



SIRIM QAS INTERNATIONAL SDN. BHD.
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Malaysia.

File Ref. : EK91200001

RSPO PUBLIC SUMMARY REPORT

CLIENT : SYARIKAT KRETAM PLANTATIONS SDN. BHD. – SILIMPOPON 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	
Silimpopon CU	Silimpopon POM	N 4°19'31.90	E 117°28'38.20	KM 128, Tawau Kalabakan Highway, Mukim Sg. Silimpopon 91000 Tawau, Sabah.
	Silimpopon 1 Estate	N 4°19'44.76	E 117°27'32.88	
	Silimpopon 2 Estate			

MAP : See Attachment 1

AUDIT DATE : 9th to 13th October 2023

DURATION : 14 auditor days

TYPE OF AUDIT :



**Annual Surveillance Audit
No. 04**



Recertification Audit

STANDARD: MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

SCOPE OF CERTIFICATION : Production of Sustainable Crude Palm Oil and Palm Kernel Using Mass Balance Supply Chain Model.

VALIDITY OF RSPO CERTIFICATE : 20/1/2020-19/1/2025 (RSPO-PC 00129)

The following attachments form part of this report:

Non-conformity Report(s)



List of additional site(s)



Report by Audit Team Leader

Acknowledgement by Client's Representative

Name : **DZULFIQAR AZMI**

Name : **SPENCER JOSEPH**

Signature :

Signature :

Date : **19 / 01 / 2024**

Date : **19/01/2024**

RSPO P&C PUBLIC SUMMARY

SUMMARY OF AUDITS

Stage 2 Audit				
On-site audit date	: 29 – 31 October 2019	No. of auditor days:	9 auditor days	
Audit team	: Dzulfiqar Azmi, Rozaimée Ab Rahman, Ismail Adnan			
No. of major NCR	: 2	Indicator: RSPO P&C (4.7.3), RSPO SC (5.1)	Closing date: 19/12/2019	
No. of minor NCR	: 1	Indicator: RSPO P&C (5.1.2)		
Indicate the stakeholders interviewed during the on-site audit	Employees / Workers orgs.	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	: Silimpocon 1 Estate			
Justification of audit planning	: Total allocation of auditor days for Silimpocon 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 = 5 days for verification of safety and health, environment, good agriculture best practices, Social, HCV, TBP, Partial Certification and GHG verification plus the verification of Land History and Land Title.			
Name of peer reviewer	: Prof. Emeritus Dr Jalani Sukaimi			
Report approved by	: Kamini A/P M.Sooriamorthy	Approval date: 20/01/2020		

Annual Surveillance Audit 1				
On-site audit date	: 12-15 April 2021 (10.0 a.d)	No. of auditor days:	14 auditor days	
Remote audit date	: 3-4 Dec 2020 (4.0 a.d)			
Audit team	: Onsite-Mohd Ab Raouf bin Asis (LA), Rozaimée bin Ab Rahman, Rahayu binti Zulkifli Remote-Mohd Zulfakar bin Kamaruzaman (LA), Rozaimée bin Ab Rahman			
No. of major NCR	: 3	Indicator:3.4.3, 6.2.2, 5.1.9	Closing date: 5/07/2021	
No. of minor NCR	: 4	Indicator: 3.3.2, 6.5.3, 7.3.2, 7.11.3		
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	✓	NA	✓	✓
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
	✓	✓		
	Indigenous people	Contractor	Others (Please specify)	
	NA			
Supply base sampled	: Silimpocon 1 and Silimpocon 2 Estate			
Changes since the last audit	: During initial audit, Silimpocon 2 Estate was not included as supply base. The Silimpocon 2 Estate is audited for certification during this Surveillance 1 audit.			
Justification of audit planning	: Total allocation of auditor days for Silimpocon CU (onsite) were: Mill = 3 days (2 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 3.5 days for each estates 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 Sooriamorthy	Approval date : 8/07/2021		

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Annual Surveillance Audit 2					
On-site audit date	:	22-23 Dec 2021 (4.0 a.d) – Remote audit	No. of auditor days:	14 auditor days	
Remote audit date	:	7-10 June 2022 (10 a.d) – Onsite audit			
Audit team	:	Remote – Rozaimée bin Ab Rahman & Dzulfiqar Azmi Onsite – Rozaimée Bin Ab Rahman, Mohd Ab Raof Asis, Khairul Najwan			
No. of major NCR	:	3	Indicator:3.8.16,6.7.3, 7.8.2	Closing date: 9/09/2022	
No. of minor NCR	:	2	Indicator: 2.2.2, 6.3.3		
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	:	Silimponon 1 and Silimponon 2 Estate & Silimponon POM			
Changes since the last audit	:	No changes			
Justification of audit planning	:	-			
Name of peer reviewer	:	NA			
Report approved by	:	Kamini Sooriamoorthy	Approval date : 14/09/2022		

Annual Surveillance Audit 3					
On-site audit date	:	15 – 18 November 2022	No. of auditor days:	14 auditor days	
Audit team	:	Mohd Zulfakar Kamaruzaman, Dzulfiqar Azmi, Mohd Ab Raof Asis, Nor Ezani Ahmad			
No. of major NCR	:	2	Indicator: 2.2.2 (Recurrence minor), 5.1.6	Closing date: 15/02/2023	
No. of minor NCR	:	1	Indicator: 3.3.2		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
		✓		✓	✓
		Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
					✓
		Indigenous people	Contractor	Others (Please specify)	
		NA	✓		
Supply base sampled	:	Silimponon 1 and Silimponon 2 Estate & Silimponon POM			
Changes since the last audit	:	No changes			
Justification of audit planning	:	Total allocation of auditor days for Silimponon CU (onsite) were: Mill = 5 days (4 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 4.5 days for each estate 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 : 17/02/2023		

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Annual Surveillance Audit 4				
On-site audit date	: 09 – 13 October 2023	No. of auditor days	:	14 auditor days
Audit team	: Dzulfiqar Azmi (LA) Mohd Zulfakar Kamaruzaman, Nor Ezani Ahmad.			
No. of major NCR	: 3	Indicator: 3.8.7 (SC), 3.8.11 (SC), 6.2.4	Closing date:	12/01/2024
No. of minor NCR	: 3	Indicator: 3.4.2, 5.2.1, 5.2.2		
Indicate by ticking the stakeholders interviewed during the on-site audit	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
	✓	N/A	✓	✓
	Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
	N/A	N/A	N/A	✓
	Indigenous people	Contractors	Others (Please specify)	
	N/A	✓		
Supply base sampled	: Silimpopon 1 and Silimpopon 2 Estate & Silimpopon POM			
Changes since the last audit	: Yes, changes of planted ha due to the land acquisition for new housing centralize system. The 0.96 ha planted was reduced at Silimpopon 1 Estate on 15/06/2022 as per memo verified to top management.			
Justification of audit planning	: Total allocation of auditor days for Silimpopon CU (onsite) were: Mill = 5 days (4 days for safety and health, environment, mill best practices, GHG verification and Social at Mill) + (1 day for supply chain certification systems) Estate = 4.5 days for each estate 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	:	19/01/2024

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SUMMARY OF INFORMATION

TABLE 1

	STAGE 2	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period / Reporting Period*	Sept 2019 to August 2020	June 2021 to May 2022	June 2022 to May 2023	Oct 2022 to Sept 2023	Oct. 2023 to Sep. 2024
Certified FFB Processed (MT)	63,000.00	107,630.00	90,500.00	91,320.00	93,804.00
Production of Certified CPO (MT)	13,909.00	23,141.35	19,451.39	19,636.22	20,160.29
Production of Certified PK (MT)	2,878.00	5,287.99	4,339.100	4,389.22	4,510.77
Certified Areas (Ha)	3,934.82	*8,090.00	8,090.00	8,090.00	8,090.00
Planted Areas (Ha)	2,884.90	*5,477.86	5,477.86	5,477.86	***5,477.17
Production Areas (Ha)	2,884.90	5,477.86	5,477.86	5,477.86	4,975.28
HCV Areas / Conservation Areas (Ha)	642.18	1,479.54	**2,121.72	2,121.72	2,121.72
REMARKS	ASA 01: *New supply base included into the CU – Silimpopon 2 ASA 02: **Revised overall HCV area to reflect current HCV area for Silimpopon 1 & Silimpopon 2. ASA 04: ***Changes of planted ha due to the land acquisition for new housing centralize system. The 0.96 ha planted was reduced at Silimpopon 1 Estate on 15/06/2022 as per memo verified to top management. Audit was conducted on early October 2023, the actual period covered during this reporting period was October 2022 to September 2023.				

TABLE 2

	PO	PK
**Last years certified volume (MT)	**44,636.22	**10,389.22
Last years actual certified sold (MT)	15,389.17	4,726.61
Last years actual sold under other schemes (MT)	3,198.34	0.00
Last years sold conventional (MT)	0.00	0.00
Last year actual sold CSPO credits (where applicable)	0.00	0.00
New year certified volume (MT)	20,160.29	4,510.77

***Extension of volume for additional of 25,000MT CPO and 6,000MT PK was carried out in Oct 2023, and approved by RSPO.*

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1.0 AUDIT PROCESS

1.1 Certification Body

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

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

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Dzulfiqar Azmi	Lead Auditor / Safety & Environment, Time Bound Plan, Metrics Template	He holds a B.SC. (Hons) in Plantation Technology and Management from Mara Technological University (UiTM). He had more than 6 years of working experience in the oil palm operation. He was qualified in the auditing line with experience in Sustainability, EMS, Supply Chain, MSPO and RSPO audit since 2018. He is a qualified RSPO and MSPO Lead Auditor from 2020.
Mohd Zulfakar Kamaruzaman	Auditor / GAP, Social – External	Holds a B.Sc. Forestry from UPM. He had 5 years of working experience in the oil palm operation. He is a qualified RSPO P&C, RSPO Supply Chain and MSPO Lead Auditor.
Nor Ezani Ahmad	Auditor / Internal Social & HCV	Possessed B.Sc. Conservation Biology and Master in Science (Advancement of Biodiversity) from Universiti Malaysia Sabah with total more than 4 years of working experience in the in the oil palm operation. She had 3 years of auditing experience in the oil palm operation including auditing in HCVF and social issues.

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1.3 Audit methodology

The audit covered the Silimpopon palm oil mill and two (2) 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 Silimpopon POM supply base covered during the audit are Silimpopon 1 Estate and Silimpopon 2 Estate. The audit included an on-site audit to the estates, mill and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors, independent smallholders, and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by during the on-site audit. In general, there was no negative comments made against this Certification Unit. In summary, the stakeholders interviewed during the audit and the evidence from the stakeholder consultation carried out were as tabulated below:

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (local / foreign / Orang Asli workers / male & female)	Based on interviews conducted with 99 sampled workers, including both local and Indonesian workers, encompassing both male and female employees engaged in various work scopes. <ol style="list-style-type: none"> a. Daily rated workers confirmed that they receive a minimum of RM1500 per month. For piece-rated workers, so long they have achieved their target, they too will get a minimum of RM 1500 per month. They receive their salaries before 7th of every month. b. Workers work 6 days a week with one rest day (Sunday). They work 8 hours with a minimum of 30 minutes' break in between. c. Any overtime work is mutually agreed between workers and management, and that there is no element of forcing. d. Foreign workers are not subjected to any recruitment fee. Foreign workers kept their own passports and will only return the passport to office for renewal. e. Workers are generally satisfied with the way complaints lodged are acted upon. Delays in house repairs, if any, are usually due to the need to order repair parts. f. Workers, including foreign workers get to appoint their own representatives. There is no interference of influence exerted by the employer. g. For newly arrived foreign workers who did not understand Bahasa or English, translations are provided during briefings.
2) Settlers	Not applicable.
3) Villagers / Local communities (including women representatives, displaced communities)	Interview with Ketua Kampung Kg. Rancangan Kalabakan and Ketua Kampung Kg. Ulu Kalabakan, confirmed no evidence of any land dispute at Silimpopon CU and no issues with the estate and mill management.
4) Suppliers	Not applicable.
5) Contract workers (local / foreign / Orang Asli workers / male & female)	Not applicable.
6) Local & national NGOs	Based on interviews conducted with three sampled CLC (Community Learning Center) teachers representing the Indonesian consulate, it was revealed that there are no issues with the management, and a positive relationship is maintained with the estate management.
7) Government agencies / Statutory bodies	Not applicable.
8) Independent growers / Smallholders	Interviews with independent growers and smallholders confirmed that they have no issues related to payments and maintain splendid relations with the CU management.
9) Indigenous people	Not applicable.

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10) Contractor	Evidence of legal due diligence carried out includes getting the vendors to comply with rules relating to labour and human rights, company ethics and management practices, and would comply with all laws and regulations relating to anti-bribery, fraud and corruption.
11) Previous land owner (if any)	Not applicable.
12) Others (please specify)	Received a complaint from on the condition of the CU wooden houses, undocumented workers, and dependent status. The reported issues have been verified, and the findings have been highlighted in the report. – refer Attachment 4

1.5 Audit plan : Refer to Attachment 2

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

2.0 SCOPE OF CERTIFICATION AUDIT

2.1 Description of the certification unit

The Silimpopon Certification Unit is one of the certification units under the Kretam Holdings Berhad. The CU consists of Silimpopon Mill and Silimpopon 1 Estate under Tawau Region. During this ASA1, Silimpopon 2 has been listed as one of the supply bases hence, undergone the audit for certification accordingly. The registration of RSPO Supply Chain in the RSPO PalmTrace for traceability of sustainable crude palm oil is under the name of Syarikat Kretam Plantations Sdn. Bhd. The Silimpopon POM has a processing capacity of 45 metric tonnes of fresh fruit bunches (FFB) per hour. The mill received and processed crops from its own estate at about 50% and the balance were from the outside crops.

Silimpopon 1 and Silimpopon 2 Estate are surrounded by smallholders and another oil palm plantations such as Felda Plantation, Amalan Progresif, Teck Guan Wise, Sawit Kinabalu and Good Crop. Silimpopon CU is about 128km from Tawau and took about 2-3 hours travelling from Tawau Town. Silimpopon 2 Estate has undergone new planting in 2010. Out of this, 39.12 ha was felled for oil palm, 5.18 ha was for the access road, while 13.41 ha has been felled but left unplanted. The RSPO's RaCP therefore applied to 39.12 ha and a Land Use Change Analysis was carried out. Under the RaCP, the following were carried out:

- a. LUCA was approved by RSPO on 27 February 2019;
- b. Concept Note accepted by RSPO on 14 May 2020;
- c. The Remediation and Compensation Plan was endorsed by the Compensation Panel on 8 October 2020.

The CU did not have any certification scheme besides RSPO/MSPO P&C and Supply Chain.

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

The FFB is sourced from company owned estates that are certified and smallholders and small growers surrounding the Silimpopon CU. Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

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**Table 1: Actual FFB production by the supply base for the last reporting period
(October 2022 to September 2023)**

Estates	FFB Production	
	Tonnes	Percentage (%)
Silimpocon 1 Estate	53,120.66	30.85
Silimpocon 2 Estate	47,609.46	27.65
Certified volume	100,730.12	58.50
Small holders (Non-certified volume)	71,469.40	41.50
Overall Total FFB Production	172,199.52	100.00

**Table 2: Projected FFB production by supply base for the next reporting period
(October 2023 to September 2024)**

Estates	FFB Production	
	Tonnes	Percentage (%)
Silimpocon 1 Estate	48,105.00	26.56
Silimpocon 2 Estate	45,699.00	25.23
Certified volume	93,804.00	51.80
Small holders (Non-certified volume)	87,300.00	48.20
Overall Total FFB Production	181,104.00	100.00

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

RSPO Supply Chain Model: Mass Balance	Total (MT)
FFB Received	172,199.52
FFB Processed	172,142.67
Certified FFB Processed	100,362.47
Non-certified FFB Processed	71,780.20
Crude Palm Oil (CPO)	
Overall CPO Production	34,761.89
Certified CPO Production	*19,664.59
Certified CPO delivered as RSPO	15,389.17
Certified CPO delivered as non-RSPO (Conventional)	0.00
Certified CPO delivered under other sustainable schemes (ISCC)	3,198.34
Palm Kernel (PK)	
Overall PK Production	8,509.49
Certified PK Production	*4,761.06
Certified PK delivered as RSPO	4,726.61
Certified PK delivered as non-RSPO	0.00
Certified CPO delivered under other sustainable schemes	0.00
Product sold under Book & Claim	0.00

**Remarks: Overproduction of certified for FFB, CPO, PK at Silimpocon POM was highlighted as NCR – refer attachment 4. Extension of volume for additional of 25,000MT CPO and 6,000MT PK was carried out in Oct 2023, and approved by RSPO.*

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Table 4: Projected FFB received and CPO & PK dispatch by the Mill of the next reporting period (October 2023 to September 2024)

RSPO Supply Chain Model: Mass Balance	Total (MT)
FFB Received	181,104.00
FFB Processed	181,104.00
Certified FFB Processed	93,804.00
Certified CPO Production	20,160.29
Certified PK Production	4,510.77

Remarks: OER % for certified production slightly higher, projected at 21.50% due to budget allocated by top management.

Table 5: Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Silimpopon 1 Estate	2,880.82	3,934.82
Silimpopon 2 Estate	2,596.35	4,155.18
Total	5,477.17	8,090.00

Remarks: Changes of planted ha due to the land acquisition for new housing centralize system. The 0.96 ha planted was reduced at Silimpopon 1 Estate on 15/06/2022 as per memo verified to top management.

