SIRIM QAS INTERNATIONAL	**SIRIM QAS INTERNATIONAL SDN. BHD.** Building 4, SIRIM Complex, No. 1 ,Persiaran Dato' Menteri, Section 2, 40700 Shah Alam, Selangor, Malaysia.	**File Ref. : EB28910001**
	RSPO P&C PUBLIC SUMMARY REPORT	

CLIENT : BUKIT KRETAM SDN. BHD.

PARENT COMPANY : BUKIT KRETAM SDN. BHD.

RSPO MEMBERSHIP No. : 1-0292-20-000-00

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	
Bukit Kretam Sdn. Bhd.	Bukit Kretam Estate	5.482115	118.593382	Batu 13, KM 56 Jalan Jeroco, 90200 Kota Kinabatangan, Sabah.

MAP : See Attachment 1

AUDIT DATE : 10-14/6/2024 **DURATION : 9 auditor days**

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

STANDARD : MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

SCOPE OF CERTIFICATION : Production of Sustainable Fresh Fruit Bunches

VALIDITY OF RSPO CERTIFICATE : 19 July 2022 – 18 July 2027

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 :	Rohazimi Bin Mat Nawi	Name :	Nanbor Salaman
Signature :		Signature :	
Date :	13/9/2024	Date :	30.09.2024

BUKIT KRETAM ESTATE
LOT 23, MDLD 0718,
JALAN BAHAGIA 1, TAMAN BAHAGIA,
91100 LAHAD DATU, SABAH.
TEL : 089-881322, 577310 FAX: 089-88232

SUMMARY OF AUDITS

Stage 2 Audit					
On-site audit date	:	6th – 8th April 2022		No. of auditor days:	9 auditor days
Audit team	:	Dzulfiqar Azmi (LA), Mohd Ab Raouf Asis, Ismail Adnan.			
No. of major NCR	:	3	Indicator: 3.4.3, 6.2.3, 6.7.3		Closing date: 1/07/2022
No. of minor NCR	:	1	Indicator: 7.4.4		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees	Settlers	Villagers / Local communities	Suppliers
		√	-	√	√
		Contract workers	NGOs	Govt. agency	Independent growers
		-	-	√	√
		Indigenous people	Contractor	Others (Please specify)	
		NA	-	-	
Supply base sampled	:	Bukit Kretam Sdn. Bhd.			
Justification of audit planning	:	During stage 2 audit, the audit team visited the estate, linesite, chemical stores, schedule waste store, and other surrounding facilities such as waste collection area. In addition to the above, interviews were held with the management, employees and other relevant internal and external stakeholders.			
Name of peer reviewer	:	Prof Emeritus Dr Jalani Sukaimi			
Report approved by	:	Kamini M. Sooriamoorthy		Approval date: 19/07/2022	

Annual Surveillance Audit 1					
On-site audit date	:	6-8 June 2023		No. of auditor days :	9 Auditor Days
Audit team	:	Mohd Zulfakar Kamaruzaman (LA), Rozaimee Ab Rahman, Dzulfiqar Azmi			
No. of major NCR	:	2	Indicator: 6.1.5, 6.2.2		Closing date : 7/9/2023
No. of minor NCR	:		Indicator :		
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	:	Bukit Kretam Sdn. Bhd.			
Changes since the last audit	:	No Changes			
Justification of audit planning	:	During this ASA 1 audit, the audit team visited the estate, linesite, chemical stores, schedule waste store, and other surrounding facilities such as waste collection area. In addition to the above, interviews were held with the management, employees and other relevant internal and external stakeholders.			
Name of peer reviewer	:	NA			
Report approved by	:	Kamini M. Sooriamoorthy		Approval date : 15/09/2023	

RSPO P&C PUBLIC SUMMARY REPORT

Annual Surveillance Audit 2					
On-site audit date	:	10-14 June 2024		No. of auditor days :	9
Audit team	:	Rohazimi Mat Nawi, Rozaimee Ab Rahman & Nor Ezani Ahmad			
No. of major NCR	:	2	Indicator:3.7.2 & 6.2.3		Closing date :12/9/2024
No. of minor NCR	:	1	Indicator :6.2.7		
Indicate by ticking the stakeholders interviewed during the on-site audit	:	Employees / Workers organizations	Settlers	Villagers / Local communities	Suppliers
		√		√	
		Contract workers	Local & National NGOs	Govt. agency / Statutory bodies	Independent growers / Smallholders
				√	
		Indigenous people	Contractor	Others (Please specify)	
			√		
Supply base sampled	:	Bukit Kretam Sdn. Bhd.			
Changes since the last audit	:	No Changes			
Justification of audit planning	:	During this ASA 2 audit, the audit team visited the estate, linesite, chemical stores, schedule waste store, and other surrounding facilities such as waste collection area. In addition to the above, interviews were held with the management, employees and other relevant internal and external stakeholders.			
Name of peer reviewer	:	NA			
Report approved by	:	Kamini Sooriamoorthy		Approval date : 26/9/2024	

SUMMARY OF INFORMATION

TABLE 1

	STAGE 2 / RA	ASA 1	ASA 2	ASA 3	ASA 4
***Projection Period / Reporting Period**	April 2022 to May 2023	June 2023 – May 2024	June 2024 – May 2025		
Certified FFB Processed (MT)	20,202.00	25,350.00	23,950.00		
Production of Certified CPO (MT)	4,040.40	5,070.00	4,909.75		
Production of Certified PK (MT)	1,010.10	1,267.50	1,077.75		
Certified Areas (Ha)	1,375.72	1,375.72	1,375.72		
Planted Areas (Ha)	1,288.59	1,288.59	1,288.59		
Production Areas (Ha)	1,288.59	1,288.59	1,288.59		
HCV Areas / Conservation Areas (Ha)	6.20	6.20	6.20		
REMARKS	No change.				

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

TABLE 2

	PO	PK
Last years certified volume (MT)	5,070.00	1,267.50
Last years actual certified sold (MT)	3,912.27	858.79
Last years actual sold under other schemes (MT)	-	-
Last years sold conventional (MT)	-	-
Last year actual sold CSPO credits (where applicable)	-	-
New year certified volume (MT)	4,909.75	1,077.75

***Should there be extension volume applied, the total of certified volume + extension volume shall be reported in this column.*

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Attachment 7	:	List of Stakeholders (for Stage 2/Recertification Audit only)	n/a

1.0 AUDIT PROCESS

1.1 Certification Body

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

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

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Rohazimi Mat Nawi	Lead Auditor Safety & Environment, GHG	Hold B. Sc (Hons) Chemical_Gas Engineering from Universiti Teknologi Malaysia. He has been in the Plantations Industry with various company having served in Palm Oil Mill. He was qualified in the auditing line with experienced in Sustainability, QMS, EMS, OHSMS and Supply Chain audit .
Rozaimee Ab Rahman	Auditor / GAP & Social external, Metric Template	Holds a B.Sc. Agriculture 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 / Social (Internal), HCV	Holds a M.Sc. (by research) in Advancement of Biodiversity and B.Sc. (hons) in Conservation Biology. She had experience in oil palm plantation sector and auditing since 2017.

1.3 Audit methodology

The audit was conducted at Bukit Kretam Sdn. Bhd. (BKSB). The standard sampling formula of $0.8\sqrt{y}$ as specified in the RSPO Certification Systems Document; Nov 2020 does not apply at this certification unit. The audit included an on-site audit to the estate and workers houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees, contractors and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

SIRIM QAS International had initiated the stakeholder consultation by announcing the invitation in the RSPO and SIRIM QAS International's websites. In addition, SIRIM QAS International had also sent invitations through letters to the relevant stakeholders, including government agencies and Non-Governmental Organisations (NGOs).
The stakeholder consultation process is carried out during initial compliance and recertification audit only. To provide feedback whether any comments received.

In summary, the stakeholders interviewed during the audit and the evidence from the stakeholder consultation carried out were as tabulated below. This is including all public comments received during Stage 2 and Recertification audit (if applicable).

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	▪ Workers work 6 days a week with one rest day (Sunday). They work 8 hours with a minimum of 30 minutes' break in between. ▪ There was contravene with legal labour requirement for Minimum Wages Order Amendment 2022 for several workers sampled in BKSB. NCR was raised and can be refer to indicator 6.2.2. ▪ Workers receive their wages in cheque, and they changed it with cash money at sundry shop in the estate. All workers satisfy with the cheque payment method due to the nearest town is Lahad Datu, far from the estate if they want to withdraw their money. Approximately 90-100 km. ▪ Any overtime work is mutually agreed between workers and management, and that there is no element of forcing. ▪ Documented foreign workers are not subjected to any recruitment fee. Foreign workers who choose to keep their passports at the office have done so with their written consent. ▪ 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. ▪ Workers, including foreign workers get to appoint their own representatives. There is no interference of influence exerted by the employer. ▪ For newly arrived foreign workers who do understand Bahasa or English, translations are provided during briefings.
2) Settlers	▪ Not applicable
3) Villagers / Local communities (including women representatives, displaced communities)	▪ Confirmed there is no land dispute between BKSB CU and neighbouring estates IOI Plantation and Trusan Kinabatangan Forest Reserve). ▪ No social issues arising from local communities. ▪ All stakeholders were invited to attend RSPO/MSPO briefings and stakeholder meetings. ▪ The local community representative interviewed confirmed no user rights issues between BKSB and villagers. Estate operation has no negative impact on village livelihood.
4) Suppliers	▪ BKSB usually buy chemicals, PPE and other estates tools directly from suppliers in Lahad Datu town themselves. ▪ Fair dealings with suppliers and traders in Lahad Datu. ▪ Payments are made within 1 months of invoice. ▪ Representatives from suppliers confirmed fair dealings and prompt payments through invoices.
5) Contract workers	▪ There is no contractor workers has been hired.
6) Local & national NGOs	▪ Not applicable
7) Government agencies / Statutory bodies	▪ None at site as invitation letter sent out did not received any comments . See item 1.4 above. ▪ Phone interview with District Forest Officer of Lahad Datu confirmed no issues with boundary and enforcement at BKSB (shared boundary with Trusan Kinabatangan Forest Reserve).
8) Independent growers / Smallholders	▪ Not applicable
9) Indigenous people	▪ Not applicable
10) Contractor	▪ No contractor has been hired.
11) Previous land owner (if any)	▪ The right to use the land at the CU can be demonstrated and not disputed by any party. Evidence of legal ownership of the land including

		history of land tenure was verified during the audit. At BKSB, the land was previously owned by a group of smallholders with a total of 17 lots. Verified copies of the land titles showed that the ownership of the Lots was transferred to BKSB on 9/9/1986.	
	12) Others (please specify)	▪ Sustainability Team from Hap Seng Plantations have consulted with interested smallholders partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.	

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

Founded on 9th November 1981 as S.K Low Sdn. Bhd. and later on changed its name to Bukit Kretam Sdn. Bhd. (BKSB) on 10th October 1985. The head quarter located at Lot 23, MDLD 0718, Jalan Bahagia 1, Taman Bahagia, 91100 Lahad Datu, Sabah. The company started their oil palm planting with Bukit Kretam 1st generation planting in year 1998 until completion in year 2006.

Bukit Kretam Estate located at Mukim Sg. Merah Mukim Kinabatangan comprises 17 land titles with a total certified area of 1,375.72 hectares. All areas located at Mukim Sungai Merah Kinabatangan which is accessible through government road via Jeroco Road. There are surrounding estates such as IOI Plantations (Unico 3 Estate), Yeoh Eng Chong (smallholder), Yeoh Eng Cheang Company Sdn. Bhd., Kulamba Wildlife (Forest Reseved) and Kg. Sri Ganda.

The management of BKSB was headed by Estate Manager and assisted by assistant manager.

All the Fresh Fruit Bunches (FFB) from BKSB were sent to Jeroco 2 POM/ Unico Desa POM/ Tomanggong POM. After being certified, the FFB is sent to Bukit Mas POM.

The BKSB did not have other management system certification besides MSPO P&C.

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

The FFB is sourced from Bukit Kretam Sdn Bhd

Details of the FFB actual and projected contribution from each source to the mill are shown in the following tables.

Table 1: Actual FFB production by the supply base for the last reporting period (June 23 to May 24)

CU own estates	FFB Contribution		
	Tonnes	Percentage (%)	Certifying CB
Bukit Kretam Estate	19,084.25	100.00	SIRIM
Grand Total	19,084.25	100.00	

Table 2: Projected FFB production by the supply base for the next reporting period June 24 to May 25

CU own estates	FFB Contribution		
	Tonnes	Percentage (%)	Certifying CB
Bukit Kretam Estate	23,950.00	100.00	SIRIM
Grand Total	23,950.00	100.00	

Table 3 Planted and certified area of the CU

Estate	Planted (ha)	Certified (ha)
Bukit Kretam	1,288.59	1,375.72
Total	**1,288.59**	**1,375.72**

Table 4: Planting profile for Estates under Bukit Kretam Sdn Bhd

Estate	Year of planting	Planting Cycle	Mature >3years (Ha)	Immature < 3 years (Ha)	Planted area	% of planted area mature	% of planted area Immaturee
Bukit Kretam	1998	1st	270.04	0.00	270.04		
	1999	1st	436.06	0.00	436.06		
	2001	1st	19.08	0.00	19.08		
	2004	1st	39.47	0.00	39.47		
	2005	1st	222.10	0.00	222.10		
	2006	1st	301.84	0.00	301.84		
Total			**1,288.59**	**0.00**	**1,288.59**	**100.00**	**0.00**

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as below:

Name	:	Helmy Arizal Bin Hussin
Position	:	Asst Manager Internal Audit & RSPO
Address	:	Lot 23, MDLD 0718, Jalan Bahagia 1, Taman Bahagia, 91100, Lahad Datu, Sabah.
Phone no.	:	089-881322 013-4790556
Email	:	bksb2004@yahoo.com helmyarizal.hussin@yahoo.com.my

3.0 AUDIT FINDINGS

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

No change since last audit.

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

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

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

Not applicable

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?

Not applicable

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: No smallholder surroundings.

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 change.

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

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

3.5. Complaint received from stakeholder (if any)

No complaint received.

4.0 DETAILS OF NON-CONFORMITY REPORT

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

Total no. of minor NCR(s) List : 1

Total no. of major NCR(s) List : 2

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

Total no. of minor NCR(s) List :

Total no. of major NCR(s) List :

5.0 AUDIT CONCLUSION

The audit team concludes that the organization has 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.

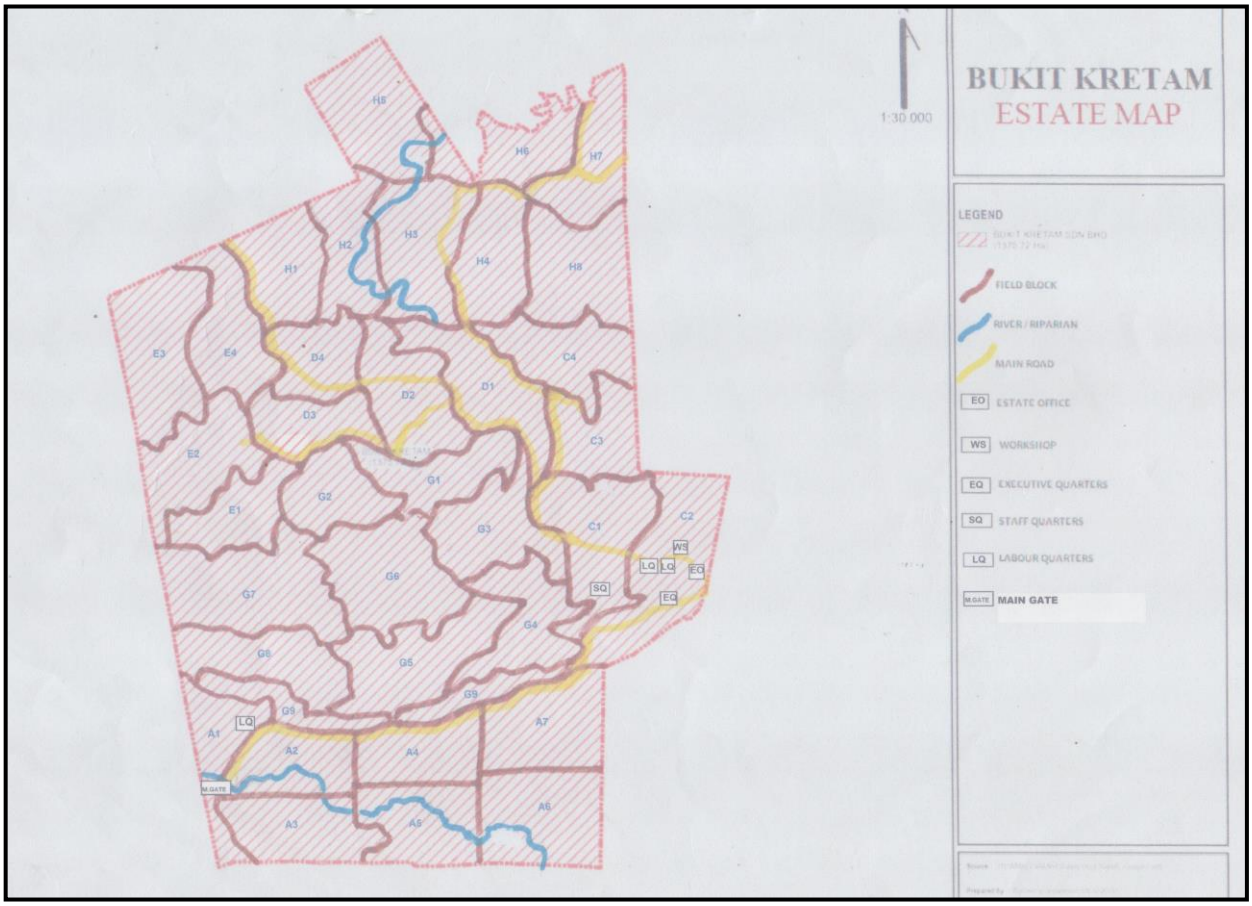
7.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CONTINUATION OF RSPO P & C CERTIFICATION.

