA 02 2023	Minor	<p>Requirement: 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.</p> <p>Finding: Evidence of legal due diligence of workers regularization agency for migrant workers was not available.</p> <p>Objective evidence: There is no evidence of due diligence of workers regularization agency for migrant workers i.e., Agensi Pekerjaan Amat Mercu Sdn. Bhd. during the audit process.</p>	<p>The root cause: The CU have limited information regarding these matters since the legal due diligence of workers regularization agency for foreign workers was conducted by HQ Office.</p> <p>Correction: The legal due diligence of workers regularization agency for foreign workers have been conducted and the documented legal due diligence shall be provided to the CU for filling.</p> <p>Corrective action: The CU sustainability team will liaise with HQ Office to ensure the copy of all documents related to legal due diligence will be kept in the estate office for safe keeping.</p>	<p>Root cause and Corrective action Plan Accepted, However the effectiveness of Action Plan will be verify during next audit.</p> <p>Status : Open</p>
3.3.2 STK 01 2023	Minor	<p>Requirement: 3.3.2 A mechanism to check consistent implementation of procedures is in place.</p> <p>Finding: A mechanism to check consistent implementation of the use of PPE was not in place.</p> <p>Objective evidence: HIRARC has identified the Straw hat as PPE, However It was observed that some workers on, Bukit Sekong Estate – Sprayers in Block 15XB1, Masang Estate – Sprayers in Block 12PQ2 of Div 3 and Block 11PO10 of Div 2, Manurers in Block 04MB6 were using caps instead of straw hats.</p>	<p>Root cause: The estate management had identified 61 activities of risk assessment including identified the straw hats as PPE for sprayer and manuring activities. However, the management of Bukit Sekong and Masang Estate had overlooked by providing caps to the workers instead of straw hats</p> <p>Correction: The workers in Bukit Sekong (sprayer) and Masang (sprayer and manurer) will be provided with straw hats (PPE) free of charge.</p> <p>Corrective action: To issue PPE (straw hats) to all sprayer</p>	<p>Root cause and Corrective action Plan Accepted, However the effectiveness of Action Plan will be verify during next audit.</p> <p>Status : Open</p>

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			and manurer workers and to record the PPE issued in PPE record book.	
3.8.11 MZK 01 2023	Major	<p>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</p> <p>Finding: Syarikat Kretam Mill POM was not inform its CB names and contact details of any new contractor used for the physical handling of RSPO certified oil palm products</p> <p>Objective evidence: Sighted during document verification, it was found that, There is 1 New CPO Transporter namely Budaya Potensi Transport Sdn Bhd which is contract signed dated 25/11/2022, and mill failed to inform 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.</p>	<p>The root cause: Due to unforeseen circumstances, RSPO criteria 3.8: <i>outsourcing activities under 3.8.11 auditee shall at its next audit inform CB of the names and contact details of any new contractor used for physical handling of RSPO certified palm product, was overlooked from</i> RSPO Principles & Criteria 2018. This causes due to miscommunication between Management Syarikat Kretam Mill Sdn. Bhd and the HQ, and also The Old SCCS SOP did not highlight this Issue.</p> <p>Correction: Syarikat Kretam POM have notified the CB via email on the addition of the new contractor for transporting the certified CPO on 15/04/2023. The indicator 3.8.11 in RSPO Principles & Criteria 2018 will be written under the Syarikat Kretam Mill Sdn. Bhd. General Chain of Custody SOP.</p> <p>Corrective action: Revise Syarikat Kretam Mill Sdn. Bhd. General Chain of Custody SOP with document number SCCS-02 for include the criteria 3.8 outsourcing activities with indicator 3.8.11 from RSPO P&C 2018.</p>	<p>Root cause and Corrective action accepted. Auditor has verify the General Chain of Custody SOP doc number SCCS-02 , and training to contractors and found this evidence is acceptable to close this NCR.</p> <p>Status : Closed</p>
6.1.5 DA 01 2023	Major	<p>Requirement: 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.</p> <p>Finding: The gender committee in the CU was not in place specifically on opportunities and improvements for women.</p>	<p>Root cause: The GC members at Estates and Mill was not familiarize with the requirement 6.1.5. Improvement Opportunities for women, Briefing on Gender Committee has been regularly conducted to emphasize the GC function; however, it was not effective as some GC members did not fully</p>	<p>Root cause and Corrective action accepted. Auditor has verified evidence meeting agenda, Refresher briefing to gender committee, Training role of gender committee, New Gender Programme and found all evidence above is acceptable to close this NCR</p>

