PUBLIC SUMMARY

	SIRIM QAS INTERNATIONAL SDN. BHD. Building 4, SIRIM Complex, No. 1 ,Persiaran Dato' Menteri, Section 2, P.O. Box 7035, 40911 Shah Alam, Selangor, Malaysia.	**File Ref. : ES24120001**
	RSPO AUDIT REPORT **GROUP CERTIFICATION**	

CLIENT : HARUS ABADI SDN. BHD.

GROUP MANAGER: TEY YOU LAI

SMALLHOLDERS (NUMBERS,LOCATION (MAP AND GPS), HECTARAGE:

Certification Unit	Mill and Supply Base	GPS Location		Location
		Latitude	Longitude	
Harus Abadi Sdn. Bhd.	Harus Abadi Sdn. Bhd.	5º 26' 24'' N	118º 32' 24" E	MDLD 9075, Bungalow Lot 1, I-Peak Business Centre, 91100 Lahad Datu, Sabah.
Spark Glory Sdn Bhd	Spark Glory Sdn Bhd	5º 18' 52'' N	118º 34' 34" E	CL 095333467/476/458, 421/430/412/449, Sg Segama, 91117 Kinabatangan District, Lahad Datu, Sabah.

AUDIT DATE : 8 – 12 JANUARY 2024 **DURATION : 15 auditor days**

STANDARD :
RSPO Management System Requirement for Group Certification of FFB Production 2022, MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

TYPE OF AUDIT : ■ **Annual Surveillance Audit No. 04** ☐ **Recertification Audit**

SCOPE OF REGISTRATION (specify sites, tonnages of FFBs and/or approved processes) :
Production of Sustainable Fresh Fruit Bunches

VALIDITY OF RSPO CERTIFICATE : 16/03/2020 – 15/03/2025

NO OF SMALLHOLDERS (Applicable to the scope of activities audited) : 2

The following attachments form part of this report:

Non-conformity Report(s) ■ List of additional site(s) ☐

Report by Audit Team Leader

Name : MOHD ZULFAKAR KAMARUZAMAN

Signature : 

Date : 18/04/2024

Acknowledgement by Client's Representative

Name : TEY YOU LAI

Signature : 

Date : 26/04/2024

SUMMARY OF AUDITS

<table>
<tr><th colspan="6">Annual Surveillance Audit 4</th></tr>
<tr><td>On-site audit date :</td><td colspan="2">8 – 12 January 2024</td><td>No. of auditor days :</td><td colspan="2">12 auditor days</td></tr>
<tr><td>Audit team :</td><td colspan="5">Mohd Zulfakar bin Kamaruzaman(LA), Rozaimee Ab. Rahman, Dzulfiqar Azmi</td></tr>
<tr><td>No. of major NCR :</td><td>1</td><td colspan="3">Indicator: 6.2.3</td><td>Closing date : 11/4/2024</td></tr>
<tr><td>No. of minor NCR :</td><td>3</td><td colspan="4">Indicator : 3.3.2, 7.3.2, 7.3.3</td></tr>
<tr><td rowspan="8">Indicate by ticking the stakeholders interviewed during the on-site audit :</td><td colspan="2">Employees / Workers organizations</td><td>Settlers</td><td>Villagers / Local communities</td><td>Suppliers</td></tr>
<tr><td colspan="2">√</td><td>N/A</td><td>√</td><td>√</td></tr>
<tr><td colspan="2">Contract workers</td><td>Local & National NGOs</td><td>Govt. agency / Statutory bodies</td><td>Independent growers / Smallholders</td></tr>
<tr><td colspan="2">N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr>
<tr><td colspan="2">Indigenous people</td><td>Contractors</td><td colspan="2">Others (Please specify)</td></tr>
<tr><td colspan="2">N/A</td><td>N/A</td><td>N/A</td><td></td></tr>
<tr><td colspan="5"></td></tr>
<tr><td colspan="5"></td></tr>
<tr><td>Supply base sampled :</td><td colspan="5">Harus Abadi and Spark Glory</td></tr>
<tr><td>Changes since the last audit :</td><td colspan="5">- Inclusive of Spark Glory Sdn Bhd in the site and change to the Group Certification
- Increase of Certified Areas and Planted Areas due to Inclusive of Spark Glory in the Group Member which is 126.83 ha of certified area and 121.46 ha for Planted Area.</td></tr>
<tr><td>Justification of audit planning :</td><td colspan="5">During surveillance 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.</td></tr>
<tr><td>Name of peer reviewer :</td><td colspan="5">NA</td></tr>
<tr><td>Report approved by :</td><td colspan="3">Kamini M. Sooriamoorthy</td><td colspan="2">Approval date : 26/04/2024</td></tr>
</table>

SUMMARY OF INFORMATION

TABLE 1

	RA	ASA 1	ASA 2	ASA 3	ASA 4
Projection Period				January 2023 to December 2023	January 2024 to December 2024
Certified FFB Processed (MT)				8,612.00	9,400.00
Production of CSPO (MT)				1,722.40	1,880.00
Production of CSPK (MT)				445.42	470.00
Production of CSPKO (MT)				NA	211.50
Production of CSPKE (MT)				NA	258.50
Certified Areas (Ha)				693.72	693.72
Planted Areas (Ha)				686.13	686.13
Production Areas (Ha)				686.13	686.13
HCV Areas / Conservation Areas (Ha)				0.0015 (HA) 1.19 (SG)	0.0015 (HA) 1.19 (SG)
REMARKS	Group Certification in ASA 4 combining Harus Abadi (HA) & Spark Glory (SG). ASA 3 projection was also combining reported certified values of Harus Abadi & Spark Glory certified products.				

TABLE 2

FFB last year certified volume (MT)	8,612.00	
FFB actual certified volume (MT)	8,953.00	
Last licence year's actual sold volume of certified FFB (MT, if applicable)	8,953.00	
Last license year's actual sold volume through Book & Claim	0.00	
FFB new year certified volume (MT)	9,400.00	
	PO	**PK**
Last years certified volume (MT)	1,722.40	445.42
Last years actual certified sold (MT)	1,790.60 (at 20% of FFB)	465.56 (at 5% of FFB)
Last years actual sold under other schemes (MT)	0.00	0.00
Last years sold conventional (MT)	0.00	0.00
New year certified volume (MT)	1,880.00	470.00

Table of contents **Page**

1.0 AUDIT PROCESS
- 1.1 Certification body 5
- 1.2 Qualification of audit team 5
- 1.3 Audit methodology 5
- 1.4 Stakeholder consultation 5
- 1.5 Audit plan 7
- 1.6 Date of next audit 7

2.0 SCOPE OF CERTIFICATION AUDIT
- 2.1 Description of the certification unit 8
- 2.2 Description of the Supply Base (including planting profile) 8
- 2.3 Organization Information / Contact Person(s) 9

3.0 AUDIT FINDINGS
- 3.1 Changes to products in accordance to the production of the previous year 9
- 3.2 New acquisition which has replaced primary forests or HCV areas 9
- 3.3. Other changes (e.g. organizational structure, new contact person, addresses, etc.) 9
- 3.4 Complaint received from stakeholder (if any) 10

4.0 DETAILS OF NON-CONFORMITY REPORT
- 4.1 For P&C AND GROUP (Details checklist refer to Attachment 3 & 4) 10

5.0 AUDIT CONCLUSION 10

6.0 RECOMMENDATION 10

List of Attachment

Attachment 1	:	Map of Harus Abadi & Spark Glory	11
Attachment 2	:	RSPO Audit Plan	14
Attachment 3	:	Group Certification Checklist	20
Attachment 4	:	RSPO P&C Audit Checklist And Findings	29
Attachment 5	:	Details of Non-conformities and Corrective Actions Taken	66
Attachment 6	:	Status of Non-conformities Previously Identified	68
Attachment 7	:	List of Group Members	69

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 & OHSAS 18001. 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 since 2014).

1.2 Qualification of audit team

Member of the Audit Team	Role/area of RSPO requirements	Qualifications
Mohd Zulfakar Kamaruzaman	Lead Auditor/ Social External, TBP, HCV	Holds B.Sc. Forestry from University Putra Malaysia. He had more than 4 years of working experience in the oil palm operations. He has experience in auditing since 2015. He has been trained and qualified as a RSPO P&C and MSPO.
Dzulfiqar Azmi	Auditor / Social Internal	Holds a B. Sc. in Agriculture from University Teknologi Malaysia (UiTM). He had more than 6 years of working experience in the oil palm operation. He was qualified in the auditing line with experience in Sustainability, EMS, Supply Chain, MSPO and RSPO audit since 2019.
Rozaimee Ab Rahman	Auditor / Safety, Environmental, GHG, Metrics Template	Holds a B.Sc. in Agriculture from University Putra Malaysia. He had more than 5 years of working experience in the oil palm operation. He is a qualified lead auditor for RSPO P&C, MSPO and RSPO Supply Chain scheme.

1.3 Audit methodology

The audit covered the Harus Abadi Estate, First Raintree Division and Spark Glory. The sampling methodology applies for supply base with higher than four estates. The sampling shall be conducted in conformance with the requirement specified in the RSPO Certification Systems Document, Nov 2020. However, in this audit, 100% supply base covered which are Harus Abadi, First Raintree and Spark Glory. The audit included an on-site audit to the estates and settlers' houses to verify the implementation of the requirement of the certification. Interviews with the CU's management, employees and other relevant stakeholders were also conducted during the audit.