Audit Team Leader :	Rohazimi Bin Mat Nawi		12/9/2024
	(Name)	(Signature)	(Date)

Attachment 1 - Map

Map Of Bukit Kretam Sdn Bhd





Attachment 2 – Audit Plan

1. Objectives

The objectives of the audit are as follows:

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

2. Date of assessment : 10-14/6/2024

3. Site of assessment : 1.Bukit Kretam 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, March2018~~
b. RSPO Certification System Documents Nov 2020
c. Company's audit criteria including Company's Manual/Procedures

5. Assessment Team

Trainee Lead Assessor :Rohazimi Mat Nawi (RMN) – (Environment,GHG, Legal)
Auditor :Rozaimee Ab Rahman (RAR) (Safety,External Social,GAP)
Nor Ezani Ahmad (NEA)– (Social internal, TBP,HCV,Metric Template)

Evaluator :-

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 andevaluation of records.

8. Audit Findings

Audit findings shall be classified as major and/or minor. Major non conformities shall be addressed within90 days or else the certificate shall be suspended. If the major non conformities are still not addressed within another 90 days, the certificate shall be terminated.

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

For minor non conformities raised in the surveillance audit, corrective action shall be verified in the next audit. These shall be upgraded to major non conformities if the corrective actions are not satisfactory implemented in the next audit.

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

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

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

a) Reporting time frames for economic data are:
   i. Calendar year (January to December): **January 2023 to December 2023**, and
   ii. 12 month period counting up to two months before audit month: **May 23 to Apr 2024**
b) Reporting time frames for demographic data:
   i. For ~~mill and~~ estate workers: **as of 31 December 2023**
   ii. For smallholders and outgrowers: **January 2023 to December 2023 (if any)**
c) Reporting time frame for all other social and environmental data: **Jan 2023 to Dec 2023**

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

10. Confidentiality Requirements

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

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

11. Working Language : English and Bahasa Malaysia

12. Reporting

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

13. Facilities Required

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

14. Assessment Programme Details : As below

Day 1: 10 June 2024 (Monday) – Bukit Kretam Estate

Time	Activities / areas to be visited			Auditee
9.00am	Opening Meeting – Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader. : venue : (**Decided by Management)**			Management Representative
9.30am	Organization Representative - Briefing on RSPO implementation, significant change on organization activity, structure, certified areas, machinery, FFB supply bases, Time bound plan, actions taken to address previous audit findings. Logistics discussion to the sites to be visited.			
10.00am	To assign each audit team members – site and the P&C requirements			
	RMN	**RAR**	**NEA**	
	Coverage of assessment: P1, P2, P3, P4, P6, P7: ▪ Laws and regulations ▪ Waste management including disposal site ▪ Aspects/impacts of mill management ▪ Controlled/open burning ▪ Pollution mitigating plans ▪ River system and Effluent Treatment/Discharge ▪ Management and disposal of waste including pesticides containers ▪ Training and skill development programs ▪ Waste & chemical management ▪ Facilities at workplace ▪ GHG assessment Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, clinic, stores, workshop, landfill area & etc)	**Coverage of assessment: P1, P2, P3, P4, P6, P7:** ▪ Social aspects - SIA, management plan & implementation, workers' quarters. ▪ Interview with gender committee, worker representative, etc ▪ Linesite inspection ▪ Complaints and grievances ▪ Workers Issues & welfare ▪ Occupational safety & health practice witness activities at site ▪ Hazard identification and Risk Management Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.	**Coverage of assessment: P1, P2, P3, P4, P6, P7:** ▪ Land titles user rights ▪ Mill Boundary, adjacent and neighbouring land use ▪ Stakeholder consultation with affected communities surrounding the CU ▪ Interview with contractors, supplier, etc ▪ Consultation with relevant government agencies ▪ Training and skill development programs ▪ Mill best practices Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.	Guide(s) for each auditor
1.00pm	**LUNCH BREAK / ZUHUR PRAYER**			All
2.00pm	Continue assessment at POM			
4.30 - 5.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 1 audit			All
9.00 – 9.30pm	Discussion on potential NCRs			Audit team only

Day 2: 11 June 2024 (Tuesday) – Bukit Kretam Estate

<table>
<tr><th>Time</th><th colspan="4">Activities / areas to be visited</th><th>Auditee</th></tr>
<tr><td>9.00am</td><td colspan="4">Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements</td><td>Respective Manager</td></tr>
<tr><td rowspan="3">9.30am</td><td colspan="4">To assign each audit team members – site and the P&C requirements</td><td rowspan="3">Guide(s) for each auditor</td></tr>
<tr><td>RMN</td><td>RAR</td><td>NEA</td><td>NEA</td></tr>
<tr><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Waste management including disposal site
▪ Aspects/impacts of mill management
▪ Controlled/open burning
▪ Pollution mitigating plans
▪ River system and Effluent Treatment/Discharge
▪ Management and disposal of waste including pesticides containers
▪ Waste & chemical management
▪ Facilities at workplace

Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, effluent treatment plant,chemical nas scheduled waste stores, workshop, landfill area & etc)</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:
▪ Laws and regulations
▪ Hazard identification and Risk Management
▪ Occupational safety & health practice witness activities at site
▪ Interview with workers, safety committee and contractors
▪ Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)
▪ EFB mulching, POME application
▪ Plantation on hilly/swampy area
▪ IPM implementation, training and safe use of agro-chemicals.
▪ New planting
▪ Training and skill development programs

Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Land titles user rights
▪ Boundary, adjacent and neighbouring land use
▪ Stakeholder consultation with affected communities surrounding the CU
▪ Interview with contractors, supplier, etc
▪ Consultation with relevant government agencies
▪ Training and skill development programs
▪ HCV/RTE and action plan

Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Social aspects - SIA, management plan & implementation, workers' quarters.
▪ Interview with gender committee, worker representative, etc
▪ Linesite inspection
▪ Complaints and grievances
▪ Workers Issues & welfare

Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.</td></tr>
<tr><td>1.00pm</td><td colspan="4">LUNCH BREAK / ZUHUR PRAYER</td><td>All</td></tr>
<tr><td>2.00pm</td><td colspan="4">Continue assessment at POM/Estate</td><td></td></tr>
<tr><td>4.30 - 5.00pm</td><td colspan="4">Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 2 audit</td><td>All</td></tr>
<tr><td>9.00 – 10.00pm</td><td colspan="4">Discussion on finalization of draft NCRs</td><td>Audit team only</td></tr>
</table>

Day 3: 12 June 2024 (Wednesday) – Bukit Kretam Estate

<table>
<tr><th>Time</th><th colspan="4">Activities / areas to be visited</th><th>Auditee</th></tr>
<tr><td>9.00am</td><td colspan="4">Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements</td><td>Respective Manager</td></tr>
<tr><td rowspan="3">9.30am</td><td colspan="4">To assign each audit team members – site and the P&C requirements</td><td rowspan="3">Guide(s) for each auditor</td></tr>
<tr><td>RMN</td><td>RAR</td><td>NEA</td><td>NEA</td></tr>
<tr><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Waste management including disposal site
▪ Aspects/impacts of mill management
▪ Controlled/open burning
▪ Pollution mitigating plans
▪ River system and Effluent Treatment/Discharge
▪ Management and disposal of waste including pesticides containers
▪ Waste & chemical management
▪ Facilities at workplace

Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, effluent treatment plant,chemical nas scheduled waste stores, workshop, landfill area & etc)</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:
▪ Laws and regulations
▪ Hazard identification and Risk Management
▪ Occupational safety & health practice witness activities at site
▪ Interview with workers, safety committee and contractors
▪ Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)
▪ EFB mulching, POME application
▪ Plantation on hilly/swampy area
▪ IPM implementation, training and safe use of agro-chemicals.
▪ New planting
▪ Training and skill development programs

Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Land titles user rights
▪ Boundary, adjacent and neighbouring land use
▪ Stakeholder consultation with affected communities surrounding the CU
▪ Interview with contractors, supplier, etc
▪ Consultation with relevant government agencies
▪ Training and skill development programs
▪ HCV/RTE and action plan

Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Social aspects - SIA, management plan & implementation, workers' quarters.
▪ Interview with gender committee, worker representative, etc
▪ Linesite inspection
▪ Complaints and grievances
▪ Workers Issues & welfare

Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.</td></tr>
<tr><td>1.00pm</td><td colspan="4">LUNCH BREAK / ZUHUR PRAYER</td><td>All</td></tr>
<tr><td>2.00pm</td><td colspan="4">Continue assessment at POM/Estate</td><td></td></tr>
<tr><td>4.30 - 5.00pm</td><td colspan="4">Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 3 audit</td><td>All</td></tr>
<tr><td>9.00 – 10.00pm</td><td colspan="4">Discussion on finalization of draft NCRs</td><td>Audit team only</td></tr>
</table>

Day 4: 13 June 2024 (Wednesday) – Bukit Kretam Estate

Time	Activities / areas to be visited				Auditee
9.00am	Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements				Respective Manager
9.30am	To assign each audit team members – site and the P&C requirements				Guide(s) for each auditor
	RMN	**RAR**	**NEA**	**NEA**	
	Coverage of assessment: P1, P2, P3, P4, P6, P7: ▪ Waste management including disposal site ▪ Aspects/impacts of mill management ▪ Controlled/open burning ▪ Pollution mitigating plans ▪ River system and Effluent Treatment/Discharge ▪ Management and disposal of waste including pesticides containers ▪ Waste & chemical management ▪ Facilities at workplace Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, effluent treatment plant,chemical nas scheduled waste stores, workshop, landfill area & etc)	**Coverage of assessment: P1, P2, P3, P4, P6, P7:** ▪ Laws and regulations ▪ Hazard identification and Risk Management ▪ Occupational safety & health practice witness activities at site ▪ Interview with workers, safety committee and contractors ▪ Good Agricultural Practice- witness activities at site (weeding/ spraying, etc) ▪ EFB mulching, POME application ▪ Plantation on hilly/swampy area ▪ IPM implementation, training and safe use of agro-chemicals. ▪ New planting ▪ Training and skill development programs Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.	**Coverage of assessment: P1, P2, P3, P4, P6, P7:** ▪ Land titles user rights ▪ Boundary, adjacent and neighbouring land use ▪ Stakeholder consultation with affected communities surrounding the CU ▪ Interview with contractors, supplier, etc ▪ Consultation with relevant government agencies ▪ Training and skill development programs ▪ HCV/RTE and action plan Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.	**Coverage of assessment: P1, P2, P3, P4, P6, P7:** ▪ Social aspects - SIA, management plan & implementation, workers' quarters. ▪ Interview with gender committee, worker representative, etc ▪ Linesite inspection ▪ Complaints and grievances ▪ Workers Issues & welfare Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.	
1.00pm	**LUNCH BREAK / ZUHUR PRAYER**				All
2.00pm	Continue assessment at POM/Estate				
4.30 - 5.00pm	Audit team discussion / Debrief meeting with client on issues (if any) / End of Day 3 audit				All
9.00 – 10.00pm	Discussion on finalization of draft NCRs				Audit team only

Day 5: 14 June 2024 (Friday) – Bukit Kretam Estate

<table>
<tr><th>Time</th><th colspan="4">Activities / areas to be visited</th><th>Auditee</th></tr>
<tr><td>9.00am</td><td colspan="4">Overview of current activities at Supply base sites. To assign each audit team members – site and the P&C requirements</td><td>Respective Manager</td></tr>
<tr><td rowspan="3">9.30am</td><td colspan="4">To assign each audit team members – site and the P&C requirements</td><td rowspan="3">Guide(s) for each auditor</td></tr>
<tr><td>RMN</td><td>RAR</td><td>NEA</td><td>NEA</td></tr>
<tr><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Waste management including disposal site
▪ Aspects/impacts of mill management
▪ Controlled/open burning
▪ Pollution mitigating plans
▪ River system and Effluent Treatment/Discharge
▪ Management and disposal of waste including pesticides containers
▪ Waste & chemical management
▪ Facilities at workplace

Other area identified during the assessment including site visits Facilities at workplace (water treatment plant, effluent treatment plant,chemical nas scheduled waste stores, workshop, landfill area & etc)</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Laws and regulations
▪ Hazard identification and Risk Management
▪ Occupational safety & health practice witness activities at site
▪ Interview with workers, safety committee and contractors
▪ Good Agricultural Practice- witness activities at site (weeding/ spraying, etc)
▪ EFB mulching, POME application
▪ Plantation on hilly/swampy area
▪ IPM implementation, training and safe use of agro-chemicals.
▪ New planting
▪ Training and skill development programs

Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Land titles user rights
▪ Boundary, adjacent and neighbouring land use
▪ Stakeholder consultation with affected communities surrounding the CU
▪ Interview with contractors, supplier, etc
▪ Consultation with relevant government agencies
▪ HCV/RTE and action plan
▪ Time bound plan and uncertified management units

Other area identified during the assessment including site visits to mill operation and estates operation such as sterilizer, grading, nursery, harvesting, spraying and etc.</td><td>Coverage of assessment: P1, P2, P3, P4, P6, P7:

▪ Social aspects - SIA, management plan & implementation, workers' quarters.
▪ Interview with gender committee, worker representative, etc
▪ Linesite inspection
▪ Complaints and grievances
▪ Workers Issues & welfare

Other area identified during the assessment including site visits to relevant indicators such as estates and mill operation, line site, clinics, creche, Humana and etc.</td></tr>
<tr><td>10.30 - 11.00</td><td colspan="4">Audit team discussion</td><td>All</td></tr>
<tr><td>11.00AM</td><td colspan="4">Closing meeting – venue at (decide by management), Presentation of audit findings, positive comment, Question & answer</td><td>Audit team only</td></tr>
</table>

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	Adequate information covering on environmental, social and legal issues which are relevant to RSPO Criteria and relevant to stakeholders is shared for effective participation and decision making. Public documents are available in Bukit Kretam Sdn. Bhd. (BKSB) such as land title, OSH plan, Social Impact Assessment, HCV documents, negotiation procedure, complaint records, RSPO public summary reports and EIA. Management plans & continuous improvement plans and company policies also available publicly. Latest external stakeholders meeting for Bukit Kretam has been conducted with surrounding stakeholder on 22.04.2024 named as JCC Meeting. They presented in detail the comments made by the various stakeholders on social impacts as well as the proposed mitigation plans by the Company. Each of the issues raised by the participant was addressed in the action plan.
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	Yes	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. During interview with internal and external stakeholders found that they were aware of the procedure consultation and communication related to their operation. On the other hand, at site Estate Manager is nominated to coordinate activities of the stakeholders. The Estate Manager appointment letter, issued to the manager was sighted. At the point of audit, there was no request for information from the stakeholders. Bukit Kretam Sdn Bhd has management documents relating to environment, social and legal issues were made available to the public except for those prevented by commercial confidentially or where disclosure of information would result in negative environmental or social outcomes.
	1.1.3 (C) Records of requests for information and responses are maintained.	Yes	The records of requests as mentioned in indicator 1.1.2, had been logged in the Communication Record were used for records including authority visits books. As at todate audit, there is no information had been requested.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	Yes	The consultation and communication procedures were established and available at BKSB. External and internal communication procedures developed by BKSB were followed at the audited sites. Consultation and communications procedures for BKSB CU were documented in the *Stakeholders Consultation Procedure – Group Level & Estate Level,* dated 07.12.2020. This document was sighted during the audit. An examination of

Clause	Indicators	Comply Yes/No	Findings
			the records kept in the internal and external communication files found that the estate and mill followed the procedures and manuals developed by the company. In the case of internal communications, records of meetings, briefings and memos were sighted. Notices and posters / pamphlets displayed on notice boards at the office and the muster ground were also used as a means for internal communication. Regular morning briefings were used by the management to communicate policies, procedures, rules and regulations and other information to its employees. In the case of external communications, they were mainly in the form of correspondence, which was kept in the office. The latest external stakeholders meeting for Bukit Kretam has been conduct with surrounding Stakeholder on 22.04.2024 under the name of JCC Meeting.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	Yes	The lists of stakeholders were prepared by both the CU and the company headquarters. The lists included neighbouring communities, neighbouring estate. Government Agencies, NGOs, Supplier/Contractors were included in the list. Worker's representatives were also included in the list. The list was last updated on 04.06.2024.
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	Code of conduct and business ethics policy approved by Director, on 20/7/2018. BKSB through their policy committed to develop an organizational culture that will exhibit the highest standard of ethical conduct through the following: 1. Prohibit any forms of corruption, bribery and fraudulent use of funds and/or resources. 2. Preserve books, records and accounts that accurately and fairly reflect the nature of the business transactions and providing accurate and proper disclosure of information in accordance with applicable laws and regulations. Comply with all applicable laws, rules and regulations of the governments, regulatory authorities and public exchanges in jurisdictions within which company operates.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	Yes	In addition, BKSB also has a vendor Conduct and Business Ethics which has been developed to outline the standards of behaviour required by BKSB which includes expectation to uphold human rights. The code of conduct and business ethics applies to all its suppliers, consultants, agents, contractor's/service providers who have direct dealings with the BKSB.