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		<p>Objective evidence:</p> <p>Based on the interview with the GC representative and verification of the minutes of the GC meeting, the gender committee's function was found to be very limited and focused on the awareness of sexual and physical harassments. It was also revealed that the committee did not fully comprehend the main goals of the committee's formation. The assessment team confirmed that there is no specific agenda discussed. The GC meeting is more like a training platform. Issues concerns about the assistance or contributions to single moms, assistance and support for older female workers, assistance for widowers, as well as their retirement plan were not highlighted at the GC meeting.</p> <p>The findings showed that the role of the Gender Committee in practice does not reflect the role defined by Indicator 6.1.5, which includes to identifying and addressing issues of concern as well as opportunities and improvements for women. Moreover, there is no dedicated budget was provided to the committee to execute the opportunities and improvements for women.</p>	<p>understand the contents. In addition, the management have overlooked the requirement 6.1.5 on the opportunity and development for women where no relevant activities and program to assist and contribute support for GC members due to lack of dedicated budget to organized the event.</p> <p>Correction:</p> <ul style="list-style-type: none"> - To improve meeting agenda during Gender Meeting to discuss various issue of concerns pertaining to the welfare of the GC members including the issues related to opportunities and improvements for GC members. - To provide support and create opportunity for development of women at all levels as per stated in the Gender Policy. <p>Corrective action:</p> <ul style="list-style-type: none"> - Refresher briefing to be conducted to the Gender Committee on the objective of the establishment of the committee, roles and responsibilities as per requirement 6.1.5. - To provide sufficient trainings to develop and increase the GC members awareness, enhance their skills and improve understanding on Gender Policy. - To improve Gender Committee commitment and responsibility to facilitate and organize relevant activities and program to assist and contribute support for GC member (i.e., allocate dedicated budget for Gender activities) as well as the opportunity for advancement of women at all levels in the CU. 	Status : Closed
7.3.1 RAR 01 2023	Minor	Requirement: 7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and	<p>The root cause:</p> <p>Level of awareness on domestic waste disposal especially on 3R waste</p>	Root cause and Corrective action Plan accepted. However the effectiveness of Action Plan will be

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		<p>implemented.</p> <p>Finding: waste management plan was not implemented accordingly</p> <p>Objective evidence: Disposal of domestic waste was not conducted accordingly, sighted domestic waste (i.e., bottle, drums, etc) has been disposed at back site of housing areas at Kampung Kenanga (Bode Estate) and Kampung Sebuda (Seraya Estate)</p>	<p>management (Reduce, reuse & recycle) amongst the workers were low, and even though notice and signboard already planted at the line site they still litter.</p> <p>Correction: The Domestic waste sighted (i.e., bottle, drums) at Kg. Kenanga (Bode) and Kg. Sebuda (Seraya) will be collected and disposed accordingly as per waste management plan.</p> <p>Corrective action: The CU management will conduct refresher briefing and training on domestic waste disposal and 3R awareness (reduce, reuse and recycle). The environmental committee (respective estate management) will conduct inspection at the line site area on regular basis to ensure that all domestic waste is disposed accordingly. The line-site sanitation will be continued as per current practice (weekly inspection).</p>	<p>verify during next audit.</p> <p>Status : Open</p>
<p>7.12.7 MZK 02 2023</p>	<p>Minor</p>	<p>Requirement: 7.12.7 The status of HCVs, HCS forests after 15 November 2018, other natural ecosystems, peatland conservation areas and RTE species is monitored. Outcomes of this monitoring are fed back into the management plan.</p> <p>Finding: The Outcomes of HCV/RTE monitoring program was not fed back into the management Plan</p> <p>Objective evidence: Syarikat Kretam Mill CU had Management Plan already identify Wider landscape Level, and the RTE monitoring program, However, Outcomes of Latest HCV/RTE Monitoring was not fed back into the Latest management Plan to consider Plan Inventory Monitoring after the RTE such as Elephant etc. enter the estate.</p>	<p>Root cause: The biodiversity assessment for the newly acquired property Seraya Estate were still in progress during the audit and the Baseline Biodiversity Assessment and Planning Management Plan were due for reviewed in October 2025.</p> <p>Correction: The Baseline Biodiversity Assessment for the newly acquired property Seraya estate will be completed by September 2023. The outcomes of the assessment (including latest HCV/RTE inventory monitoring i.e., Elephant enter the estate) will be incorporated and be fed back into the Management Plan.</p>	<p>Root cause and Corrective action Plan accepted. However, the effectiveness of Action Plan will be verify during next audit.</p> <p>Status : Open</p>