1.4 Stakeholder Consultation

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

Stakeholders interviewed	Evidence from stakeholder consultation
1) Employees / Workers Organizations (including migrant workers)	Based on interviews conducted with 7 workers at HASB and 4 workers at SGSB, including both local and Indonesian, Philippines workers, encompassing both male and female employees engaged in various work scopes. a. Daily rated workers confirmed that they receive a minimum of RM1500 per month. For piece-rated workers, so long they have achieved their target, they too will get a minimum of RM 1500 per month. They receive their salaries before 7th of every month. b. Workers work 6 days a week with one rest day (Sunday). They work 8 hours with a minimum of 30 minutes' break in between. c. Any overtime work is mutually agreed between workers and management, and that there is no element of forcing. d. Foreign workers are not subjected to any recruitment fee. Foreign workers kept their own passports and will only return the passport to office for renewal. e. Workers are generally satisfied with the way complaints lodged are acted upon. Delays in house repairs, if any, are usually due to the need to order repair parts. f. Workers, including foreign workers get to appoint their own representatives. There is no interference of influence exerted by the employer. g. Samples of payslips were also examined and verified to ensure that workers were being paid in accordance with the requirements stipulated under the Minimum Wages Order 2022 and the Sabah Labour Ordinance. The workers sampled for verification.
2) Settlers	Not applicable.
3) Villagers / Local communities (including women representatives, displaced communities)	▪ Confirmed there is no land dispute between HASB CU and neighbouring estates Hap Seng Plantation (Kapis Estate), and Tabin Wildlife Forest Reserve. ▪ No social issues arising from estate workers. ▪ Occassionally are called to attend meetings by HASB. The last one was held virtually few months ago. ▪ All stakeholders were invited to attend RSPO/MSPO briefings and stakeholder meetings. ▪ Estate operation has no negative impact on village livelihood
4) Suppliers	▪ Suppliers of crusher runs is from Hap Seng Plantation nearby. ▪ Being small, HASB usually buy chemicals, PPE and other estates tools directly from suppliers in Lahad Datu town themselves. ▪ Fair dealings with Hap Seng and traders in Lahad Datu. ▪ Payments are made within 1 months of invoice
5) Contract workers	Not applicable as none being used.
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 representative from District Fores Officer of Lahad Datu confirmed no issues with boundary and RTE enforcement at HASB and SGSB.
8) Independent growers / Smallholders	Not applicable.
9) Indigenous people	Not applicable.
10) Contractor	Not applicable as none used.

	11) Previous land owner (if any)	For Harus Abadi the land was previously owned by Sabah Land Development and HASB has buy and develop the land in 20/09/1989. For First Rain Tree, the land was previous owned by company of several villagers which is the land has obtained from Sabah land development on the 21/03/1998 and 30/09/1997. The Company has sell their land to the First Rain Tree on 01/06/2000. There were clear land ownership documents available for review. The original copies of the documents were kept in Harus Abadi Central Office, Lahad Datu. For Spark Glory The company's land was purchased from previous landowners as seen from history of transfer for country leases (CL) from the following previous landowners to Spark Glory Sdn. Bhd. on 26 August 2002: The history of land transfer from all previous landowners is stated in the company's 7 land titles. The land transfer was done in year 2002 (20 years ago) through a law firm, and there has been no direct contact between the previous landowners and the company's management.
	12) Others (please specify)	Not applicable.

1.5 Audit plan : Refer to Attachment 2

1.6 Date of next 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

Established in 1994 Harus Abadi Sdn. Bhd. (HASB) is a private company located in the district of Kinabatangan. The plantation started planting Oil Palm trees in year 2002. HASB is located about 87 km from Lahad Datu town, 66 km from Kampung Paris and can be accessed through the government road, estate road and ferry. All of its crops are sent to the Bukit Mas POM and Jeroco 2 POM (owned by Hap Seng). The estate is fully developed with 100% oil palm planting. It began planting oil palms in year 1994.

Spark Glory Sdn Bhd is a private company established on 4 August 1994 as stated in the company certificate of incorporation. It is located in Kinabatangan District, Sabah, and is about 87 km from Lahad Datu town, 66 km from Kampung Paris and can be accessed through the government road, estate road and ferry. Spark Glory Sdn. Bhd.'s neighbors are Hap Seng Plantations Berhad (Kapis Estate) and Tabin Wildlife Forest Reserve. The estate is fully developed with 100% oil palm plantings since 2002. All produced crops are sent to RSPO certified palm oil mills managed by Hap Seng Plantation (River Estates) Sdn. Bhd.

The group does not have its own palm oil mill and does not have any other management units.

No	Group member	Site location address	GPS Location	Total certified area (ha)	FFB production (MT/yr)	Year of planting
1	Harus Abadi Sdn. Bhd.	Jalan Jeroco, Lahad Datu, Sabah.	Lat: 5º 26' 24'' N Long: 118º 32' 24" E	566.89	8,000.00	1994-1998
2	Spark Glory Sdn Bhd	CL 095333467/476/458, 421/430/412/449, Sg Segama, 91117 Kinabatangan District, Lahad Datu, Sabah.	Lat: 5º 18' 52'' N Long: 118º 34' 34" E	126.83	1,400.00	2002
				693.72	9,400.00	

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

Table 1 Planted and certified area of Harus Abadi CU

Estate	Planted (ha)	Certified (ha)
Spark Glory Sd Bhd	121.46	126.83
Harus Abadi Sdn Bhd	564.67	566.89
Total	686.13	693.72

Table 2 Planting profile for Harus Abadi Sdn Bhd

Division	Year of planting	Planting cycle	Mature / Immature	Planted area(ha)	Certified area (ha)	Percentage of planted area (%)
Harus Abadi (8 blocks)	1994	1	Mature	323.50	324.70	57.0
First Raintree (7 blocks)	1998	1	Mature	241.17	242.19	43.0
Total				564.67	566.89	

Table 3 Planting profile for Spark Glory Sdn Bhd

Year of planting	Planting cycle (1st, 2nd , 3rd, etc. Generation)	Mature / Immature	Planted area (ha)	Percentage of planted area (%)
2002	1st Generation	Mature	121.46	100
		TOTAL	121.46	100

Table 4 Actual FFB production by the supply base for the last reporting period (November 2022 to December 2023)

CU own estates	FFB Contribution	
	Tonnes	Percentage (%)
Spark Glory Sdn Bhd	1,247.15	13.93
Harus Abadi Sdn Bhd	7,705.85	86.07
Total	**8,953.00**	**100**

Details Actual	Total (MT)
FFB Production	8,953.00
CPO Production @ 20%	1,790.60
PK Production @ 5%	465.56
Credits traded through Books and Claim	0.00

Table 5: Projected FFB production by supply base for the next reporting period (January 2024 to December 2024)

Estates	FFB Production	
	Tonnes	Percentage (%)
Spark Glory Sdn Bhd	1,400.00	17.50
Harus Abadi Sdn Bhd	8,000.00	82.50
Total	**9,400.00**	**100**

Details Projection	Total (MT)
FFB Production	9,400.00
CPO Production @ 20%	1,880.00
PK Production @ 5%	470.00
Credits traded through Books and Claim	0.00

2.3 Organizational Information/Contact Person(s)

The details of the contact person are as shown below:

Name	:	Tey You Lai
Position	:	GROUP MANAGER
Address	:	MDLD 9075, Bungalow Lot 1, Ipeak Business Centre, 91100, Lahad Datu , Sabah.
Phone no.	:	016-9288150
Fax no.	:	0899-6922
Email	:	harusabadi129081@yahoo.com.my

3.0 AUDIT FINDINGS

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

- Inclusive of Spark Glory Sdn Bhd in the site and change to the Group Certification
- Increase of Certified Areas and Planted Areas due to Inclusive of Spark Glory in the Group Member which is 126.83 ha of certified area and 121.46 ha for Planted Area.

3.2 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, including the risk level etc.)

-Appointment of Tey You Lai as a Group Manager

3.4 Complaint received from stakeholder (if any)

Not Applicable

4.0 DETAILS OF NON-CONFORMITY REPORT

4.1 For P&C & Group (Details checklist refer to Attachment 3 & 4) :

Total no. of minor NCR(s) List : 3 RAR 01 2024 (7.3.2), RAR 02 2024 (7.3.3), RAR 03 2024 (3.3.2)

Total no. of major NCR(s) List : 1 DA 01 2024 (6.2.3)

5.0 AUDIT CONCLUSION

Risk level of Group Certification

■ Low risk ☐ Medium risk ☐ High risk

In general, concludes that the organization has established and maintained its management system in line with the RSPO P&C and RSPO Management System Requirement for Group Certification of FFB Production 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.

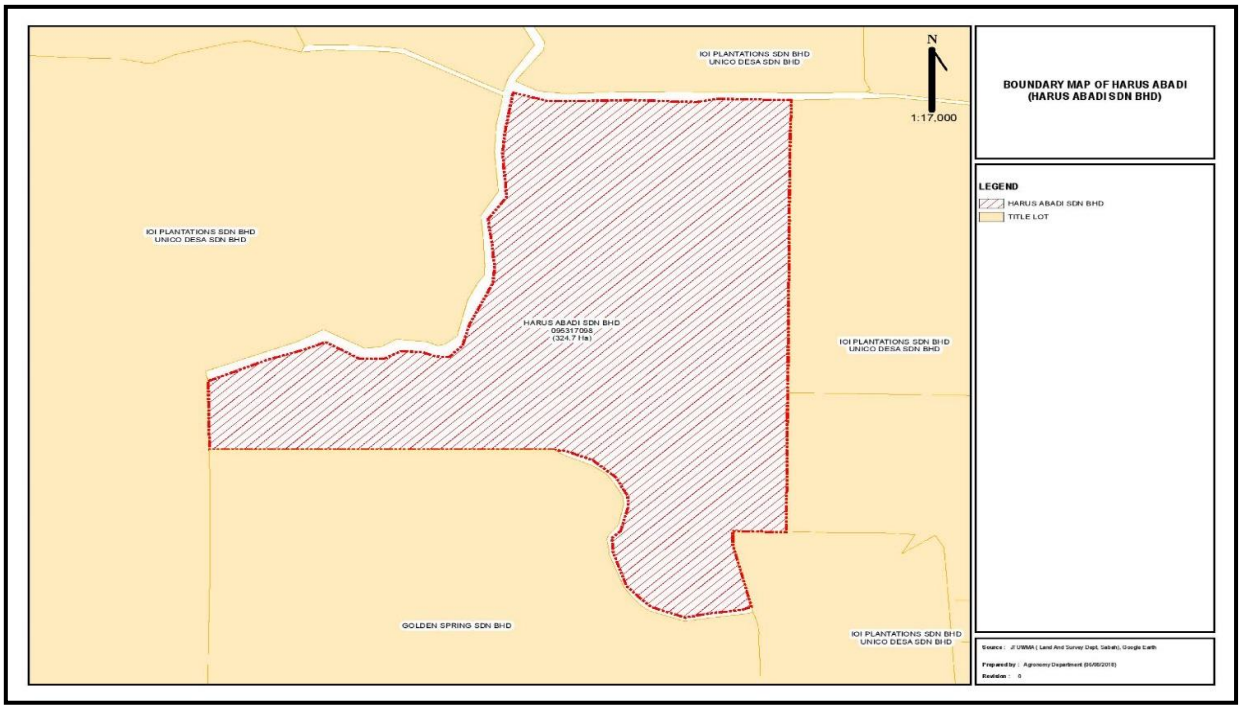
7.0 IT IS CONFIRMED THAT ALL CORRECTIVE ACTIONS TAKEN ON MAJOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED, ACCEPTED AND VERIFIED AND ALL CORRECTIVE ACTIONS PLANS PROVIDED ON MINOR NON CONFORMITIES HAVE BEEN SATISFACTORILY REVIEWED AND ACCEPTED. RECOMMENDED FOR CERTIFICATION OF RSPO P & C AND RSPO MANAGEMENT SYSTEM REQUIREMENT FOR GROUP CERTIFICATION OF FFB PRODUCTION 2022.