Table 6: Planting profile for Silimpopon CU

Estate	Year of planting	Planting Cycle	Mature >3 years (Ha)	Immature < 3 years(Ha)	Planted area	% of planted area mature	% of planted area immature
Silimpopon 1	2001	1st	1026.60	0.00	1026.60	18.74	0.00
	2002	1st	821.82	0.00	821.82	15.00	0.00
	2003	1st	792.99	0.00	792.99	14.48	0.00
	2005	1st	19.52	0.00	19.52	0.36	0.00
	2023	2nd	0.00	219.89	219.89	0.00	4.01
Silimpopon 2	1999	1st	660.47	0.00	660.47	12.06	0.00
	2000	1st	667.63	0.00	667.63	12.19	0.00
	2002	1st	458.25	0.00	458.25	8.37	0.00
	2003	1st	327.53	0.00	327.53	5.98	0.00
	2004	1st	200.47	0.00	200.47	3.66	0.00
	2023	2nd	0.00	282.00	282.00	0.00	5.15
Total			4,975.28	501.89	5,477.17	90.84	9.16

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as below:

Name	:	Spencer Joseph
Position	:	Assistant Manager HR & Sustainability
Address	:	Head Office Sandakan Lot 6, Block 44, Leboh Tiga, P.O. Box 1292, 90714 Sandakan, Sabah.
Phone no.	:	014-6744861 (H/P), 089218999 (HQ)
Fax no.	:	08925777
Email	:	spencer@kretam.com

3.0 AUDIT FINDINGS

3.1 Changes to certified products in accordance to the production of the previous year
Changes of planted ha due to the land acquisition for new housing centralize system. The 0.96 ha planted was reduced at Silimpopon 1 Estate on 15/06/2022 as per memo verified to top management.

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

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

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

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

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

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

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

If no, please state reasons _____

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

3.3 Other changes (e.g. organizational structure, new contact person, addresses, etc.)
No changes so far.

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

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

3.5. Complaint received from stakeholder (if any)

Received a complaint from an anonymous concerning the condition of the CU wooden houses, undocumented workers, and dependent status. The reported issues have been verified, and the findings have been highlighted in the report.

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4.0 DETAILS OF NON-CONFORMITY REPORT

4.1 For P&C (Details checklist refer to Attachment 4) :
Total no. of minor NCR(s) List : 3.4.2, 5.2.1, 5.2.2
Total no. of major NCR(s) List : 6.2.4

4.2 For SC (Details checklist refer to Attachment 4) :
Total no. of major NCR(s) List : 3.8.7, 3.8.11

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.

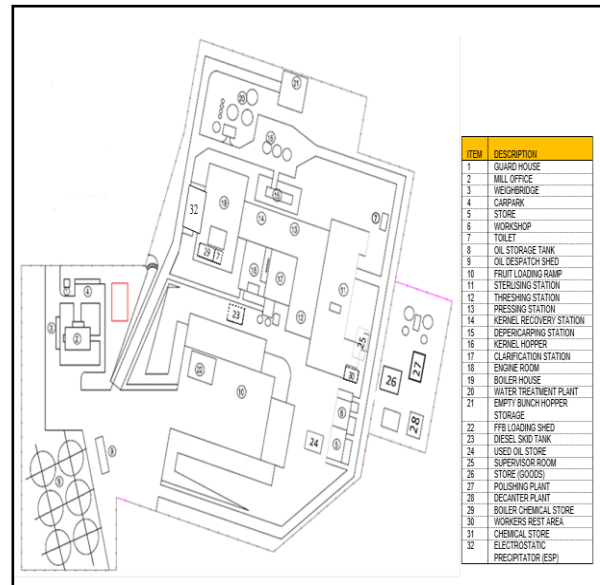
Audit Team Leader :	DZULFIQAR AZMI		12/01/2024
	_____	_____	_____
	(Name)	(Signature)	(Date)

Attachment 1 - Map

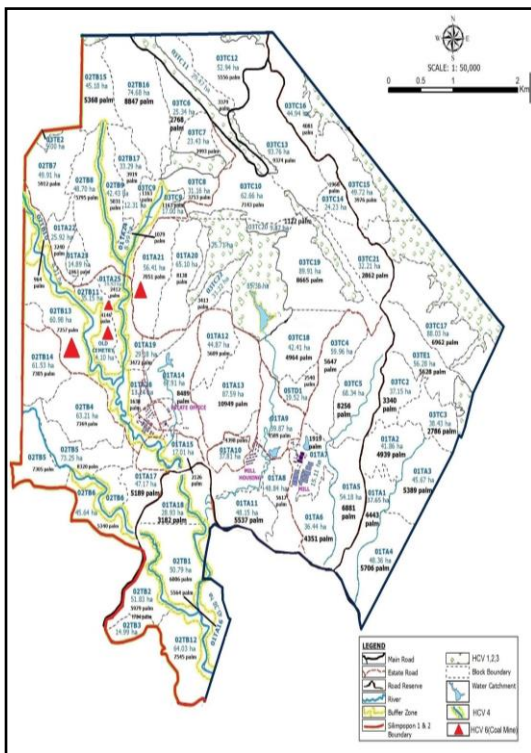
Mill Map



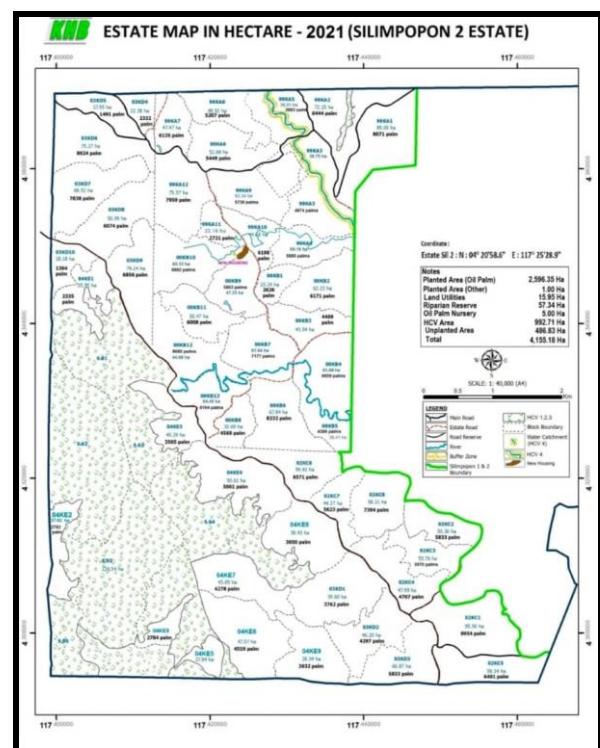
Mill Layout



Silimponon 1 Estate



Silimponon 2 Estate



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 : 9th to 13th October 2023

3. Site of assessment : Silimpoon CU:
 1) Silimpoon POM
 2) Silimpoon 1 Estate
 3) Silimpoon 2 Estate

4. Reference Standard:

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

5. Assessment Team

Lead Auditor : Dzulfikar Azmi (Safety, Environment, TPB, Metric Template)
 Auditor :
 1) Mohd Zulfakar Kamaruzaman (GAP, Social – External, SCCS)
 2) Nor Ezani Ahmad (Social – Internal, HCV)
 Observer : N.A.

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

7. Audit Method

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

8. Audit Findings

Audit findings shall be classified as major and/or minor. Major nonconformities shall be addressed within 90 days or else the certificate shall be suspended.

If the major nonconformities 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 nonconformities raised in the surveillance audit, corrective action shall be verified in the next audit. These shall be upgraded to major nonconformities 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.

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 Programme Details : As below

RSPO P&C PUBLIC SUMMARY

Day-1: 09/10/2023 (Monday)

Time	Activities / areas to be visited	Auditee
9.00 am	Opening Meeting for Syarikat Kretam Plantations Sdn. Bhd. – Silimpopon CU . Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.	All CU
9.20 am	Briefing on the organization background and implementation of RSPO at CU (including actions taken to address previous audit findings) by company Management Representative.	Management Representative
9.30 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Silimpopon 1 Estate	Management Representative
9.45 am	To assign each audit team members – site and the P&C requirements	
	Dzul Silimpopon 1 Estate	Zulfakar Silimpopon 1 Estate
	<p>Coverage of assessment: P1 = P7 (Safety & Environment)</p> <ul style="list-style-type: none"> ▪ Facilities at workplace inspection (worker quarters, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>	<p>Coverage of assessment: P1 – P7 (Social – External & GAP)</p> <ul style="list-style-type: none"> ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Interview with external stakeholders i.e. local communities, government agencies, NGO, smallholders, etc. ▪ Site visit at Mill/Estate Boundary, adjacent and neighbouring land use. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances ▪ External stakeholders issues & welfare ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>
12.30 pm	LUNCH BREAK & ZUHUR PRAYER	
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records	
5.00 pm	Audit team discussion / Interim closing / End of Day 1 audit	
9.00pm	Discussion LA and teams on potential NCRs	

RSPO P&C PUBLIC SUMMARY

Day-2: 10/10/2023 (Tuesday)

Time	Activities / areas to be visited	Auditee	
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Silimpopon 2 Estate	Management Representative	
9.45 am	To assign each audit team members – site and the P&C requirements		
	Dzul Silimpopon 2 Estate	Nor Ezani Silimpopon 2 Estate	
	Zulfakar Silimpopon 2 Estate		
	<p>Coverage of assessment: P1 – P7 (Safety & Environment)</p> <ul style="list-style-type: none"> ▪ Facilities at workplace inspection (worker quarters, water treatment plant, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site ▪ Aspects/impacts of estate management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ River system and Effluent Treatment/Discharge ▪ Buffer/Riparian Zones ▪ Controlled/open burning ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>	<p>Coverage of assessment: P1 – P7 (Social – Internal & HCV)</p> <ul style="list-style-type: none"> ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Site visit at HCV area ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives ▪ Interview with gender committee, worker representative, contractors, supplier, etc ▪ Workers Issues & welfare ▪ HCV/RTE and action plan ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>	<p>Coverage of assessment: P1 – P7 (Social – External & GAP)</p> <ul style="list-style-type: none"> ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Interview with external stakeholders i.e. local communities, government agencies, NGO, smallholders, etc. ▪ Site visit at Mill/Estate Boundary, adjacent and neighbouring land use. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances ▪ External stakeholders issues & welfare ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>
12.30 pm	LUNCH BREAK & ZUHUR PRAYER		
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records		
5.00 pm	Audit team discussion / Interim closing / End of Day 2 audit		
9.00pm	Discussion LA and teams on potential NCRs		

RSPO P&C PUBLIC SUMMARY

Day-3: 11/10/2023 (Wednesday)

Time	Activities / areas to be visited	Auditee
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Silimponon 1 Estate / Silimponon 2 Estate	Management Representative
9.45 am	To assign each audit team members – site and the P&C requirements	
	Dzul Silimponon 1 Estate / Silimponon 2 Estate	Nor Ezani Silimponon 1 Estate
	Zulfakar Silimponon 1 Estate / Silimponon 2 Estate	
	<p>Coverage of assessment: P1 = P7 (Safety & Environment)</p> <ul style="list-style-type: none"> ▪ Verified metric template / Data information ▪ Verified GHG Data ▪ Verified Time Bound Plan ▪ Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records. 	<p>Coverage of assessment: P1 – P7 (Social – Internal & HCV)</p> <ul style="list-style-type: none"> ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. ▪ Site inspection/interview at production area – harvesting, spraying, manuring, OP nursery, replanting area, peat area & etc. ▪ Site visit at HCV area ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives ▪ Interview with gender committee, worker representative, contractors, supplier, etc ▪ Workers Issues & welfare ▪ HCV/RTE and action plan ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>
	<p>Coverage of assessment: P1 – P7 (Social – External & GAP)</p> <ul style="list-style-type: none"> ▪ Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records. 	
12.30 pm	LUNCH BREAK & ZUHUR PRAYER	
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records	
5.00 pm	Audit team discussion / Interim closing / End of Day 3 audit	
9.00pm	Discussion LA and teams on potential NCRs	

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Day-4: 12/10/2023 (Thursday)

Time	Activities / areas to be visited	Auditee	
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Silimpopon POM	Management Representative	
9.45 am	To assign each audit team members – site and the P&C requirements		
	Dzul Silimpopon POM	Nor Ezani Silimpopon POM	
	Zulfakar Silimpopon POM		
	<p>Coverage of assessment: P1 = P7 (Safety & Environment)</p> <ul style="list-style-type: none"> ▪ Facilities at workplace inspection (worker quarters, water treatment plant, laboratory, clinic, stores, workshop, landfill area & etc. ▪ Site inspection/interview at production area – FFB loading ramp, boiler, sterilizer, biogas & etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Waste management including disposal site ▪ Aspects/impacts of mill management ▪ Pollution mitigating plans ▪ Management and disposal of waste including pesticides containers ▪ River system and Effluent Treatment/Discharge ▪ Controlled/open burning ▪ Safety & Health practice – witness activities at site ▪ Hazard identification and Risk Management ▪ Chemical management ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>	<p>Coverage of assessment: P1 – P7 (Social – Internal)</p> <ul style="list-style-type: none"> ▪ Facilities provided at line site inspection (i.e. worker quarters, mosque, surau, community center, School/CLC, Humana/Crèche, provision shop & etc. ▪ Interview with mill workers – female, male, various nationality, various job scope, contractor workers, check roll workers ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Interview with Union/workers representatives ▪ Interview with gender committee, worker representative, contractors, supplier, etc ▪ Workers Issues & welfare ▪ HCV/RTE and action plan ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>	<p>Site visit and assessment on Supply Chain Implementation including the:</p> <ul style="list-style-type: none"> ▪ Model used ▪ General Chain of Custody ▪ System Requirements for the supply chain ▪ Documented procedures ▪ Purchasing and goods in ▪ Outsourcing activity ▪ Sales and goods out ▪ Processing ▪ Records keeping ▪ Registration ▪ Training ▪ Claims
12.30 pm	LUNCH BREAK & ZUHUR PRAYER		
1.30 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records		
5.00 pm	Audit team discussion / Interim closing / End of Day 4 audit		
9.00pm	Discussion LA and teams on potential NCRs		

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Day-5: 13/10/2023 (Friday)

Time	Activities / areas to be visited	Auditee
9.00 am	Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Silimpopon POM	Management Representative
9.45 am	To assign each audit team members – site and the P&C requirements	
	Dzul Silimpopon POM	Nor Ezani Silimpopon POM
	Coverage of assessment: P1 = P7 (Safety & Environment) <ul style="list-style-type: none"> ▪ Verified metric template / Data information ▪ Verified GHG Data ▪ Verified Time Bound Plan ▪ Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records. 	Coverage of assessment: P1 – P7 (Social – Internal) <ul style="list-style-type: none"> ▪ Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records.
		Zulfakar Silimpopon POM Coverage of assessment: P1 – P7 (Social – External & Mill Best Practices) <ul style="list-style-type: none"> ▪ Interview with external stakeholders i.e. local communities, government agencies, NGO, smallholders, etc. ▪ Follow up from previous assessment findings. ▪ Laws and regulations ▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans. ▪ Local sustainable development ▪ Support smallholder inclusion ▪ Complaints and grievances ▪ External stakeholders issues & welfare ▪ Training and skill development programs ▪ Continuous improvement <p>Other areas identified during the assessment.</p>
12.00 pm	LUNCH BREAK & FIRDAY PRAYER	
2.00 pm	Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records	
3.30 pm	Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager	
5.00 pm	Closing meeting at the CU / End of audit	

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

RSPO P&C PUBLIC SUMMARY

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 Plantations Sdn. Bhd. – Silimponon Certification Unit 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	Information available in appropriate languages (English/Bahasa) and accessible to relevant stakeholders through sample meeting latest conducted at Silimponon CU. 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.
	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. External Communication Form and Communication Record were used for records including authority visits books.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	Consultation and Communication Procedures are documented with approval by the Director. The procedure has detailed the process of handling complaints from stakeholders and the time frame for external communication to be dealt with. The time frame to provide feedback is within two weeks of the date of receipt for communication and within one week of the completion of the investigation. The procedures are documented and disclosed to respective stakeholders. These documents are also available on the Company's website at www.kretam.com/index.php/rspo and displayed on notice boards at the office and the muster ground. Notices and posters / pamphlets displayed on notice boards at the office and the muster

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Clause	Indicators	Comply Yes/No	Findings
			ground were also used as a means of internal communication. Regular morning briefings were used by the management to communicate policies, procedures, rules and regulations and other information to its employees. Online platform can be accessed via fill up the form @ https://www.kretam.com/index.php/contact-us .
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	Stakeholder list FY 2023 was established in both mill and estate. Stakeholder such as internal stakeholder i.e., workers representative from joint consecutive committee, workers leader, women leader, ethnic leader, and external stakeholders i.e., local communities, authorities, contractors, suppliers, FFB suppliers and NGOs were included in the list. Nominated representative with contact number and address was sighted.
1.2 The unit of certification commits to ethical conduct in all business operations and transactions.	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	The policy is available on the website at www.kretam.com . Based on documentation review, observations during audit and interviews conducted with sampled workers and contractors, Silimpocon CU has successfully demonstrated that its Code of Conduct & Human Rights Policy is being implemented.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	The system to monitor compliance and the implementation of the policy and overall ethical business practice was executed via annual internal audit and contract agreement. All purchases are centralized at the Company's HQ in Sandakan, where quotation, order, and suppliers are determined. The Mill and Estates have no direct contact with suppliers and buyers. Tender awards to be decided by tender committee and refer to Contractor Management Flowchart procedure to ensure independence and transparency; and vendor COBC developed to outline the standards of behaviour required by KHB vendors which includes expectation to uphold human rights.