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			<p>Corrective action: The Baseline Biodiversity Assessment and Planning will be updated and reviewed by October 2023 to include Seraya estate and the latest outcomes of HCV/RTE inventory monitoring plan.</p>	
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ATTACHMENT 5

STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Verification by Assessor
DA 01 6.2.4	Major	<p>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.</p> <p>Finding: Inadequate of "structural safety and reasonable levels of decency, hygiene and comfort" at housing – ILO Guidance on Workers' Housing Recommendation No. 115:</p> <p>Objective evidence:</p> <p>Based on interview and site visit to workers' quarters at KHB Sandakan Region CU, observed that:</p> <ol style="list-style-type: none"> 1. The perimeter drains at wooden houses are not kept in a good state of repair and clear of refuse or undergrowth to permit free flow of water – found at POM, Masang Estate, Bode Estate 2. No replacement of housing window (Tingkap Nako) and mosquito netting due to broken/missing at several wooden houses – found at POM, Bukit Sekong Estate, Masang Estate and Bode Estate 3. Sanitation facilities provided not meet minimum standard of hygiene – mossy toilet condition and no pumping system to flushing – found at E13 wooden housing (POM) 4. No ceiling fan or portable fan provided – found at E13 wooden housing (POM) 5. Bedding and bedframe materials not provided – newly recruited workers (POM) 6. No adequate furniture for each worker to secure his or her belongings, such as a ventilated clothes locker which can be locked by the occupant to ensure privacy – newly recruited workers (POM) 	<p>During site inspection at worker quarters at KHB Sandakan Region CU, sighted the cleanliness and up-keeping of the housing compound and workers' houses are found satisfactory condition. The perimeter drains and monsoon drains at wooden houses was kept in a good state of repair and no water clogging at all. In addition, housing windows and mosquito nettings observed in good condition. Furthermore, sanitation facilities provided was meet minimum standard of hygiene. Observed all communal latrines and bathrooms are kept in a clean sanitary and working condition. Moreover, all workers will be given a starter kit which includes basis amenities (e.g., mattress, bedstead and locker cupboard) and FOC for repairing house. <i>As a result, previous Major NCR DA 01 2022 was satisfactory closed.</i></p> <p>Status : Closed</p>

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DA 02 7.8.2	Major	<p>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).</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: During site inspections at Masang Estate (Division 2, Field Block 11PO2) and Bode Estate (Division 3, Field Block 06BD1), sighted sign of chemical spraying activities was carried out close to the water edge at the artificial drainage and waterways that directly channel to Sg. Bode.</p>	<p>Sighted during field visit:</p> <p>Bode Estate During site visit at Division 2 block 2022 B2 and Division 3, Field Block 06BD1 was confirmed no evidence of chemical activities at the buffer zones areas.</p> <p>Masang Estate During site visit at Division 2, Field Block 11PO2 was confirmed no evidence of chemical activities at the buffer zones areas.</p> <p>Status : Closed</p>
DA 03 7.3.3	Minor	<p>The unit of certification does not use open fire for waste disposal.</p> <p>Finding: The unit of certification use open fire for waste disposal.</p> <p>Objective evidence: During site inspection at worker quarters at Syarikat Kretam Mill, sighted there is trace of fire burning on the ground and use open fire for waste disposal have been carried out.</p>	<p>during site inspection at worker quarters at palm oil Mill and all estates was sighted there is no trace of fire burning on the ground and use open fire for waste disposal have been carried out. Therefore, previous Minor NCR was satisfactory closed.</p> <p>Status : Closed</p>
RMN 1 6.7.2	Minor	<p>Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</p> <p>Finding :Emergency shower and eye wash in good operation condition.</p> <p>Objective evidence: Sighted at below estates, the emergency shower and eye wash was not in good conditions.</p> <ol style="list-style-type: none"> 1.Bukit Sekong Estate 2.Masang Estate 	<p>first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed by HA. During site visit at workshop, chemical store, premix areas, spraying and manuring operators was sighted emergency shower was available and eye wash was provided to PIC on site. Thus, previous NCR was satisfactory closed.</p> <p>Status : Closed</p>