Audit Team Leader :	MOHD ZULFAKAR KAMARUZAMAN		11/4/2024
	(Name)	(Signature)	(Date)

Attachment 1

Map of Harus Abadi Sdn. Bhd.

Main Division



First Raintree Division

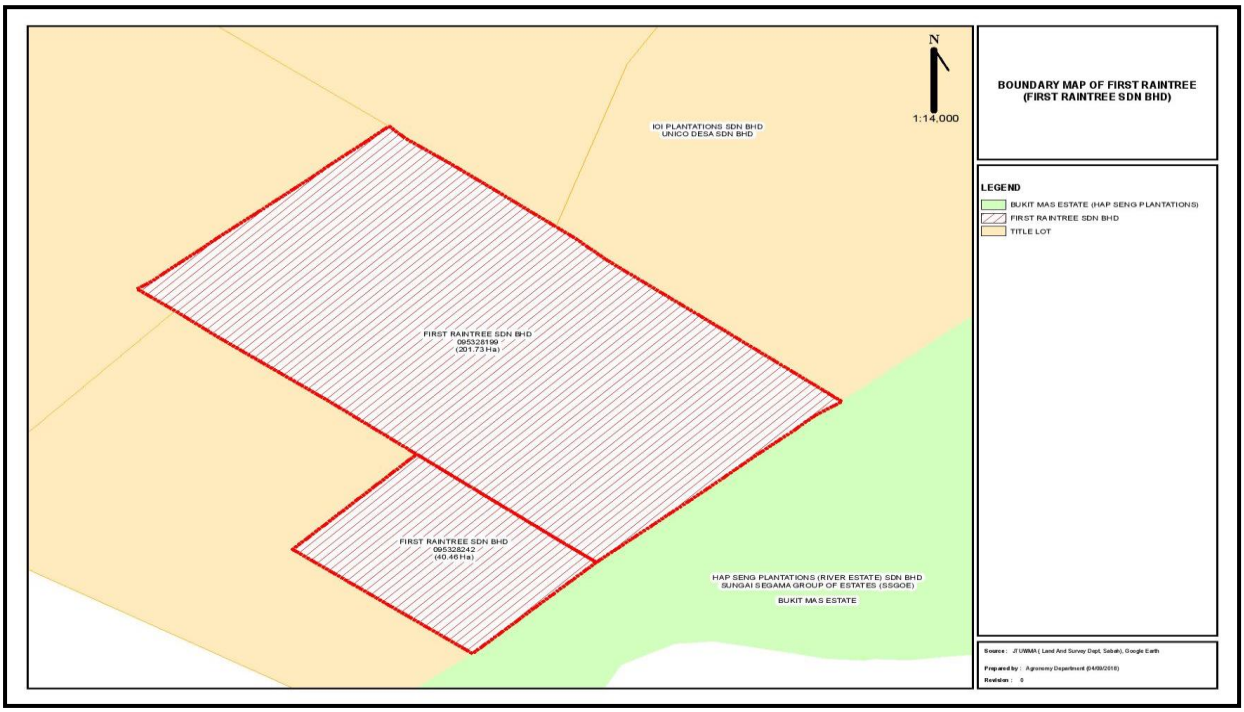
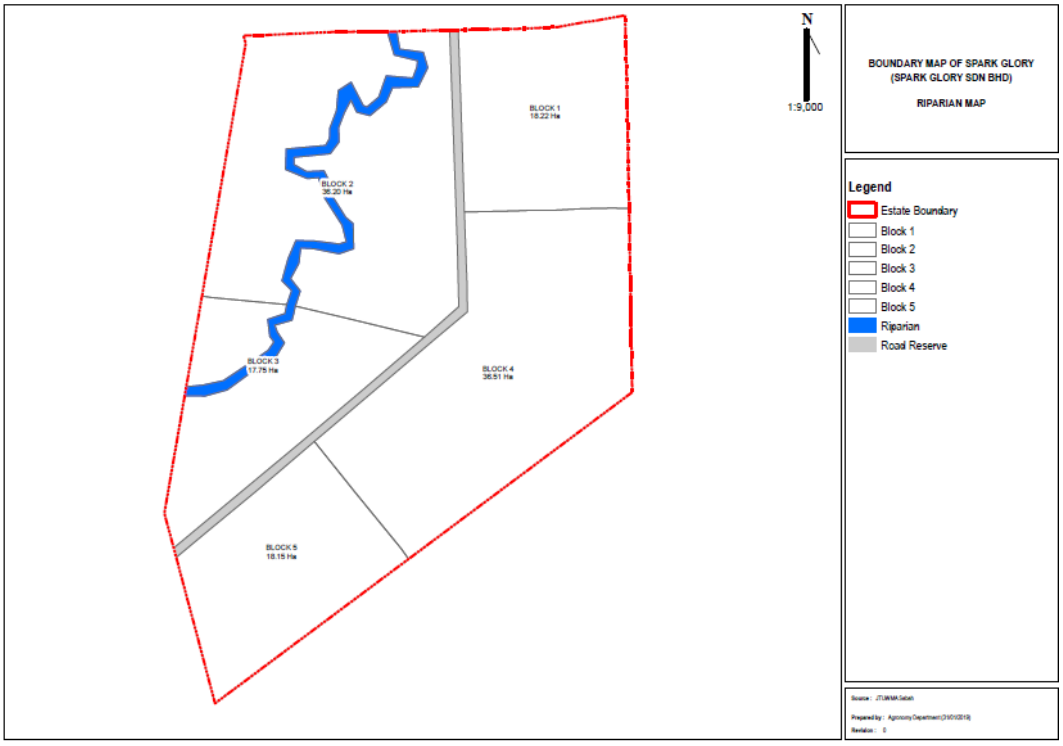


Figure 1: GPS map of Spark Glory Sdn. Bhd.





Attachment 2

RSPO SURVEILLANCE AUDIT PLAN

1. Objectives

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

2. Date of assessment : 8 – 12 January 2024

3. Site of assessment : **Harus Abadi Sdn Bhd**
Spark Glory Sdn Bhd

4. Reference Standard:

a. MYNI 2019 of RSPO P&C 2018
b. RSPO Management System Requirement Group Certification of FFB Production 2022
c. MSPO MS 2530 - 3
d. RSPO Certification System Documents
e. MSPO Certification System Documents
f. Company's audit criteria including Company's Manual/Procedures

5. Assessment Team

Lead Auditor	:	Mohd Zulfakar Kamaruzaman (TBP, HCV, SCCS, Metrics Template, Social – External)
Auditor	:	1) Rozaimee Ab Rahman (Safety and Environment, GHG) 2) Dzulfiqar Azmi ((Social – Internal, GAP)
Observer	:	-.

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

7. Audit Method

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

8. Audit Findings

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

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

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

9. Confidentiality Requirements

SIRIM QAS International shall not disclose any information concerning the company regarding all 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.

10. Working Language : English and Bahasa Malaysia

11. Reporting

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

12. Facilities Required

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

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

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

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

a) Reporting time frames for economic data are:
   i. Calendar year (January to December): January 2023 to December 2023, and
   ii. 12-month period counting up to two months before audit month: **December 2022 to November 2023**

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

c) Reporting time frame for all other social and environmental data:
   i. January 2023 to December 2023

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

14. Assessment Programme Detail: As Below

<table>
<tr><th colspan="4">Day 1 8/1/24</th></tr>
<tr><th>Time</th><th colspan="3">Activities / areas to be visited</th></tr>
<tr><td>8.00 am</td><td colspan="3">Opening Meeting for Harus Abadi Audit team introduction and briefing on assessment objectives, scope, methodology, criteria and programmes by SIRIM QAS Audit Team Leader.</td></tr>
<tr><td>8.20 am</td><td colspan="3">Briefing on the organization background and implementation of RSPO at CU (including actions taken to address previous audit findings) by company Management Representative.</td></tr>
<tr><td>8.30 am</td><td colspan="3">Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Harus Abadi</td></tr>
<tr><td rowspan="3">8.45 am</td><td colspan="3">To assign each audit team members – site and the P&C requirements</td></tr>
<tr><td>Rozaimee</td><td>Dzul</td><td>Zulfakar</td></tr>
<tr>
<td>Coverage of assessment: (Safety & Environment)
▪ Site visit at all Facilities at workplace.
▪ Site inspection/interview at production area
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Safety & Health practice – witness activities at site
▪ Hazard identification and Risk Management
▪ Chemical management
▪ PPE
▪ Waste management including disposal site, GHG calculation,
▪ Aspects/impacts of estate management
▪ Pollution mitigating plans
▪ Management and disposal of waste including pesticides containers
▪ River system and Effluent Treatment/Discharge
▪ Buffer/Riparian Zones
▪ Controlled/open burning
▪ Landfill Verification.
▪ Chemical management
▪ Training and skill development programs
▪ Continuous improvement

Other areas identified during the assessment.</td>
<td>Coverage of assessment: (Social – Internal)
▪ Site visit at all Facilities at workplace.
▪ Site inspection/interview at production area
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.
▪ Interview with Union/workers representatives.
▪ Interview with gender committee, worker representative.
▪ Workers Issues & welfare
▪ Training and skill development programs
▪ TBP Verification
▪ Continuous improvement

Other areas identified during the assessment.</td>
<td>Coverage of assessment: (GAP, Social – External & HCV)
▪ Site inspection/interview at production area
▪ Interview with government agencies, Villagers, neighboring Estate, etc.
▪ Site visit at Boundary, adjacent and neighbouring land use.
▪ Check Documentation GAP Requirement, Water Management Plan, Business Plan, Replanting Plan, IPM Plans, Chemical Management, Storage, PPE Issuance.
▪ Site visit at HCV area
▪ HCV/RTE and action plan.
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Local sustainable development
▪ Support smallholder inclusion
▪ Interview with Contractor
▪ Complaints and grievances
▪ External stakeholders issues & welfare
▪ Metrics Template Verification
▪ Training and skill development programs
▪ Continuous improvement