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	2.1.1 (C) The unit of certification complies	Yes	Bukit Kretam Sdn. Bhd. (BKSB) continued to comply with the legal requirements as per

Clause	Indicators	Comply Yes/No	Findings
There is compliance with all applicable local, national and ratified international laws and regulations.	with applicable legal requirements.		indicator. Compliance to each applicable law and regulation was captured in a Legal Register and monitored by the Estate Manager. Some of the license review are: • MPOB license valid until 31/01/2025 • MPOB license Yeoh Eng Chong valid until 30/11/2024 • MPOB license Yeoh Eng Cheang valid until 30/9/2024 • Trading license, , Company registrations: 77721-U -valid until 31/12/2024. • Permit to storage diesel, for 45,000 L, valid until 24/02/2025. • Permit to storage petrol, valid until 17/05/2025. • Energy commission license, capacity 53.13 kW & 276.25kW and valid until 30/11/2024. • Weighbridge Calibration "Perakuan Penetuan Timbang dan Sukat", dated 28/02/2024. • License to hired foreign workers, valid until 03/10/2024. • Jabatan Tenaga Kerja Sabah, Permit Potongan Daripada Gaji Pekerja, valid until 17/9/2025.(Pinjaman Peribadi) • Jabatan Tenaga Kerja Sabah, Permit Potongan Daripada Gaji Pekerja, valid until 2/9/2025.(Pemprosesan Dokumen Perjalanan,Potongan Elektrik) • CHRA has been conducted on 04/07/2019. The assessment has been carried out for work units which use chemicals such as: Premix and Spraying Operator, Manuring and Rat Baiting Operator, Storekeeper, Genset Operator, Mechanic and Grass Cutter. • It was found that scheduled waste generated at the Estate stored not more than 180 days. Last disposal was made on 06/02/2024 and all the disposal was made by DOE licensed contractor for items SW 410, SW 409, SW 312 and SW 305. Inventory (5th Schedule) was up to date and tally with the physical stock at the storage area. Verified 5th Schedule was updated and reported using online consignment note was carried out accordingly. Latest submission to DOE on 04/06/2024. • Medical Surveillance for All workers involved with pesticides was carried out by OHD on 15/11/2023 for 9 workers. From the result, all workers fit to handle chemical. It was found 6 employees has presence of underlying condition related to non-work related diseases. Action taken by CU by monitoring BP and conducted blood test on 25/04/2024 the results were negative and workers in good condition and healthy.
	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	BKSB has identified and documented their legal register with written information on legal requirements applicable to their operation. The record titled "*List of legal register – Estate"*. The identified legal among others includes; a) Pesticides Act 1974 and Regulations, b) Environmental Quality Act and Regulations 1974, c) Factories and Machinery Act and Regulations, 1967 d) Weights and Measures Regulations 1981

Clause	Indicators	Comply Yes/No	Findings
			e) Electricity Regulations 1994 f) Immigration Act 1959 g) Occupational Safety and Health Act 1994 h) Employment Act 1955 i) Children and Young Persons (Employment) Act 1966 j) MPOB Regulations (Licencing) 2005, EQ (Prescribed Premise) (Crude Palm Oil) Regulations 1977 k) Industrial Code of Practice for Confined Space 2010. l) Sabah Labour Ordinance 1952 (Amended 2005) m) MPOB licensing Regulation 2005. n) EIS (amendment) Act 2022 o) OSHA Act amendment 2022 The acts and its regulations were evaluated for compliance annually. Estate last reviewed on 01/06/2024. A mechanism to ensure compliance to legal and other requirement has been documented in "Mechanism for Tracking Any Changes In The Law" under Standard Operation Manual distributed to all operating units. Estate Manager with assisted from Sustainability Team from Hap Seng Plantations will undertake the responsibility of identifying, managing, updating and tracking the legal requirement as well as monitoring the status of legal compliance.
	2.1.3 Legal or authorised boundaries are clearly demarcated and visibly maintained, and there is no planting beyond these legal or authorised boundaries.	Yes	Legal or authorized boundaries are clearly demarcated and visibly maintained by CU it was sighted during site visit, was maintained pegging and boundary drainage was maintained along the boundary between the Kampung Sri Gandah. Auditor also verified at the boundary between reserved forest was maintained accordingly between the CU and Reserve Forest.
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 list of contracted parties is maintained by BKSB in the stakeholder list latest updated on 04/06/2024. The list contains the names of contractors, designated contact persons, address, telephone/fax/email and type of contracted works done.
	2.2.2 All contracts, including those for FFB supply, contain specific clauses on meeting applicable legal requirements, and this can be demonstrated by the third party. Evidence of legal due diligence of all contracted third parties, recruitment agencies (licensed/accredited) for migrant workers, service providers and labour contractors, is available.	Yes	There was 1 contractor at BKSB estate which is provider service shop grocery at the estate. Sighted, date of agreement has been signed by both parties on date 02/04/2024 and valid until 01/04/2026. The contract agreement has contained a specific clause stated that compliance on legal requirement. Also sighted evidence of due diligence has been carried out by internal audit conducted by Hap Seng plantation (support small holder program) on date 21-22/03/2024. CU also maintained all the record i.e : • pay slip of contractor employee • contract agreement • evidence of SOCSO payment • retail shop license • trading license • license "runcit" for rice, gas, sugar, cooking oil, wheat flour,

Clause	Indicators	Comply Yes/No	Findings
	2.2.3 All contracts, including those for FFB supply, contain clauses disallowing child, forced and trafficked labour. Where young workers are employed, the contracts include a clause for their protection.	Yes	There was 1 contractor at BKSB estate which is provider service shop grocery at the estate. Sighted, date of agreement has been signed by both parties on date 02/04/2024 and valid until 01/04/2026. The contract agreement has contained a specific clause stated that compliance on legal requirement / no trafficked labour & forced labour and no child under age shall be employed.
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: • 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	There is no mill involved in this small grower certification. Thus, this indicator is not applicable.
	2.3.2 For all indirectly sourced FFB, the unit of certification obtains from the collection centres, agents or other intermediaries, the evidence as listed in Indicator 2.3.1.	Yes	There is no mill involved in this small grower certification. Thus, this indicator is not applicable.

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	BKSB continued to achieve long term economic and financial viability through documented management plan projected to year 2026. A business plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2024 to 2026 had been prepared for both estates and made available to the auditors.
	3.1.2 An annual replanting programme projected for a minimum of five years with yearly review, is available.	Yes	Replanting program for BKSB estate was made available, with specific planting details for 5 years from 2024 until 2028.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the	Yes	Management review had been conducted annually latest on date 03/06/2024. Among of issues has been discussed in the management review as per below: **Input**

Clause	Indicators	Comply Yes/No	Findings
	activities undertaken.		• Follow up action from previous management meeting • Sustainability and adequacy of all SOP • Sustainable agriculture policy • Results of audit • Changes in legal requirements & any compliance • Changes that could affect certification management system • Complaints (internal & external) • Accident & injury • Environmental quality • Waste management • Energy usage performance • Status corrective action recommendation for improvement **Output** • Improvement of the effectiveness of certification management system • Resources needed
3.2 The unit of certification regularly monitors and reviews their economic, social and environmental performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.	3.2.1 (C) The action plan for continuous improvement is implemented, based on consideration of the main social and environmental impacts and opportunities of the unit of certification.	Yes	Unit of Certification has had several continuous improvements, particularly on social aspect during year 2023 and 2024 as below: 1) To build new labour quarters 2) To build new Staff & Cadet quarters 3) To install Solar Lamp 4) To propose to top management to allocate fund for relevant projects 5) To recommend current clinic helper to obtain estate hospital assistant license from JKNS Action plan for continuous improvement implemented by CU based on environmental impacts and opportunities as per sampled sighted as follows: 1) harvesting – pruned oil palm fronds – impacts will results in soil erosion and breeding ground for rats- action taken - continue progressive pruning and proper stacking will be effects on soil degradation and erosion. 2) Spraying – chemical spillages- impacts will created environmental and safety and health issues – action taken – to focus on providing training to ensure PIC handling chemical are competent. 3) Schedule waste – impacts- leaking to ground and will impact the ground water – action taken – manage as per DOE requirement and further continuos training. 4) Vehicles – impacts – release carbon – action taken -regular servicing, and daily checking to ensure engine vehicles in good condition. Install solar lamp to reduce electricity generated consume Diesel as fuel.

Clause	Indicators	Comply Yes/No	Findings
	3.2.2 As part of the monitoring and continuous improvement process, annual reports are submitted to the RSPO Secretariat using the RSPO metrics template.	Yes	The monitoring and continuous improvement process, annual reports are submitted to the auditor using the RSPO metrics template before the audit started. The auditor already verified and checked the data for year 2023 and figure given was tally with their database system.
3.3 Operating procedures are appropriately documented, consistently implemented and monitored.	3.3.1 (C) Standard Operating Procedures (SOPs) for the unit of certification are in place.	Yes	BKSB adopted the following documented manuals and documents as their standard operating procedures: 1. Safe and Standard Operating Procedures (SSOP) updated March 2020 2. Agricultural Policy Oil Palm updated July 2021 Agricultural Policy Oil Palm and MPOB Guideline for smallholders is the manual used for the operations in the estate. The manual is maintained and updated accordingly. The latest update was carried out in 26/07/2021. It was confirmed that all activities in the estates from seedlings in nursery to planting in the fields have been included in the Agricultural Policy Oil Palm. The document specifies the following sections such as harvesting, manuring, integrated pest management, and upkeep of mature oil palms. Safe and Standard Operating Procedures is the Standard Operating Procedures used for the safety precautions for all operations in the estate. Last reviewed was on 31/03/2022. The document stated the procedure and control measures, other than that PPE's that made compulsory during work commenced. It was also noted that relevant SOPs are displayed at various workstations for easy reference, for example, at the muster ground, chemical storage and diesel storage. Available and sighted Standard Operating Procedures (SOPs) for social aspects at BKSB include the following: 1) Consultation & Communication Procedure – 09/12/2019 2) Grievance Procedure – 01/09/2020 3) Land Dispute Management – 15/12/2020 4) Stakeholder Consultation Procedure – 09/12/2019 5) Procedure for Requesting Company Information – 28/11/2019 6) Mechanism for Protection of Complainant against Retaliation (Whistleblower) – 27/11/2018 7) Guideline/Procedure – Sexual Harassment 8) Procedure for Hiring Workers (Local and Foreign) 9) Flowchart Recruitment, Termination, Retirement and Promotion Procedure (Local and Foreign Workers) – 31/05/2020 10) Procedure for Reporting Complain and Grievances – Stakeholder (Internal and External)

Clause	Indicators	Comply Yes/No	Findings
			11) Flowchart Mechanism for Complaint and Grievance (Stakeholder – Internal)
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	Yes	There are several mechanisms used to check on consistent implementation of procedures. One of the regular mechanisms used by BKSB are internal audits conducted by Hap Seng Plantations Sustainability Team. Internal audit covering MSPO & RSPO internal audit has conducted latest on 21-22/03/2024. Results from the assessment internal audit recorded 1 Major NCR and 3 Minor NCR. BKSB has taken necessary action to close out the NCR. Audit report was established and maintained.
	3.3.3 Records of monitoring and any actions taken are maintained and available. .	Yes	On Estate, the estate manager and his subordinates were accountable to check on consistent implementation of procedures. The implementation of procedures was also carried out through: • RSPO/MSPO internal audits by Hap Seng Plantations Sustainability Team, safety and health meetings • routine inspection (workplace inspection) by field staff. • Periodic reporting from estate • On site visits, inspections by estate manager • Assessments by RSPO Audits • Consultation with RSPO team & management. Implementation of these procedures included: • briefing on the SOPs and related documents. • workers were frequently reminded about it during the morning muster. • safe keeping in the administration office for reference. • relevant SOPs, sometimes an abridged version, were displayed at various workstations, e.g. at estate office notice board for easy reference. The BKSB has managed and monitored foreign workers' status compliance against the RSPO requirements such as legality of the workers, appropriate license, employment contract, insurance and wages. Suppliers/Vendors compliance with BKSB 'Code of Conduct and Business Ethics Policy was also monitored.
3.4 A comprehensive Social and Environmental Impact Assessment	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	Yes	There was no new planting or new operation in BKSB. Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) were conducted internally considering activities associated to estate's operations. Thus, this indicator is not applicable.

Clause	Indicators	Comply Yes/No	Findings
(SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.	any smallholder/outgrower scheme, is documented.		
	3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.	Yes	Social impact assessment management action plans and continuous improvement plans were guided and approached by MPOCC SIA Guidelines dated 15.07.2022. Stated in the procedure that social impact assessment will be done every 5 years and stakeholders meeting and stakeholder list will be updated/done at least once a year. Social impact assessment was prepared internally by Sustainability Department in January 2019. The latest review was carried out on 25.04.2024. The methodology of the assessment was based on consultation with specified stakeholders to collect information related to concern on social issues. Various stakeholders have been interviewed which are local workers, foreign workers, various ages of workers, contractors, villagers, neighboring plantations and government officers. Input of the assessment has been recorded in the same report, in which most of the feedback from external stakeholders recorded as positive inputs. There is no negative feedback recorded. This was supported by interview with internal stakeholders such as worker representatives, non-worker representatives, etc. and external stakeholders such as representatives from local community Kampung Sri Ganda, representative from neighboring plantation Unico Desa 3 Estate (IOI Plantation) captured the same records whereby no negative inputs received. Environmental Aspect and Impact Assessment (EAI), Management Action Plans and Pollution Preventive Plan which covers form upstream activities such as FFB harvested until dispatched processes was sighted during assessment. Last reviewed on 30/01/2024 by estate management. The Environmental assessment was to evaluate and analyze the operations impact on soil, water, and air associated with the organization activities. The EAI review process had included stakeholders' consultation (sighted external stakeholder consultation conducted 2 years once- dated 22/04/2024 and for internal stakeholder conducted on 22/04/2024) with regards to environmental aspects, impacts, and pollution control, and ERT, HCV and land usage issues. The reviews done involved respective internal stakeholders such as workers representative, estate management and involvement with external stakeholders such as from Govt. agencies, neighboring estates, local villagers, suppliers and contractors. So far, no issues related to environmental has been highlighted during stakeholders meeting. At estate visited, field activities that includes fertilizing, spraying, transportation of FFB, garbage disposal, landfill management, road maintenance, wildlife and land conservation activities. The mitigation measures were continued to be implemented to minimize the negative impacts At estate visited, field activities that includes fertilizing, spraying, transportation of FFB, garbage disposal, landfill management, road maintenance, wildlife and land conservation activities. The mitigation measures were continued to be implemented to minimize the negative impacts.