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	The unit of certification complied with 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	Silimpocon CU had documented the List of Laws, Regulations and Guidelines Description covering all the necessary regulatory requirements. List of applicable legal and other requirements was made available during the assessment. Documented procedure has been established and implemented. The Silimpocon CU was tracking any changes to applicable law and had Head of Human Resources and Sustainability as the person responsible to monitor any changes to the law and to cascade those changes to all sites.
	2.1.3 Legal or authorised boundaries are	YES	Visit to boundaries found that legal boundaries were maintained by the CU, with signboard

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Clause	Indicators	Comply Yes/No	Findings
	clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.		and red painted poles.
2.2 All contractors providing operational services and supplying labour and Fresh Fruit Bunch (FFB) suppliers, comply with legal requirements.	2.2.1 A list of contracted parties is maintained.	YES	The CU continued to maintain the list of contracted parties in its stakeholder's list. Stakeholder Lists for all Estates and Mill were verified during the audit. The CU continued to maintain and updated the stakeholder's information (name of parties, address, contact number, nominated representatives) which comprised the authorities (government), villagers, internal stakeholder, transporter, surveyor, School, NGOs, Consultants, FFB Suppliers and others.
	2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/accredited) for migrant workers, service providers and labour contractors, is available.	YES	Review of the contract agreement issued to suppliers and contractors contain a clause requiring compliance with applicable legal requirements, which stated in General Terms and Conditions. Stated in the agreement, the contracts contain clauses specifying no child, forced or trafficked labour [stated in clause 2.4 and 3.2], agree to be bound by the Company's anti-bribery and anti-corruption policy [clause 2.6], and to comply with all statutes, ordinance, and other laws [clause 2.3, and 3.1].
	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	Contract agreement issued to suppliers and contractors contain clauses requiring compliance to legal requirements and disallowing child, forced and trafficked labour. Review of the contractor's worker's payslips, employment agreement and site visit found no young workers were being employed by the contractors.
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	The information regarding the geo-location of FFB origins is provided in the "List of FFB Suppliers with Coordinates [GPS]."
	2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other	YES	The CU identified three (3) indirectly sourced FFB in Silimponon CU, namely Usahawan Borneo Sdn Bhd, Mahawasawit Sdn Bhd, and Pertubuhan Peladang Kalabakan. The information on the geo-location of FFB origins is detailed in the "List of FFB Suppliers with

RSPO P&C PUBLIC SUMMARY

Clause	Indicators	Comply Yes/No	Findings
	intermediaries, the evidence as listed in Indicator 2.3.1.		Coordinates [GPS]." All licenses have been securely stored at the mill office.

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	Silimpocon CU has consistently maintained long-term economic and financial viability, as outlined in the documented management plan projected until the year 2028. A comprehensive business plan, encompassing OER and KER projection plans, crop forecasts, capital expenditures, operational expenditures, general charges, and profit and loss statements, has been formulated for both estates and the mill. This detailed plan covers the period from 2019 to 2026 and has been provided to the audit team. Annual budgets and projections are prepared on a yearly basis to ensure effective financial management. The business management plan is substantiated by a document titled "Long Term Plan & Financial Projection 2022-2028, Silimpocon Palm Oil Mill & Plantation Division Tawau Region."
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	YES	The replanting programme until year 2025 for Silimpocon 1 Estate due on year 2025 which amount of 795.26 ha, and Silimpocon 2 Estate due on 2022 (329.80 ha), 2023 (1085.27 ha) and 2025 (306.67 ha).
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	Silimpocon CU: Management review on 25 & 26/9/2023, covering inputs affecting the management system, output reviews on RSPO system effectiveness, findings from external and internal audits, customer feedback, process performance, product conformity, status of preventive and corrective actions, follow-up actions, changes in the management system, recommendations, improvements, and other resources needed. These reviews ensure that the management system is continually improved, and the RSPO standards are effectively implemented and maintained throughout Silimpocon CU.
3.2 The unit of certification regularly monitors and reviews their economic, social and environmental performance and	3.2.1 (C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.	YES	Continuous Improvement Plans 2022/2023 were available at all the operating units and verified as below: <i>Silimpocon POM (Environmental):</i> 1) To reduced stack emission to DOE required limit – ESP system implemented. 2) To reduced and minimise GHG's emission – developed specific plan and implemented. 3) Effluent discharge – performance monitoring system and CEPPOMETS competency. 4) EFB leachate prevention system – EFB leachate collection sump to trap the spillage and pump it to effluent pond.

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Clause	Indicators	Comply Yes/No	Findings
<p>develops and implements action plans that allow demonstrable continuous improvement in key operations.</p>			<p>5) Reduce wastewater – reuse sterilizer condensate for screw press dilution. 6) Desludging of POME ponds – increase capacity and hydraulic retention time of ponding system. 7) Reduce usage of Shovel to feed the fibre into the boiler – boiler fuel fibre feeding system.</p> <p><i>Silimpopon 1 & Silimpopon 2 Estate</i> (Environmental): 1) To reduce chemical usage in pest management by practicing of biological control method. 2) To maintain riparian buffer zones. 3) To implement the tree planting project throughout the estate. 4) To maintain the quality of water supply by upgrading in the treatment efficiency. To conduct continuous education to employees, contractor and smallholders on the need to reduce burning and to ensure domestic rubbish is segregated and correctly placed.</p> <p>Among the commitment to continuous improvement on the main social issues are: 1) To provide/sharing knowledge on RSPO/MSPO to the local stakeholder. 2) Provide good access especially road condition to the local communities. 3) Construction of Mosque at labour quarters 4) Increase CSR contributions to local communities based on consultation. 5) Continuous monitoring of stray dogs and live poultry at residential area. 6) To centralize all possible housing and amenities to facilitate easy management and welfare. 7) To provide items such as mattress, bed, fan, wardrobe and pillow to employee’s quarters. 8) Continuous implementation of providing free education for worker’s children, childcare facilities and medical care.</p>
	<p>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.</p>	<p>YES</p>	<p>The monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template before the audit started. The auditor already verified and checked the data and figure given was match with their database system.</p>
<p>3.3 Operating procedures are appropriately documented, consistently implemented and monitored.</p>	<p>3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place.</p>	<p>YES</p>	<p>Silimpopon CU has consistently implemented Standard Operating Procedures (SOPs) for various processes. A condensed version of the SOPs is visibly displayed at appropriate locations, and complete copies of the documented SOPs were provided to the audit team. The observed activities encompass safety and health, environmental practices, quality assurance, and employee-related aspects.</p> <p>The practices within the CU align with the Plantations/Mill standard operating manual and procedures, including SOPs covering general operations, safety and health, corrective actions, handling incoming materials/products, processing Fresh Fruit Bunches (FFB), power and steam generation, quality and efficiency, waste management, chemical handling, preventive maintenance, CPO & PK handling, incoming goods (store), production planning, safety & health, document handling responsibility, control of non-conforming materials/products, supply chain certification, general chain of custody, RSPO supply chain module, internal audit procedure, RSPO</p>

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Clause	Indicators	Comply Yes/No	Findings
			<p>IT platform, outsource procedure, and identification & traceability. These documents comprehensively cover all aspects of operations, from nursery seedlings to plantation upkeep, FFB processing, quality analysis, and dispatch of CPO, PK, and PKO, as well as security measures for the Special Use Zone (SOU).</p> <p>Additionally, for the estates, the Head Research Environment Protection Department, sustainability department, and technical guidelines such as SOP – general & SOP – safety & health are referred to. The manual contents are disseminated to workers through morning roll calls and training sessions, with the manual kept in the administration office for easy reference.</p> <p>The CU also maintains existing documented Standard Operating Procedures (SOPs), including SOP General for Estate Weighbridge, New Building Construction, Working Hours, IPM, Boundary Marking, and FPIC. SOP Safety & Health covers Harvesting, Buffalo Cart Manual, Rat Baiting, Tractor Driver, Fire Drill, and Emergency Situations.</p>
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	YES	All Estates and the Mill at Silimpocon CU have established mechanisms to ensure the consistent implementation of procedures. Both entities maintain lists of Standard Operating Procedures (SOPs) and monitor good agricultural practices according to SOPs through on-site visits, inspections, discussions with relevant personnel, and assessments. Regular audits, including COO visits to estates once a month, GM/DGM visits once a month, internal audits, agronomist visits, and RSPO audits, contribute to monitoring implementation. The Estate/Mill Manager and direct reports to the General Manager also play a role in monitoring the implementation of procedures.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	<p>Records of monitoring and the actions taken by estates in Silimpocon CU continued to be maintained. This was to ensure that the established procedures were consistently implemented. Among the monitoring records sighted were:</p> <ul style="list-style-type: none"> ▪ Harvesting Interval record. Interval observed varies around 9 to 45 days. ▪ FFB quality is monitored through infield FFB grading conducted by the management on daily basis. ▪ Progress report of application of fertilizers. The work progress was generally on schedule. ▪ Work Program Sheets, Field cost books, Bin cards, Monthly Progress & Report Account, rainfall data, etc.
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	<p>There are no new plantings or new operations within Silimpocon CU. Nevertheless, the Mill and Estates have their own Social Impact Assessments (SIA) done which have been prepared internally. The SIA documents were prepared based on interviews and public consultation with internal and external stakeholders. Reviewed SIA documents, among others include brief background introduction of the CU, assessment methodology, social impacts of the mills and estate's operations as well as management plans on identified impacts for both negative and positive issues.</p> <p>Silimpocon CU has established its environmental aspects/impacts assessment associated with their activities in Environmental Management Plan 2023. For Silimpocon POM, the latest environment aspect impact assessment was updated in Sept 2023 covering all activities. The environmental aspect and impact assessment (EAI) covers the upstream activities such as FFB</p>

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Clause	Indicators	Comply Yes/No	Findings
management and monitoring plan is implemented and regularly updated in ongoing operations.			<p>reception until the downstream processes. At the mill, the identification and evaluation of environmental impact was done for all activities and processes related to the mill operation. Among the significant environmental receptors are the air emission from the boiler stack, the generation of the palm oil mill effluent (POME) and land contamination which related to the management of scheduled wastes and domestic waste.</p> <p>For Silimpopon 1 & 2 Estates, latest environment aspect impact assessment was prepared in March 2023 covering all activities. For the estate operation, all activities from harvesting, pest and disease, upkeep programmed until delivery to mill has been identified. The main purpose of this assessment was to evaluate and analysis the operations impact on soil, water, and air associated with the organization activities. Among environment aspects assessed were agrochemical applications, land and water contamination from hazardous material and farm vehicles, and disposal of spent oil/lubricants from genset and workshop operations.</p>
	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.	NO	<p>All environmentally significant impacts were recorded in the significant aspect impact register. Environmental Management Plan has been established based on the significant impact identified. Among activities discussed in the POM such as Polishing Plant Operation, Effluent, POME and Boiler. 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. The mitigation measures were continued to be implemented to minimise the negative impacts. The EAIA review process had included stakeholders' consultation with regards to environmental aspects, impacts, and pollution control, and ERT, HCV and land usage issues. The reviews done involved respective Managers, Assistants and Sustainability Team with external and internal stakeholders such as worker's representative, Govt. agencies, neighboring estates, local villagers, suppliers and contractors. So far, no issues related to environmental has been highlighted during stakeholders' communication.</p> <p>Silimpopon POM and the supplying estates (Silimpopon 1 Estate and Silimpopon 2 Estate) have latest reviewed Social Impact Assessment (SIA) dated in Sept 2023 for mill and, Aug 2023 for both estates. The assessment was done by Sustainability Team and reviewed by CU personnel. The methodology of the assessment was through field interview with workers, government authorities and local communities, site observation and documentation review. Social profile such as social background of employees, background of local community, education, safety & health, living condition, stakeholder engagement and infrastructure and amenities were included. The participation of internal and external stakeholders, namely workers, contractors, suppliers, local community, local government and private entities were available and records of feedback with the relevant stakeholders were properly documented and verified. Sighted external stakeholder consultation conducted in Aug 2023 at Silimpopon Main Office to collect positive and negative impact has been included in the SIA revision.</p> <p>Auditor has verified the latest stakeholder's consultation for Silimpopon CU was carried in June 2022 at Silimpopon POM and Silimpopon 1 & Silimpopon 2 Estate in Aug 2023. The stakeholder's consultation was carried out to both external and internal stakeholders i.e. government agencies,</p>

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Clause	Indicators	Comply Yes/No	Findings
			<p>school, local communities and private sectors (contractors and neighboring estates). Evidence of the above stakeholder consultation conducted are available and the stakeholder feedback were recorded in the SIA plan. So far, no negative impacts were observed during the stakeholder's feedback or meeting.</p> <p>However, the following issues was highlighted during the audit: Finding: Insufficient evidence that the management and monitoring plan of SIA have been developed with participation of affected stakeholders. Objective evidence: The Social Impact Assessment (SIA) Management and Monitoring Plan for Silimpopon CU was latest reviewed on 29th September 2023 (Mill) and 31st August 2023 (Silimpopon 1 and 2). However, the revision did not sufficiently cover social issues and did not develop with participation of affected parties. Details as follows:</p> <ol style="list-style-type: none"> 1. It was noted that Silimpopon 1 and 2 has conducted replanting activity in July and April 2023, respectively. However, the assessment of impact does not sufficiently cover all affected internal and external stakeholders i.e., harvesters, upkeep workers, workers representative, neighboring plantations/smallholders, etc. 2. Silimpopon CU has maintained a list of worker's dependents staying at the premises. However, the assessment and monitoring plan for legalization of the worker's dependent was not included. 3. The revision of social impact assessment does not include a specific details plan and monitoring of worker's wooden quarters and issues that may affected the workers staying in the houses. <p>Therefore, a Minor non-conformance NEA 01 2023 has been raised under this indicator.</p>
	<p>3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.</p>	<p>YES</p>	<p>There are no changes made to the environmental aspects and impacts or current practices which require changes in the environmental action plans. An Environmental Impact Assessment (EIA) Plan has been established with Sustainability Executive, estate management, and mill Engineer. The Plan therein consists of the Person(s) In Charge and mitigating actions/management plans. A timetable for the monitoring has been established and is being addressed accordingly. The environmental management plan (EMP) was developed based on the impact identified in the The objectives of the Environmental Management Plan are:</p> <ul style="list-style-type: none"> ▪ To ensure a continuous awareness of the need to check and monitor key environmental components for Silimpopon CU and take appropriate remedial measures to avoid environmental degradation. ▪ To protect the environment of Silimpopon CU from neglect, mismanagement and irresponsible activities in palm oil mill operations. ▪ To ensure conformation to all the activities are within the law/Acts and legislation of State and Nation. <p>The social management action plans or "Time Bound Social Plan" are being reviewed and updated</p>

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Clause	Indicators	Comply Yes/No	Findings
			<p>on an annual basis at Silimpopon CU. The plan has incorporated the action plan, status, person in charge and the completion date. This takes into account inputs from external stakeholder meetings, OSH Committee meetings, as well as Gender Committee meetings and JCC meetings. Among the social issues for management and monitoring were access and use right, health and educational facilities, economic livelihood and working condition, cultural and religious value, others community values, etc. The SIA review process had included stakeholders' consultation with regards to social issues. The reviews done had involved respective Managers, Assistants and Sustainability Team with external stakeholders such as from Govt. agencies, neighbouring estates, local communities, suppliers and contractors. So far, no negative impacts were raised during the stakeholder's feedback or meeting.</p>
<p>3.5 A system for managing human resources is in place.</p>	<p>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.</p>	<p>YES</p>	<p>Employment procedures for recruitment, selection, hiring, are documented. For locals, the procedures contained in SOP Recruitment and Selection Procedure for local workers. The procedure details the process of hiring (application form, screening, interview, requisition approval from HR Manager/Estate Manager, medical check-up and issuance of letter of offer). This procedure verified through the worker's personal file. As for foreign workers, the procedures are in SOP Recruitment of Foreign Workers Procedure. Employment procedures for retirement and termination are available in the local workers' employment contracts as well as an SOP. Foreign workers' contracts also contain a provision for mutual termination. Retirement procedure, however, is not applicable to foreign workers.</p>
	<p>3.5.2 Employment procedures are implemented, and records are maintained.</p>	<p>YES</p>	<p>Silimpopon CU was able to demonstrate that the employment procedures are implemented, and records maintained. Based on the sampling of the workers' employment contracts and personal files, there is evidence that the employment procedures on recruitment, selection, hiring, promotion are implemented, and records maintained. No termination has been carried out, and so this could not be verified during the audit. Hiring process of submitting job application, interviews, medical check-ups, issuance of offer letters, and performance assessments were sighted for Malaysian workers. For foreign workers, job applications, their identity documents and employee competency records were also sighted.</p>
<p>3.6 An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.</p>	<p>3.6.1 (C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.</p>	<p>YES</p>	<p>The Health & Safety Policy is available in Bahasa Malaysia and English language. The policy has been communicated to all employees through briefings at POM, Silimpopon 1 Estate and Silimpopon 2 Estate and hard copies of policies were seen displayed on the estates notice boards. Based on interviews conducted with mill workers, harvesters, spraying and manuring operator, general workers, observed they are aware and understood regarding occupational health and safety matters.</p> <p>The hazard identification, risk assessment and risk control (HIRARC) procedure were established. Silimpopon CU has conducted the risk assessment on all its operation as well as determining their control measures. DOSH HIRARC Guideline 2008 was used by the KHB with consultation input from respective OU Assistant Manager (Estate and Mill) to guide them in developing the Register. Besides HIRARC and CHRA associated mitigation plans such as use of PTW, valid Certificated Equipment and Machineries, employment of Competent Person and for those entering confined</p>

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Clause	Indicators	Comply Yes/No	Findings
			space health clearance certificate from DOSH-Registered OHD were undertaken by the Operating Unit assessed.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people are monitored.	YES	Occupational health and safety (OHS) management plan for Silimpoon CU has been established. The OHS management plan sighted addressed issues related to hazards and risks, legal register and its requirements for compliance, OSH awareness and training program, accident and emergency procedures, audiometric test, use of PPE, OSH Committee meetings, etc. Generally, the OSH plans for the year 2022/2023 were acceptable.
3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.	3.7.1 (C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and outgrowers, taking into account gender-specific needs, and which covers applicable aspects of the RSPO P&C, in a form they understand, and which includes assessments of training.	YES	Formal training programmes for 2023 covered all aspects of the RSPO Principles and Criteria. Regular assessments of training needs were presented to auditors. Training Plan was established in January 2023. The trainings were accessible to all staff, workers, smallholders and outgrowers, considering gender-specific needs, and which covers applicable aspects of the RSPO P&C. A training needs identification matrix has been established with target dates for the training to be conducted.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	Records of Training 2023 has established and available at each operating unit.
	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 sessions on the Supply Chain Certification Standard (SCCS) and traceability were conducted in May, Sept & Oct 2023. These sessions were targeted towards personnel responsible for critical tasks, including clerks, storekeepers, administrative office staff, administrative executives, lab assistants, weighbridge operators, auxiliary police (AP), and others. The primary objective was to ensure the effective implementation of the SCCS throughout the supply chain. The training provided was tailored to the specific tasks of each individual, covering areas such as documentation, traceability of Fresh Fruit Bunches (FFB) recording, grading, inspection, and other related responsibilities. The aim was to enhance the understanding and skills of personnel, enabling them to carry out their roles in strict adherence to the SCCS.