Other areas identified during the assessment..</td>
</tr>
<tr><td>12.30 pm</td><td colspan="3">LUNCH BREAK & ZUHUR PRAYER</td></tr>
<tr><td>2.00 pm</td><td colspan="3">Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records</td></tr>
<tr><td>5.00 pm</td><td colspan="3">Audit team discussion / Interim closing / End of Day 1 audit</td></tr>
<tr><td>9.00pm</td><td colspan="3">Discussion LA and teams on potential NCRs</td></tr>
</table>

<table>
<tr><th colspan="4">Day 2 – 9/1/24</th></tr>
<tr><th>Time</th><th colspan="3">Activities / areas to be visited</th></tr>
<tr><td>8.00 am</td><td colspan="3">Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Harus Abadi</td></tr>
<tr><td rowspan="3">8.45 am</td><td colspan="3">To assign each audit team members – site and the P&C requirements</td></tr>
<tr><td>Rozaimee</td><td>Dzul</td><td>Zulfakar</td></tr>
<tr>
<td>Coverage of assessment: (Safety & Environment)
▪ Site visit at all Facilities at workplace.
▪ Site inspection/interview at production area
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Safety & Health practice – witness activities at site
▪ Hazard identification and Risk Management
▪ Chemical management
▪ PPE
▪ Waste management including disposal site, GHG calculation,
▪ Aspects/impacts of estate management
▪ Pollution mitigating plans
▪ Management and disposal of waste including pesticides containers
▪ River system and Effluent Treatment/Discharge
▪ Buffer/Riparian Zones
▪ Controlled/open burning
▪ Landfill Verification.
▪ Chemical management
▪ Training and skill development programs
▪ Continuous improvement

Other areas identified during the assessment.</td>
<td>Coverage of assessment: (Social – Internal)
▪ Site visit at all Facilities at workplace.
▪ Site inspection/interview at production area (Main Division)
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.
▪ Interview with Union/workers representatives.
▪ Interview with gender committee, worker representative.
▪ Workers Issues & welfare
▪ Training and skill development programs
▪ TBP Verification
▪ Continuous improvement

Other areas identified during the assessment.</td>
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▪ Site inspection/interview at production area
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▪ Check Documentation GAP Requirement, Water Management Plan, Business Plan, Replanting Plan, IPM Plans, Chemical Management, Storage, PPE Issuance.
▪ Site visit at HCV area
▪ HCV/RTE and action plan.
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.
▪ Local sustainable development
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▪ Interview with Contractor
▪ Complaints and grievances
▪ External stakeholders issues & welfare
▪ Metrics Template Verification
▪ Training and skill development programs
▪ Continuous improvement

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<tr><td>2.00 pm</td><td colspan="3">Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records</td></tr>
<tr><td>5.00 pm</td><td colspan="3">Audit team discussion / Interim closing / End of Day 2 audit</td></tr>
<tr><td>9.00pm</td><td colspan="3">Discussion LA and teams on potential NCRs</td></tr>
</table>

<table>
<tr><th colspan="4">Day 3 – 10/1/24</th></tr>
<tr><th>Time</th><th colspan="3">Activities / areas to be visited</th></tr>
<tr><td>8.00 am</td><td colspan="3">Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Spark Glory</td></tr>
<tr><td rowspan="3">8.45 am</td><td colspan="3">To assign each audit team members – site and the P&C requirements</td></tr>
<tr><td>Rozaimee</td><td>Dzul</td><td>Zulfakar</td></tr>
<tr>
<td>Coverage of assessment: (Safety & Environment)
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▪ Site inspection/interview at production area
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Safety & Health practice – witness activities at site
▪ Hazard identification and Risk Management
▪ Chemical management
▪ PPE
▪ Waste management including disposal site, GHG calculation,
▪ Aspects/impacts of estate management
▪ Pollution mitigating plans
▪ Management and disposal of waste including pesticides containers
▪ River system and Effluent Treatment/Discharge
▪ Buffer/Riparian Zones
▪ Controlled/open burning
▪ Landfill Verification.
▪ Chemical management
▪ Training and skill development programs
▪ Continuous improvement

Other areas identified during the assessment.</td>
<td>Coverage of assessment: (Social – Internal)
▪ Site visit at all Facilities at workplace.
▪ Site inspection/interview at production area (Main Division)
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.
▪ Interview with Union/workers representatives.
▪ Interview with gender committee, worker representative.
▪ Workers Issues & welfare
▪ Training and skill development programs
▪ TBP Verification
▪ Continuous improvement

Other areas identified during the assessment.</td>
<td>Coverage of assessment: (GAP, Social – External & HCV)
▪ Site inspection/interview at production area
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▪ Site visit at Boundary, adjacent and neighbouring land use.
▪ Check Documentation GAP Requirement, Water Management Plan, Business Plan, Replanting Plan, IPM Plans, Chemical Management, Storage, PPE Issuance.
▪ Site visit at HCV area
▪ HCV/RTE and action plan.
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.
▪ Local sustainable development
▪ Support smallholder inclusion
▪ Interview with Contractor
▪ Complaints and grievances
▪ External stakeholders issues & welfare
▪ Metrics Template Verification
▪ Training and skill development programs
▪ Continuous improvement

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<tr><td>12.30 pm</td><td colspan="3">LUNCH BREAK & ZUHUR PRAYER</td></tr>
<tr><td>2.00 pm</td><td colspan="3">Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records</td></tr>
<tr><td>5.00 pm</td><td colspan="3">Audit team discussion / Interim closing / End of Day 3 audit</td></tr>
<tr><td>9.00pm</td><td colspan="3">Discussion LA and teams on potential NCRs</td></tr>
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<table>
<tr><th colspan="4">Day 4 – 11/1/24</th></tr>
<tr><th>Time</th><th colspan="3">Activities / areas to be visited</th></tr>
<tr><td>8.00 am</td><td colspan="3">Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Spark Glory</td></tr>
<tr><td rowspan="3">8.45 am</td><td colspan="3">To assign each audit team members – site and the P&C requirements</td></tr>
<tr><td>Rozaimee</td><td>Dzul</td><td>Zulfakar</td></tr>
<tr>
<td>Coverage of assessment: (Safety & Environment)
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▪ Chemical management
▪ PPE
▪ Waste management including disposal site, GHG calculation,
▪ Aspects/impacts of estate management
▪ Pollution mitigating plans
▪ Management and disposal of waste including pesticides containers
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▪ Landfill Verification.
▪ Chemical management
▪ Training and skill development programs
▪ Continuous improvement

Other areas identified during the assessment.</td>
<td>Coverage of assessment: (Social – Internal)
▪ Site visit at all Facilities at workplace.
▪ Site inspection/interview at production area (Main Division)
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.
▪ Interview with Union/workers representatives.
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▪ TBP Verification
▪ Continuous improvement

Other areas identified during the assessment.</td>
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▪ Site inspection/interview at production area
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<tr><td>2.00 pm</td><td colspan="3">Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records</td></tr>
<tr><td>5.00 pm</td><td colspan="3">Audit team discussion / Interim closing / End of Day 4 audit</td></tr>
<tr><td>9.00pm</td><td colspan="3">Discussion LA and teams on potential NCRs</td></tr>
</table>

<table>
<tr><th colspan="4">Day 5 – 12/1/24</th></tr>
<tr><th>Time</th><th colspan="3">Activities / areas to be visited</th></tr>
<tr><td>8.00 am</td><td colspan="3">Overview of current activities of CU by audit team & Logistics discussion to the sites to be visited at Harus Abadi and Spark Glory Office</td></tr>
<tr><td rowspan="3">8.45 am</td><td colspan="3">To assign each audit team members – site and the P&C requirements</td></tr>
<tr><td>Rozaimee</td><td>Dzul</td><td>Zulfakar</td></tr>
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▪ Chemical management
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▪ Continuous improvement

Other areas identified during the assessment.</td>
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▪ Site inspection/interview at production area (Main Division)
▪ Follow up from previous assessment findings.
▪ Laws and regulations
▪ Discussion with relevant management (CSR, community affairs) and view documentation such as SIA, assessment and management plans.
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</tr>
<tr><td>12.30 pm</td><td colspan="3">LUNCH BREAK & FRIDAY PRAYER</td></tr>
<tr><td>2.00 pm</td><td colspan="3">Continue assessment / Verification on outstanding issues / Auditor to inform auditee on the required document / records</td></tr>
<tr><td>3.30 pm</td><td colspan="3">Discussion and acceptance on assessment findings with Management Representative and visited site Plantation / Scheme Manager/CEO</td></tr>
<tr><td>4.30pm</td><td colspan="3">Closing meeting at the SOU Seri Intan (Places decided by Management) / End of audit</td></tr>
</table>

GROUP CERTIFICATION REQUIREMENT CHECKLIST

Element 1 (E1): Group Entity and Group Management Requirements

Clause	Indicators		Comply Yes/No	Findings
E1.1 The Group Entity shall be legally formed	E1.1.1	There shall be documentary evidence of a clearly identified and legal entity. The Group Entity shall: • Be a registered organisation as defined by law in the country of registration (e.g. as a company or an organisation). • Be a member of the RSPO • Establish the structure of the organisation • Appoint a Group Manager (see E1.2)	Yes	Harus Abadi Sdn Bhd is a Malaysian company registered under the Company Act with registration no. of 129081-M. Spark Glory Sdn Bhd is a Malaysian company registered under the Company Act with Certificate of company registration issued by the Companies Commission of Malaysia on 4 August 1994 and Business license no. LD/2022/49. Together both Merge and has established the Harus Abadi Sdn Bhd which is registered under the RSPO with membership no. of 1-0280-19-000-00. The organisation is a medium out grower. The Harus Abadi Sdn Bhd is managed independently by Harus Abadi Sdn Bhd and had appointed a Group Manager, Mr Tey You Lai. This was verified through Appointment Letter and Contract Agreement dated 15 December 2023. The Group Manager is responsible to ensures that the group meet the requirements of RSPO standard for Group Certification. The organisation chart for Harus Abadi Sdn Bhd was made available during the audit. The ICS committee included the Group Manager, Assistant Group Manager and Technical Support. Mrs Yvonne Chew Siok Fong and Mr Lim Winn are appointed as a person in-charge for Harus Abadi Sdn Bhd. The job description for each person was established.
	E1.1.2	The Group Entity shall have documented membership requirements for the participation of individual members in the Group which will also cover new membership. • There shall be documentary evidence that the Group members have formally joined the Group. • Formal members of the Group shall sign an agreement with the Group Manager committing to achieving compliance with the applicable RSPO standards and requirements. • The Group Manager shall keep copies of the agreements and shall demonstrate that each member has received a copy thereof. • The Group Manager shall retain copies for a minimum of 5 years.	Yes	Group member who wants to join Harus Abadi will need to undergo risk assessment and Contract obligation For example Clause statement in the Contract: 1. Obligations of the Group 2. Obligations of the Producer 3. Sanction 4. Term And Termination 5. General 6. Agreement 7. Outgrower Declaration After the members meet Harus Abadi risk assessment and Contract obligation only then accepted as the group member. Guidelines on accepting a producer into the Harus Abadi Sdn Bhd are available in **Harus Abadi Contracts Obligation** on Harus Abadi Membership dated 15/12/23. Baseline interviews and farm audits will need to be completed prior to membership sign up including application form, pre-inspection and checking on appropriate documents of Outgrowers and internal approval.