Clause	Indicators	Comply Yes/No	Findings
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a participatory way.	Yes	The social management action plans are being reviewed and updated on an annual basis at BKSB. This takes into account inputs from external stakeholder meetings (Group Level) and internal stakeholder meetings called JCC (Estate Level). Social aspects identified such as access and use right, economics livelihood and working conditions, subsistence activities/amenities, human rights, cultural and religious values, medical and health facilities, education facilities and operational activities. The SIA review process had included stakeholders' consultation with regards to social issues. The reviews done involved respective Managers, Assistants and Sustainability Team with external stakeholders such as from Govt. agencies, neighboring estates, local communities, suppliers and contractors. Auditor has verified the latest groups stakeholder's consultation meeting on 22.12.2021 and stakeholder meeting (Estate Level) on 22.04.2024. Evidence of the above stakeholder consultation conducted is available and the stakeholder feedback was recorded in the SIA plan. Verified, there is no negative impact issues related to the society have been highlighted during stakeholders meeting. Significant environmental aspects and impact mitigation methods were implemented by EAI. Those activities evaluated as significant were then monitored using the management control and mitigation measure established for each activity where the significant impacts occurred. The EAI assessments had included the identification of aspects and impacts resulting from the estate operations. A timetable with responsibilities for mitigation and monitoring was reviewed and updated as necessary. The CU had appointed a specific person in charge (PIC) responsible for taking actions on each of the mitigation measures with specific time intervals. Sighted external stakeholder consultation conducted 2 years once- dated 22/04/2024 and for internal stakeholder (nearby estates) conducted on 22/04/2024 was carried out to external and internal stakeholders i.e., estates/mill representative workers, estate management, government agencies, NGO, school, villagers and private sectors (contractors/suppliers and neighboring estates). Evidence of the above stakeholder consultation conducted is available and the stakeholder feedback was recorded in the EAI action plan. So far, no negative impact issues related to environmental have been highlighted during stakeholders meeting
3.5 A system for managing human resources is in place.	3.5.1 Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable.	Yes	BKSB has developed employment procedures dated 01.05.2023 for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives. Based on the Standard Operating Procedure, sighted clear procedure on walk in process and timeline for the working pass application. In addition, observed also clear procedure or mechanism to ensure zero recruitment fees has been emphasized. Based on interviews with sampled new workers

<table>
<tr><th>Clause</th><th>Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td></td><td></td><td></td><td>engaged, confirmed they are aware of the flowchart walk in job application procedure and all the cost of recruitment fees are borne by the estate management.</td></tr>
<tr><td></td><td>3.5.2 Employment procedures are implemented, and records are maintained.</td><td>Yes</td><td>For local workers, application forms, employment interview assessment forms, medical check-up reports and employment contracts were sighted for newly recruited employees. The latest recruitment of local workers in the estate was on 01/09/2022 as security. A copy of the identification card was kept as a record. Interviewed with the clerk confirmed that if there is any job vacancy available, they will publish a job vacancy advertisement at the places nearby the villages.
For foreign workers, recruitment is based on walk-in process. The records include copies of passports, work permits, personal file and medical report was maintained of all appoints and processes leading to the appointments. Latest recruitment sighted on 13.02.2023 as general worker. Fees for levy, medical examinations (FOMEMA), visa on arrival, visa endorsement, immigration security clearance, immigration service fee, PLKS (Pas Lawatan Kerja Sementara) fee, and travel from point of departure to designated at the estate are all included and bared by the management.</td></tr>
<tr><td>3.6
An occupational health and safety (H&S) plan is documented, effectively communicated and implemented.</td><td>3.6.1 (C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.
.</td><td>No</td><td>The organization had assessed to identify H&S issues and evidence of assessment as per below:
CHRA has been conducted on 04/07/2019. The assessment has been carried out for work units which use chemicals such as: Premix and Spraying Operator, Manuring and Rat Baiting Operator, Storekeeper, Genset Operator, Mechanic and Grass Cutter. Lates CHRA has been conducted on 9/3/2024 and the organization still pending latest report from service provider. For Noise Risk Assessment also been conducted on 8/3/2024 and still pending report from service provider.
The CU respectively maintained had list of review on HIRARC latest review on January 2024 with details identified as follows;<table><tr><th></th><th>Areas/Activities</th><th></th><th>Areas /Activities</th></tr><tr><td>1</td><td>Palm /bunch census</td><td>11</td><td>Harvesting & collection</td></tr><tr><td>2</td><td>Circle /selective spraying</td><td>12</td><td>Transportation workers</td></tr><tr><td>3</td><td>upkeep</td><td>13</td><td>Walking palm to palm</td></tr><tr><td>4</td><td>Drainage–machine</td><td>14</td><td>Loose fruit collection</td></tr><tr><td>5</td><td>Grass cutting</td><td>15</td><td>In field collection</td></tr><tr><td>6</td><td>Compound sanitation</td><td>16</td><td>Water catchment</td></tr><tr><td>7</td><td>Fertilizer application</td><td>17</td><td>Chemical mixing</td></tr><tr><td>8</td><td>Replanting</td><td>18</td><td>Nursery</td></tr><tr><td>9</td><td>Bridge maintenance</td><td>19</td><td>Workers quarters</td></tr><tr><td>10</td><td>Water treatment plant</td><td>20</td><td>Workshop operations</td></tr></table>However, the coverage of HIRARC was not adequate which not include activities at water treatment plant hence Major NCR raised.</td></tr>
</table>

Clause	Indicators	Comply Yes/No	Findings
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people are monitored.	Yes	All workers involved with pesticides were carried out the medical surveillance were sent to Klinik and checked by OHD on 15/11/2023 for 9 workers. From the result, all workers fit to handle chemical. It was found 6 employees has presence of underlying condition related to non work related diseases. Action taken by CU by monitoring and conducted blood test on 25/04/2024 the results were negative and workers in good condition and healthy. The estate had conducted monthly workplace inspection as mechanism to monitor and address health and safety issue. Sighted checklist for month of June and May 2024 available and well implemented by the organization.
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	BKSB's Training Schedule for 2024 and Training Matrix for 2024 were sighted by the auditor. Dates of training for 2023 and 2024 were also presented. Formal training programs for 2024 covered aspects of the RSPO Principles and Criteria, with regular assessments of training needs. Trainings were either conducted internally by its own manager or by sustainability team from Hap Seng Plantation. Some of the training program includes: • PPE Training & Demonstration • Harvesting and Use of PPE • Chemical spraying and Use of PPE • Accident Investigation Techniques • Emergency Respond Plan Training (e.g. Chemical spill, poisoning, Fire. Lightening) • First Aid Training • Scheduled waste management. • Fire drill • IPM training • Sexual Harassment • HCV Awareness • RTE protection and Awareness • IPM
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	Yes	Records of training were kept in the training file. The records included information on the title of the training, name and signature of the attendees, name of the trainer, time and venue. Verified details of training included the following: • Harvesting training on 16/02/2024 • Manuring training on 19/02/2024 • Store Chemical management training on 20/02/2024 • Premix & Triple rinsed training on 20/02/2024 • Spraying training on 27/02/2024 • ERP & firefighting training on 28/02/2024 • 1st aid boxes handling training on 04/03/2024 • SW handling training on 23/04/2024

Clause	Indicators	Comply Yes/No	Findings
			• Sexual harassment and abused awareness training on 26/01/2024 1st aider training nominated date training on 19-21/06/2024
	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.	NA	*NOT APPLICABLE*

SUPPLY CHAIN REQUIREMENTS FOR MILLS

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.1	Identity Preserved Module A mill is deemed to be IP is the FFB processed by the mill are sourced from plantations/estates that are certified against the RSPO P&C, or against a Group Certification Scheme Certification for the CPO mills is necessary to verify the volumes and sourced of certified FFB entering the mill, the implementation of any processing control as and volume sales of RSPO certified products. If a mill process certified and uncertified FFB without physically separating them, the inly MB Module is applicable.		NOT APPLICABLE
3.8.2	Mass balance Module A mill is deemed to be MB is the mill process FFB from both RSPO certified and uncertified plantations/estates. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own and 3rd party certified supply base.		NOT APPLICABLE
3.8.3	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill shall be		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	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.		
3.8.4	The mill shall also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organisation (RSPO IT platform).		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.5	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: • Complete and up to date procedures covering the implementation of all the elements of the supply chain model requirements. • Complete and up to date records and reports that demonstrate compliance with the supply chain model requirements (including training records). • Identification of the role of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the organisation's procedures for the implementation of this standard. • The site shall have documented procedures for receiving and processing certified and non-certified FFBs.		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.6	The site shall have a written procedure to conduct annual internal audit to determine whether the organisation; • 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.		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.7	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 overproduction of certified tonnage. The site shall have a mechanism in place for handling non-conforming oil palm products and/or documents.		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.8	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): a) The name and address of buyer; b) The name and address of the seller c) The leading or shipment/delivery date; d) The date on which the documents were issued; e) RSPO certificate number; f) A description of the product, including the applicable supply chain model (IP or MB or the approved abbreviations); g) The quantity of the products delivered; h) Any related transport documentation i) A unique identification number		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.9	Outsourcing Activities (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. (ii) The mill shall ensure the following: a) The mill has legal ownership of all input material to be included in outsourced processes b) The mill has an agreement or contract covering the outsourced process with each contractor through a signed and enforceable agreement with the contractor. The onus is on the mill to ensure that CB has access to the outsourcing contractor or operation if an audit is deemed necessary. c) The mill has a documented control system with explicit procedures for the outsourced process which is communicated to the relevant contractor. d) The mill shall furthermore ensure (e.g. through contractual arrangements) that independent third parties engaged provide relevant access for duly accredited CBs to the respective operations, systems, and all information, when this is announced in advance.		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
3.8.10	The site shall record the names and contact details of all contractors used for the processing or physical handling of RSPO certified oil palm products.		NOT APPLICABLE
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.		NOT APPLICABLE
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.		NOT APPLICABLE
	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.		NOT APPLICABLE
	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.		NOT APPLICABLE
	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.		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	c. The mill can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three (3) months. However, a mill is allowed to sell short (i.e. product can be sold before it is in stock).		
3.8.13	Extraction rate The oil extraction rate (OER) and the kernel extraction rate (KER) shall be applied to provide a reliable estimate of the amount of certified CPO and PK from the associated inputs. Mill shall determine and set their own extraction rates based upon past experience, documented and applied it consistently.		NOT APPLICABLE
3.8.14	Extraction rates shall be updated periodically to ensure accuracy against actual performance or industry average if appropriate.		
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.		NOT APPLICABLE
3.8.16	Registration of Transactions i) Shipping Announcement in the RSPO IT platform shall be carried out by the mills when RSPO certified products are sold as certified to refineries, crushers, and traders not more than three months after dispatch with the dispatch date being the Bill of Lading or the dispatch documentation date.		NOT APPLICABLE

Ref. in RSPO SCCS	Indicators	Comply Yes/No	Findings
	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		
3.8.17	Claims The mill shall only make claims regarding the production of RSPO certified oil that are in compliance with the RSPO Rules on Market Communications and Claims.		NOT APPLICABLE

Principle 4: Respect community and human rights and deliver benefits

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

Clause	Indicators	Comply Yes/No	Findings
4.1 The unit of certification respects human rights, which includes respecting the rights of Human Rights Defenders.	4.1.1 (C) A policy to respect human rights, including prohibiting retaliation against Human Rights Defenders, is documented and communicated to all levels of the workforce, operations, FFB suppliers and local communities and prohibits intimidation and harassment by the unit of certification and contracted services, including contracted security forces.	Yes	A Human Rights policy was made available at BKSB. There is also a Sustainable Agriculture Policy signed by the Managing Director containing the clause prohibiting retaliation against Human Rights Defenders. The policy has been communicated to staff and workers during morning muster and training on 18/01/2024, 24/01/2024, and 26/01/2024. The auditor has verified through interview with workers and workers that they understood this policy. External stakeholders were also briefed on the BKSB's Human Rights and Equal Opportunity Polices during the JCC meeting held on 22/04/2024. Consultation with sampled grocery shop contractors, head of villager, and neighboring estate by the auditor confirmed the formers' understanding of BKSB's Human Rights Policy and prohibiting retaliation against Human Rights Defenders.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	Yes	As at time of audit, it was confirmed that the unit of certification does not instigate violence or use any form of harassment, including the use of mercenaries and paramilitaries in their operations. No records of violence or use any form of harassment in BKSB's operations were found.
4.2 There is a mutually agreed and	4.2.1 (C) The mutually agreed system, open to all affected parties, resolves disputes in an effective,	Yes	BKSB had developed Grievance Procedures for External stakeholders and Internal Stakeholders (Workers and Staff) respectively (dated 1/9/2020) to handle grievances and complaints. A procedure titled 'Procedure for reporting complaints and grievances (*Prosedur Melapor Aduan dan*

Clause	Indicators	Comply Yes/No	Findings
documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.	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.		*Permasalahan)'* was also available. A procedure named '' *Mekanisme Melindungi Pengadu Terhadap Tatacara tidak Wajar* (Whistleblower)'' dated 2 November 2020 to protect the complainants was also presented. Training for this procedure has been provided to workers on 25/04/2024 and 27/04/2024 and to external stakeholder on 22/04/2024.
	4.2.2 Procedures are in place to ensure that the system is understood by the affected parties, including by illiterate parties.	Yes	Based on interviews with stakeholders from neighboring village and contractor it was found that the system was understood by the affected parties. The procedure for complaint/grievance resolution was explained to all workers and external stakeholders through management/workers/stakeholders meeting. Sighted document for BKSB showed briefing during the stakeholders meeting was held on 25/04/2024 and 27/04/2024 (Internal Stakeholder) and 22/04/2024 (External Stakeholder).
	4.2.3 The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.	Yes	BKSB had developed Grievance Procedures for External stakeholders and Internal Stakeholders (Workers and Staff) respectively (dated 1/9/2020) to handle grievances and complaints and keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcomes for every grievances. A procedure titled 'Procedure for reporting complaints and grievances (*Prosedur Melapor Aduan dan Permasalahan)'* was also available. A procedure named '' *Mekanisme Melindungi Pengadu Terhadap Tatacara tidak Wajar* (Whistleblower)'' dated 2 November 2020 to protect the complainants was also presented. Sighted document for BKSB showed briefing during the stakeholders. Sighted document for BKSB showed briefing during the stakeholders meeting was held on 25/04/2024 and 27/04/2024 (Internal Stakeholder) and 22/04/2024 (External Stakeholder).). For foreign workers, the procedure was explained assistance of translators in case they do not understand.
	4.2.4 The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.	Yes	The system used by BKSB in resolving disputes and grievances exists in the procedure called 'Prosedur Melapor A*duan dan Permasalahan*)' and 'Grievances Procedure – Appendix 1' for staffs and workers, *Stakeholders Consultation Procedure – Group Level & Estate Level, dated 4/1/2021*. BKSB has its own Internal Complaint Form/Book and External Communication/Complaint Form/Book available. The Internal Complaint Books are mostly for employees to lodge complaint pertaining to their houses. The external stakeholder complaint record/book reviewed did not show any complaints against the CU. The Grievance Procedure had included the option for complainant/aggrieved party to access to independent legal and technical advice, choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.
4.3 The unit of certification contributes to local	4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.	Yes	There was only one (1) local community located nearby BKSB estate and 1 School .The CU has made CSR contributions to the Kampung in the form of Backhoe and soils for Village Road Repair, and gift contributions to the school for Sports Day. These CSR contributions were based on the results of consultation with the local community and other external stakeholders. CU also

Clause	Indicators	Comply Yes/No	Findings
sustainable development as agreed by local communities.			provided job opportunities to local community, sighted latest intake employees from nearby village on date February 2024.
4.4 Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.	4.4.1 (C) Documents showing legal ownership or lease, or authorised use of customary land authorised by customary landowners through a Free, Prior and Informed Consent (FPIC) process. Documents related to the history of land tenure and/or the actual legal or customary use of the land are available.	Yes	The right to use the land at the CU can be demonstrated and not disputed by any party. Evidence of legal ownership of the land including history of land tenure was verified during the audit. At BKSB, the land was previously owned by a group of smallholders with a total of 17 lots. Verified copies of the land titles showed that the ownership of the Lots was transferred to BKSB on 9/9/1986. There were clear land ownership documents available for review. The original copies of the documents were kept by BKSB main office. Copies of land titles for BKSB were available for verification. The BKSB estate is under the jurisdiction of Kinabatangan District. Review of the documents confirmed the terms and condition of the land is for cultivation of agricultural crop of economic value had been complied with.
	4.4.2 Copies of documents evidencing agreement-making processes and negotiated agreements detailing the FPIC process are available and include:	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. The audit team had confirmed that there was no land issues related to previous owners. The audit team has also interviewed relevant stakeholders I.e. Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighboring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department and from the interviews, it can be concluded that there was no evidence of any land dispute at BKSB. There was no FPIC issue between BKSB and local community because the land is now legitimately owned by BKSB since 9/9/1986.
	4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.		
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these		

Clause	Indicators	Comply Yes/No	Findings
	decisions were taken.		
	4.4.2c Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.		
	4.4.3 (C) Maps of an appropriate scale showing the extent of recognised legal, customary or user rights are developed through participatory mapping involving affected parties (including neighboring communities where applicable, and relevant authorities).	Yes	Maps of BKSB Estate i.e. legitimate land owned by BKSB titled 'Boundary Map of Bukit Kretam (BKSB) was available and presented. As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB main office, and the copy of the Land titles were in the estate were verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate as per interview with Head of Kg Sri Ganda, GPKHEM SK Sri Gandah neighboring estate (Unico 3) and Lahad Datu Wild Life Department, hence the evidence required under this clause was not available.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	NA	This requirement in this indicator does not apply to BKSB.
	4.4.5 (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.	NA	This requirement in this indicator does not apply to BKSB.
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	NA	This requirement in this indicator does not apply to BKSB.