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SUPPLY CHAIN REQUIREMENTS FOR MILLS

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.1	<p>Identity Preserved Module</p> <p>A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme</p> <p>Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, the inly MB Module is applicable.</p>	YES	Not applicable since CU used Mass Balance Module.
3.8.2	<p>Mass balance Module</p> <p>A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base.</p>	YES	Silimpoon POM decided to maintain the MB model for their supply chain system. Therefore, they are being audited against the general chain of custody requirement for the supply chain as well as Module E - CPO Mills: Mass Balance.
3.8.3	<p>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.</p>	YES	As in table 3 & 4 in this report.
3.8.4	<p>The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform).</p>	YES	<p>The mill was observed to have met with registration and reporting requirements for supply chain through the RSPO Palm Trace. The registration information was:</p> <p>Silimpoon POM has established a procedure to handle RSPO It platform named "RSPO IT Platform, document no: SCCS-005".</p> <p>Silimpoon POM has registered in IT platform</p> <p>RSPO membership: 1-0189-15-000-00</p> <p>Register under name: Syarikat Kretam Plantations Sdn Bhd (Silimpoon Palm Oil Mill</p> <p>Country: Malaysia</p> <p>Member Category: Oil Mil</p> <p>Products: CPO & Palm Kernel</p> <p>Issued By : SIRIM QAS International Sdn. Bhd.</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.5	<p>The site shall have written procedures and/or work instructions to ensure the implementation of all elements of the applicable supply chain model specified. This shall include at minimum the following:</p> <ul style="list-style-type: none"> • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organisation's procedures for the implementation of this standard. <p>The site shall have documented procedures for receiving and processing certified and non-certified FFBs.</p>	YES	<p>Silimpopon POM's organizational and management systems, along with operational procedures, are documented in compliance with the RSPO Supply Chain Certification Standard. The organization holds certification, affirming that these policies and procedures are not only sufficient but also adequately implemented to meet the standard's intent and requirements.</p> <p>Manager of Silimpopon Mill, holds overall responsibility and authority for the implementation of RSPO supply chain requirements. He is assisted by a dedicated team including Assistant Engineer, Admin Security, Admin Office, Laboratory Assistant, and Admin – Weighbridge. Additionally, a recent training session on SCCS and traceability was conducted in May, Sept & Oct 2023. Interviews with sustainability committee members, mill manager, assistant mill manager, and weighbridge operator have confirmed their understanding of the supply chain requirements.</p>
3.8.6	<p>The site shall have a written procedure to conduct annual internal audit to determine whether the organisation;</p> <ul style="list-style-type: none"> • Conforms to the requirements in the RSPO Supply Chain Certification Standard and the RSPO Market Communications and Claims Documents. • Effectively implements and maintains the standard requirements within its organisation. • Any non-conformities found as part of the internal audit shall be issued corrective action. The outcomes of the internal audits and all actions taken to correct non-conformities shall be subject to management review at least annually. The organisation shall be able to maintain the internal audit records and reports. 	YES	<p>The procedure to conduct an annual internal audit has been established under the title "Internal Audit Procedure,". The primary purpose of this procedure is to provide guidelines for conducting internal audits for RSPO SCCS and other similar standards. An audit checklist has also been developed, utilizing the RSPO Supply Chain Certification Standard, to encompass all relevant elements and indicators. The latest SCCS Internal Audit report, conducted on Silimpopon Mill in Sept 2023 by internal auditors, indicated that the audit coverage was sufficient and comprehensive to address the new standard. Importantly, no nonconformities were raised during the internal audit, affirming the effectiveness of Silimpopon Mill's adherence to the SCCS.</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. The site shall inform the CB immediately if there is a projected</p>	NO	<p>Kretam Silimpopon had continued to receive certified FFB from own Estate Which is Silimpopon 1 and Silimpopon 2 and Uncertified FFB from Surrounding Smallgrower and Small holder which is 75 suppliers The validity of the</p>

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	<p>overproduction of certified tonnage. The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.</p>		<p>certificate of the supplier has been checked accordingly. Sighted sample FFB consignment note for Both S1 and S2 for the month of Nov 2022 – Sept 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 “Mass Balance Worksheet - Monthly Input” has recorded the tonnage of certified FFB and its supplying estate. Verified through Silimpocon POM weighing system called ‘Mass Balance Worksheet - Monthly Input and random sample of weighbridge ticket from.</p> <p>However, it was sighted that, there Sighted evidence there is overproduction of certified tonnage for CPO PK and Silimpocon POM has yet to inform the CB. Thus, Major NCR MZK 01 2023 has been raised.</p>
3.8.8	<p>Sales and Goods Out 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 <p>A unique identification number</p>	YES	<p>The procedure for handling sales and delivery was reviewed and found to be adequate. Sales activities are typically managed by the Sales and Marketing Department at the Headquarters on behalf of Silimpocon POM. Silimpocon CU has implemented a specific procedure titled "Handling Certified FFB/CPO/PK and Non-certified FFB/CPO/PK" within the Management Units for FFB supplied to the mills. A unique identification system has been established to segregate certified FFB from its own estates with outsider crops. Weighbridge clerks, as confirmed during interviews, have a clear understanding of how to effectively segregate certified and uncertified FFB. Documented procedures related to sales and goods out were also reviewed and deemed adequate. During the audit, it was verified that SPOM has successfully delivered certified materials to end buyers. Here are samples of certified CPO & PK sales, demonstrating compliance with standard requirements, with the exception of the notation of the Supply Chain model applied and the Supply Chain certificate number.</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>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 outsource companies, 1 CPO and 2 PK.</p> <p>b) There is contract document between Silimponon POM and the transporters. Sighted in clause no 7(7.1). Transporter may inspect by third parties appointed by CU if deem necessary.</p> <p>c) There were explicit procedures for the outsourced process. "outsource procedure – SCCS – 006 revision 1, date 1/12/2020.</p> <p>d) Inspection was carried out by Lab Supervisor or lab attendant and assisted by weighbridge operator and security as additional effort to ensure no contamination.</p>
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	Syarikat Kretam Mill POM has outsource the transportation of certified CPO and certified PK to 3 outsource company 1 CPO and 2 PK transporter
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 a new contractors used for the physical handling of RSPO certified oil palm products (CSPK) namely Syarikat Pengangkutan Indah Permai, which is appointed in July 2023, However, Silimponon POM has yet to inform the CB the names and contact detail of this new contractor, Thus, Major NCR MZK 01 2023 has been raised against this indicator.
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.

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Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	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 2015 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	Not applicable since CU were used Mass Balance module
	iv) For Mass Balance Module, the mill: a. shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a real-time basis and / or three-monthly basis. b. All volumes of certified CPO and PK that are delivered are deducted from the material accounting system according to conversion ratios stated by 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).	YES	Sales activities usually handled by Sales and Marketing Department Department (HQ) on behalf of Silimponon POM. Personnel updated the RSPO IT platform system upon confirmed contract. Mill receives copy of transaction input to the system on monthly basis based on contract summary (buyer weight being put in). RSPO Records for Oil Mills had been updated on real time basis by relevant personnel and had included the receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK. Their LAK weighing system also being referred for real-time transaction details as well as daily/ monthly summary of their material movements (FFB, CPO, PK, others).
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, Silimponon 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	Not applicable since CU were used Mass Balance module.

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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	Silimponon POM through usually handled by the procedure in handling of sale and delivery was sighted and found adequate. Sales activities usually handled by Sales and Marketing Department Department (HQ) on behalf of Silimponon POM. Personnel updated the RSPO IT platform system upon confirmed contract.
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. Silimponon POM does not use RSPO corporate logo as well as trademark logo.

Principle 4: Respect community and human rights and deliver benefits

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

Clause	Indicators	Comply Yes/No	Findings
4.1 The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.	4.1.1 (C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders, is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.	YES	The CU subscribes to KHB Group Code of Conduct & Human Right Policy. This Policy, among other things, respects and protects fundamental human rights as stated in the Declaration of Human Rights of the United Nations, as well as dignity of all individuals working in all levels of operations including contracted third parties. Notably, the policy upholds the confidentiality of whistleblowers, explicitly prohibits retaliation against Human Rights Defenders, and forbids intimidation and harassment, even in the context of contracted security forces. This commitment to human rights principles has been effectively communicated across all levels of the workforce, as evident during interviews.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	Based on documentation reviewed, interviews conducted, and observations made, there was no evidence of any instigation of violence or use of any form of harassment within the CU as such issues never existed. There is no abusive language or threatening gestures observed during site visit nor reported by workers during interviews.

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Clause	Indicators	Comply Yes/No	Findings
<p>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.</p>	<p>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.</p>	<p>YES</p>	<p>Grievance system is available in Kretam Holdings Berhad Group's Complaints and Grievance Procedure. This procedure is to provide guidance to stakeholders and management to address complaints and grievances, including complaints and grievances of employees related to their work. The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants, Human Rights Defenders (HRDs), community spokespersons and whistleblowers, where requested, without risk of reprisal or intimidation and follows the Code of Conduct & Human Rights Policy on respect for HRDs. Anonymity of whistleblowers is provided in the Company's Whistleblower SOP known as Procedure for Whistleblowing that provides protection to whistleblowers where their identities will be kept confidential and ensuring no retaliation against whistleblowers.</p>
	<p>4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.</p>	<p>YES</p>	<p>Procedures are in place to ensure affected parties understand the Dispute and Resolution Procedures. Verbal explanation is given in an easy-to-understand language accompanied by pictorial explanations (user-friendly to illiterate parties), 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.</p>
	<p>4.2.3 The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.</p>	<p>YES</p>	<p>Silimpopon CU keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders. It was verified that from records, the grievances and complaints are from internal stakeholders and related to housing defects and repair jobs required. However, the management's plan to upgrade the current wooden houses was not communicated to the workers hence, a non-conformance has been raised under 6.2.4.</p>
	<p>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.</p>	<p>YES</p>	<p>The system used by the Silimpopon CU in resolving disputes exists in the procedure called Kretam Holdings Berhad Group's Complaints and Grievance Procedure. This SOP is open to all stakeholders, internal workers, NGOs, and third parties. Another procedure for addressing conflicts is in Kretam Holding Berhad Group's SOP on Free Prior Informed Consent which states that the affected parties to opt for advice or appoint anyone e.g. NGO or a lawyer as representative during the pre-finalisation of the agreement.</p>
<p>4.3 The unit of certification contributes to local sustainable development as agreed by local communities.</p>	<p>4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.</p>	<p>YES</p>	<p>Contributions to community development were based on the results of consultation with local communities and surrounding stakeholders and has been demonstrated by Silimpopon CU. For example, the CU has contributed monetary for Kalabakan District Office". In addition, the CU had contributed bags and stationery for school children (specific to children's workers).</p>

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Clause	Indicators	Comply Yes/No	Findings
<p>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.</p>	<p>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.</p>	<p>YES</p>	<p>Kretam Holdings Berhad - Silimpopon CU possesses documents affirming the legal ownership or lease, as well as authorized use of customary land, granted through a Free, Prior and Informed Consent (FPIC) process. The available documents include records related to historical land tenure and the legal or customary use of the land. The land, belonging to the Sabah State Government. The lease from the state is valid from Jan 1998 until Dec 2096, with the designated purpose of cultivation of agricultural crops of economic value, specifically for oil palm cultivation.</p>
	<p>4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:</p>	<p>YES</p>	<p>As outlined in 4.4.1 of this checklist, it has been confirmed through verification that the land is legitimately leased by Silimpopon CU from 1998 to 2096. The audit team has thoroughly investigated and can affirm that there are no land issues associated with previous owners.</p>
	<p>4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.</p>	<p>YES</p>	<p>To support the verification process, the audit team conducted interviews with key stakeholders, including the Head of Village/Representative of Kg Rancangan Kalabakan, Kg Silimpopon, and Kg Ulu Kalabakan. These interviews provided valuable insights, leading to the conclusive finding that there is no evidence of any land dispute at Silimpopon. As a result, the specific evidence required under this clause is not available, affirming the stability and legitimacy of the land status.</p>
	<p>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.</p>	<p>YES</p>	
	<p>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.</p>	<p>YES</p>	
	<p>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</p>	<p>YES</p>	<p>As reported in section 4.4.1 of this checklist, it has been verified that the land has been legitimately leased by Silimpopon CU from 1998-2096. The audit team confirmed that there were no land issues related to previous owners. Additionally, the audit team reviewed the land title and confirmed compliance with this indicator.</p>

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Clause	Indicators	Comply Yes/No	Findings
	relevant authorities). 4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately leased by Silimpopon CU from 1998-2096. The audit team had confirmed that there were no land issues related to previous owners. The audit team has also interviewed relevant stakeholders such as the Head of Village/ Representative Kg Rancangan Kalabakan, Kg Silimpopon and Kg Ulu Kalabakan. From the interviews, it can be concluded that there was no evidence of any land dispute at Silimpopon, hence the evidence required under this clause was not available.
	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	
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	
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	
	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	
	4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.	YES	

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Clause	Indicators	Comply Yes/No	Findings
	4.5.4 To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately leased by Silimpopon CU from 1998-2096. The audit team had confirmed that there were no land issues related to previous owners. The audit team has also interviewed relevant stakeholders such as the Head of Village/ Representative Kg Rancangan Kalabakan, Kg Silimpopon and Kg Ulu Kalabakan. From the interviews, it can be concluded that there was no evidence of any land dispute at Silimpopon, hence the evidence required under this clause was not available.
	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 domain of the federal and state land acquisition legislations.	YES	
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	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	Silimpopon CU has a standard procedure for identifying social-related issues called the 'Land Dispute Compensation and Calculation Procedure' and the 'Procedure for Calculating & Distributing Fair Compensation.' These procedures define the detailed process for compensating any issues or disputes related to land, ownership, and access to land. They ensure that negotiations concerning compensation are dealt with systematically. The procedure guarantees that negotiations regarding compensation for the loss of legal, customary, or user rights are conducted through a documented system. This system enables indigenous peoples, local communities, and other stakeholders to express their views through their own representative institutions.
	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and	YES	The 'Land Dispute Compensation and Calculation Procedure' and the 'Procedure for Calculating & Distributing Fair Compensation' outline detailed procedures for calculating and distributing compensation in a participatory and fair manner. These procedures specify that considerations such as ethnic group and gender differences will be taken into account. A corresponding flowchart was also observed. Interviews

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Clause	Indicators	Comply Yes/No	Findings
through their own representative institutions.	evaluated in a participatory way, and corrective actions taken as a result of this evaluation.		with relevant stakeholders, including representatives from Kg Rancangan Kalabakan, Kg Silimpocon, and Kg Ulu Kalabakan, confirmed the availability of mechanisms for them to express their views. Any issues, if they arise, will be addressed in accordance with these standard requirements. However, stakeholders have confirmed that there are no existing or known disputes that would necessitate negotiation and compensation processes, either in the mill or the estate.
	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	The requirement of this indicator was not applicable as there is no scheme smallholding at Silimpocon CU.
	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	As mentioned in 4.6.2 above, there were no existing/known issues related to this indicator, hence it was not applied to Silimpocon CU.
4.7 For new planting, where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to their FPIC and negotiated agreements.	4.7.1 (C) A mutually agreed procedure for identifying people entitled to compensation is in place.	YES	Silimpocon CU have a standard procedure for identifying social related issues called "Land Dispute Compensation and Calculation Procedure" and "Procedure for Calculating & Distribution Fair Compensation". The procedures defined details process of how compensation for any issues/disputes related to land, ownership and access to land, and ensures negotiations concerning compensation are dealt with. The procedure ensures that any negotiations concerning compensation for loss of legal, customary or user rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.
	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.	YES	There was no issue regarding compensation (monetary or otherwise) with villagers, local community and neighbouring estate. The audit team has also interviewed relevant stakeholders such as the representatives from Kg Rancangan Kalabakan, Kg Silimpocon and Kg Ulu Kalabakan, from the interviews, it can be concluded that there was no evidence of any land dispute at Silimpocon CU.
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	This requirement in this indicator was not applicable for Silimpocon CU.
4.8 The right to use the land is demonstrated and	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	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately leased by Silimpocon CU since 1998-2096. The audit team had confirmed that there were no land issues related to previous owners.