				Among verified list of members and certification status. - Spark Glory Sdn Bhd RSPO Registration No ; 1-0261-18-000-00 Original copies of the agreements were kept at Harus Abadi office and Spark Glory Sdn Bhd. The records were kept for 5 years according to the Safe and Standard Operating Procedures (SSOP) updated March 2021 and found adequately maintained at Harus Abadi office.
	E1.1.3	The Group Manager shall keep evidence that the nature and structure of the group has been communicated to all members of the Group in an appropriate manner.	Yes	The Group Manager had briefed the nature and structure of the group to all members. This was confirmed through interview with Spark Glory Sdn Bhd. Information on the nature and structure of the group are also displayed at the notice board at Both Office.
E1.2 The Group shall be managed by a Group Manager	E1.2.1	The appointed Group Manager shall be either an identified legal entity or an individual acting on behalf of the legal entity, i.e. the Group Entity (E1.1.1). The Group Manager shall ensure the Group's compliance with this standard and is responsible for the preparation and implementation of the Internal Control System (ICS). If the Group Manager is not an individual but an entity: • Then, the entity shall appoint an individual as management representative • And, there shall be a description of the general structure detailing the positions and responsibilities of all personnel involved.	Yes	Harus Abadi Sdn Bhd is a Company as verified through SSM license. Harus Abadi Sdn Bhd had appointed a Group Manager as the management representative. Organisation structure detailing the positions and responsibilities of all personnel involved was made available Organisation Chart in the Site Office and Main office of Both Harus Abadi Sdn Bhd and Spark glory Sdn Bhd.
	E1.2.2	The Group Manager shall be able to demonstrate sufficient resources and capacity for managing Group Certification and performance assessment against this Standard.	Yes	The Group Manager Mr Tey You Lai is able to demonstrate sufficient resources and capacity for managing Group Certification and performance assessment against this Standard. Several field staffs were appointed to monitor the performance of the members through site visit, quarterly project site report, internal audit and risk assessment for members. There is also project plan, management plan and project budgets in order to manage the CU. The organization chart for Harus Abadi Sdn Bhd was made available during the audit. The ICS committee included the Group Manager, Assistant Group Manager and Technical Support. Mrs Yvonne Chew Siok Fong and Mr Lim Winn are appointed as a person in-charge for Harus Abadi Sdn Bhd. The job description for each person was established.
	E1.2.3	The Group Manager and / or their personnel shall be able to demonstrate competence and knowledge of: • Principles and Criteria for the Production of	Yes	Based on interview and evidence of implementation collected during site visit, audit team has verified that the Group Manager and their field staffs are able demonstrate competence and knowledge of: • MYNI 2019 FOR RSPO PRINCIPLE & CRITERIA 2018

		Sustainable Palm Oil 2013 • RSPO Management System Requirements and Guidance for Group Certification of FFB Production – March 2016. • RSPO Supply Chain Certification Standard – Nov 2014 • Internal group procedures and policies.		• RSPO Management System Requirement for Group Certification of FFB Production 2022 • RSPO Supply Chain Certification Standard – 2020 • Internal group procedures and policies. The audit team has also verified the Harus Abadi Sdn Bhd and Spark Glory Sdn Bhd team training records in order to confirm the competency of the team.
	E1.2.4	The Group Manager shall provide potential and existing Group members with the following: • An explanation of the RSPO certification process. • An explanation of the criteria for group membership. • An explanation as to the Group Manager's needs and the rights of the certification body to access the group members' documentation and plantations for the purposes of evaluation and monitoring. • An explanation of the certification bodies and RSPO requirements with respect to public information. • An explanation of any obligations with respect to group membership, such as: ▪ Maintenance of information for monitoring purposes; ▪ Requirement to conform to conditions or corrective actions issued by the certification body. ▪ Explanation of any costs associated with group membership. ▪ Other obligations of group membership.	Yes	The Group Manager had brief Spark Glory Sdn Bhd on RSPO certification process, criteria for group membership, rights of the certification body to access the group members' documentation and plantation for the purposes of evaluation and monitoring, certification bodies and RSPO requirements with respect to public information, annual budget, Palm trace, training, other obligation and etc. The information also had been displayed at the notice board at the Both Estate office and Main Officed. The management keep compliance of the members by establishing the 1. SOP Safe and Standard Operating Procedures (SSOP) updated March 2021 2. Agricultural Manual updated May 2020 3. MPOB Guideline for smallholders Agricultural Manual 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 02/05/2020. It was confirmed that all activities in the estates from seedlings in nursery to planting in the fields have been included in the Manual. 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 15/11/2021. 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 maintained displayed at various workstations for easy reference, for example, at the muster ground, chemical storage and diesel storage. The training "Group Training and Management Review Meeting'. 1. Yvonne Chew attend on 15/12/23 2. Lim Winn attend on 15/12/23

2.2. Element 2 (E2): Internal Control System – Policies and Management

Clause	Indicators		Comply Yes/No	Findings
E2.1 The Group Internal Control System shall contain documented policies and procedures for operational management.	E2.1.1	The Group Internal Control System shall contain Procedures for decision-making, and responsibilities within the group (including the authority of the Group Manager) shall be defined. The Group Manager shall manage the Group in a systematic and effective manner by: • Identifying the geographical area to be covered by the Group. • Preparing, maintaining and documenting the Group management structure • Clearly identifying the responsibilities of all individuals employed by the Group Manager for the running of the Group. • Prepare and maintain the rules of the Group including the criteria for membership. • Organise at least one group meeting annually (see also 8.1.1 on preparation of group management plan). • Procedure for initial gap audit which can be a self-assessment.	Yes	Harus Abadi had standard procedures to manage the group in a systematic and effective manner such as : 1. Contract Agreement Obligations 2. SOP Safe and Standard Operating Procedures (SSOP) updated March 2021 3. Agricultural Manual updated May 2020 The audit team had also confirmed the monitoring system which was done effectively based on the risk assessment report and quarterly meeting with Spark Glory representatives (Management meetings). Harus Abadi has also documented set of procedures and processes that a group member need to implement to achieve its specified requirements. This also includes: - Internal Control System (ICS) Standard Operating Procedures (SOPs) for social aspects at HASB include the following: - Procedure for Hiring Workers (Local and Foreign) - Recruitment, Termination, Retirement and Promotion Procedure (Local and Foreign Workers) - Mechanism for Protection of Complainant against Retaliation (Whistleblower) - Stakeholder Consultation Procedure (1st March 2018) - Procedure for Requesting Company Information - Procedure for Reporting Complain and Grievances – Stakeholder (Internal and External) - Flowchart Mechanism for Complaint and Grievance (Stakeholder – Internal) - Stakeholder Consultation Procedure – Estate Level) 1st March 2018 - Guideline/Procedure – Sexual Harassment - Flowchart – Sexual Harassment Harus Abadi Management organise the meeting quarterly and The Latest Management Meeting (MRM) was conducted after internal audit (by Sustainability Teams) dated 17-18/10/2023. The MRM was carried out for HASB on 15/12/2023. The MRM was attended by estate management including assistant general manager and sustainability team. It was chaired by HASB Group Manager. Among the management review were discussed are: 1. Follow up actions from earlier MRM 2. Sustainability and adequacy of all SOPs 3. Sustainable Agriculture Policy 4. Results of internal audits

				5. Changes In legal requirement of any compliance 6. Complaint's/ Customer (internal/external) feedback 7. Accident & injury 8. Environmental quality 9. Waste management 10. Energy usage performance 11. Status of corrective actions 12. Recommendations for improvement Management has transparently addressed continuous suitability, adequacy and effectiveness of the requirements for effective implementation of RSPO. The initial gap audit was conducted through Harus Abadi Risk Assessment Checklist as per stated in the Contract Agreement Obligations
	E2.1.2	The Group Internal Control System shall contain Procedures for maintaining records for all Group members. The Group Manager shall implement a system to maintain the following central records and reports: • List of names and full contact details of group members and applicable method of communication. • Location maps. Area of oil palm in hectares. • Land titles/right of use of the land. • A copy of the signed declaration of the grower becoming a member of the group including the date. • Unique member registration numbers are assigned to individual members. • The date that the member signed the declaration of intent as stated in the Group Membership Requirements. • Date of leaving the Group if applicable and the reasons why. • Projected and actual FFB production in metric tonnes per annum. • Monitoring and training records. • Any corrective actions raised and actions taken to meet the requirements for compliance.	Yes	The Group Manager had maintained records for all members as per its procedure titled Contract Agreement Obligations, SOP Safe and Standard Operating Procedures (SSOP) updated March 2021. 1. The data monitoring sheet contains information about the Members including the all Legal binded Documents, names and full contact, Location maps, land title was included all the information needed for all Member. E.g. date of compulsory training and monitoring, date joined member. With Agreement sign on 15 December 2023 2. Verified the Land title and contract between the Spark Glory and the Harus Abadi and complied. 3. The hectarage was monitored through Map Given that covered the information on the Harus abadi and Spark Glory and issue on monitoring. The total existing certified area was 693.72Ha, and the total area to certify Nil due to Both of Spark Glory and Harus Abadi does not want to add new Member. 4. The production records was keep in Monthly Report with latest on December 2023 5. The monitoring and the training records was monitored through Harus Abadi Training Plan 2024 and 2023 6. The monitoring on the issue raised in was monitored through Monitoring Checklist.