Clause	Indicators	Comply Yes/No	Findings
4.5 No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.	4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.	Yes	Based on Social Impact Assessment (SIA) Report for BKSB and land title, there were no new plantings are established on local peoples' land. It has been verified that the land is legitimately owned by BKSB since 9/9/1986. The audit team had also confirmed that there were no land issues related to previous owners. The audit team has also interviewed relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighboring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department and from the interviews and from the interviews, it can be concluded that there was no evidence of any land dispute at BKSB. Hence the evidence required under this clause was not available.
	4.5.2 (C) FPIC is obtained for all oil palm development through a comprehensive process, including in particular, full respect for their legal and customary rights to the territories, lands and resources via local communities' own representative institutions, with all the relevant information and documents made available, with option of resourced access to independent advice through a documented, long-term and two-way process of consultation and negotiation.	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah-, neighbouring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available.
	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	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighbouring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available

Clause	Indicators	Comply Yes/No	Findings
	operations.		
	4.5.4 To ensure local food and water security, as part of the FPIC process, participatory SEIA and participatory land-use planning with local peoples, the full range of food and water provisioning options are considered. There is transparency of the land allocation process.	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighboring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, 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	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighboring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available
	4.5.6 Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, ,neighboring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available
	4.5.7 New lands are not acquired for plantations and mills after 15 November 2018 as a result of recent (2005 or later) expropriations without consent under the right of eminent domain of the federal and state land acquisition legislations.	Yes	There were no new lands acquired for plantation and mills after 15/11/2018. The current operation area including estate as per stated in the land title.

Clause	Indicators	Comply Yes/No	Findings
4.6 Any negotiations concerning compensation for loss of legal, customary or user rights are dealt with thru a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.	4.6.1 (C) A mutually agreed procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, is in place.	Yes	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the SOP – Land Dispute Management. In accordance with the Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the HQ BKSB. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures. At the time of audit, there was no land and user rights issues at BKSB CU.
	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	Yes	In accordance with the '*Prosedur Melapor Aduan dan Permasalahan - Pihak Berkepentingan Luaran dan Dalaman*"/ SOP – Land Dispute Management, the procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established. However, there was no issue/case related to this indicator as verified by audit team during consultation with local community and External stakeholders.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.		Not applicable since BKSB CU is considered as a Small Grower (support small holder program by Hap Seng Plantation).
	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	At the time of audit, there was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties at BKSB 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	4.7.1 (C) A mutually agreed procedure for identifying people entitled to compensation is in place.	Yes	The procedure for identifying legal, customary or user rights, and compensation process is incorporated in the SOP – Land Dispute Management ".
	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	In accordance with the SOP – Land Dispute Management, the procedure for calculating and distributing fair compensation falls within the purview of the Land Management Department of at the BKSB HQ. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures . At the time of audit, there was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties at BKSB CU. There was no issue regarding compensation (monetary or otherwise) with villagers, local community and neighboring estate. The audit team has also interviewed relevant stakeholders

Clause	Indicators	Comply Yes/No	Findings
agreements.			such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighbouring estate (Hap Seng plantation) and Lahad Datu Wild Life Department. From the interviews, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available
	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah neighbouring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available.
4.8 The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.	4.8.1 Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighbouring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available.
	4.8.2 (C) Land conflict is not present in the area of the unit of certification. Where land conflict exists, acceptable conflict resolution processes (see Criteria 4.2 and 4.6) are implemented and accepted by the parties involved. In the case of newly acquired plantations, the unit of certification addresses any unresolved conflict through appropriate conflict resolution mechanisms.	Yes	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by BKSB since 9/9/1986. All the related documentation regarding the land acquisition was kept in BKSB HQ Office and the copy in the estate was verified by the auditor. There were no issues regarding land with villagers, local community and neighboring estate. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah-, neighbouring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available. .

Clause	Indicators	Comply Yes/No	Findings
	4.8.3 Where there is evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations and there remain parties with demonstrable customary and land use rights, these claims will be settled using the relevant reqs. (Indicators 4.4.2, 4.4.3 and 4.4.4).	Yes	There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah,, neighbouring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available.
	4.8.4 For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties (including neighboring communities where applicable).	Yes	There was no conflict or dispute over the land. Based on the minutes of the Stakeholders meeting dated 22/04/2024 and interview with relevant stakeholders such as the Head of Kg Sri Ganda, GPKHEM SK Sri Gandah, neighbouring estate (Hap Seng Plantation) and Lahad Datu Wild Life Department, it can be concluded that there was no evidence of any land dispute at BKSB, hence the evidence required under this clause was not available.

Principle 5: Support smallholder inclusion

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

Clause	Indicators	Comply Yes/No	Findings
5.1 The unit of certification deals fairly and transparently with all smallholders (Independent and Scheme) and other local businesses.	5.1.1 Current and previous period prices paid for FFB are publicly available and accessible by smallholders.	NA	Not Applicable since this Assessment is for single unit certification and a small grower. No Mill is included. There are no smallholders as BKSB's stakeholder.
	5.1.2 (C) Evidence is available that the unit of certification regularly explains the FFB pricing to smallholders.	NA	Not Applicable since this Assessment is for single unit certification and a small grower. No Mill is included. There are no smallholders as BKSB's stakeholder.
	5.1.3 (C) Fair pricing, including premium pricing, when applicable, is agreed with smallholders in the supply base and documented.	NA	Not Applicable since this Assessment is for single unit certification and a small grower. No Mill is included. There are no smallholders as BKSB's stakeholder.
	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	NA	Not Applicable since this Assessment is for single unit certification and a small grower. No Mill is included. There are no smallholders as BKSB's stakeholder.

Clause	Indicators	Comply Yes/No	Findings
	include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable.		
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	Yes	This Assessment is for Small Grower and not contractor (only for grocery shop rent to contractor) was appointed since all work has been done internally due to money restrictions.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	Yes	This Assessment is for single unit certification and a small grower. No Mill is included.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	Yes	Weighing Equipment in Bukit Kretam has been calibrated on a yearly basis using Metrology Corporation Malaysia Sdn Bhd last 28/02/2024.
	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	Bukit Kretam Estate was from initiative Hap Seng Plantation to support Small holder program to get certified with RSPO. There are no smallholders as BKSB's stakeholder.
	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	Bukit Kretam Estate was from initiative Hap Seng Plantation to support Small holder program to get certified with RSPO. There are no smallholders as BKSB's stakeholder.
5.2 The unit of certification supports improved livelihoods of smallholders and their inclusion in sustainable palm oil value chains.	5.2.1 The unit of certification consults with interested smallholders (irrespective of type) including women or other partners in their supply base to assess their needs for support to improve their livelihoods and their interest in RSPO certification.	Yes	Bukit Kretam Estate was from initiative Hap Seng Plantation to support Small holder program to get certified with RSPO. There are no smallholders as BKSB's stakeholder.

Clause	Indicators	Comply Yes/No	Findings
	5.2.2 The unit of certification develops and implements smallholder support program to improve smallholder livelihood and build their capacity to enhance productivity, quality, organisational and managerial competencies, and specific elements of RSPO certification (including the RSPO Standard for Independent Smallholder). .	Yes	Bukit Kretam Estate was from initiative Hap Seng Plantation to support Small holder program to get certified with RSPO. There are no smallholders as BKSB's stakeholder.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production. 	Yes	Bukit Kretam Estate was from initiative Hap Seng Plantation to support Small holder program to get certified with RSPO. There are no smallholders as BKSB's stakeholder.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling. 	Yes	Bukit Kretam Estate was from initiative Hap Seng Plantation to support Small holder program to get certified with RSPO. There are no smallholders as BKSB's stakeholder.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme. .	Yes	Bukit Kretam Estate was from initiative Hap Seng Plantation to support Small holder program to get certified with RSPO. There are no smallholders as BKSB's stakeholder.

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,	Yes	BKSB implemented Sustainability Agriculture Policy statement signed by Executive Director on 20.04.2020. The policy was guided by the commitments spelt out in the para 3.2 under respect human right where it stated promoting diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination on the grounds of race, nationality, religion, or gender, and practice no contract substitution.

Clause	Indicators	Comply Yes/No	Findings
	caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.		BKSB according to the statement, also will facilitate opportunities for advancement for their employees, especially women by removing barriers to progress and respecting reproductive and maternal rights. The policy was communicated through the morning muster briefing to all workers on 22.01.2024. The interview session was conducted with random sampled female and male workers (local and foreign workers), and it was found that the workers were aware on the human right implementation and their right. The policy was placed publicly in the notice board at housing area and office. It is also being explained during the induction course for the newly arrived workers.
	6.1.2 (C) Evidence is provided that workers and groups including local communities, women, and migrant workers have not been discriminated against including charging of recruitment fees for migrant workers.	Yes	Through document reviewed on the list of employees found that the composition of workers consisted of local, foreign workers, male and female workers. Interview conducted with the sampled female and male workers from different nationalities confirmed that no discrimination was practiced at the BKSB CU. Based on interview and documentation review, there is no evidence payment of recruitment fees by migrant workers. Most of the workers came on their own. Overtime too was given voluntarily to all workers without any prejudice based on caste, gender, race and nationalities.
	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	BKSB has developed SOP dated 01.05.2023 to explain the procedure of recruitment of local and foreign workers. The procedures provide clear flowcharts from recruitment, retirement until termination. Review of the sampled workers files sampled during this audit demonstrated that medical fitness is one of the elements for job selection. However, this is not considered as discrimination as it is important to know if the worker is fit for the job. The registration cards of the workers do not specifically state any illness. The cards only state “Fit for work”. Moreover, the company has established the Sustainability Policy dated 20.04.2020 where the company will ensure all the workers recruited will be treated equally without discrimination based on nationalities, caste, religion and etc. Medical fitness will be checked prior to work to ensure fitness to the work.
	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 interview held with representatives of Gender Committee members and sampled female workers, pregnancy tests are not conducted as discriminatory manner and health screenings are conducted only when legally mandated (only for women handling chemicals). Interview with female sprayers stated that they will be allocated to other light works 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	Yes	Gender committee has been established in the BKSB and verified the organizational chart of the committee member. Sighted latest meeting minutes dated 05.06.2024 and 15.03.2024. Among the input of discussion in the minutes are complaint and grievance procedure, to raise awareness in women related matters and health as well as identify

Clause	Indicators	Comply Yes/No	Findings
	women.		and address issues of concern. There was no issue related to sexual harassment or violence reported as seen in the meeting minute. This was confirmed with female workers during interview. Interview with the Chairman of the committee confirmed the chairman's willingness to carry the duties and understood of their roles. Verified in meeting minutes and confirmed during interview with committee member, a specific budget has been approved by the management for gender committee members to initiate the women to generate their own income. **Therefore, previous year major non-conformance DA 01 2023 has been satisfactorily closed.**
	6.1.6 There is evidence of equal pay for the same work scope.	Yes	BKSB implemented Sustainability Agriculture Policy statement signed by Executive Director dated 20.04.2020. The policy was guided by the commitments spelt out in the para 3.2 under respect human right were stated promoting diversity and inclusion by providing equal opportunities and not tolerating any form of discrimination. The Policy identifies under-represented groups where they are encouraged to apply for training and employment opportunities with the company, and that where possible, special training will be provided for such groups to prepare them to compete on equal terms for jobs and promotion. Comparisons were made of sampled employment contracts and payslips of male and female sprayer of equal nationalities. Evidence is available that sampled workers receive equal pay for equal work regardless of their gender.
6.2 Pay and conditions for staff and workers and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages (DLW).	6.2.1 (C) Applicable labour laws, union and/or other collective agreements and documentation of pay and conditions are available to the workers in national languages (English or Bahasa Malaysia) and explained to them in language they understand.	Yes	The employment contract is drafted according to the Sabah Labor Ordinance Cap.67. Both local and foreign employment adopt the same contract. As Sabah State has not recognized the Malaysian National Union for Plantation Workers, no collective agreements are in place. At the estates, the piece rate pricing is published on notice board. Sample of workers' employment contract were reviewed to confirm contracts are in Bahasa Malaysia. Bahasa Malaysia language is deemed appropriate and sufficient as generally the workers of the certified units are either local, Indonesian or Philippines who understand Bahasa Malaysia. Furthermore, as stated in the employment contract, it is the responsibility of the company to explain the terms of employment and the company regulations before the workers sign the contracts. In general, the workers understood the basic employment terms. The documentation of pay is in the form of monthly pay slips. Conditions of pay are contained in the workers' respective employment contracts. Samples of the monthly pay slips and employment contracts were made available and reviewed during the audit. Each pay slip contains the name of employee, month of pay, income (daily/piece-rated/monthly), overtime, reimbursement, allowances), deductions (statutory such as EPF, SOCSO and non-statutory such as electricity, estate club fund, passport, petrol/parts), net salary, working days and non-working days etc. Samples of payslips were sighted and verified that workers are being paid in accordance with the requirements stipulated under the Minimum Wages Order 2022 and Sabah Labour Ordinance. Quarto -

Clause	Indicators	Comply Yes/No	Findings
			Lintramax System databases, which paramount importance as a tool for extracting reconciliation for labour position i.e payslips, checkroll data, employee profile and also account reconciliation for month end closing every month. Among sample worker's contract agreements and documentation of pay and conditions were verified and checked.
	6.2.2 (C) Employment contracts and related documents detailing payments and conditions of employment (e.g. regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. in compliance with national legal requirements) and payroll documents give accurate information on compensation for all work performed. This includes a form of record for work done by family members.	Yes	Details of payments and conditions of employment are stated and documented in the employment contracts given to all workers. The employment contract is in Bahasa Malaysia as the language the worker's conversant in. The contract contains terms related to duration, hours of work, overtime, annual/medical leave, public holiday, mutual termination, salary deductions, maternity entitlement, etc. The terms are in compliance with the Sabah Labour Ordinance. Normal working hours are 8 hours, from Monday to Saturday and Sunday (Rest Day).Payroll documents, namely the payslip, also give accurate information on compensation for all work done. This includes those who receive daily-rated wages, piece rated wages, payment for any overtime work done, and public holiday pay. Sample of payslip checked for the month of March, April and May 2024 as per evidence in the indicator 6.2.1. It was also verified, summary of annual leave compensation for the year of 2023 were paid to workers in cash on 09.05.2024. Deduction permit for electricity, estate club fund, petrol/parts and passport are valid dated 03.07.2023 – 02.07.2025. Also verified, all salary payment was made within 7 days after the closing account. **Therefore, previous year major non-conformance DA 02 2023 has been satisfactorily closed.**
	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.	No	There is evidence of statutory deduction such as EPF, EIS and SOCSO. Non-statutory deduction for electricity, estate club fund, petrol/parts and passport are with valid permit by JTK. Review of employment contract, payslip and interview made with office staff, field officer and security guard, they were paid monthly rated and there is no specific working hours assigned for them. It was noted that monthly check-roll was used to record attendance for all workers. However, based on interview and documentation review for daily-rated and monthly-rated workers, it was found that there is no available system to monitor their regular working hours and overtime work. Hence, there is no evidence of compliance to Sabah Labour Ordinance Section 104(1)*(a)(b)(c)(d*) and Section 104(6). **Therefore, a major non-conformance NEA 01 2024 was raised.**
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or	Yes	Evidence is available that the BKSB provided adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to its employees. Houses are provided rent free. Workers quarters inspections was conducted weekly by the Staff in-charge and using the Housing Inspection Report. Any issues found during the inspection