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RMN 2 1.1.2	Minor	Information is provided in appropriate languages and accessible to relevant stakeholders. Finding :The information provided was not accurate. Objective evidence: Discrepancy on certified hectarage at Masang Estate as per below		Sighted during this ASA 1 2023 audit the information related to Planted area and Certified area has been accurated with Land Title, Thus, Past Minor RMN 02 has been successfully closed Status : Closed
		Certified hectarage in previous certificate	Actual hectarage verified	
		3047.03 Hectare	3178.62 Hectare	
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ATTACHMENT 6 – Timebound Plan

Kretam Holdings Berhad Time-bound Plan for RSPO Certification, as of March 2023

Name of the Unit of Certification (UoC)	Country	Name of the Mills and Supply Bases	Location Address	GPS Coordinates (in decimal degree)		Total Managed Area (Ha)	Certification Status (Certified / Not certified)
				Latitude	Longitude		
ABEDON OIL MILL SDN BHD	MALAYSIA	ABEDON OIL MILL SDN BHD	PO BOX 60402, LAHAD DATU, SABAH, 91113, MALAYSIA	5.312333° N	117.973889° E	13.8500	Certified
		KOLOPIS ESTATE		5.298056° N	117.956667° E	2,489.86	Certified
		TANAKI ESTATE		5.329972° N	117.938333° E	2,628.03	Certified
SILIMPOPON MILL	MALAYSIA	SILIMPOPON MILL	KM 128, TAWAU KALABAKAN HIGHWAY, MUKIM SG. SILIMPOPON, 91000 TAWAU, SABAH	N 4°01'31.9	E 117°28'38.2	38.0600	Certified
		SILIMPOPON 1 ESTATE		N 4°01'44.76	E 117°27'32.88	3,934.8200	Certified
		SILIMPOPON 2 ESTATE		N 4°19'44.76	E 117°27'32.88	4,155.1800	Certified
SYARIKAT KRETAM MILL	MALAYSIA	SYARIKAT KRETAM MILL	OFF KM 45 SANDAKAN-LAHAD DATU HIGHWAY, KINABATANGAN, SANDAKAN SABAH	N 050° 39' 25.8"	E 117°0 50' 15.1"	33.54	Certified
		BODE ESTATE		N 050° 38' 37.3"	E 117°0 49' 54.0"	3,472.82	Certified
		MASANG ESTATE		N 050° 39' 47.3"	E 117°0 51' 55.8"	3,047.65	Certified
		WINPALM ESTATE		N 050° 43' 16.4"	E 117°0 53' 47.9"	130.97	Certified
		SAPAGAYA ESTATE	KM82, JALAN LAHAD DATU / SANDAKAN, KINABATANGAN, SANDAKAN SABAH	N 050° 34' 52.9"	E 118°0 01' 06.3"	3,049.77	Certified
		BUKIT SEKONG ESTATE	BATU 60, JALAN SUKAR, KINABATANGAN, SANDAKAN SABAH	N 050° 36' 12.8"	E 117°0 54' 09.8"	853.33	Certified
		SUKAU ESTATE	KM136, JALAN SUKAU / SANDAKAN, KINABATANGAN, SANDAKAN SABAH	N 050° 32' 54.3"	E 118°0 15' 43.0"	103.63	Certified
		SERAYA ESTATE	SERAYA ESTATE, MILE 50, LABUK ROAD, 90200 KINABATANGAN	5.644234° N	117.601625° E	853.43	Included in Syarikat Kretam Mill CU during the ASA 1 2023 Audit. Waiting for certification.