	E2.1.3	Relevant group records shall be archived for a minimum of 5 years using an appropriate secure system.	Yes	In accordance with Contract Agreement Obligations, SOP Safe and Standard Operating Procedures (SSOP) updated March 2021, Harus Abadi maintained all records pertaining to RSPO for at least 5 years. Records were also available in electronic form. During on-site visit, Harus Abadi and Spark glory has its own folder to keep the relevant documents such as Licenses, Procedure, Checklist, SOP, land titles, training material and contracts.
	E2.1.4	The Group Internal Control System shall include an initial gap audit procedure (i.e. baseline assessment and needs for compliance) for applicants wishing to join the Group.	Yes	Harus Abadi had established documented procedures and processes that the group implements to achieve its specified requirements. This includes the Internal Control System (ICS) to conduct baseline using the Contract Agreement Obligations, SOP Safe and Standard Operating Procedures (SSOP) updated March 2021. This assessment covered the socio-economic background, supply chain, social and environmental impacts and farm audit. A risk assessment was conducted before the Growers become a member.

1.3 Element 3 (E3): The Internal Control System – Operations

Clause	Indicators		Comply Yes/No	Findings
E3.1 The Group Internal Control System shall develop and implement an internal audit programme of Group members.	E3.1.1	The Group Manager shall develop and implement the internal audit programme, which includes, but not exclusively: timeline, operational plans, monitoring and evaluation records. As a minimum the following shall be included: • Establish, implement and maintain a procedure(s) for internal audits which must include (but not be limited to) the methodology, competence of internal auditors, audit criteria, frequency of internal audits, and addressing non-conformity. • Conduct regular (at least annual) internal audits of Group members in order to confirm continued conformance with all the Group Certification requirements. • Maintenance of all internal audit records.	Yes	Harus Abadi Internal Audit Guideline dated March 2021 was established and the internal Audit was last conducted by an approved internal auditor which is Sustainability Team from Hap Seng on 17-18/10/2023. The audit had sampled all members. In accordance with the indicator, 'Conduct regular (at least annual) internal audits of Group members in order to confirm continued conformance with all the Group Certification requirements. Records of the internal audits were maintained accordingly and has been verified by the Auditor.
	E3.1.2	The Group Manager shall carry out a risk assessment of Group members to identify an appropriate sampling intensity of Group members for the certification assessment. The risk assessment shall take into account:	Yes	Harus Abadi has a procedure that before the Growers become a Harus Abadi member, a risks assessment shall be carried out. Refer to the Contract Agreement Obligations, SOP Safe and Standard Operating Procedures (SSOP) updated March 2021. The latest risks assessment carried out in December 2015 was conducted for Spark Glory Sdn bhd. Once becoming a member, an internal audit was supposed to be conducted. The risk assessment has been revised by incorporating the non-

		• The diversity of the Group members (i.e. range of size, management structure, scattered members with diverse plantation landscape such as terrain, etc.) • Any perceived risk relating to the activities being undertaken (e.g. how much replanting or expansion is occurring, how many members are new and, for subsequent assessments, whether there is a history of non-conformities).		conformities from the CB. For example, related to new planting, yield and used of fire.
	E3.1.3	The Group Manager and the internal auditors shall jointly declare no conflict of interest for the internal audit process.	Yes	Harus Abadi has developed a Policy and procedure about conflict of interest titled as Anti Bribery Policy. The procedure stated that the internal inspectors could not audit Spark glory when there is a conflict of interest and the internal inspectors cannot be members of Harus Abadi group committee. Harus Abadi has appointed Hap Seng Plantations Sustainability Team as Internal Auditor for Harus Abadi Group.
	E3.1.4	The Group Manager shall conduct initial gap audits with any potential new member, to assess the following pre-requisites for membership: • no plantings have replaced primary forest, or affected one or more HCVs (RSPO P&C 2013 criteria 5.2 & 7.3) • In the case of scheme smallholders, the company (owning/managing the mill) holds the liability for compensation for any new plantings undertaken since Nov 2005 and before 14th May 2014. • Following compliance with the compensation procedure, scheme smallholders may join the group. ▪ no existing land conflict. ▪ land title or right to use the land can be demonstrated.	Yes	The Group Manager had conduct Initial Gap Audits at Spark Glory Sdn Bhd on RSPO certification process, criteria for group membership, rights of the certification body to access the group members' documentation and plantation for the purposes of evaluation and monitoring, certification bodies and RSPO requirements with respect to public information, annual budget, Palm trace, training, other obligation and etc. The information also had been displayed at the notice board at the Both Estate office and Main Officed. However, there is no issue since Spark Glory actually RSPO Small grower certified and has been certified by RSPO since 2019. The management keep compliance of the members by establishing the 1. SOP Safe and Standard Operating Procedures (SSOP) updated March 2021 2. Agricultural Manual updated May 2020 3. MPOB Guideline for smallholders Available and sighted Standard Operating Procedures (SOPs) for social aspects at HASB include the following: 1.Procedure for Hiring Workers (Local and Foreign) 2.Recruitment, Termination, Retirement and Promotion Procedure (Local and Foreign Workers) 3.Mechanism for Protection of Complainant against Retaliation (Whistleblower) 4.Stakeholder Consultation Procedure (1st March 2018) 5.Procedure for Requesting Company Information 6.Procedure for Reporting Complain and Grievances – Stakeholder (Internal and External) 7.Flowchart Mechanism for Complaint and Grievance (Stakeholder – Internal) 8.Stakeholder Consultation Procedure – Estate Level) 1st March 2018 9.Guideline/Procedure – Sexual Harassment 10.Flowchart – Sexual Harassment There is No issues replaced primary forest, or affected one or more HCVs (RSPO P&C 2013 criteria 5.2 & 7.3) in Harus Abadi Group.

E3.2 The Group Internal Control System shall include a system in place to enable the trading of RSPO certified FFB produced from the Group.	E3.2.1	The Group Manager shall document and implement a system for the tracking and tracing of FFB produced by the group members, and intended to be sold as RSPO certified FFB.	Yes	For FFB tracking the management use the form named “Harus Abadi RSPO Volumes tracking”. Verified the total FFB produce as follow: Total FFB produce from Nov 2022 to Dec 2023 8953.00 Mt
	E3.2.2	There shall be a collective Group procedure for the sale of all certified FFB to ensure that non-certified FFB are not sold as RSPO certified FFB. If certified FFB is combined with non-certified FFB prior to the sale and delivery to a palm oil mill, a mass balance system shall be in place to ensure the quantity of FFB sold as Mass Balance is equal to the quantity of RSPO certified FFB in the mix.	Yes	The management of HASB had establish, documented, implemented and maintained a standard operating procedure to comply with the requirements for traceability of FFB. It was Doc No: SCS/HASB/001 dated January 2020 and Material Flow Chart for Certified Sustainable Fresh Fruit Bunch (CSFFB). It describes how to ensure that FFB from the farm to the collection center or mill is traceable and a documented system is in place to record and track the volumes of individual FFB producers/Smallgrower Sighted the FFB harvested record book update as of December 2023, FFB Statement December 2023, Weighbridge ticket and mill grading report from Bukit Mas POM and Jeroco POM.. The record of selling the FFB is kept by the Members. The management uses the monitoring sheet to monitor the sales records on quarterly basis.
	E3.2.3	All sales of FFB originating from the plantations of Group members shall be documented and recorded. This shall include: • Invoices and receipts (purchase and sale). • Information on transport (i.e. registration number/number plate). • The relevant group members’ group identification number. • Classification of the FFB sold (i.e. RSPO certified or not), FFB volume and destination. • Information of FFB price.	Yes	As verified on-site, the members kept the receipts of sale or invoices. The management of HASB had establish, documented, implemented and maintained a standard operating procedure to comply with the requirements for traceability of FFB. It was Doc No: SCS/HASB/001 dated January 2020 and Material Flow Chart for Certified Sustainable Fresh Fruit Bunch (CSFFB). It describes how to ensure that FFB from the farm to the collection center or mill is traceable and a documented system is in place to record and track the volumes of individual FFB producers/Smallgrower Sighted the FFB harvested record book update as of December 2023, FFB Statement December 2023, Weighbridge ticket and mill grading report from Bukit Mas POM and Jeroco POM. (i.e: FFB price for Harus Abadi follow the MPOB calculation per 1% OER).
	E3.2.4	The Group Manager shall maintain copies of all documentation and records mentioned in E3.2.3 related to Group FFB transactions for a period of a minimum of 5 years.	Yes	HASB management has kept all the records associated with the Group FFB transaction as Per Contractual Obligation which is copies of records and FFB Transaction shall maintain copies at Harus Abadi for a period of a minimum of 5 year. The records were maintained and available in the softcopy and Hardcopy at the Harus Abadi HQ office in Lahad Datu.
	E3.2.5	Traders of FFB shall be either part of the Group management system following this guidance or be RSPO Supply Chain certified in order to sell certified FFB. Traders of FFB are encouraged to be included within the Group certification control rather than obtain their own supply chain certification. The Group Manager will ensure that the trader	Yes	There is no trader included in this certification.

		has clear procedures to ensure that mass balance calculations are accurate if applicable and that all FFB sold by the trader is traceable back to the Group members.		