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Clause	Indicators	Comply Yes/No	Findings
is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.	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.		
	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	The audit team has also interviewed relevant stakeholders such as the Head of Village/ Representative Kg Rancangan Kalabakan, Kg Silimpopon and Kg Ulu Kalabakan. From the interviews, it can be concluded that there was no evidence of any land dispute at Silimpopon, hence the evidence required under this clause was not available.
	4.8.3 Where there is evidence of acquisition through dispossession or forced abandonment of operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant reqs. (Indicators 4.4.2, 4.4.3 and 4.4.4).	YES	This requirement in this indicator was not applicable for Silimpopon CU.
	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	This requirement in this indicator was not applicable for Silimpopon CU.

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	5.1.1 Current and previous period prices paid for FFB are publicly available and accessible by smallholders.	YES	It was observed that the SPOM has displayed the current and past FFB prices from Dec 2022 until to date (September 2023) at their weighbridge station. It was also displayed at the weighbridge to be observed by the FFB transporter/supplier. The prices were also provided in the monthly payment statement to FFB suppliers.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the	YES	Silimpopon POM regularly explains the FFB Pricing to Smallholders in August 2023. The stakeholder information briefing concerned to FFB qualities, FFB grading, calculation

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Clause	Indicators	Comply Yes/No	Findings
(Independent and Scheme) and other local businesses.	FFB pricing to smallholders.		payment by MPOB, oil extraction rate (OER). The calculation method of pricing was made known and given to the Smallholders. Field days were organised monthly by the mill to all the small holders from the supplying list.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	YES	The price for FFB has been adopted from MPOB Pricing. Thus, all prices are calculated by the MPOB. Interview with the smallholders/growers, sending FFB to Silimpopon POM revealed that they are satisfied with the current price, and they are of the opinion that Silimpopon POM Mill quantum is quite fair compared to other outsider Mills as verified in “Kaedah Perolehan Buah Tandan Segar (BTS)” as stated in Clause 2.0 Formula Penentuan Harga BTS of the Agreement.
	5.1.4 (C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These FFB price reductions for replanting and or other support mechanisms where applicable.	YES	There is a agreement between FFB outsider supplier with Silimpopon POM, the agreement has been signed on January 2022. During interview with FFB Supplier above they stated that they are involved in decision-making processes and understand the contracts including involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable which is not applicable to them because they are operate by themselves. Besides that, The Suppliers are free to choose their mill.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	YES	Contract with suppliers were drafted in the English language, which is understood by the suppliers as verified during interviews. Based on the agreements signed between Kretam Mill POM and their transporters, the following was noted: a) The contractors have been providing their services for more than 2 years. Their contracts are signed annually, and containing schedule of rates, conditions of contract, event of default, payment terms according to the volume, diesel price and distance. b) Consultations with contractors confirmed that they understood the salient points in the agreement, namely contract duration, rate of payment, their obligations under the contract, etc. c) They also confirmed that contract entered into are valid, fair and transparent as the terms of payment are being negotiated upon prior to signing.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	YES	During documentation review and interviewed with FFB Supplier these contractors interviewed confirmed that payments are made in a timely manner, namely within 15 days of invoice. The Agreement dated latest in January 2023 stated that the FFB Supplier will receive payment on 15 th every month or in case on that date is public Holiday payment will be made on the Following day.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	YES	Weighing Equipment in Silimpopon POM & estates has been calibrated on a yearly basis using Metrology Corporation Malaysia Sdn Bhd.

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Clause	Indicators	Comply Yes/No	Findings
	5.1.8 The unit of certification supports Independent Smallholders with certification, where applicable, ensuring mutual agreements between the unit of certification and the smallholders on who runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.	YES	The unit of certification supports the Independent Smallholders through the training conducted on awareness on RSPO. KHB 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. Sighted that latest Stakeholder meeting dated 22 August 2023 to promote on RSPO certification. However, the Growers and villagers were not in favor in the implementation due to high cost.
	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	Grievances mechanism for smallholders or growers are available. Sighted training and letter to FFB supplier issued by CU to provide details related to payment and available complaint channels. it was noted the Kretam Silimpopon POM had conducted meeting with FFB Suppliers during Stakeholder Meeting in 22 August 2023 regarding grievance mechanism for smallholders. The Minute of meeting "Mesyuarat Penjelasan Harga Buah" with the said FFB supplier was verified by auditor during the audit. The meeting was attended by all FFB supplier Supplier, Govt Agency, Villagers and chaired by Mill Manager. As of todate, during interview with smallholders and growers, they are satisfied with price and no issues with Silimpopon POM and in case they want to complaint they know how to channel their grievance and complaints.
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.	NO	Kretam Holdings Berhad (KHB) 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. Sighted that latest Stakeholder meeting dated in August 2023 to consults with interested smallholders including women or other partners in their supply base to assess their needs for support to improve their livelihoods and to promote on RSPO certification. However, there is no records/Evidence that Silimpopon CU consult 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. Thus, Minor NCR MZK 03 2023 has been raised against this indicator.
	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).	NO	Kretam Holdings Berhad (KHB) 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. Sighted that latest Stakeholder meeting dated 22 August 2023 to consults with interested smallholders including women or other partners in their supply base to assess their needs for support to improve their livelihoods and to promote on RSPO certification. However, there is no records/Evidence that Silimpopon CU develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality,

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Clause	Indicators	Comply Yes/No	Findings
			organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder). Thus, Minor NCR MZK 04 2023 has been raised against this indicator.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	YES	Kretam Holdings Berhad (KHB) 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. Sighted that latest Stakeholder meeting dated in August 2023 to consults with interested smallholders including women or other partners in their supply base to assess their needs for support to improve their livelihoods and to promote on RSPO certification. However, the Growers and villagers were not in favor of the implementation due to high cost.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	YES	There was no Scheme Smallholder available at Silimponon CU. Thus, this indicator was not applicable.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	YES	Currently KHB has created a system to trace their stakeholder around their estates. Kretam Holdings Berhad (KHB) have their own report on the progress of the smallholder support program.

Principle 6: Respect workers' rights and conditions

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

Clause	Indicators	Comply Yes/No	Findings
6.1 Any form of discrimination is prohibited.	6.1.1 (C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.	YES	The Silimponon CU pledges to the KHB Group Code of Conduct & Human Right Policy signed by its Chief Executive Officer dated 1 March 2020 and available in two languages (Malay and English). The Policy states all employees shall be treated equally regardless of ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. The policy also mentioned fair and equal employment opportunities for all employees. This Policy is displayed at the main notice boards as well as at the workers' housing quarters. This Policy are communicated to all levels of workforce and briefed during muster briefings.
	6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not	YES	Based on documentation review such as employment contracts and letters of offer, pay slips, allocation of housing at the linesite, audit interview and observations made, there is no evidence of discrimination against any employee, or group of employees. All workers

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Clause	Indicators	Comply Yes/No	Findings
	been discriminated against including charging of recruitment fees for migrant workers.		interviewed (local, migrant, male, and female), confirmed equal payment of wages/salaries for the same work done, provision of housing and access to benefits and amenities is fair and available to all irrespective of nationalities, gender, religion, etc. As confirmed during the interview, foreign workers are not charged any recruitment-related fees at any stage in the recruitment process. Workers' pay slips were also sampled which showed that workers receive the same amount of daily rate per day for the same work irrespective of gender, age or nationalities. Sampled were the employment contracts and pay slips of the following workers, same as per indicator 6.2.1 and 6.2.2.
	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	Based on review of employment contracts and payslips, job applications and relevant certificates, as well as training and assessment records, Silimpocon CU was able to demonstrate that recruitment selection, hiring, access to training and promotion are based on skills, capabilities, qualities and medical fitness necessary for the jobs available. Reviewed during the audit were records of the workers which showed submission of application form, interview, medical check-up report and issuance of letter of job offer.
	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 review of records at the estate's clinic, interviews with the Estate's Dresser, female workers and Gender Committee, there is no evidence of discriminatory pregnancy tests being carried out within Silimpocon CU. Interviews conducted with them noted that pregnancy testing was conducted on a fixed schedule (every quarter) for worker's handling chemical such as Sprayer and Manurer with their consent. During interview with female workers, they are aware that the test was necessary for them to be removed from handling chemical if found pregnant.
	6.1.5 (C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.	YES	Gender Committees are available at all units within Silimpocon CU and its organizational chart was updated for the year 2023. Based on minutes of Gender Committee meetings sighted and interviews conducted with the committee member as well as female workers, they are aware of the committee and its function, awareness were given on sexual harassment, how to lodge a complaint, reproductive rights, domestic violence and health issues. This is in accordance with KHB Gender Policy. Also sighted, among beneficial activities in place are cake and bread making, volleyball etc. The estate's dresser also provides training to the female workers on topics related to family planning and breastfeeding as well as antenatal and post-natal. Based on documentation review and interview, there is no sensitive complaints raise and this was duly confirmed during interview with gender committee representatives and female workers.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	Evidence is available that all workers (male/female/foreign/local) are getting the same pay for the same work scope. This is based on reviewing the terms in the employment contracts and payslips. The employment contracts and payslips demonstrate that workers receive equal pay per day for the same scope of work. This was confirmed during an interview with workers.

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Clause	Indicators	Comply Yes/No	Findings
<p>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).</p>	<p>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.</p>	<p>YES</p>	<p>Applicable labour laws under provisions of the Sabah Labour Ordinance, documentation of pay and conditions are contained in workers' employment contracts. The contracts contain conditions of pay and terms of employment related to contract duration, regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. The employment contracts are prepared in Bahasa Malaysia which is a language that the workers are conversant in. Workers interviewed also confirmed that they understand their payslips and would seek clarification from management should they require further explanation.</p>
	<p>6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.</p>	<p>YES</p>	<p>Contracts and conditions of employment are contained in employment contracts signed between the workers and Mill/Estates representatives. The employment contracts sampled were prepared in either Bahasa Indonesia / Bahasa Malaysia or in dual-language, namely English and the language commonly used in the worker's country of origin. The employment contracts signed between the Mill and Estates' management contain employment and payment terms and provisions covering duration of employment, place of work, salary, working hours, medical, accommodation, SOCSO, transportation, public holidays, sick leave, annual leave, mutual termination of service, etc. These are all in compliance with the provisions of the Sabah Labour Ordinance. The pay slip is the document that gives accurate information on compensation for all work performed. It contains the following information: employee name, month of pay, pay description such as number of working days in that particular month, overtime, absent if any, daily or piece-rated wages, deductions for SOCSO, EIS, KSWP, total income for the month, total deductions and net pay.</p>
	<p>6.2.3 (C) There is evidence of legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements.</p>	<p>YES</p>	<p>Silimponon CU has demonstrated compliance to Sabah Labour Ordinance with regards to its employment terms. For regular working hours, sighted workers' payslip that they work between 24 to 26 days a month and average of 6 days per week. Stipulated in their employment contracts was agreed working hours which is 8 hours per day including break. Silimponon CU conduct salary deductions according to written approved permit issued by the Sabah Labour Department. This is a permit for workers' salary deductions towards paying for travel documents, dependent's passport, medical expenses, buffalo services, sundry shop debt etc. Sighted overtime work done by workers at Silimponon CU with mutual consent of workers and not made mandatory. The rates payable for overtime work are stipulated in the employment contracts and evident through sampled payslip. Also, it is evident that public holidays leaves and sick leave were paid a daily rate as of current legal requirements. Based on interview conducted with female workers, they are entitled of 2 months paid maternity leaves. The period of termination notice is stipulated in the employment contracts where the notice period varies with the length of service. Sample workers as in 6.2.2.</p>
	<p>6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities,</p>	<p>NO</p>	<p>The Silimponon CU provides adequate and free housing, sanitation and medical facilities, welfare amenities, free electricity, and water supplies to its workers. Each house has</p>

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Clause	Indicators	Comply Yes/No	Findings						
	<p>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>between 2 to 3 rooms normally allocated for each family. The worker's and staff housing area come with amenities such as CLC (Community Learning Centre) for foreign workers' children, creche, badminton/takraw/volleyball court, places of worship, sundry shops, and playing field. Clinic facilities are also available and medical treatment is provided free of charge to all employees and their dependents centralized at Silimpopon 1 Estate. However, at the time of audit, based on the site visits made to worker's wooden quarters at Kg. Kenyalang and Kg. Rajawali at Silimpopon 1 and 2.</p> <ol style="list-style-type: none"> 1. The wooden quarters provided was not in good condition to be inhabited which eventually led to unsafe conditions, hygiene issues, improper waste management and drainage systems not properly constructed. 2. It was noted that housing inspection performed weekly by EHA. Additional inspection too was carried out by management's representatives every month. However, the housing inspection record is unable to reflect actual conditions at site inspection. 3. Documentation review revealed that The Capital Expenditure Budget & Projection Plans Year 2022 to 2028 for construction of new labour quarters or to upgrade the infrastructure exceeded reasonable time (5 years) since last certified in Year 2021 (Silimpopon 2). There is no detailed planning provided to ensure all the workers accommodated in the wooden houses to be upgraded the infrastructure as per ILO Guidance on Workers' Housing Recommendation. 4. Management's planning to upgrade the wooden houses was not properly communicated to the workers. <p>Therefore, a Major non-conformance NEA 02 2023 has been raised under this indicator.</p>						
	<p>6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</p>	<p>YES</p>	<p>Silimpopon CU can demonstrate that efforts were made to improve workers' access to adequate, sufficient and affordable food by having several grocery shops within the CU premises. Site visits made to the sundry shops are evident that they sell daily requirements such as rice, flour, eggs, sugar, milk, cooking oil, frozen food, beverages, toiletries, etc. The interview with workers stated that the items sold in the shops are sufficient and prices are within an acceptable range. Should the workers require to purchase items from nearest town, transportation was provided by management.</p>						
	<p>6.2.6 A "DLW" is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours.</p> <p>PROCEDURAL NOTE: A written policy with specific implementation plan, committing to payment of a "decent living wage" is in</p>	<p>YES</p>	<p>Based on the suggested method(s) by RSPO guideline, an assessment of the Prevailing Wage was conducted in an RSPO Certified Unit in Silimpopon CU and the Prevailing Wage was found to be as follows:</p> <table border="1" data-bbox="1070 1209 1541 1289"> <thead> <tr> <th>Silimpopon Mill</th> <th>Prevailing wages</th> </tr> </thead> <tbody> <tr> <td>Local workers</td> <td>RM2,419.32</td> </tr> <tr> <td>Foreign workers</td> <td>RM2,558.61</td> </tr> </tbody> </table>	Silimpopon Mill	Prevailing wages	Local workers	RM2,419.32	Foreign workers	RM2,558.61
Silimpopon Mill	Prevailing wages								
Local workers	RM2,419.32								
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Clause	Indicators	Comply Yes/No	Findings															
	<p>place. The implementation plan with specific targets, and a phased implementation process will be in place, including the following:</p> <ul style="list-style-type: none"> • An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers. • There is annual progress on the implementation of living wages • Where a minimum wage, based on equivalent basket of goods, is stipulated in Collective Bargaining Agreements (CBAs), this should be used as the foundation for the gradual implementation of the living wage payment. • The unit of certification may choose to implement the “living wage” payment in a specific section as a pilot project; the pilot will then be evaluated and adapted before an eventual scale-up of the living wage implementation <p>Until such time where the Malaysian version of “decent living wage” has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.</p>		<table border="1" data-bbox="1070 296 2000 373"> <tr> <td>Silimpocon Estate 1</td> <td>Prevailing wages</td> <td>Silimpocon Estate 2</td> <td>Prevailing wages</td> </tr> <tr> <td>Local workers</td> <td>RM1,989.17</td> <td>Local workers</td> <td>RM2,023.97</td> </tr> <tr> <td>Foreign workers</td> <td>RM,996.26</td> <td>Foreign workers</td> <td>RM2,097.73</td> </tr> </table> <p>Based on the review of the calculation formula, it was verified that the calculation of prevailing wages above are fair and reasonable.</p>				Silimpocon Estate 1	Prevailing wages	Silimpocon Estate 2	Prevailing wages	Local workers	RM1,989.17	Local workers	RM2,023.97	Foreign workers	RM,996.26	Foreign workers	RM2,097.73
Silimpocon Estate 1	Prevailing wages	Silimpocon Estate 2	Prevailing wages															
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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	Based on documents sighted and interviews conducted, employment of workers by Silimpocon CU only involves full-time employees. There was no casual, temporary and day labour engaged.															
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	Silimpocon CU subscribes to the documented policy on Freedom of Association and Right to Collective Bargaining. This Policy is available in dual language, i.e. Bahasa Malaysia and English and it recognizes and respects of employees to join trade union of their choice and to bargain collectively subject to the provisions of relevant national															