Clause	Indicators	Comply Yes/No	Findings
	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.		were remarked in the checklist and action will be taken accordingly. Sampled latest weekly inspection was conducted on between 20.05.2024 to 26.05.2024. During the workers quarters inspection at BKSB, the cleanliness and up-keeping of the housing compound and workers' house are found satisfactory. The houses were all in reasonable and habitable conditions, and each house has between 2 – 3 bedrooms. Among the facilities provided are creche ayah, HUMANA school, clinic where medical treatment and facilities are provided for free, sundry shops selling basic necessities such as rice, flour, sugar, cooking oil, etc. The workers' housing areas also have a community hall, mosque, a football field, and badminton/volleyball court. Workers interviewed confirmed that the houses and amenities provided are adequate, habitable and requests for repairs were attended to in a timely manner. All houses have constant water supply and electricity which are provided free of charge for water and ringgit charged for electricity. Even if the water and electricity supply is not continuous daily, this is not seen as an inconvenience because each house has its own water storage tank and water extracted from rain gutter. The water catchment for BKSB was treated for drinking water and supplied to all workers' quarters. The continued availability of water sources and to avoid negative impacts on other users in the catchment or watercourse have been concluded and monitored by water sampling by the management. The frequency sampling was carried out at once-a-year interval. Water quality has been monitored. Based on the result, water quality monitoring is generally within Class IIB of NWQSM at all monitoring points. Although during interview, the workers stated that they would prefer to use rainwater harvest for drinking and cooking instead of the treated water. Estate management has taken appropriate action on housing repair and housing upgrade as per compliance with National Laws especially for wooden houses. Sighted approved CAPEX in 2024 to replace old wooden workers' quarters to concrete labour quarters. Budget for proper permanent concrete monsoon drain also available which will be conducted in phases to ensure better flowing water system. Documentation review t verified that management has a plan and approved budget to paint and maintain the existing wooden houses in phases to ensure satisfactory appearance. Mosquito netting too were provided where prevalent and requested by the workers. It was noted that BKSB has entered agreement with HUMANA Child Society Sabah as a means to provide education for the worker's children. The HUMANA has been in operational since 10.04.2023. Site visit made to HUMANA found the facilities provided is sufficient and in good condition. Medical treatment was provided to all workers and its dependent. Private clinic, has frequent visits to BKSB for medical checkup and routine visits. Place of Worship (Mosque/surau) has been built for the use of Islam communities.
	6.2.5 The unit of certification makes efforts	Yes	The management has ensured access to adequate, sufficient and affordable food by providing a sundry shop at the estate. Sighted sundry shop tenancy agreement as

Clause	Indicators	Comply Yes/No	Findings
	to improve workers' access to adequate, sufficient and affordable food.		following: ▪ Canteen Rental Agreement - agreement validity period: 02/04/2024 – 01/04/2026 Based on site inspection at sundry shop/canteen, groceries items such as rice, flour, sugar, cooking oil, frozen food such as chicken and beef was available. The price of the goods and foods was displayed prominently, and all items sold are within expiry. Monitoring of the prices of the goods and foods were carried out by the management. The last monitoring was conducted on 04.05.2024 to ensure the price was reasonable. Interviewed with sampled workers confirmed the price is reasonable and affordable, considering location of the estate from the nearest town.
	6.2.6 A “DLW” is paid to all workers, including those on piece rate/quotas, for whom the calculation is based on achievable quotas during regular work hours. PROCEDURAL NOTE: A written policy with specific implementation plan, committing to payment of a “decent living wage” is in place. The implementation plan with specific targets, and a phased implementation process will be in place, including the following: • An assessment is conducted to determine prevailing wages and in-kind benefits already being provided to workers. • There is annual progress on the implementation of living wages • Where a minimum wage, based on equivalent basket of goods, is stipulated in 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	Yes	BKSB has followed the Sabah Labour Ordinance which is payment of the wages following the Minimum Wages Order 2022. As per current situation in Malaysia, all workers in BKSB have been paid following the Minimum Wages Order 2022. Prevailing wages per months calculations based on DLW guidelines.

Clause	Indicators	Comply Yes/No	Findings
	pilot will then be evaluated and adapted before an eventual scale-up of the living wage implementation Until such time where the Malaysian version of "decent living wage" has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.		
	6.2.7 Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.	No	Permanent and full-time employment is used for all core work in the estate. However, based on interview, it was found that the BKSB also employed part-time workers from other nearby estates to perform their core work activity (harvesting). **Therefore, a minor non-conformance NEA 02 2024 was raised.**
6.3 The unit of certification respects the rights of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.	6.3.1 (C) A published statement recognising freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) is available and is explained to all workers, in language that they understand, and is demonstrably implemented.	Yes	The published statement recognizing freedom of association and right to collective bargaining in national languages (English and/or Bahasa Malaysia) was available in the Sustainability Agriculture Policy Statement signed by Executive Director on 20.04.2020 and was publicly available on the notice board. The policy was explained to all workers during morning muster and demonstrably implemented in the Workers Representative Committee (JCC). The JCC implemented for the employees to speak freely, and the meeting will be conducted once a year. Interviews with workers they are aware of their workers' representatives.
	6.3.2 Minutes of meetings between the unit of certification with trade unions or workers representatives, who are freely elected, are documented in national languages (English and/or Bahasa Malaysia) and made available upon request.	Yes	Although there were no official trade unions in the estate, workers had appointed their own representatives to sit on the Workers Representative Committee known as Joint Consultative Committee (JCC). The JCC is comprised of workers and management representatives. The latest minutes of the JCC meetings dated 22.04.2024 were documented, sighted and verified, and made available upon request.
	6.3.3 Management does not interfere with the formation or operation of registered unions/ labour organisations or associations, or other freely elected representatives for all workers including migrant and contract workers. .	Yes	Interviewed with the workers' representatives in BKSB confirmed that the management did not interfere with the formation of the association. All of them were elected freely by the workers via election.
6.4 Children are not employed or	6.4.1 A formal policy for the protection of children, including prohibition of child	Yes	The formal policy for the protection of children, including prohibition of child labour and remediation was in place under the Sustainability Agriculture Policy Statement signed by Executive Director on 20.04.2020. The policy emphasized that the company is committed

Clause	Indicators	Comply Yes/No	Findings
exploited.	labour and remediation is in place, and included into service contracts and supplier agreements.		to ensure all workers and children safety are protected and all employment are within the minimum age limit and in compliance with national regulations and state ordinance. The policy was communicated during various meetings with both internal and external stakeholders of BKSB.
	6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher. There is a documented age screening verification procedure.	Yes	The records of employment documentation verified including the Employee Master Lists and sample personal particulars confirmed that minimum age requirements of above 18 years old met for all the workers employed in the estate. The computerized Quarto - Lintramax System databases able to verify and screen the age of employees upon data entry.
	6.4.3 (C) Young persons may be employed only for non- hazardous work, with protective restrictions in place for that work.	Yes	Based on documents sighted, interviews and observations, there was no evidence that the BKSB employ anyone below the age of 18 years. This was verified by examining the master lists of the estate where details of the workers' particulars and dates of birth are available. Interviews with workers and staff, as well as observations made during field visits confirm that only those above 18 are employed.
	6.4.4 The unit of certification demonstrates communication about its 'no child labour' policy and the negative effects of child labour, and promotes child protection to supervisors and other key staff, smallholders, FFB suppliers and communities where workers live.	Yes	The company pledge to Sustainable Agricultural Policy and Child Labour Policy which is displayed on the company's noticeboards. Interview with sampled workers indicates the policy has been communicated to them at their morning musters. Also, during stakeholders' consultations with the communities and neighboring plantations, they confirmed the policy has been share with them and communicated to their understanding. In addition, BKSB have issued a Sustainability Policy Pledge to Vendor that is to be signed by all contractors, suppliers and vendors. The Pledge states that the undersigned has read, understood and will comply to The Vendor Code of Business Conduct and BKSB Sustainability Policy.
	.		
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 policy to prevent sexual and all other forms of harassment and violence was implemented under Sustainability Agriculture Policy statement dated 20.04.2020 and Sexual Harassment, Violence and Abuse Policy statement dated 20.07.2018, signed by Executive Director. The policy is displayed on notice boards at the estate offices. As at todate, there is no evidence or acts that contradict this policy were observed as interviewed the women workers/staffs and representative from gender committee during the audit in the estate. The BKSB CU has briefed their employees during morning muster on 26.01.2024.
	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated	Yes	BKSB has developed a Policy on Reproductive Rights dated 20.07.2018 where provides protection of reproductive rights of all workers. The Labour Standard specifies that the company recognizes the rights of employees to reproduction and reproductive health,

Clause	Indicators	Comply Yes/No	Findings
	to all levels of the workforce.		including the right to make decisions on reproduction. Based on interviews with the sampled workers, there is evidence that this standard is being implemented where female workers are entitled to 60 days paid maternity leave, and pregnant women will be transferred to lighter job and not involve with chemical. The estate has briefed their employees during morning muster on 18.01.2024. Interviews held with women employees also confirmed their awareness of this Policy and its implementation.
	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	Assessment for new mothers (with infants under 24 months) was conducted accordingly by the CU. Management has assessed the needs of new mothers and consultation with the new mothers supported by the Gender Committee. Based on verification of the assessment report and interviews, there were no specific needs required as the babies are taken care of in the nurseries and most baby were not breastfed. Sample newly delivered mother dated 17.05.2024 where among her needs are to have sufficient time to bring her newborn to clinic for regular check-up. The actions are taken to address the needs that have been identified. Adequate space and paid breaks were provided to enable mothers with infants 24 months or younger to breastfeed or express and store breast milk with privacy.
	6.5.4 A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.	Yes	BKSB has established Grievances Procedure dated 01.09.2020. The procedure outlines respecting anonymity and protects complainants where requested. In addition, Human Right Defender under Sustainability Agriculture Policy was established as guideline and procedure actions to be taken if any case reported. The timeline for each of the stages was outlined in the procedure. A complaint panel was established to handle any complaint in the estate. The grievance procedure was communicated during morning muster, during gender committee meeting and explained during stakeholder consultation. Interviewed with the sampled female workers and gender committee chairman, confirmed that they are aware of the complaint procedure and informed that there is no case of sexual harassment and violence reported.
6.6 No forms of forced or trafficked labour are used.	6.6.1 (C) All workers have entered into employment voluntarily, and the following are prohibited: • Retention of identity documents or passports (except for administration purposes including legalisation and renewal processes) • Charging the workers for recruitment fees • Contract substitution • Involuntary overtime	Yes	Based on documentation review, interviews conducted with workers of various work scope both at the estate, and observations made, there is no evidence that workers are in a forced employment. Details as follows: **Retention of documents:** All foreign workers interviewed confirmed that they keep their own passports. Verified during interview, workers kept their own passport with them at home except during work permit renewal process as the passports need to be sent to immigration department for work permit approval. During this time, a copy of passport will be provided to workers. **Charging for recruitment fee:** Workers do not pay any recruitment fee as there is no recruitment agent involved. Workers employed are from those who came by walk-in basis. Foreign workers interviewed also confirmed that they did not pay any recruitment fee.

Clause	Indicators	Comply Yes/No	Findings
	• Lack of freedom of workers to resign • Penalty to the workers for termination of employment • Debt bondage • Withholding of wages		**Contract substitution:** There is no evidence of contract substitution based on interviews conducted with the workers. They were aware of what their jobs would be before joining the company. **Involuntary overtime:** Based on interviews conducted, there is no evidence of involuntary overtime. **Lack of freedom of workers to resign:** There is no evidence observed of workers being prohibited from resigning. Should a worker wishes to terminate their employment before their contract expires, they need to submit a letter of resignation and serve the notice period stipulated in their contract agreement. **Penalty to workers for termination of employment:** Verified with workers, that no penalty will be imposed for premature termination of the employment contract. **Debt bondage:** Based on interviews with workers, there is no evidence of any form of debt bondage. **Withholding of wages:** Based on interviews, review of the employment contracts and workers' pay slips, there is no evidence of any wages being withheld from the workers.
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented. .	Yes	BKSB has established a special labour policy for foreign workers dated 20.06.2020 signed by the Executive Director. The policy mentioned that all foreign employees should be treated fairly in terms of recruitment, terms and conditions of work, provided decent living, no contract substitution and a post arrival programme will be conducted once arrive for three months. The estate maintained its specific procedure / flowchart for employment of foreign workers. The procedure has been implemented for any employment related to foreign workers. The company implemented no contractor substitution and no discrimination to the foreign workers. Besides, the company also comply with Minimum Wage Order Malaysia and provided orientation to the workers to brief them on the language, safety, regulations in Malaysia and culture. Decent housing was provided to the foreign workers.
6.7 The unit of certification ensures that the working environment under its control is safe and	6.7.1 (C) The responsible person(s) for H&S is identified. There are records of regular meetings between the responsible person(s) and workers. Concerns of all parties about health, safety and welfare are discussed at these meetings, and any	Yes	Estate Manager were appointed as responsible person(s) for safety and health issues and also chairman for OSH Committee. The Occupational Safety Health (OSH) Committee has been established together. The Manager subsequently assigned the duties of ESH coordinator to the Assistant Manager for the downline implementation of ESH practices in the estate. All identified committees were officially given a letter for such an appointment. Records of regular meetings between the responsible person and workers to discuss

<table>
<tr><th>Clause</th><th>Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td rowspan="3">without undue risk to health.</td><td>issues raised are recorded.</td><td rowspan="2"></td><td rowspan="2">about health and safety had been verified to the satisfactory maintained and conducted as per below:
<table><tr><td colspan="4">Latest Minute Meeting date</td></tr><tr><td>1st</td><td>2nd</td><td>3rd</td><td>4th</td></tr><tr><td>30/06/2023</td><td>25/09/2023</td><td>29/12/2023</td><td>27/03/2024</td></tr></table>Workers during the meeting participated in the discussion mainly on housing, environment, and safety.</td></tr>
<tr><td>6.7.2 Accident and emergency procedures are in place and instructions are clearly understood by all workers. Accident procedures are available in national languages (English and/or Bahasa Malaysia) and explained in the language understandable to the workforce. Assigned operatives trained in first aid are present in both field and other operations, and first aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.</td><td>Yes</td><td>Accident and Emergency procedure was available in the SSOP. Among of procedure of ERP Document, such as Accidents & Dangerous Occurrences Notification, Physical Injury, Chemical Spillage, Fire Outbreak, Control and Prevention of COVID 19 Infection. ERP Teams & ER Procedures were formed for all the identified incidences. The organization chart for the ERP team was established and displayed for information of the employees. Important telephone contact numbers were also provided therein.
Site inspection at harvesting operation, spraying operation, general workers, chemical & fertilizers store for the estate, noted on evidence that first aid kit is available at all works place with complete contents and no medication with expired date. The stock of first aid box is regularly check and refill, when necessary, via outsider pharmacy.
Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Accident/injury records were recorded using Lost Time Injury (LTI) board and monthly accident key performance indicator. A quarterly review on accident cases had been carried out during the quarterly OSH committee meeting.
The estates distributed the first aid box to the mandor and brought along to the field during operations. In addition, there are also first aid boxes kept in the office, store and workshops. Sighted distribution of First Aid Box recorded in the estates.