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	Among the documents available for public review include the following policies on environment, equal opportunities, safety and health, sexual harassment, social and human rights, corruption prevention, child protection. Additionally, these documents are also available at the estate office for review. Other documents available for public review are documents related to OSH, social impact and improvement, consultation and communication procedure, details of complaints and grievances, negotiation procedures, records of contributions and donations to local communities, joint consultative committee and gender committee meeting minutes, estate map and boundary, licenses and permits, continuous improvement plan, public summary of certification assessment report, etc.
	1.1.2 Information is provided in appropriate languages and accessible to relevant stakeholders.	YES	Information provided in both English and Bahasa Malaysia and accessible to all stakeholders in HASB upon request. The information was 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.
	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 and maintained. As at todate 2024 audit, there is one documentation requested by Hap Seng Jeroco Palm Oil Mill which is Land Title and MPOB License for Harus Abadi and Spark Glory for Legality purposes under RSPO.
	1.1.4 (C) Consultation and communication procedures are documented, disclosed, implemented, made available, and explained to all relevant stakeholders by nominated representative.	YES	The consultation and communication procedures were documented. External and internal communication procedures developed by HASB maintained to be followed and available at the audited sites. Consultation and communications procedures for HASB is documented in the *Stakeholders Consultation Procedure – Group Level & Estate Level, dated 01/03/2019.* This document was sighted during the audit. An examination of the records kept in the internal and external communication files found that the estate 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 observed displayed on notice boards at the office and the muster ground were also used as a means of internal communication. Sighted latest complaints by workers related to Genset broken on 5/8/23 and it was already solved in 9/8/23, which is takes only 5 days to solve. 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

Clause	Indicators	Comply Yes/No	Findings
			correspondence, which were kept in the External Communication File.
	1.1.5 There is a current list of contact and details of stakeholders and their nominated representatives.	YES	Stakeholder list updated as at 06/10/2023 was established in the HASB. Stakeholder such as internal stakeholder i.e., workers leader, women leader, ethnic leader and external stakeholders i.e., neighbouring smallholders or estate plantations, local communities, government authorities, suppliers/consultant, vendor services provider and NGOs were included in the list. Nominated representative with contact number and address was sighted.
1.2 The unit of certification commits to ethical conduct in all business operations and transactions.	1.2.1 A policy for ethical conduct is in place and implemented in all business operations and transactions, including recruitment and contracts.	YES	The management has documented a policy committing to integrity for all their staff and workers, as well as transactions, including recruitment and contracts, by publishing a Code of Conduct and Business Ethics Policy dated 01/09/2018 (HASB) and 01/03/2020 (SGSB). The commitment to this policy has been communicated and implemented through various platforms such as morning briefings, induction courses, and contract agreements. The latest briefing was conducted on 07/01/2023 (HASB) and 21/03/2023 (SGSB). Based on interviews with sampled workers and management, there have been no reported cases of unethical conduct so far.
	1.2.2 A system is in place to monitor compliance and the implementation of the policy and overall ethical business practice.	YES	Internal audit dated 17-18/10/2023 (HASB) and 16-17/10/2023 (SGSB) conducted by Sustainability Team from HSPB is the one of the systems to monitor compliance and the implementation of the policy and overall ethical business practice. Besides, contract agreement also is the commitment to ethical conduct in all business operations and transactions which includes a declaration to eradicate all forms of exploitation, including but not limited to modern day slavery and human trafficking.

Principle 2: Operate legally and respect rights

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

Clause	Indicators	Comply Yes/No	Findings
2.1 There is compliance with all applicable local, national and ratified international laws and regulations.	2.1.1 (C) The unit of certification complies with applicable legal requirements.	YES	In general, the Group complied with the applicable legal requirement.
	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	Changes to the law and regulation are monitored by the Sustainability Team from Hap Seng plantation (assist small holder programmes). Various sources were referred in obtaining information updates of legal requirements. This include on subscribed to Lexis-Nexis Advance Malaysia, news release thorugh printed and online newspaper, law change tracked by book publisher (MDC Book Publications), Federal Government Gazatte, circulars from relevant associations i.e. MPOA, MPOB, MAPA, SOCSO, EPF, DOE, DOSH, etc.
	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	**Harus Abadi** During the site review, the physical markers were visibly maintained at Harus Abadi Estate and First Rain Tree Division. The perimeter boundary of the estate was visibly maintained by erecting pegs along the boundary, especially the ones that adjacent to other private estate.

Clause	Indicators	Comply Yes/No	Findings
			Spark Glory The perimeter boundary of the estate was visibly maintained by erecting pegs along the boundary. During the site review, the physical markers were visibly maintained at Spark Glory Sdn Bhd, especially the ones that are adjacent to other private estate – Hap Seng Plantations Berhad and with Tabin Wildlife Forest Reserve.
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 HASB in the stakeholder list. The lists contain the names of contractors, designated contact persons, address, telephone/fax/email and type of contracted works done. List of contracted parties was updated annually, based on any updated on the contracted parties.
	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	The company does not engage any contractor to perform services for the company as the company has their own directly employed workers which perform all the estate fieldwork and FFB transport to the mill. No recruitment agencies were used for the recruitment of foreign workers. Hence this indicator currently does not apply to the company.
	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	The company does not engage any contractor to perform services for the company as the company has their own directly employed workers which perform all the estate fieldwork and FFB transport to the mill. No recruitment agencies were used for the recruitment of foreign workers. Hence this indicator currently does not apply to the company.
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	N/A	This small-grower certification unit has no palm oil mill. 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.	N/A	This small-grower certification unit has no palm oil mill. 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	HASB continued to achieve long term economic and financial viability through documented management plan projected to year 2024.A business plan including crop forecast, capital expenditure, operational expenditure, general charges, profit and loss covering the period of 2022 to 2024 had been prepared for HASB 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 both estates was made available, as follows: Replanting in Harus Abadi in 2026-2027. No replanting program for the next 5 years for First Rain Tree Div. For Spark Glory a replanting program was available however, there is no replanting for the next 5 years. All palms were planted in 2002. The management in verbal has indicated that replanting is planned scheduled earlier in phases to even out the future planting age / year.
	3.1.3 The unit of certification holds management reviews at planned intervals appropriate to the scale and nature of the activities undertaken.	YES	The Management Review Meeting (MRM) was conducted after internal audit (by Sustainability Teams) dated 17-18/10/2023. The MRM was carried out for HASB on 15/12/2023 and Spark Glory on 17/03/2023. The MRM was attended by estate management including assistant general manager and sustainability team. Among the management review were discussed are: 1. Follow up actions from earlier MRM 2. Sustainability and adequacy of all SOPs 3. Sustainable Agriculture Policy 4. Results of internal audits 5. Changes In legal requirement of any compliance 6. Complaint's/ Customer (internal/external) feedback 7. Accident & injury 8. Environmental quality 9. Waste management 10. Energy usage performance 11. Status of corrective actions 12. Recommendations for improvement Management has transparently addressed continuous suitability, adequacy and effectiveness of the requirements for effective implementation of RSPO.
3.2 The unit of certification regularly monitors and reviews their economic, social and environmental	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	The CU has established the Social Impact Assessment Management Action Plan and Continuous Improvement Plan on latest reviewed on 21/11/2023 (HASB) and 29/12/2023 (SGSB). Continual Improvement Plan covers issues related to continued and improved relationship with neighbouring estates, government agencies, Palm Oil Mills and both internal and external stakeholders (including suppliers, work force etc).

Clause	Indicators	Comply Yes/No	Findings
performance and develops and implements action plans that allow demonstrable continuous improvement in key operations.	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 CB using the RSPO metrics template before the audit started. This requirement refers to a small set of strategic outcome-based metrics, which are of value to growers, relates directly to the P&C, and aligns with the RSPO Theory of Change1 (ToC) and RSPO organizational Key Performance Indicators (KPIs). RSPO Metric Template details has been recorded into 3 documents (previously single certification and single membership)
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	HASB adopted the following documented manuals and documents as their standard operating procedures: 1. Safe and Standard Operating Procedures (SSOP) updated March 2021 2. Agricultural Manual updated May 2020 3. MPOB Guideline for smallholders Spark Glory Sdn Bhd had adopted the following documented manuals and document as their standard operating procedures: 4. MPOB Code of Good Agricultural Practice for Oil Palm Estates and Small Holdings. 5. Standard Operating Procedure (SOP). 6. Safe and Standard Operating Procedure (SSOP). 7. Spark Glory Agriculture Manual.
	3.3.2 A mechanism to check consistent implementation of procedures is in place.	NO	There are several mechanisms used to check on consistent implementation of procedures. One of the regular mechanisms used by HASB are internal audits conducted by Hap Seng Plantations Sustainability Team. Internal audit covering MSPO & RSPO internal audit has conducted on 17-18/10/2023 (HASB) and 16-17/10/2023 (SGSB). Results from both assessment internal audit recorded 3 Major NCR and 0 Minor NCR. For nonconformity form, sighted the estate has submitted the root cause and corrective action for all NCRs raised using Section 2: NCR & Corrective Action Monitoring Table, and Section 3: Corrective action plan including completion date forms. Based on the identified root cause recorded in the internal audit report, the estate management has provided the corrections and corrective actions with satisfactory closed to prevent recurrence of nonconformity. However, during the site visit at Harus Abadi Estate, it was found that domestic waste, including plastics and bottles, has been dumped in the drainage area near the housing areas. Thus, Minor NCR RAR 03 2024 has been raised against this indicator.
	3.3.3 Records of monitoring and any actions taken are maintained and available.	YES	The monitoring of the SOP implementation was closely done by all levels of the supervisory personnel to the top management with records maintained and checked. The records sighted were as follows; • 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 assistant general manager • Assessments by RSPO Audits

Clause	Indicators	Comply Yes/No	Findings
			• 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.
3.4 A comprehensive Social and Environmental Impact Assessment (SEIA) is undertaken prior to new plantings or operations, and a social and environmental management and monitoring plan is implemented and regularly updated in ongoing operations.	3.4.1 (C) In new plantings or operations including mills, an independent SEIA, undertaken through a participatory methodology involving the affected stakeholders and including the impacts of any smallholder/outgrower scheme, is documented.	YES	There are no new plantings or new operations within the CU. Nevertheless, the estate has its own Environmental Aspect & Impact (EAI) and Social Impact Assessment (SIA) done which have been prepared internally by the Sustainability Department from Hap Seng Plantations. Details of the EIA and SIA are contained in Indicator 3.4.2 below. Thus, this indicator not applicable.
	3.4.2 For the unit of certification, a SEIA is available and social and environmental management and monitoring plans have been developed with participation of affected stakeholders.	YES	The SIA and EIA reports separated. SIA was conducted by Agronomy Department (Sustainability Team). The SIA is conducted, and review annually dated 21/11/2023 (HASB) and 29/12/2023 (SGSB) and includes mainly issues raised by stakeholders. The methodology of the assessment was through field interview with internal and external stakeholders, site observation and documentation review. The assessment has involved the affected stakeholders such as neighboring smallholders or estate plantations, suppliers, government authorities, local communities and internal workers. Issues raised by the stakeholders were incorporated into a management plan. Social profile such as social background of employees, background of local community, education, safety and health, living condition, infrastructure and amenities and stakeholder engagement were assessed accordingly. The SIA Report also included the baseline for socio economic data of estate and the social profile, as well as their stakeholders. The report also contained the estate background information, labour policies, grievance procedures (internal and external), sexual harassment policies, facilities and amenities offered by the estates, and the social impact assessment procedures and results. The secondary data collection – document review/file checking has also been made. The report includes both positive and negative impact and its recommendation. The Environmental Impact Assessment (EIA) was carried out for each activity such as harvesting, spraying, manuring, scheduled wastes store, housing area, etc The assessment was to evaluate and analyze the operations impact on soil, water, and air associated with the organization activities. The EIA review process had included stakeholders' consultation with regards to environmental aspects, impacts, and pollution control, and ERT, HCV and land usage issues. The reviews done involved respective management, mandore, and Sustainability Team with external stakeholders such as from Govt. agencies, neighboring smallholders/estates, local villagers, suppliers and contractors. So far, no issues related to environmental has been highlighted during stakeholders meeting.
	3.4.3 (C) The social and environmental management and monitoring plan is implemented, reviewed and updated regularly in a	YES	A significant environmental aspect and impact from estate operation mitigation methods was implemented from EIA. The plan was reviewed annually and latest reviewed on 16/12/2023 (HASB) and 23/12/2023 (SGSB). Those activities evaluated as significant were then monitored using the management control and mitigation measure established for each activity where the significant impacts occurred. A timetable with responsibilities for mitigation and monitoring was reviewed and