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Clause	Indicators	Comply Yes/No	Findings
<p>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.</p>	<p>Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.</p>		<p>legislations. Employment contracts signed do not contain any prohibitive clause from joining any trade unions. The language used in both Policies are English and Bahasa Malaysia. This Policy are communicated to all levels of workforce and briefed during muster briefings .</p>
	<p>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.</p>	<p>YES</p>	<p>There is no trade union at Silimpopon CU, but there is a Joint Consultative Committee (JCC) comprising workers and management representatives. Minutes of meeting between the workers' representatives and management are being documented in Bahasa Malaysia and were sighted during the audit. Sighted at Silimpopon CU were updated JCC's Organizational Chart for year 2023 which comprises representatives from employees and employer.</p>
	<p>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.</p>	<p>YES</p>	<p>Workers are free to elect their own representatives to sit in the JCC as sighted at mill and Silimpopon 1 and 2 Estates. Sighted updated organizational chart comprises of both employee and employer representatives for year 2023 and official appointment letter issued by management. Interviews conducted with workers confirmed that worker's representatives were elected by the workers themselves during morning muster.</p>
<p>6.4 Children are not employed or exploited.</p>	<p>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.</p>	<p>YES</p>	<p>A formal policy for the protection of children was available. The Policy states that KHB Group will ensure that NO child (a person under the age of 15 years) or young person (who has attained the age of 15 years but has not attained the age of 18 years) shall be, or be required or permitted to be, engaged in any employment other than those allowed by the laws. The Policy also stated that schools should encourage and motivate children to attend school, parents to be advised and warned verbally on the spot not to allow children to assist them, and the child will be sent home or to an appropriate child-care facility. Prohibition of child labour is also included in contracts agreements with third parties.</p>
	<p>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.</p>	<p>YES</p>	<p>Based on documentation review (master checkroll, personal files containing copies of passport, <i>Kartu Tanda Penduduk</i> for Indonesian (KTP) or Malaysian IC), interviews conducted and observations in the field, all employees were above the age of 18 when they commenced work at Silimpopon CU. There is also a documented age screening verification procedure in the Recruitment and Selection procedure.</p>
	<p>6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.</p>	<p>YES</p>	<p>Based on documents sighted, interviews and observations, there was no evidence that the Silimpopon CU employ any young persons. This was further verified by examining the master lists of each operating unit where details of the workers' IC numbers 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.</p>

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Clause	Indicators	Comply Yes/No	Findings
	6.4.4 The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.	YES	Based on records of stakeholder meetings, JCC meeting, worker interviews, evidence is available that the KHB Group Social Policy was communicated to its external stakeholders and all levels of workforce.
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	The company has implemented Sexual Harassment Policy. The Policy sets out the Company's commitment to promote a safe and healthy working environment, and zero tolerance for any form of harassment in the workplace. The Policy serves as a guide on handling matters related to harassment and is being displayed at all the main notice boards and communicated accordingly. Interviews with workers also confirmed their understanding on the briefing contents, and they also confirmed the implementation of the Policy.
	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.	YES	The KHB Social Policy states that the Company would protect reproductive rights of women employees. The Policy is being displayed on all main notice boards within the Silimpocon CU and communicated accordingly. Workers are entitled to paid maternity leave, and there is no prohibition from management on the number of children to have, as well as the spacing. The Gender Committee meetings are used as an avenue to disseminate information to its members regarding reproductive rights. This was further confirmed during interviews held with female workers as well as male workers which showed their understanding of their reproductive rights.
	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	Silimpocon 1 and 2 Estates has demonstrated that the needs of new mothers have been assessed and identified in a consultative way. Consultative assessments were performed by EHA from antenatal to post-natal to identify the needs of the female employees. Sighted during audit, assessment made to newly delivered mother in Sept 2023.
	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	Silimpocon CU subscribes to the Complaint and Grievance Procedure. This procedure is open to all stakeholders, internal workers, NGO's, and third parties. The Policy states, among other things, that it shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants. Additionally, the Company also subscribes to Sexual Harassment Reporting Procedure which elaborates how the general complaint and sexual harassment related complaint can be made and implemented Sexual Harassment Policy where the company will keep all the grievances related to sexual harassment as confidential and the victim can remain anonymous. Other policies that respect the anonymity of the complainants are mentioned below: 1. Code of Conduct and Human Rights Policy

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Clause	Indicators	Comply Yes/No	Findings
			2. Confidentiality Policy 3. Whistleblowing Policy
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	Evidence is available that all workers have entered into their respective employment voluntarily. This is also in tandem with the Company's Foreign Worker Policy which states among other things, that foreign workers should enter into employment voluntarily and freely, without the threat of a penalty, debt bondage, withholding of wages, no charging the workers for recruitment fees, and no discrimination. Interviews conducted with the workers confirmed that the above policy is being implemented within the Silimponon CU. The following were observed during the audit: <ul style="list-style-type: none"> ▪ Workers keep their own passport. However, some workers felt it unsafe to keep their passports, and has requested that the mill or estates to keep their passports on their behalf, with their consent. ▪ There is no evidence of recruitment fees. ▪ There is no contract substitution. During interview, workers are aware of what jobs would be upon arrival at Silimponon CU and this is reflected in their employment contracts signed by them. ▪ There is no involuntary overtime, and all overtime is carried out by the workers out of their own free will upon request by their supervisors and this was confirmed during interview. ▪ Workers are free to resign and leave their employment. ▪ There is no penalty for termination of employment. ▪ There is no evidence of debt bondage. ▪ There is no evidence of withholding of wages. All wages are paid by or before the 7th of every month, subject to statutory deductions and legal deductions as per the Labour Office permit.
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	The specific Foreign Worker Policy is available and procedures for migrant workers are contained in Recruitment of Foreign Worker. The Policy states among other things, that the company shall ensure that the foreign workers are properly insured and legalised. Foreign workers should enter into employment voluntarily and freely terminate without any penalty. The policy stated that the company committed to: <ul style="list-style-type: none"> ▪ No Debt bondage ▪ No Withholding of wages ▪ No charging the workers for recruitment fees ▪ No discrimination ▪ No contract substitution ▪ No documents retention Additionally, there is a procedure established known as "Recruitment of Foreign Workers".

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Clause	Indicators	Comply Yes/No	Findings
			<p>This document spells out the recruitment process as follows:</p> <ul style="list-style-type: none"> ▪ Manpower planning – applying for quota, appointment of recruitment agent, sourcing of workers, workers interviews, satisfaction of employability criteria, shortlisting. ▪ Recruitment process – registration onto the approved Employee Master list and uploaded onto the Quarto system. ▪ Orientation – briefing on language, safety procedures, labour laws, culture practices, surrounding community, housing, medical, amenities, issuance of PPE. ▪ Commencement of work – no discrimination, no contract substitution practices, post-arrival orientation programme and provision of decent living conditions. Based on interviews conducted with foreign workers, documentation review and observations made, there is evidence that the above procedure is being implemented within the Silimpopon CU.
<p>6.7 The unit of certification ensures that the working environment under its control is safe and without undue risk to health.</p>	<p>6.7.1 (C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any issues raised are recorded.</p>	<p>YES</p>	<p>The letter of appointment for the Managers signed by the GM was sighted. The Managers subsequently assigned duties of ESH coordinator to the Assistants for the down line implementation of ESH practices in the estates. A similar appointment was made for all the estates and the mill. All identified Executives were officially given a letter for such an appointment. All estates and the mill management conduct regular two-way communication with their employees through the quarterly ESH meeting. Samples Minutes of meetings held by the mill and estates were verified. The meetings workers participated in the discussion mainly on housing and safety. All units adopted the agenda as released OSH/ sustainability team. This agenda list was sighted and adequate to discuss salient issues relating safety, environmental and health. The agenda as discussed during the meeting among others includes the following;</p> <ul style="list-style-type: none"> • Previous minutes issues • Report by safety coordinator • Others issues • Accident case • Workplace inspection
	<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</p>	<p>YES</p>	<p>Silimpopon CU had in place accident and emergency procedures as stated in the Occupational Safety and Health Policy of Kertam Holdings Berhad Group .Accident and emergency procedures were available in adherence to CU, Safety and Health SOP. Both Estates had established Emergency Response Teams. On both Estate the committee was responsible for both Safety and Health and Emergency Response. The combined committee was headed by the Manager with a clerk as secretary, a staff as coordinator and 2 management and 8 workers representatives. The POM and estates have their own first aider and is trained by competency consultant from Dab Oh Sdn. Bhd. Total first aider in the estates is 2 persons and for mill is 7 persons. The certificate of competency first aided is valid for 3 years.</p>

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Clause	Indicators	Comply Yes/No	Findings
	aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		Master list of first aid box of both estate and POM which is available at the office was checked and verified. Observed that, first aid box is well provided for all the field mandores whose involved in harvesting, manuring, spraying works, etc. and mill workstation, workshop, oil room, laboratory, etc. The content of first box which is held by harvesting, manuring and spraying mandore was verified. The content such as bandage, gauze, triangular bandage, cotton wool, plaster, handy plaster, flavin lotion, antiseptic cream, surgical gloves and scissor were well equipped. Site inspection evidence that first aid kit is available at all works place with complete contents. The stock of first aid box is regularly check and refill when necessary, by estate Hospital Assistant. Telephone numbers and names of the members of the Emergency Response Team (ERT) were communicated to all employees and displayed at notice boards. Telephone numbers of the PIC, Police Station, Fire Brigade, and Government Clinic were also included. Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Accident/injury record were recorded using Lost Time Accident (LTA) metrics. Quarterly review on accident cases had been carried out during quarterly OSH committee meeting. During site visit, it was sighted Emergency Response Plan was available at Boiler Station, Chemical Store, Workshop, Lubricant Store etc. During interviews with sampled workers, it was noted that all workers understand regarding ERP procedures.
	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	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: <ul style="list-style-type: none"> • harvester: gloves, google, wellington boots & safety helmet • sprayer: nitrile gloves, google, wellington boots, safety helmet, and apron • Mill operator – Safety boots, ear muff, safety vest, helmet, cotton glove • Water treatment Plant Operator - Safety boots, ear muff, safety vest, helmet, cotton glove, dust mask. 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. Sanitation facilities for those applying pesticides was available near the chemical store area, after 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	YES	The Mill and Estates provide medical care and insurance coverage for all the workers.

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Clause	Indicators	Comply Yes/No	Findings
	care and covered by accident insurance. Costs incurred from work-related incidents leading to injury or sickness are covered in accordance with Malaysian law.		Local Workers and foreign workers – covered by SOCSO. Verified through 'Jadual Caruman Bulanan' Borang 8, and monthly payment has been verified.
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	Occupational injuries are recorded using Lost Time Accident (LTA) metrics. Sighted the Silimpopon CU has maintained and updated the LTA Summary monthly and submitted to Safety, Health & Environment Department. The JKPP 8 was submitted to DOSH in Jan 2023.

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	<p>Kertam Holding Berhad has established and documented a comprehensive IPM plan, subject to yearly review for both estates. Integrated Pest Management has been systematically implemented within the Kertam Holding Berhad Group to comply with RSPO, ISCC, and MSPO P&C requirements. The group also upholds an Environment Policy and Sustainable Policy, advocating for good agricultural practices and environmental protection. Each plantation region has its own IPM plan tailored to individual estates. The estates have documented IPM plans covering pest monitoring, control below threshold levels, utilizing cultural, biological, physical/mechanical methods, and pesticide use. These plans are guided by the Planting Manual and SOPs including SOP IPM, SOP Rat Control, SOP Leaf Eating Pest, SOP Pest & Disease – Ganoderma. For Sandakan Region estates, a summary is presented in this compiled report.</p> <p>Individual estates have formulated their IPM programs, with management periodically reviewing the progress. Supporting documents such as census forms, monitoring forms, and other information related to IPM implementations are meticulously filed for estate management review.</p> <p>The objectives of the IPM Plan encompass periodic identification and monitoring of all pests, overcoming pest outbreaks, controlling and promoting positive actions for prevention, and enhancing bilateral relationships with neighboring estates regarding pest control and prevention. The plan, implemented by all estates, covers the definition of IPM and pests, implementation and monitoring of IPM, biological control, cultural control, mechanical and physical control, chemical control, and specific IPM programs.</p> <p>The IPM program addresses pest management for rats, bagworms, nettle caterpillars, rhinoceros beetles, and ganoderma. For bagworm control, the program involves planting</p>

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Clause	Indicators	Comply Yes/No	Findings																																				
			beneficial plants such as Cassia cobanensis, Antigonon leptopus, and Turnera subulata. Rhinoceros beetle control utilizes pheromone traps. To minimize pesticide use, estates have strategically planted beneficial plants, mainly Turnera subulata, Cassia cobanensis, and Antigonon leptopus, with maps indicating the areas planted. Both estates conduct censuses on rat damage and diseases like Ganoderma, with rat baiting initiated when damage exceeds 2% and continued until bait acceptance falls below 20%. During the audit, numerous beneficial plants were observed, with both estates having plants in polybags ready for planting in the nursery. Records indicate a continuous and dedicated effort to plant beneficial species in both estates.																																				
	7.1.2 Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.	YES	Species referenced in the Global Invasive Species Database and CABI.org. were not used in managed areas of the 2 estates.																																				
	7.1.3 There is no use of fire for pest control unless in exceptional circumstances, i.e. where no other effective methods exist, and with prior approval of government authorities.	YES	Kretam Silimpopon CU had 2 policies on Zero Burning a main policy and sub policy. As advocated, both 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	Justification of the use of pesticides had been documented. The use of selective products that are specific to the targeted pest, weed or disease had been defined in 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. The chemical used in the estates as captured from the chemical register among others as listed below; <table border="1" data-bbox="1064 1013 2027 1220"> <thead> <tr> <th></th> <th>Chemical name</th> <th>Class</th> <th></th> <th>Chemical name</th> <th>Class</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Glyphosate isopropylamine</td> <td>III</td> <td>6</td> <td>Cypermethrin</td> <td>III</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> </tbody> </table>		Chemical name	Class		Chemical name	Class	1	Glyphosate isopropylamine	III	6	Cypermethrin	III	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	YES	The justification of agrochemicals use is available in the Planting Manual & SOP: Silimpopon CU continued to record areas where pesticides were used. a) 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																																				

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Clause	Indicators	Comply Yes/No	Findings
	ingredients applied per ha and number of applications) are provided.		auditors. b) 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>All the estates on Silimpocon 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) CHRA b) MSDS/SDS supplied by the manufacturer c) Planting Manual d) 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 Kertam Holding Berhad's Planting Manual in the chapters Weed 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 CU. 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>
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	YES	<p>Silimpocon 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> <ul style="list-style-type: none"> a) Blanket spraying is also not practiced by the CU and soft grasses were maintained in the field. 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 c) The chemicals used for the nurseries are as provided in the Planting Manual and where necessary by the SEM/Agronomist during the visits.
	7.2.5 Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, unless in exceptional circumstances, as validated by a due diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:	YES	<p>During the audit, it was noted that both estates 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. Paraquat has not be used since 2008 and was replaced by a systemic herbicide and glufosinate ammonium.</p>

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Clause	Indicators	Comply Yes/No	Findings
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	
	7.2.5b Why there is no other alternative which can be used.	YES	
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	
	7.2.5d What is the process to limit the negative impacts of the application.	YES	
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	YES	
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (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, Kertam Holdings Berhad SOPs on Safety & Health. 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. Training on pesticides/chemical handling safety procedures was carried out regularly by the CU.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	The storage of pesticides at Silimpopon 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 both estates were centralized at Silimpopon 1 and mill were ventilated (equipped with exhaust fans). All the chemicals were arranged/segregated according to the type. During site visit at estate i.e. chemical and fertilizer store, sighted relevant SDS were seen 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 to the ground. Triple rinsing activities continued to be implemented for empty pesticide containers. The detailed procedure for this purpose is

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Clause	Indicators	Comply Yes/No	Findings
			available in SOP for Scheduled Wastes Management and SOP for Triple Rinsing.
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	YES	Standard Operating Procedure Scheduled Waste Disposal of empty pesticide containers was carried out as per established procedures. Triple rinsing procedures were continually implemented for empty pesticide containers. The rinsed containers were then pierced and stored prior disposal. Records on usage and disposal were well recorded and documented. The SW 409 for empty pesticides container had been disposed of through a licensed contractor approved by DOE. It was found that scheduled waste generated at the mill and estates stored not more than 180 days.
	7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.	YES	There was no evidence that aerial spraying was practiced in Silimponon 1 and Silimponon 2 Estate.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	YES	All pesticide operators and recommendation workers from CHRA were sent to Dab Oh Sdn. Bhd. From the results, all workers fit to handle chemical
	7.2.11 (C) No work with pesticides is undertaken by persons under the age of 18, pregnant or breastfeeding women or other people that have medical restrictions and they are offered alternative equivalent work.	YES	The CU 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 2 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 the female workers.
7.3 Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.	7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.	YES	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. In the sampled estates 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. The waste disposed were seen only household and food waste and disposed via landfill. As for the line-site cleaning, it scheduled on monthly basis by Hospital Assistant.