Sighted trained conducted at operating unit as per below:<table><tr><td>Date trained</td><td>Training</td></tr><tr><td>04/03/2024</td><td>First Aider</td></tr><tr><td>28/02/2024</td><td>Fire Drill</td></tr></table></td></tr>
<tr><td>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</td><td>Yes</td><td>Records of PPE issued, and acknowledgement of receipt are maintained individually for all category of workers at BKSB. Sighted common PPE issued included face masks respirators, goggles, safety shoes, harvesting shoes, rubber boots, nitrile/cotton gloves, apron and hard hat. All workers were provided with appropriate PPE where the cost is borne by the management. Interviews conducted during the site visit at the estate showed understanding and approval from the workers that the management bares the cost of all PPEs and the workers are entitled to valid PPE, the importance of using required PPE at all times during work and proper storage and disposal methods of PPE.</td></tr>
</table>

<table>
<tr><th>Clause</th><th>Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td></td><td>available, so that workers can change out of PPE, wash and put on their personal clothing.</td><td></td><td>Based on interview and site inspection, sighted sanitation facilities for those applying pesticides were available near to chemical store area, after completed spraying activities, the workers will change out of PPE, wash and put on their personal clothing at the area. Clothing lockers are provided for mill and estate workers to change their street clothing to work clothing and vice versa at the end of their work shift.
During site inspection estate 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”. Also, during site visit was sighted emergency shower and PPE were provided free of charge for workers.
Meanwhile, during site visit at field at operation harvesting & Spraying was sighted the employees were wearing appropriate PPE. Interviewed with all harvesters & sprayers were confirmed the PPE were given to them free of charge.
PPE issuance to work operation as per below:
<table>
<tr><th></th><th>Job category</th><th>PPE issued</th></tr>
<tr><td>1</td><td>Harvester</td><td>Safety helmet, sickle cover, cotton glove. Wellington boots</td></tr>
<tr><td>2</td><td>Sprayers</td><td>Respirator, nitrile glove goggles, wellington boots, apron.</td></tr>
<tr><td>3</td><td>Fertilizer applicator</td><td>Apron, wellington boots, dust mask, nitrile glove.</td></tr>
<tr><td>4</td><td>WTP operator</td><td>Safety boots, muff, safety vest, helmet, cotton glove, dust mask</td></tr>
</table></td></tr>
<tr><td></td><td>6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work-related incidents leading to injury or sickness are covered in accordance with Malaysian law.</td><td>Yes</td><td>Medical care and accident insurance is provided to all employees, both Local and Foreign workers under Employees’ Social Security Act 1969 (Act 4). Sighted latest months’ payment May 2024 made to SOCSO on Form 8A for foreign and local workers at the estate was available for reviewed.</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td></td><td>6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.</td><td>Yes</td><td>Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Accident/injury records were recorded using Lost Time Injury (LTI) board and monthly accident key performance indicator. A quarterly review on accident cases had been carried out during the quarterly OSH committee meeting.
Form JKKP 8 for 2023 was submitted to DOSH timely on 16/01/2024. Accident statistics were being maintained in a satisfactory manner and periodically reviewed.</td></tr>
</table>

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

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

Clause	Indicators	Comply Yes/No	Findings
7.1 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control. .	Yes	The IPM program among others includes pest management of rats, bagworms, nettle caterpillars, rhinoceros beetles and ganoderma. For bagworm control the program includes the planting of beneficial plants. Records of beneficial plants were available and showed to be extensively planted in the estate. The BKSB has also established a Beneficial Plant Garden where they have propagated and planted the beneficial plants extensively where pictures and records were available for verification. Evidence of program implementation can be demonstrated and available.
	7.1.2 Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.	Yes	There were no species referenced in the Global Invasive Species database and CABI.org within the BKSB.
	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	No record of using fire as pest control in the BKSB, verification by interview and site verification.
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 pesticides applied is available in the Agricultural Policy Oil Palm, Section 5.0: Weeding Management and Section 8.0: Pest and Diseases. The use of pesticide is specific to the targeted pest, weed and disease. Justification takes consideration to minimize effect on non-target species. Chemicals allowed use in estate is available in document chemical register dated 31/05/2024. In addition to the above, BKSB Sustainable Agriculture Policy dated 20/04/2022 under item 1 Environment and Biodiversity, states that: No use of paraquat policy is practiced. The use of other Class 1 Chemicals approved by the Pesticides Board and included in the MPOB list of approved Pesticide for use in oil palm plantations can only be carried out under strict supervision and in absolutely necessary circumstances such as severe outbreak and critical pest infestation, and, with special method of application specified in the Highly Toxic Pesticides Regulation 1996 of the Pesticides Act 1974, after authorization has been received from relevant authorities.
	7.2.2 (C) Records of pesticides use (including active ingredients used and their	Yes	BKSB had records to show the types of pesticides used with active ingredients and their LD50 and where these pesticides had been used, the total quantity, number of applications

Clause	Indicators	Comply Yes/No	Findings
	LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.		per ha. Pesticides are used only when justified and areas used are recorded in bin cards, program sheets, chemical register, cost books. Records of pesticides used were available for verification.
	7.2.3 (C) Any use of pesticides is minimised as part of a plan, eliminated where possible, in accordance with IPM plans.	Yes	Based on chemical register dated 31/05/2024 and site visit, no prophylactic use of pesticides used in both estates.
	7.2.4 There is no prophylactic use of pesticides, unless in exceptional circumstances, as identified in national best practice guidelines.	Yes	Not applicable because BKSB doesn't used pesticides Class 1A or Class 1B. This was justified through chemical register and site visit at chemical store. Based on pesticides usage records also, there was no evidence on Class 1A or 1B used.
	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	Not applicable because BKSB doesn't used pesticides Class 1A or Class 1B. This was justified through chemical register and site visit at chemical store. Based on pesticides usage records also, there was no evidence on Class 1A or 1B used.
	7.2.5a Judgment of the threat and verify why this is a major threat.		
	7.2.5b Why there is no other alternative which can be used.		
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.		
	7.2.5d What is the process to limit the negative impacts of the application.		
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.		
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the	Yes	Records showed that pesticides were handled, used and applied by trained persons and as per the SDS of the pesticide. The staff and workers such as the storekeepers, sprayers, fertilizer and rat bait workers were trained, and they had understood the hazards involve and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to the workers through the SDS training. It was also noted that SDS are available at all sites during the audit. The chemical stores in all estates were

Clause	Indicators	Comply Yes/No	Findings
	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.		found to be in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149). a) Records of purchase, storage and use were maintained. b) All store buildings were equipped with exhaust fans with the door was secured. c) Only authorized personnel are assigned to handle the chemicals. d) All the chemicals were segregated in the store accordingly. Empty pesticides containers were triple rinsed, holes punched and stored separately in the scheduled wastes store. Thereafter disposal arrangement will follow accordingly as per procedures. Training on pesticide handling had been conducted and records among others were as follows; • Manuring training on 19/02/2024 • Store Chemical management training on 20/02/2024 • Premix & Triple rinsed training on 20/02/2024 • Spraying training on 27/02/2024 • SW handling training on 23/04/2024
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	Yes	In BKSB, all pesticides were stored in accordance with the legal requirement, in compliance with the Occupational Safety and Health Act 1994 (Act 514) as well as in the Pesticides Act 1974 (Act 149) and Regulations as well as recommendation by manufacturer as per applicable MSDS. The chemical and fertiliser stores (with cemented floors and roofing) are locked & handled only by authorised personnel i.e. storekeeper. The stores in the estate were ventilated with no chemical smell during the inspection. All the chemicals were arranged/segregated according to the type. The fertilizers were well stacked. The stores are equipped with emergency showers and a PPE storage area. Adequate Safety Signage have been placed at both internal and external of the building. A proper premixing area with eye wash facilities (emergency shower) and sanitation facilities area is available at the estate. The wastewater from the washing of empty chemical containers and PPE, and chemical mixing was reuse in chemical mixing. This is to avoid any contamination of chemicals to the ground. All information regarding the chemicals and its usage, hazards, trade and generic names were available in both English & in most cases, Bahasa Malaysia and understood by workers (Safety Data Sheet (SDS)). Relevant information of the agrochemical used by estate workers, largely via morning muster and the use of Safety Pictorial poster, were conveyed and understood by all workers interviewed during the spraying activities and

Clause	Indicators	Comply Yes/No	Findings
			fertilizer application. It was also verified in the training records that training in chemical handling especially to the sprayers, had been conducted with the aim of disseminating the correct information and ensuring understanding regarding the usage and hazards of the agrochemicals. Training on pesticide handling had been conducted and records among others were as follows; • Manuring training on 19/02/2024 • Store Chemical management training on 20/02/2024 • Premix & Triple rinsed training on 20/02/2024 • Spraying training on 27/02/2024 • SW handling training on 23/04/2024
	7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.	Yes	During site visit, It was found that all pesticides container was responsibly handled by CU through SOP SW Management, Agricultural Policy Oil Palm and MPOB Guideline. Empty pesticides containers were triple rinsed, holes punched and stored separately in the scheduled wastes store. Empty pesticides containers has been disposed latest on date 06/02/2024.
	7.2.9 (C) Aerial spraying of pesticides is prohibited, unless in exceptional circumstances where no other viable alternatives are available. This requires prior government authority approval. All relevant information is provided to affected local communities at least 48 hours prior to application of aerial spraying.	Yes	Aerial spraying was not practiced by BKSB. There was no evidence to show that aerial spraying was carried out. During site visit was confirmed only circle spraying and selective spraying was practiced at CU.
	7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.	Yes	All workers involved with pesticides were carried out the medical surveillance were sent to Klinik and checked by OHD on 15/11/2023 for 9 workers. From the result, all workers fit to handle chemical. It was found 6 employees has presence of underlying condition related to non work related diseases. Action taken by CU by monitoring BP and conducted blood test on 25/04/2024 the results were negative and workers in good condition and healthy.
	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	Pregnant and breast-feeding women are not allowed to work with pesticides and hazardous chemicals in BKSB. This instruction was tabulated in SSOP Chemical Spraying and OSH USECH Regulation 2000, Medical Removal Protection No.28 3b. There was no evidence of pregnant and breast-feeding women sprayers performed spraying activity in the estate. 6 females interviewed were aware that pregnant and breast-feeding women should not handle chemicals. During the monthly check-up by the VMO,

Clause	Indicators	Comply Yes/No	Findings
			pregnancy status is remarked and if of any cases the worker will be withdrawn from spraying duties.
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 updated on 30/1/2024 to avoid or reduce pollution had been documented in the EIA –list of waste generated (appendix 5) & Environmental continuous improvement plan (appendix 6) was used to guide the waste disposal activities and to reduce pollution during routine operation. In estate, domestic waste from the housing area is well managed and all domestic wastes are disposed at landfill sited in the estate area. Sighted the there is no practice of open fires within BKSB. Monitoring is done weekly in both domestic waste collection areas and in landfill sites.
	7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.	Yes	Standard Operating Procedure Scheduled Waste Disposal has been established. The documentation and identification of all waste products such as scheduled wastes, domestic wastes, clinical wastes, recyclable wastes such as metal, tins, plastics, bottles, mill wastes and polluting material. 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. Scheduled wastes had been disposed of through a licensed contractor approved by DOE. Each house was provided with dustbins. The waste was removed weekly and disposed via landfill.
	7.3.3 The unit of certification does not use open fire for waste disposal.	Yes	During site visit at BKSB, there was no evidence of open fire has been used for waste disposal. All domestic wastes (household and food waste only) at BKSB have been disposed via landfill.
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	The BKSB continued to use and implement SOP for each of the processes. A brief version of the SOP was displayed at the appropriate locations. Copies of the documented SOP were presented to the audit team. It was observed that activities being implemented which involved safety, health, environmental, quality, employees, etc. had followed the established SOP. i. Safe and Standard Operating Procedures (SSOP) updated March 2020 ii. Agricultural Policy Oil Palm updated July 2021 BKSB operations were guided through the manuals and SOP. The procedures as documented in the Agricultural Policy Oil Palm were disseminated to the staff/workers through morning briefings and training. The documents included all operations in the estate from seedlings in nursery to planting of young palms and plantation upkeep. Site inspection and interview with workers confirmed that the SOP had been implemented and they understood the requirements of the SOP, the bottom-line of which is Good Agricultural Practice and the care for their safety and health and the environment. BKSB continued to manage and improve soil fertility to a level that ensures optimal and sustained yield by monitoring the fertilizer inputs through annual fertilizer applications. The sustaining of soil fertility is guided by the organization SOPs.

Clause	Indicators	Comply Yes/No	Findings
			The process of the fertilizer application follows a program fertilizer application, which was of upmost importance for maintenance of soil commencing from an agronomist visit for a leaf sampling to determine the level of nutrient therein. Thereafter the calculation will be made for an input of fertilizer to maintain/improve the nutrient at the desired level. Estates will use this input for the entire requirement in the field identified.
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	Yes	Periodic tissue and soil sampling were carried out in the estate to monitor changes in nutrient status and its results formed the basis for the fertilizers input recommendation. The soil analysis provided an indication of soil health and monitors the changes in the organic carbon and total nitrogen. Leaf and soil nutrient analysis are commonly used in the diagnosis of fertilizer requirements in oil palms. The frequency for leaf sampling must be conducted for every year while for soil analysis, the frequency for soil sampling is conducted at 5 years' intervals. The soil sampling has been done periodically latest dated 09/04/2021. The leaf sampling was conducted on 18-23/09/2023 and has been submitted for foliar analysis report, and results has been used as a guidance for fertilizer recommendation FY 2024. Summary fertilizer recommendation for year 2024.
	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	BKSB had a nutrient recycling strategy in place which included stacking pruned fronds in the respective fields to decompose, grass cutting harvesters paths and letting the cut mass to decompose in the field.
	7.4.4 Records of fertiliser inputs are maintained.	Yes	Fertiliser application program was monitored using records like manuring master plan, program sheets, bin cards and field cost book. Records of programs and applications of fertilisers were made available to auditors. Review of the records revealed that the actual fertilizers applied in FY2023 were in line with the program.
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	During the field visit and the soil maps provided and reviewed by the auditors it was observed that no fragile or marginal soils were found in BKSB. As per the Soil Maps, the soil series were Gumpal, Kinabatangan, Kretam, Rumidi and Weston.
	7.5.2 No replanting on steep slopes (above 25 degress) 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	Replanting will be conducted on end of year 2024 based on replanting program provided. Based on slope map dated 20/01/2020 prepared by HSP Agronomy Department, there was no steep terrain (greater than 25°) in BKSB.
	7.5.3 There is no new planting of oil palm on steep terrain.	Yes	Based on the audit findings, it was confirmed that there were no new planting or new development of areas at BKSB. Hence, there was no need for soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation was required.

Clause	Indicators	Comply Yes/No	Findings
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	Based on the audit findings, it was confirmed that there were no new planting or new development of areas at BKSB. Hence, there was no need for soil suitability maps or soil surveys adequate to establish the long-term suitability of land for oil palm cultivation was required.
	7.6.2 Extensive planting on marginal and fragile soils, is avoided, or, if necessary, done in accordance with the soil management plan for best practices.	Yes	There were no marginal and fragile soil in the BKSB.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	Yes	BKSB had a management strategy for palm oil cultivation, taking into account the soil surveys and topographic information in planning of drainage and irrigation systems, roads and other infrastructure. The topographic information was provided and reviewed by the auditors.
7.7 No new planting on peat, regardless of depth after 15 November 2018 and all peatlands are managed responsibly.	7.7.1 (C) There is no new planting on peat regardless of depth after 15 November 2018 in existing and new development areas.	Yes	Not applicable. Based on soil map dated 04/12/2018, prepared by HSP Agronomy Department and site visit, there was no peat soil in the BKSB.
	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peat land Working Group (PLWG) audit guidance (see Procedural Note for 7.7.5 below).	Yes	Not applicable. Based on soil map dated 04/12/2018, prepared by HSP Agronomy Department and site visit, there was no peat soil in the BKSB.
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	Yes	Not applicable. Based on soil map dated 04/12/2018, prepared by HSP Agronomy Department and site visit, there was no peat soil in the BKSB.
	7.7.4 (C) A documented water and ground cover management programme is in place.	Yes	Not applicable. Based on soil map dated 04/12/2018, prepared by HSP Agronomy Department and site visit, there was no peat soil in the BKSB.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted	Yes	Not applicable. Based on soil map dated 04/12/2018, prepared by HSP Agronomy Department and site visit, there was no peat soil in the BKSB.

Clause	Indicators	Comply Yes/No	Findings
	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 ii is replaced with crops suitable for a higher water table (paludiculture) or rehabilitated with natural vegetation. This is subject to transitional (5 years: 2019 to 2025) arrangement stated in the Drainability Assessment Procedure. Within 12 months initial implementation period, company could submit other alternate methodologies to be considered by RSPO for recognition.		
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.	Yes	Not applicable. Based on soil map dated 04/12/2018, prepared by HSP Agronomy Department and site visit, there was no peat soil in the BKSB.
	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	Not applicable. Based on soil map dated 04/12/2018, prepared by HSP Agronomy Department and site visit, there was no peat soil in the BKSB.