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Clause	Indicators	Comply Yes/No	Findings
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	YES	Procedures and guideline 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. During site inspections, sighted disposal of empty pesticide containers was carried out as per established procedures. Triple rinsing procedures was continually implemented for empty pesticide containers. The rinsed containers were then pierced and stored prior disposal. Meanwhile, site inspection at SW Store, sighted all SW Management was handled according to procedure and regulation. It was found that scheduled waste generated at the mill stored not more than 180 days.
	7.3.3 The unit of certification does not use open fire for waste disposal.	YES	All estates had practised Zero burning and there was no evidence on use of fire for any purpose inclusive of waste disposal. During site visit at both estate and POM housing area, there was no evidence of open burning had been used for waste disposal. Records showed that Domestic Waste was disposed into Landfills.
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	Estate practiced the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application.
	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 from Boris Agri-Services Sdn Bhd. Annual fertilizer recommendations were made based on annual foliar sampling done in Aug 2023. The recommendation by the Agronomist were also available during the inspection and the application of fertilizers had been carried out as recommended and scheduled.
	7.4.3 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	Estate practiced the maintenance of long-term soil fertility by annual application of fertilisers based on periodic foliar and soil analysis, biomass retention (pruned fronds left to decompose in the fields) and some EFB and compost application.
	7.4.4 Records of fertiliser inputs are maintained.	YES	Both Estates continued to maintain the records of the fertilizers input. The information was also available in the Manuring Schedule for FY 2023 and Manuring Schedule 2023. The fertilizers recommended for 2023 on both estates were Compound, Compound NPK, RP, MOP.
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	Among soil series in both Silimpopon 1 and Silimpopon 2 Estate. <ul style="list-style-type: none"> ▪ Stom ▪ Tanjung lipat ▪ Malau

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Clause	Indicators	Comply Yes/No	Findings
			<ul style="list-style-type: none"> ▪ Kumansi ▪ Talisai ▪ Kuah ▪ Selangor ▪ Local alluvial complex ▪ Steepland ▪ Disturbed land
	7.5.2 No replanting on steep slopes (above 25 degrees) unless approved by state governments. In case of replanting is permitted, no replanting in contiguous area of steep terrain (greater than 25°) larger than 25 Ha within the Unit of Certification.	YES	There is no replanting on steep terrains on all 2 Estates in Kretam Silimpopon CU. This was verified during the field visits. However, it was observed that practices to minimize and control erosion and degradation of soils were in place through proper stacking of fronds, EFB application, avoidance of blanket spraying, construction terraces, road maintenance and maintenance of soft vegetation in interlines. Cover crops were planted in the replants and in some mature areas. The cover crop mucuna bracteata had been planted along some slopes by management. Large areas with nephrolepis biserrata in the inter rows were sighted during the visit.
	7.5.3 There is no new planting of oil palm on steep terrain.	YES	There was no New Planting on Steep terrain observed in all 2 Estates in Kretam Silimpopon CU. This was as per KHB - Planting Manual stating the following among others. "Palms should not be planted at slope exceeding 20 degrees unless on consultation with the Planting Advisor." It was also confirmed by Executives, Staff and Workers during interviews.
7.6 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.	7.6.1 (C) To demonstrate the long-term suitability of land for palm oil cultivation, soil maps or soil surveys identifying marginal and fragile soils, including steep terrain, are taken into account in plans and operations.	YES	Soil and Slope maps are taken into account in plans and operations of estates to ensure long term suitability of land for palm oil cultivation. Maps are used to identify areas that are inappropriate for planting such as slope maps to indicate steep terrain. There are no new plantings carried out in all the estates visited. Kretam Silimpopon CU had a management strategy for palm oil cultivation, taking into account the soil maps and surveys identifying marginal and fragile soils, including steep terrain for the palm oil long term suitability. The soil maps were provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in Kretam Silimpopon CU.
	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 age profile, soil map and site visit, there was no new planting and no planning of new planting both in Silimpopon 1 and Silimpopon 2. Hence, the indicator was not applicable.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	Soils survey and topographic information has been obtained from report "Soils of Silimpopon Estate (incorporating a detailed soil map) Tawau District Tawau residency Sabah, date August 2013 by Boris n Agri Services Sdn Bhd.
7.7 No new planting on peat, regardless of	7.7.1 (C) There is no new planting on peat regardless of depth after 15 Nov 2018 in existing and new development areas.	YES	Based on age profile, soil map and site visit, there was no peat, no new planting and no planning of new planting both in Silimpopon 1 and Silimpopon 2. Hence, the indicator was not applicable.

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Clause	Indicators	Comply Yes/No	Findings
<p>depth after 15 November 2018 and all peatlands are managed responsibly.</p>	<p>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).</p>	<p>YES</p>	<p>Based on age profile, soil map and site visit, there was no peat, no new planting and no planning of new planting both in Silimpopon 1 and Silimpopon 2. Hence, the indicator was not applicable.</p>
	<p>7.7.3 (C) Subsidence of peat is monitored, documented and minimised.</p>	<p>YES</p>	<p>Based on soil map provided, there was no peat in Silimpopon 1 and Silimpopon 2 Estate. conducted hence this indicator was not applicable.</p>
	<p>7.7.4 (C) A documented water and ground cover management programme is in place.</p>	<p>YES</p>	<p>Based on soil map provided, there was no peat in Silimpopon 1 and Silimpopon 2 Estate. hence this indicator was not applicable.</p>
	<p>7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit for peat. When oil palm is phased out, it is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. This is subject to transitional (5 years: 2019 to 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate</p>	<p>YES</p>	<p>Based on soil map provided, there was no peat in Silimpopon 1 and Silimpopon 2 Estate. based on planting profile and site visit conducted hence this indicator was not applicable.</p>

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Clause	Indicators	Comply Yes/No	Findings
	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	Based on soil map provided, there was no peat in Silimpopon 1 and Silimpopon 2 Estate. based on planting profile and site visit conducted hence this indicator was not applicable.
	7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat soils is prohibited; peatlands are managed in accordance with the 'RSPO BMPs for Management and Rehabilitation of Natural Vegetation Associated with Oil Palm Cultivation on Peat', version 2 (2018) and associated audit guidance.	YES	Based on soil map provided, there was no peat in Silimpopon 1 and Silimpopon 2 Estate. based on planting profile and site visit conducted hence this indicator was not applicable.
7.8 Practices maintain the quality and availability of surface and groundwater.	7.8.1 A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment. The plan addresses the following:	YES	<p>The CU Water Management Plan has been reviewed and updated. 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 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.</p> <p>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 water</p>

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			sampling is tested twice a year to ensure the water supply is in usable condition. Based on the result water quality monitoring is generally within WHO and Class IIB of NWQSM at all monitoring parameters.
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	YES	Supplies are made to all housing areas and office complexes in the respective estates as the sources are from the internal water pond and catchment
	7.8.1b Workers have adequate access to clean water.	YES	The worker's quarters have adequate clean water supply by estates 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. Water analysis, both raw and treated water, conducted twice a year (In Compliance with WHO) and send the water sampling 3 rd party lab. Based on the result, water quality monitoring is generally within WHO at all monitoring parameters.
	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	During site inspection at both estate riparian reserved at Silimpon 1 Estate and Silimpon 2, sighted water courses and wetlands was 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).
	7.8.3 Mill effluent is treated to be in compliance with national regulations. Discharge quality of mill effluent, especially Biochemical Oxygen Demand (BOD), is regularly monitored.	YES	The Effluent Treatment Plant (ETP) are available at Silimpon POM 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 45mt ffb/hr. According to DOE's license, the disposal method of the final discharge is through land irrigation. The ETP was regularly maintained by desludging of the ponds to ensure its efficiency. Final discharge samples were taken on a monthly basis and sent to an accredited laboratory for analysis. The result was within the limit.
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	YES	Process water is obtained from water catchments near to the mill. The water usage per tonne of fresh fruit bunches (FFB) continued to be monitored on a monthly basis.
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	The plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented. Record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement.
7.10 Plans to reduce pollution and emissions, including greenhouse gases	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	The CU had used RSPO Palm GHG version 4.0 Calculator as a tool to calculate the GHG emissions. Sighted report sends to RSPO on 10/10/2023. The input data was verified, checked and the following were determined:

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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	Auditors has verified through checking the www.globalforestwatch.com , Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there were no new planting or new development of areas at CU. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.																																		
	7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.	YES	Assessment of all polluting activities was conducted under Pollution Management Plan for identifying activities that contributes significant impact to environment including gaseous emission.																																		
7.11 Fire is not used for preparing land and is	7.11.1 (C) Land for new planting or replanting is not prepared by burning.	YES	Based on site inspection at replating area 2023 for both estates at Division 3, the replanting operation not prepared by burning process as per company policies.																																		
	7.11.2 The unit of certification establishes	YES	The unit of certification has established an Emergency Response Team (ERT) for year 2022																																		

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prevented in the managed area.	fire prevention and control measures for the areas under its direct management.		lead by Estate Manager to handle all the emergency cases including fire control in the estates and mill. Sighted training has been conducted for ERT team by BOMBA Tawau.
	7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.	YES	The unit of certification has established an Emergency Response Team (ERT) for the year 2023 lead by Estate Manager to handle all the emergency cases including fire control in the estates and mill. The engagement with stakeholders has been carried out during stakeholder meeting and memo. Sighted latest engagement has been made with adjacent stakeholder.
7.12 Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.	7.12.1 (C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.	YES	Auditors have 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 Silimponon CU since Nov 2005.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	The report of “High Conservation Value (HCV) Assessment Report, Kretam Holdings Berhad, Silimponon Estate, September 2018 [upgrade of the HCV assessment of 2007 report on the Flora and Fauna of Silimponon Plantation Kretam]”, prepared by consultant team from Malaysia Environmental Consultants Sdn Bhd was made available to the audit team. The report had covered all the High Conservation Value (HCV) within and surrounding the CU. The study was conducted by HCVF External Assessor Kishokumar Jeyaraj and Tunku Muhammad Nazim Yaakob and his team. The report was completed in September 2018. The finding from Assessment. The HCV assessment has identified areas which pose more than 1 conservation attribute. In the case of Silimponon Estate a total of 1,598.86 ha has 3 HCV values embedded in it, the HCVs being 1, 2, and 3. Where HCV 4 is concerned, the area is considerably hilly with steep slopes, and thus, for erosion control and soil conservation, a total of 1,108.99 ha was identified. In addition to this, a total of 376.27 ha has been included as HCV 4 for riverine ecosystem and river conservation. The total overlapping HCV area identified is 2,309.02 ha, amounting to 28% of the total concession area. The CU was observed to maintain its identified HCVs, i.e., HCV1, HCV2, HCV3 (Forests area, Biodiversity area), HCV4 (Steep Slopes area, Riparian Buffers and Water Catchments) and HCV6 (Cultural Value areas). In General Summary, “The site is connected through riverine buffers to a reasonably large area of protected dryland forest in the southwest, conferring a HCV 2 status to the southwestern areas as it allows a continuous conservation belt to be established. Over 400 species of plants and 140 vertebrate species were recorded in Silimponon. Among the RTE species recorded are 6 CR plants and 1 CR fauna; 5 EN plants and 3 EN fauna; 6 VU plants and 5 VU fauna; 6 CITES plants and over
	7.12.2a For existing plantations with an HCV assessment conducted by an RSPO-approved assessor and no new land clearing after 15 November 2018, the current HCV assessment of those plantations remains valid.	YES	
	7.12.2b: Any new land clearing (in existing plantations or new plantings) after 15 November 2018 is preceded by an HCV-HCS assessment, using the HCSA Toolkit and the HCV-HCSA Assessment Manual. This will include stakeholder consultation and take into account wider landscape-level considerations.	YES	

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			<p>30 CITES fauna species and 8 plants and over 39 fauna that are protected in Sabah. Part of the estate was previously a coal mining area and some artifacts from the coal mining period remains as historical reminders of the era. Hence, HCV 1 and 3 can be considered as present in the site. Riparian reserves should remain vegetated to maintain river water quality, prevent soil erosion, and sustain aquatic life and other HCV 4 benefits. HCV 6 sites are present but need site specific recognition from the government. Site specific management plan is required. In order to recommend a management and monitoring plan, an analysis of potential current threats was made (Table 6.1). HCV MAs were identified and described in Table 6.2 and shown in Map 6.1. The management and monitoring recommendation is presented in Table 6.4, highlighting the important activities for managing and monitoring HCVs. Key activities for HCV management and monitoring include:</p> <ul style="list-style-type: none"> ▪ Delineation of HCV maps, verification and establishing definitive HCV areas ▪ Build and strengthening capacity within the company to manage, monitor and evaluate protected areas ▪ Maintaining biological corridors and connectivity; ▪ Maintaining riverine buffers and water quality; ▪ Developing and implementing SOPs to minimise soil collapse and erosion; ▪ Managing steep areas during re-planting; ▪ Obtaining official recognition for the Silimponon coal mine site and ▪ Monitoring poaching and hunting from both internal and external sources. ▪ Developing a management and monitoring plan that includes the protection of species, maintains connectivity of forested areas and integrity of landscape as well as communications between the local community and the company. ▪ Precautionary approach to prevent loss of HCV 4 during replanting exercise.
	<p>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</p>	<p>YES</p>	<p>There was Rare, Threatened or Endangered (RTE) species were presence within HCV1, HCV2 and HCV3 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. In general, the action plan has been implemented accordingly as per detailed of action plan concerning HCV contained in the report Clause 6.2.1 - HCV Management Implementation. The action plan for these HCVs had been incorporated in the HCV report Clause 6.2.2 - HCV Management and Monitoring Recommendations and Table 6.3 – Recommendations for managing and monitoring Identified Threats to HCV. There is also HCV & RTE Monitoring Management Plan 2023 updated in April 2023, The Plan generally summarized all the action to do for the year of 2023 such as briefing, Installing and upgrading Signboard, Planting Jungle Tree, Wildlife Monitoring, Biodiversity Patrolling and monitoring, Repainting the Buffer zones Marking.</p>

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	landscape level considerations (where these are identified).		The Monitoring Checklist of Biodiversity Area was carried out monthly. This includes monitoring for signs of open burning, illegal hunting activities felling of trees, general conditions of water reservoir, fauna sightings, signboard and planted trees inspections.
	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 is a statement from HCVRN Assessor, 'The site is sparsely populated and the local communities are not dependent on forest resources for livelihood as commercial activities related to the oil palm sector is sufficient to generate local income'. Besides That, No local community rights have been identified in the HCV areas.
	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.	YES	All RTE species are protected, whether or not they are identified in an HCV assessment. A training programme for year 2023 to regularly educate the workforce about the status of RTE species was 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 were verified in training document. Training awareness on RTE was conducted at Silimpon POM. In addition, awareness briefings have been carried out during muster and on the field at both Estates. Workers were informed about RTE species, and the penalty involved if anyone working for the Company is found to capture, harm, collect, trade, possess or kill the HCV species. 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.	YES	The Monitoring Checklist of Biodiversity Area was carried out monthly. This includes monitoring for signs of open burning, illegal hunting activities felling of trees, general conditions of water reservoir, fauna sightings, signboard and planted trees inspections. This includes monitoring for signs of open burning, illegal hunting activities felling of trees, general conditions of water reservoir, fauna sightings, signboard and planted trees inspections. It was verified that these monitoring were then fed back into the HCV management plan.
	7.12.8 (C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and	YES	An area of 57.72 ha at Silimpon 2 Estate (part of Block 10KF1) was cleared for new planting in 2010. Out of this, 39.12 ha was felled for oil palm, 5.18 ha was for access road, and 13.41 ha was felled but left unplanted. The RSPO's RaCP therefore applied to 39.12 ha and a Land Use Change Analysis was carried out. Under the RaCP, the following were carried: <ul style="list-style-type: none"> ▪ LUCA was approved by RSPO on 27 February 2019

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	Compensation Procedure (RaCP) applies.		<ul style="list-style-type: none"> ▪ Concept Note accepted by RSPO on 14 May 2020; ▪ Remediation and Compensation Plan was endorsed by the Compensation Panel on 8 October 2020.

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Clause	Indicators	Comply Yes/No	Findings
<p>5.5.2 Time-bound plan</p> <p>A time-bound plan for certifying all its management units and/or entities, including the units where the organization has mgmt. control and/or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan shall contain a current list of all estates and mills.</p>	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	The TBP was updated in July 2023 indicated that all estates and mills under KHB Plantation were already certified.
	(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;	
	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	
	(d)	Where there are isolated lapses in implementation of a time-bound plan, a minor	

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		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.		
5.5.3 Requirements for uncertified management units:	(a)	No replacement of primary forest or any area required to maintain or enhance HCVs in accordance with RSPO P&C criterion 7.12. Any new plantings since 1 st January 2010 shall comply with the RSPO New Planting Procedure (NPP). For each new planting development, compliance with the NPP shall be verified by an RSPO accredited CB;	Yes	Not applicable due to there is no uncertified management units under KHB Plantation.
	(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	
	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2;	Yes	
	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	
	(e)	The audit team shall assess compliance with these rules at each assessment of any of the applicable management units. Assessment of compliance with requirements 5.5.3 (a) – (d) above by the audit team based on self-declarations only by the company, with no other supporting documentation, shall not be acceptable. Verification of compliance shall be based on the following approach:	Yes	
		A positive assurance statement is made, based upon self-assessment (i.e. internal audit) by organization. This would require evidence of the self-assessment against each requirement;	Yes	
		Targeted stakeholder consultation, including consultation with the relevant NGO's will be	Yes	

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		carried out by the audit team.		
		Desktop study e.g. web check on relevant complaints	Yes	
		If necessary, the audit team may decide on further stakeholder consultation or field inspection, assessing the risk of any non-compliance with the requirements.	Yes	
	(f)	For requirements 5.5.3 (a)-(d) above, the classification of critical and non-critical is as stated in the RSPO P&C. If a non-compliance against a critical indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless it is actively addressed. Evidence of active engagement with RSPO in resolving the non-compliance shall be available.	Yes	
	(g)	Failure to address any outstanding non-compliances within uncertified unit(s) as defined in 5.5.3 (f) above may lead to suspension of certificate of the certified unit(s), in accordance with the provisions of these Certification Systems.	Yes	

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<p>5.6.6</p> <p>The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall consult directly with all of these parties to assess whether land transfers and/or land use agreements have been developed with their free, prior and informed consent and check compliance with the specific terms of such agreements.</p> <p>The CB shall have a mechanism in place to identify the interested parties and ensure a represented samples size of the interested parties are consulted in each audit.</p> <p>The CB shall keep track which party that has been interviewed in the previous audits to ensure proper coverage of the parties throughout the certification cycle.</p>	<p>No additional indicators</p>	<p>Yes</p>	<p>Previously, the estate area (Silimpopon 1, Silimpopon 2 and Silimpopon Mill) belongs to Sabah State Government. It was now under lease from the state, from 01/01/1998 until 31/12/2096. Land status is for the purpose of cultivation of agricultural crop of economic value. It was evident that the land status was changed from development to Oil Palm cultivation from Jabatan Pertanian Dan Industri Makanan, Sabah on 05/06/2018. It has been confirmed that there was no issue related to the previous owner or whether the land is subject to customary rights of local communities and indigenous peoples.</p>
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ATTACHMENT 4