Clause	Indicators	Comply Yes/No	Findings
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	The water management plan dated 28/2/2024 is confined to only BKSB engulfing the plans from nursery to fresh fruit processing. This report also includes the domestic water use with the after effect of water use to the surrounding environment. The plans cover the process of water abstraction, shortage, utilization in cultivation, chemical and natural treatments to utilize water at processing, domestic purposes and wastewater management. All of these aspects are included with monitoring, mitigation (if required), implementation and prevention or minimize pollution of these plan. Identified physical system in management of BKSB: ▪ Treated water quality standard ▪ Baseline data for water quality and frequency quality standard ▪ Contingency plans during dry season ▪ Flow meter monitoring
	7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.	Yes	Based on stakeholder consultation with local communities and field visit, there was evidence that the BKSB does not restrict access to clean water or contribute to pollution of water used by communities. The continued availability of water sources and to avoid negative impacts on other users in the catchment or rivers, the BKSB carried out water samplings from downstream to upstream. Based on the water sampling report, 4 water sampling points were selected. The water quality has been assessed by accredited laboratory. Based on the result dated 27/03/2024, water quality monitoring is generally within Class IIB of NWQSM at all monitoring points.
	7.8.1b Workers have adequate access to clean water.	Yes	In order to ensure supply of clean drinking water to workers treated water sampling was carried out on a yearly basis. Drinking water quality has been monitored by accredited laboratory. Report dated 28/3/2024 & 3/4/2024 shown parameters been analysis for 6 points.
	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	The estates continued to protect the water courses, including maintaining and restoring appropriate riparian buffer zones along the natural waterways. There are 2 riparian zones identified in the BKSB, there are Sg. Intan and Sg. Pinang. BKSB has enhance the awareness to protected, including maintaining and restoring appropriate riparian and other buffer zones through annual training programmed.
	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	Not applicable.
	7.8.4 Mill water use per tonne of FFB is monitored and recorded.	Yes	Not applicable.
7.9	7.9.1 A plan for efficiency of the use of		Sighted "Fossil Fuel Management Plan" had been developed and reviewed on **30/01/2023**.

<table>
<tr><th>Clause</th><th>Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td>Efficiency of fossil fuel use and the use of renewable energy is optimised.</td><td>fossil fuels and to optimise renewable energy is in place, monitored and documented.</td><td></td><td>The plan only focuses on diesel usage by FFB Transport and use of fertilizers, genset operation, and workers transportation. Sighted environmental impact and mitigation measure has been identified and documented accordingly. Consumption of diesel was monitored on monthly basis.</td></tr>
<tr><td rowspan="3">7.10
Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions.</td><td>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.</td><td>Yes</td><td>The Bukit Kretam Sdn. Bhd. had used RSPO Palm GHG version 4.0 Calculator as a tool to calculate the GHG emissions. The input data FY2023 has been verified and checked.

Plantation / field emission
<table>
<tr><th>ription</th><th>Total emission (tCO2e)</th><th>tCO2e/ha</th><th>tCO2e/t FFB</th><th>total</th></tr>
<tr><td>TOTAL</td><td>4071.17</td><td>3.16</td><td>0.19</td><td>4071.17</td></tr>
</table>
.</td></tr>
<tr><td>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).</td><td>Yes</td><td>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 Bukit Kretam Sdn. Bhd. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.</td></tr>
<tr><td>7.10.3 (C) Other significant pollutants are identified and plans to reduce or minimise them implemented and monitored.</td><td>Yes</td><td>The Environmental Impact Assessment and Pollution Prevention Plan was used to identify the GHG emissions. Some of the Greenhouse Gas emissions are through Land Conversation, Crop Sequestration, Fertiliser, N_2O from fertiliser, Fuel Consumption, Peat Oxidation. Plans to reduce or minimize them are in place.</td></tr>
<tr><td rowspan="3">7.11
Fire is not used for preparing land and is prevented in the managed area.</td><td>7.11.1 (C) Land for new planting or replanting is not prepared by burning.</td><td>Yes</td><td>During the site visit there was no new planting or replanting at BKSB.</td></tr>
<tr><td>7.11.2 The unit of certification establishes fire prevention and control measures for the areas under its direct management.</td><td>Yes</td><td>Estate has established fire prevention and control measures as per procedure SSOP “Pelan Tindakan Menghadapi Kebakaran” sighted a training has been conducted by estate manager to employees and mandore on 28/02/2024. Sighted Fire Extinguisher checklist updated on 9/5/2024 and all fire extinguisher still valid and in place.</td></tr>
<tr><td>7.11.3 The unit of certification engages with adjacent stakeholders on fire prevention and control measures.</td><td>Yes</td><td>Engages with adjacent stakeholders on fire prevention have been conducted and briefed during external stakeholders’ consultation meeting conducted on 22/04/2024.</td></tr>
<tr><td>7.12
Land clearing does</td><td>7.12.1 (C) Land clearing since November 2005 has not damaged primary forest or</td><td>Yes</td><td>A historic Land Use Change Analysis (LUCA) analysis had been carried out for BKSB Estate with the report titled ‘Land Use Change Analysis Review Report for Bukit Kretam</td></tr>
</table>

Clause	Indicators	Comply Yes/No	Findings
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.	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.		Sdn Bhd' dated 19 January 2020 presented. LUCA is a requirement for BKSB Estate because new planting was carried out after November 2005. The LUCA concluded that the Final Compensation Liability was nil, and no compensation was to be penalised on BKSB.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	Yes	The report of "HCV-HCSA Assessment Report of BKSB" was made available to the auditor. It was noted that the assessment was carried out on 10-12th January 2019 and the report completed on 25th January 2019. The report was reviewed as follows: 1st Review: 30th January 2020 2nd Review: 18th February 2021 3rd Review: 30th January 2022 4th Review: 28th March 2023 5th Review: 25th April 2024 The HCV-HCSA report was reviewed/amended using the HCS Approach Toolkit Module 1, 2, 3 & 4 Version 2.0. Noted that the results showed that there was no HCS forest identified in the estate. The assessment also found there was no identified RTE within Bukit Kretam Estate. Nevertheless, BKSB had identified the river buffer zone in the Estate as HVC 4 areas which are to be maintained and conserved. The Assessor had also verified that BKSB Estate was adjacent Kulamba Wildlife Reserve. The wildlife reserve border was verified on the ground by auditor. The forest border was maintained accordingly, and proper signage is in place. There was no new land clearing after 15 November 2018.
	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	
	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	Yes	BKSB CU has established HCV action plan for BKSB titled "Management Action Plans and Continuous Action Plan' dated 25.04.2024. The estate planned to maintain the riparian reserve by: • Prohibiting the cutting down of the tree at the area, • Prohibiting manuring and spraying operation at the riparian reserve area • Workers are constantly informed not to encroach into the riparian reserve and disturb the area • Periodic visit to the riparian reserve to monitor any illegal activities And also, to maintain or enhance measures adjacent with Kulamba Wildlife Reserve by: • Prohibition workers entrance to this area • Signboard are erected at the boundary • Constantly briefed workers regarding RTE

Clause	Indicators	Comply Yes/No	Findings
	stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).		• Prohibition of logging at the estate boundary • Prohibition of illegal hunting Periodic monitoring to the reserve boundary was implemented. Monitoring of the HCV gazette area and RTE existence had been conducted by BKSB on monthly interval. Sampled monitoring dated 03.05.2024, 18.04.2024, 18.03.2024 and 19.02.2024. Training on HCV and RTE protection for workers has been done on 30.04.2024.
	7.12.5 Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.	Yes	There were no local communities living in HCV areas within BKSB Estate. The only community located adjacent to BKSB estate is the village. Consultation with the Head of of the village confirmed no land issues or FPIC between villagers and BKSB CU. Hence, this indicator was not applicable with this CU.
	7.12.6 All rare, threatened or endangered (RTE) species are protected, whether or not they are identified in an HCV assessment. A programme to regularly educate the workforce about the status of RTE species is in place. Appropriate disciplinary measures are taken and documented in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect, trade, possess or kill these species.	Yes	Bukit Kretam CU continued to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that prohibition signage was erected, that is, • No hunting, no fishing and no pesticide spraying within buffer area at Sg. Pinang and Sg Intan, and • No hunting and no illegal activities at the Kulamba Wildlife Reserve. • BKSB conducted training on HCV and wildlife (RTE) for field workers on 30.04.2024. The Company also has established a disciplinary measure entitled ''*Dilarang Memburu di Kawasan ini'* dated 03.01.2019.
	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	Bukit Kretam Sdn. Bhd. continues to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signage to prohibit hunting, fishing and pesticide spraying is not allowed within buffer area at the Sg. Pinang and Sg Intan. Latest monitoring for HCV areas riparian reserve had been conducted by BKSB on 03.05.2024, 18.04.2024, 18.03.2024 and 19.02.2024. The monitoring activities were recorded in the HCV & RTE Monthly Checklist form. The outcomes of this monitoring were fed back into the HCV management plan.

Clause	Indicators	Comply Yes/No	Findings
	.		
	7.12.8 (C) Where there has been land clearing without prior HCV assessment since November 2005, or without prior HCV-HCSA assessment since 15 November 2018, the Remediation and Compensation Procedure (RaCP) applies.	Yes	Not applicable since there is no new land clearing since 15 November 2018.

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Clause	Indicators		Comply Yes/No	Findings
5.5.2 Time-bound plan A time-bound plan for certifying all its management units and/or entities, including the units where the organization has mgmt. control and/or minor shareholding, is submitted to the CB during the initial certification audit. The time-bound plan shall contain a current list of all estates and mills.	(a)	As a minimum, all estates and mills shall be certified within 5 years after obtaining RSPO membership. Any new acquisitions shall be certified within a 3-year timeframe. Any deviations from these maximum periods requires approval by the RSPO Secretariat.	Yes	Not applicable. BKSB didn't have other mills or estates within its company.
	(b)	Progress towards this plan shall be verified and reported on in subsequent annual surveillance audits by the CB. Where the CB conducting the surveillance audit is different from the CB which first accepted the time-bound plan, the later CB shall accept the appropriateness of the time-bound plan at the moment of first involvement and shall only check continued appropriateness;	Yes	Not applicable.

	(c)	Any revision to the time-bound plan or to the circumstances of the company shall cause the time-bound plan to be reviewed by the CB. Changes to the time-bound plan are permitted only where the organization can demonstrate to the CB that they are justified. The requirements will also apply to any newly acquired subsidiary from the moment that the company is legally registered with the local notary or chamber of commerce (or equivalent);	Yes	Not applicable.
	(d)	Where there are isolated lapses in implementation of a time-bound plan, a minor non- compliance shall be raised. Where there is evidence of fundamental failure to proceed with implementation of the plan, a major non-compliance shall be raised.	Yes	Not applicable.
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 1st 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.
	(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	Not applicable.

	(c)	Labour disputes, if any, are being resolved through a mutually agreed process, in accordance with RSPO P&C criterion 4.2;	Yes	Not applicable.

	(d)	Legal non-compliance, if any, is being addressed through measures consistent with the requirements of RSPO P&C criterion 2.1;	Yes	Not applicable.
	(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	Not applicable.
		• 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;		
		• Targeted stakeholder consultation, including consultation with the relevant NGO's will be carried out by the audit team.	Yes	Not applicable.
		• Desktop study e.g. web check on relevant complaints	Yes	Not applicable.
		• 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	Not applicable.
	(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	Yes	Not applicable.

		indicator in a non-certified management unit is identified, the current certification assessment cannot proceed to a successful conclusion unless it is actively addressed. Evidence of active engagement with RSPO in resolving the non-compliance shall be available.		
	(g)	Failure to address any outstanding non-compliances within uncertified unit(s) as defined in 5.5.3 (f) above may lead to suspension of certificate of the certified unit(s), in accordance with the provisions of these Certification Systems.	Yes	Not applicable.

5.6.6 The CB shall review whether oil palm operations have been established in areas which were previously owned by users and/or are subject to customary rights of local communities and indigenous peoples. If applicable, the CB shall 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. 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. 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.		No additional indicators	Yes	Not applicable.

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
NEA 01 2024 6.2.3	Major	Requirement: 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. Finding: Insufficient evidence of legal compliance for regular working hours and overtime. Objective evidence: It was noted that monthly check-roll was used to record attendance for all workers. However, based on interview and documentation review for daily-rated and monthly-rated workers, it was found that there is no available system to monitor their regular working hours and overtime work. Hence, there is no evidence of compliance to Sabah Labour Ordinance Section 104(1)*(a)(b)(c)(d*) and 104(6).	Root cause: Lack of system of monitoring/recording for total hours worked. Corrective Action: Implement punch card/recording system to monitor total hours worked for every daily and monthly employees.	Root cause identified and corrective action plan are accepted. Verification on evidence submitted established attendant system as monitoring tools for field staff, admin staff, creche, security and workers were found adequate. Status: Closed.
RMN 01 3.6.1	Major	Requirement: All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented. Finding: The organization did not assess risk for all operations. Objective evidence: The organization did not include water treatment plant operation and activities inside HIRARC.	The root cause: Lapse in identifying risk involved for water treatment plant operation. Correction: *Construct proper staircase for water treatment plant to eliminate/minimize risk of working at height for water treatment plant operation and review SOP for water treatment plant to eliminate risk of working in confined space.* Corrective action: Reassessed and amended the water treatment plant operation inside HIRARC.	Root cause identified and corrective action plan are accepted. Verification on photo submitted on the construction of ladder for climbing activity. The organization also had review HIRARC register and assessed on the cleaning activity. Training on new HIRARC conducted on 7/8/2024 to employees work in that area. Thies were found adequate. Status: Closed.
NEA 02 2024 6.2.7	Minor	Requirement: 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. Finding: Permanent, full-time employment is not used for core work	Root cause: Lack of understanding regarding employment requirement for core work activities Correction: Stop employment of part time workers from surrounding communities for	Root cause and corrective action plan accepted and will be verify in next audit. Status: Open

		activity. Objective evidence: Based on interview, it was found that the BKSB employed part-time workers from other surrounding communities to perform their core work activity (harvesting).	core work activities. Corrective action: Conduct training to estate executives, staffs and mandores regarding workers employment for core work activities.	

ATTACHMENT 5

STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	*Root Cause & Corrective Action* Taken by the CU	Verification Statement by Auditors
6.1.5 DA 01 2022	Major	Requirement: 6.1.5 (C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women. Finding: The gender committee in BKSB was not in place specifically on opportunities and improvements for women. Objective evidence: The gender committee in BKSB was not in place specifically on opportunities and improvements for women. Based on latest minutes meeting, there was no discussion about opportunities and improvements for women. Moreover, there was no dedicated budget provided to the committee to execute the opportunities and improvements for women.	The root cause: The PIC of Bukit Kretam did not understand the intend of RSPO requirement on gender committee opportunities and improvements for women. Correction: Gender committee has included 'non-working women' representative in committee meeting. Nur Emi binti Nurdin has been elected to represent 'non-working women' community in the estate. Corrective action: Company Executive Director has verbally agreed to support the women committee in the estate especially 'non-working women' that want to start activities that can improve their family income. There will be funds allocated for women gender committee in the next Annual Budget.	The root cause has been accepted. Auditor has verified the evidence of minutes meeting submitted by Bukit Kretam. Noted on the appointment of non-working woman representative and the allocated budget by the Management for Gender committee activities and programs. **Status: Closed**
DA 02 2023	Major	Requirement: 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. Finding: Employment contracts and related documents detailing payments and conditions of employment such as deductions, holiday entitlement and payment of wages were not in compliance with national legal requirements. Objective evidence:	The root cause: i) Workers' compensation on annual leave was not properly documented as there is no specific SOP has been developed for Vacation Leave application. ii) Lapse in monitoring permit expiration and lack of knowledge on legal requirement – Sec 113 that need the workers consent form. iii) As this is a small grower, there is no specific SOP on Payment of wages and PIC also did not understand of the legal requirements Correction: i) Establish the Standard Operating	The root cause accepted. Auditor has verified the evidence of SOP Vacation Leave application dated 1/07/2023 and evidence of training has been conducted to the workers on 3/7/23. The auditor also reviewed the evidence of JTK new permit, which is valid until July 2025, and letter of consent from workers for deduction. At the same time, the auditor has also sighted the evidence of the new SOP of Payment of Wages dated 1/7/23 and the training carried out on 12/7/23.

		Based on interview session with sampled workers and verification of pay slip March 2023, April 2023 and May 2023, found that: 1) No evidence of annual leave payment been paid to the entitled worker – Section 104D Annual leave 2) Salary deduction for electricity, estate club fund, petrol/parts and passport were implemented without approval from Labour Department and concerned letter from workers. The permit expired on 07/03/2023. – Section 113 Lawful deductions 3) The salary in June 2023 was paid more than seven days after the closing account subjected late approval from top management – 108 Payment of wages	Procedure on workers Vacation Leave Application. ii) The estate has obtained workers consent to perform deduction from their salary. The estate has also received their latest Workers Deduction Permit from JTK. iii) The Estate developed the SOP of Payment of Wages for workers and the estate has ensured that the workers' wages were released before 7th day after account closing date. For July 2023, payday was on the 6th, while for August 2023, payday was done on the 5th. Corrective action: i) Briefed the established SOP to workers on 03.07.2023. ii) The workers have been briefed regarding Workers Deduction on 12.06.2023. iii) The SOP on Payment of Wages to Workers has been briefed to all estate personnel on 10.07.2023.	**Status: Closed**