DETAILS OF NON-CONFORMITIES AND CORRECTIVE ACTIONS TAKEN

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Root Cause & Corrective Action Taken by the CU	Verification Statement by Auditors
<p>NAE 01 2023 3.4.2</p>	<p>Minor</p>	<p><i>Finding:</i> Insufficient evidence that the management and monitoring plan of SIA have been developed with participation of affected stakeholders.</p> <p><i>Objective evidence:</i> The Social Impact Assessment (SIA) Management and Monitoring Plan for Silimpopon CU was latest reviewed on 29th September 2023 (Mill) and 31st August 2023 (Silimpopon 1 and 2). However, the revision did not sufficiently cover social issues and did not develop with participation of affected parties. Details as follows:</p> <ol style="list-style-type: none"> 1. It was noted that Silimpopon 1 and 2 has conducted replanting activity in July and April 2023, respectively. However, the assessment of impact does not sufficiently cover all affected internal and external stakeholders i.e., harvesters, upkeep workers, workers representative, neighboring plantations/smallholders, etc. 2. Silimpopon CU has maintained a list of worker's dependents staying at the premises. However, the assessment and monitoring plan for legalization of the worker's dependent was not included. 3. The revision of social impact assessment does not include a specific details plan and monitoring of worker's wooden quarters and issues that may affected the workers staying in the houses. 	<p><i>The root cause:</i></p> <ol style="list-style-type: none"> 1. Silimpopon CU have conducting the social impact assessment for replanting during stakeholders meeting in August 2023. However, the CU failure to identify and consider all relevant internal and external stakeholders affected by the replanting activities. The assessment only covers i.e. FFB supplier, workers representatives, contractors etc and lack of participation from affected stakeholders to covers wider range of internal and external stakeholders. The assessment does not assessed others affected internal and external stakeholders such as, harvesters, upkeep workers, other neighboring plantations/ smallholders near the replanting site etc. This is due to the CU lack of knowledge on SIA in regards of replanting activities. 2. Silimpopon CU have established list of workers dependent staying in the estates. However, there is no specific assessment and monitoring plan developed for the workers dependent legalization included in the social impact assessment to monitor the issue. This oversight due to CU have overlooked to include the monitoring for legalization of workers' dependent in SIA management plan. 3. Silimpopon CU have neglected to conduct social impact assessment on worker's staying at the wooden housing to identify and monitor any social and health & safety issue that may affect the livelihood of workers residing in the wooden quarters. The issue highlighted was not identified due to the SIA Plan was not developed properly and CU have overlooked in assessing the social impact assessment specifically related to the issues associated with workers' staying at wooden quarters. This lack of understanding could contribute to the omission of a detailed plan and monitoring plan. 	<p>Root cause accepted. The corrective action plan has been reviewed and found adequate to address Minor Nonconformity. Evidence of the CAP will be verified during the next assessment.</p> <p>Status: Open</p>

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			<p><i>Corrective action:</i></p> <ol style="list-style-type: none"> 1. The outcome and assessment of impact of all affected internal and external stakeholders i.e. the harvesters, maintenance workers, neighboring plantations/ smallholder near the replanting site etc. will be included in the revise SIA report. SIA management monitoring plan in regards of the outcome from SIA replanting will be established for monitoring. 2. Silimponon CU will carry out assessment and established monitoring plan for the workers' dependent legalization. The outcome will be incorporated into the revised SIA management plan. 3. Silimponon CU to conduct social impact assessment on workers' staying at old wooden housing to identify the social and health & safety issue that may affected their livelihood. The outcome and monitoring details plan will be included in the revise SIA management plan. 	
MZK 03 2023 5.2.1	Minor	<p><i>Finding:</i> Silimponon CU did not 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.</p> <p><i>Objective evidence:</i> There is no records/Evidence that Silimponon CU consult 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.</p>	<p>The root cause: The CU management have overlooked on this indicator for consultation with surrounding smallholder or other stakeholder in the supply base regarding their needs and support them in improving their livelihoods and their interest in RSPO certification. Meanwhile, the support programme for smallholders has not yet been initiated for Silimponon CU during this year audit visit.</p> <p><i>Corrective action:</i> Silimponon CU will conduct the support programme for smallholders in 2024 and documented the consultation as evidence.</p>	<p>Root cause accepted. The corrective action plan has been reviewed and found adequate to address Minor Nonconformity. Evidence of the CAP will be verified during the next assessment.</p> <p>Status: Open</p>
MZK 04 2023 5.2.2	Minor	<p><i>Finding:</i> Silimponon CU did not 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).</p> <p><i>Objective evidence:</i></p>	<p><i>The root cause:</i> The CU management have overlooked on this indicator for consultation with surrounding smallholder or other stakeholder in the supply base regarding their needs and support them in improving their livelihoods and their interest in RSPO certification. Meanwhile, the support programme for smallholders has not yet been initiated for Silimponon CU during this year audit visit.</p>	<p>Root cause accepted. The corrective action plan has been reviewed and found adequate to address Minor Nonconformity. Evidence of the CAP will be verified during the next assessment.</p> <p>Status: Open</p>

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		There is no records/Evidence that Silimpopon CU 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).	<i>Corrective action:</i> Silimpopon CU will conduct the support programme for smallholders in 2024 and documented the consultation as evidence.	
NAE 02 2023 6.2.4	Major	<p><i>Finding:</i></p> <ol style="list-style-type: none"> Insufficient evidence that CU provide adequate housing and sanitation facilities for wooden houses according to ILO Guidance on Workers' Housing Recommendation No. 115. The plan to upgrade the infrastructure was not comprehensive. <p><i>Objective evidence:</i></p> <p>Site visits made to worker's wooden quarters at Kg. Kenyalang (Silimpopon 1) and Kg. Rajawali (Silimpopon 2).</p> <ol style="list-style-type: none"> Based on site visit to worker's wooden quarters and interview with workers, the wooden quarters provided was not in good condition to be inhabited which eventually led to unsafe conditions, hygiene issues, improper waste management and drainage systems not properly constructed. It was noted that housing inspection performed weekly by EHA. Additional inspection too was carried out by management's representatives every month. However, the housing inspection record is unable to reflect actual conditions at site inspection. Documentation review revealed that The Capital Expenditure Budget & Projection Plans Year 2022 to 2028 for construction of new labour quarters or to upgrade the infrastructure exceeded reasonable time (5 years) since last certified in Year 2021 (Silimpopon 2). There is no detailed 	<p><i>The root cause:</i></p> <ol style="list-style-type: none"> The Housing Plan (CAPEX for New Housing Quarters) were in place. However, due to restriction MCO and supply chain disruptions, the plan were delayed. Infrastructure challenges such as inaccessible roads, etc. may hinder the development of housing projects and lead to project delays. The old wooden houses are also lacks repairing and maintenance which led to safety and social issues as per mentioned in the objective evidence of this NCR report. The CU management also have overlooked to provide proper briefing regarding hygiene issues and waste management to the workers residing at the wooden housing. Person in-charge for housing inspections lack of knowledge and training to identify of any issues that may present during the housing inspection. The PIC may have missed certain areas or aspects which leading to an inaccurate assessment in the report. This resulted in negligence which causing the housing inspection record unable to reflect actual conditions at site inspection. Silimpopon CU have neglected to establish detailed planning for upgrading the wooden housing as per ILO guidance on workers' housing recommendation. The CAPEX 2022-2028 only stated the budget for the new labour quarters or upgrade infrastructure. In addition, due to unforeseen restriction MCO and supply chain interruption, the housing plan were delayed which exceeded reasonable period of time. CU management were unaware of the necessity to brief workers on the revised housing plan. CU have missed out to communicate the housing planning to workers residing in the wooden housing. 	<p>Root cause accepted. The auditor has verified the attached evidence, including:</p> <ol style="list-style-type: none"> The revised detailed 5-year plan for building, relocating, and demolishing wooden houses. According to the plan, 23 new houses are required, and the construction is expected to be completed by 2027. Training and briefing records indicate that briefings on home safety, hygiene policy, domestic waste disposal, and 3R awareness (reduce, reuse & recycle) were conducted on 20/10/2023. Housing inspection checklists for the months of Nov. 23 and Dec. 23, along with follow-up inspections by the environmental committee for each estate. Minutes of the meeting dated 29/11/2023 with workers residing in wooden houses and management. The minutes describe the status of the new housing and assure them of being kept informed about the current situation based on the revised housing plan. <p>It was concluded that the action</p>

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		<p>planning provided to ensure all the workers accommodated in the wooden houses to be upgraded the infrastructure as per ILO Guidance on Workers' Housing Recommendation.</p> <p>4. Management's planning to upgrade the wooden houses was not properly communicated to the workers.</p>	<p><i>Corrective action:</i></p> <ol style="list-style-type: none"> 1. The New Housing Quarters Plan will be revised and update. The current wooden houses will be maintenance and improved to good condition. CU management will conduct refresher briefing and training on safety at home, hygiene policy, domestic waste disposal and 3R awareness (reduce, reuse & recycle). 2. PIC for housing inspection will be trained to improve their understanding to better making observation on actual condition of site during monitoring and housing inspection. The environmental committee (respective estate management) will conduct regular follow-up inspections at the line site area to ensure that all domestic waste is disposed accordingly. The line-site sanitation will be continued as per current practice (weekly inspection) and to ensure housing inspection results accurately reflect the actual condition of the sites. 3. The detailed planning of New Housing Plan (CAPEX) to upgrade the wooden quarter will be established. The revised New Cement Housing Plan shall be formulated to ensure the plan within a reasonable period of time to replace the wooden housing and the ILO Guidance on Workers Housing Recommendation No.115 is being upheld. 4. CU management will conduct meeting / briefing with the workers residing at the wooden housing to communicate and keep them informed of the current situation on the revised housing plan. 	<p>carried out as above was adequate to address the findings.</p> <p>Status: Closed</p>
<p>MZK 01 2023</p> <p>SCCS 3.8.7</p>	<p>Major</p>	<p><i>Finding:</i> There is a projected overproduction of certified tonnage for FFB, CPO and PK at Silimpopon POM.</p> <p><i>Objective evidence:</i> Sighted evidence there is overproduction of certified tonnage for CPO PK and Silimpopon POM has yet to inform the CB.</p> <p>The figure in Mt as below: FFB Projected 91,320.00 Actual 100,362.47 CPO Projected 19,636.22 Actual 19,664.597 PK Projected 4,389.22 Actual 4,761.067</p>	<p><i>The root cause:</i> The PIC lack of competency to handle the palm trace system. In addition, the system recording also was not monitored and implemented accurately by mill management.</p> <p><i>Corrective action:</i> Refresher training has been conducted to the PIC and relevant staff related to Palm Trace Management and the requirement in 3.8.7 of the obligations to inform CB in advance of any overproduction of certified FFB, CPO and PK. Monthly recording of Palm Trace Monitoring will be established to monitor and trace the certified tonnage for</p>	<p>Root cause accepted. The auditor has verified the attached evidence, including:</p> <ol style="list-style-type: none"> 1. Training and briefing records, which indicate that briefings on Palm Trace Management were conducted on 19/10/2023. 2. Monthly Palm Trace Monitoring records for FFB, CPO and PK data figures from Oct. 2022 until Dec. 2023. The records were prepared by the Assistant

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			FFB, CPO and PK. This will ensure that the information is regularly updated to the latest figures for reference by mill management execution.	<p>Manager and monitored by Mill Manager.</p> <p>3. Extension of volume has been carried out and approved by RSPO in Oct 2023.</p> <p>Status: Closed</p>
MZK 02 2023 SCCS 3.8.11	Major	<p><i>Finding:</i> There is a new contractor used for the physical handling of RSPO certified oil palm products at Silimpopon POM.</p> <p><i>Objective evidence:</i> There is a new contractors used for the physical handling of RSPO certified oil palm products (CSPK) namely Syarikat Pengangkutan Indah Permai, which is appointed in July 2023, However, Silimpopon POM has yet to inform the CB the names and contact detail of this new contractor.</p>	<p><i>The root cause:</i> The PIC lack of competency to handle the palm trace system. In addition, the SOP General Chain of Custody SCCS-002 did not mention procedure related to notify CB for any new contractor appointed for physical handling of RSPO certified products in which the SOP will be revised.</p> <p><i>Corrective action:</i> Syarikat Kretam Mill Sdn Bhd, Silimpopon POM have revised the SOP General Chain of Custody SCCS-002 of item 5.6 Outsourcing Activities (5.6.6) with effective date on 20.10.2023 to include the requirement of criteria 3.8 outsourcing activities with indicator 3.8.11 from RSPO P&C 2018. Refresher training related to the revised SOP has been communicated to the PIC and relevant staff handling the contractors to improve their understanding of the requirements. This is to ensure that the PIC is informed to communicate with the CB on any relevant changes.</p>	<p>Root cause accepted. The auditor has verified the attached evidence, including:</p> <ol style="list-style-type: none"> 1. Revised SOP briefing records, which indicate that briefings on revised SOP were conducted on 23/10/2023. 2. Revised SOP titled General Chain of Custody, doc. no. SCCS-002, rev. 3, dated 20/10/2023. The requirements were defined under item 5.6 Outsourcing Activities (5.6.6). <p>Status: Closed</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
3.3.2 MAR/DA 01 2022	Minor	<p><i>Finding:</i> 1) Mechanism to check consistent implementation of procedures was not in place. 2) The mechanism to check consistent implementation of Environmental Management Plan on consistent basis was not being practices.</p> <p><i>Objective evidence:</i> 1) Based on site visit at field 2001 Silimpopon 1, it was found that the pesticide sprayer was using N95 mask, instead of FFP respirator or R95 respirator which was recommended by CHRA report dated 7/12/2021 by Chemclass Sdn Bhd (Dr Azizan). 2) During site inspection, sighted certain fields (Field 01TA10, 01TA17, 01TA21, 02TB9) were not implementing the Best Management Practices (BMPs) for minimizing the effects of chemical application to controlling of erosion of vulnerable soils and slopes. Besides, the soft vegetation was not maintained along the slopes to prevent the soil erosion.</p>	<p>The mechanism to check implementation of PPE distribution and best management practices minimizing the effects of chemical application to controlling of erosion was verified. The checklist was used as verifying system to ensure the implementation according to the procedure. During site inspection at spraying operation (S1-Field 2001, S2-Field 2002), sighted all sprayers wearing R95 respirator as per CHRA recommendation. In addition, observed the estates managed minimizing the effects of chemical application to controlling of erosion of vulnerable soils and slopes. Besides, soft vegetation was maintained along the slopes to prevent soil erosion.</p> <p>Status: Closed</p>
2.2.2 NEA 01 2022	Major (Reurrence Minor)	<p><i>Finding:</i> Insufficient evidence of legal due diligence by contractors.</p> <p><i>Objective evidence:</i> 1) Based on documentation review and interview, it was noted that contractors L & Brothers Construction and Aneka Kerjaya were unable to provide employment contract, pay-slip and statutory contributions of their workers to the management when requested. Therefore, compliance to applicable legal requirements cannot be verified.</p>	<p>Review of the contract agreement issued to suppliers and contractors contain a clause requiring compliance with applicable legal requirements, which stated in General Terms and Conditions. Evidence of legal due diligence were sighted as follows:</p> <ol style="list-style-type: none"> 1. Syarikat JS Usahawan Sdn Bhd (Replanting at Silimpopon 1) – agreement dated 31.03.2023 for replanting work of 219.89 ha commencing in 15 July 2023. 2. Wong Millenium (Replanting at Silimpopon 2) – agreement dated 31.03.2023 for replanting work of 282 ha commencing in 15 April 2023. <p>Stated in the agreement, the contracts contain clauses specifying no child, forced or trafficked labour [stated in clause 2.4 and 3.2], agree to be bound by the Company's anti-bribery and anti-corruption policy [clause 2.6], and to comply with all statutes, ordinance, and other laws [clause 2.3, and 3.1].</p> <p>Status: Closed</p>
5.1.6	Major	Requirement: 5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and	During documentation review and Interviewed with FFB Supplier Bahar Bacho, Johan Sanrang, Hariyana Nantong, Nurhayati Nantong, Abdul Naim

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<p>MZK 01 2022</p>	<p>amount paid are given. Finding: Agreed payments for smallholders are not made in a timely manner. Objective evidence: During documentation review and interview, it was sighted the contract with smallholder stated the payment should be made on 12th days next month, however, sighted evidence receipt payment Jan – Sept to Guntur bin Saipol, Johan Sanrang, Saudah Abu, Jumadi Jalil, Asia Buludin, Ab Hamid Ali, Hazrinah Abd Hamid the payment has been made within 13-18 days next month. It contradicts with their current agreement.</p>	<p>Nantong, Tanjung Senja Sdn Bhd, Saudah Abu, Nurul Balqis Ramli, these contractors interviewed confirmed that payments are made in a timely manner, namely within 15 days of invoice. The Agreement dated latest in January 2023 stated that the FFB Supplier will receive payment on 15th every month or in case on that date is public Holiday payment will be made on the Following day. Audit team has verified the latest payments record for Bahar Bacho, Johan Sanrang, Hariyana Nantong, Nurhayati Nantong, Abdul Naim Nantong, Tanjung Senja Sdn Bhd, Saudah Abu, Nurul Balqis Ramli, all payment has been made on 12/9/23.</p> <p>Status: Closed</p>
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ATTACHMENT 6 – Timebound Plan

**Kretam Holdings Berhad
Time-bound Plan for RSPO Certification, as of July 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°019'31.9	E 117°28'38.2	38.0600	Certified
		Silimpopon 1 Estate		N 4°019'44.76	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, Sabah.	5.644234° N	117.601625°E	853.43	Certified