Clause	Indicators	Comply Yes/No	Findings
	participatory way.		updated as necessary. The estate had appointed specific person in charge (PIC) responsible for taking actions on each of the mitigation measures with specific time intervals. The social management action plans are being reviewed and updated via annual basis dated 21/11/2023 (HASB) and 29/12/2023 (SGSB). The review of the plans involved external stakeholder consultation, joint consultative committee consultation, grievance records, and employee consultative committee. Among the social issues for management and monitoring were awareness on complaint and grievances, occupational safety and health enforcement, upgraded and improved living quarters condition and wastes management at housing area. The reviews done had involved respective Assistant GM, mandore and Sustainability Team with internal stakeholders such as workers representative, non-worker representative, religious leaders etc. and external stakeholders such as from Govt. agencies, neighbouring smallholders/estates, local communities, suppliers and contractors. Based on stakeholders' consultations, including the Joint Consultative Committee (Estate Level) meetings held on 11/09/2023 (HASB), 18/11/2023 (SGSB), and a joint session from HSPB groups on 22/12/2021, evidence of the feedback received during these consultations has been documented in the Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) plans.
3.5 A system for managing human resources is in place.	3.5.1 Employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives where applicable.	YES	The CU has developed employment procedures for recruitment, selection, hiring, promotion, retirement and termination are documented and made available to the workers and their representatives. The procedures were established by Bahasa Malaysia/English for foreign and local workers. The procedures described via walk in process and supply by foreign workers agencies. The recruitment process was clearly stated in the procedure where the recruitment was based on age, medical fitness etc. There is no discrimination based on religion, gender, nationality etc. during their recruitment. The recruitment process is based on skills, capabilities, medical fitness necessary etc. The procedure was briefed and explained to all workers during induction weeks and refresher morning muster.
	3.5.2 Employment procedures are implemented, and records are maintained.	YES	Based on the files sighted, the CU is able to demonstrate the implementation of the employment procedures, and records are maintained. Audit team has also verified all recruited workers from Indonesia and Philippines through personal file by employment no./ name of employee, employment contract, offer letter, passport consent form. etc. Review of the above employment records of HASB and SGSB employees proved that the Employment procedures had been implemented, and records are maintained at the CU. Application form, interview assessment form, medical check-up report, photocopied identification card and employment contract were sighted for newly recruited employees. Interviewed with both estate management, confirmed that if there is any job vacancy available in the estate, they will pass the information through word of mouth to all the workers and recommended by estate mandore. Mostly recruit workers at the CU via walk in process. No recruitment agencies were hired by either management.
3.6 An occupational health and safety (H&S) plan is documented, effectively	3.6.1 (C) All operations are risk assessed to identify H&S issues. Mitigation plans and procedures are documented and implemented.	YES	All operations had been risk assessed to identify H&S issues. Mitigation plans and procedures were documented in the HIRARC document and implemented. Based on the risk assessment done in accordance to DOSH Hazard Identification, Risk Assessment and Risk Control (HIRARC) Guidelines 2008, both estates had identified 17 key activities such as harvesting, spraying, pruning, road maintenance etc. and reviewed its hazards and risks and determined appropriate risk control measures. The HIRARC records, as well as Chemical Health Risk Assessment (CHRA) records were

Clause	Indicators	Comply Yes/No	Findings
communicated and implemented.			verified during the assessment. The HIRARC Register was last reviewed on 07/04/2023 (Harus Abadi Estate) and on 05/12/2023 (Spark Glory Estate). It was reviewed on spraying electric fence, FFB checker, harvesting, spraying, pruning, census, road maintenance, storekeeper, SW, manuring, skid tank, and rat baiting. The effectiveness of the HIRARC is monitored and ensured through checklist and training that are conducted by HASB in each of the operations. It was sighted during the site visits and documents reviews that the implementation of safety as per risk control were in place.
	3.6.2 (C) The effectiveness of the H&S plan to address health and safety risks to people are monitored.	YES	The Occupational Safety and Health Policy was established, and the policy emphasized strict compliance with all laws / regulations of OSHA 1994 along with its relevant regulations. The policy had been communicated to all levels of the organization through briefings and also displayed prominently in *Bahasa Malaysia and English* on notice boards at estate office and muster ground. The implementation and monitoring of health and safety risk has been conducted through daily monitoring by the Manager, staff, and mandore. CU also hired and conducted third parties' assessment. The assessment enables further appropriates actions, based on evaluation of existing control measures and exposure for all chemicals by CHRA.
3.7 All staff, workers, Scheme Smallholders, outgrowers, and contract workers are appropriately trained.	3.7.1 (C) A documented programme that provides training is in place, which is accessible to all staff, workers, Scheme Smallholders and outgrowers, taking into account gender-specific needs, and which covers applicable aspects of the RSPO P&C, in a form they understand, and which includes assessments of training.	YES	Formal training program for the year 2024 was established and made available at the beginning of each financial year and implemented accordingly. Training identification and needs analysis were applied to recognize the staff, workers deficient skills or knowledge gaps, particularly in aspects of RSPO P&C. There is no associated smallholders in this Certification Unit and thus no training given to them. Following the training given, regular assessment of training was conducted either by the training provider or their immediate supervisor to evaluate trainees' understanding. Else, a refresher course will be organized. Training methodology given to workers are commonly On-The-Job Training, Coaching/Mentoring and Hands-on Practical Session with plenty of Graphical/Pictorial illustration than wordings as these approaches get their attention and better understanding.
	3.7.2 Records of training are maintained, where appropriate on an individual basis.	YES	Training records are maintained accordingly.
	3.7.3 Appropriate training is provided for personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS). Training is specific and relevant to the task(s) performed.	YES	Not applicable because there are no personnel carrying out the tasks critical to the effective implementation of the Supply Chain Certification Standard (SCCS) at HASB and Spark Glory.

SUPPLY CHAIN REQUIREMENTS FOR MILLS – NOT APPLICABLE

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.	N/A	Not applicable. This CU is a Group of Estate with no palm oil mill.

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 policy to respect human rights, including prohibiting retaliation against Human Rights Defenders was documented under the Sustainable Agriculture Policy dated 01/09/2018 (HASB) and 12/08/2020 (SGSB). This policy has been communicated to all employees through a morning muster ground briefing. The policy, available in both Bahasa Malaysia and English, is visibly displayed on notice boards in estate offices and housing areas. In interviews with sampled workers and neighboring smallholders, it was observed that they are aware of and understand the implementation of their human rights.
	4.1.2 The unit of certification does not instigate violence or use any form of harassment in their operations.	YES	As at time of audit, it was confirmed that the unit of certification does not instigate violence or use any form of harassment, including the use of mercenaries and paramilitaries in their operations.
4.2 There is a mutually agreed and documented system	4.2.1 (C) The mutually agreed system, open to all affected parties, resolves disputes in an effective, timely and appropriate manner,	YES	The CU have developed procedures to handle grievances and disputes titled as 'Procedure for reporting complaints and grievances (Prosedur Melapor A*duan dan Permasalahan*)' and 'Grievances Procedure – Appendix 1' for staffs and workers, Prosedur Aduan and company has developed procedure named '' Mekanisme Melindungi Pengadu Terhadap Tatacara tidak Wajar

Clause	Indicators	Comply Yes/No	Findings
for dealing with complaints and grievances, which is implemented and accepted by all affected parties.	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.		(Whistleblower)'' to protect the complainants. So far, there are no negative issues or complaints by external stakeholders based on verification of External Communication/Complaint Form/Book.
	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 sampled external stakeholders, found the system was understood by the affected parties, including by illiterate parties. The procedure for complaint/grievance resolution was explained to all workers and external stakeholders through Joint Consultative Committee (Estate Level) meetings.
	4.2.3 The unit of certification keeps parties to a grievance informed of its progress, including against agreed timeframe and the outcome is available and communicated to relevant stakeholders.	YES	The CU ensures that parties involved in a grievance are kept informed of its progress, in adherence to agreed-upon timeframes. Furthermore, the outcomes are made available and communicated to the relevant stakeholders.
	4.2.4 The conflict resolution mechanism includes the option of access to independent legal and technical advice, the ability for complainants to choose individuals or groups to support them and/or act as observers, as well as the option of a third-party mediator.	YES	The conflict resolution mechanism incorporates various elements, such as providing the option for access to independent legal and technical advice. It also allows complainants the freedom to select individuals or groups to support them or act as observers. Additionally, the option of a third-party mediator is outlined in the grievance procedures. This information has been communicated to both internal and external stakeholders through opportunities like Joint Consultative Committee as well as a joint session with HSPB groups.
4.3 The unit of certification contributes to local sustainable development as agreed by local communities.	4.3.1 Contributions to community development that are based on the results of consultation with local communities are demonstrated.	YES	Harus Abadi has given Permissions to all small holder to use their road without charges. All surrounding small holders are also in the scheme smallholder support programmed assisted by Hap Seng Plantation for RSPO certification. There was no local community that lived nearby or within the Spark Glory area. However, the CU has made a donation to NGO's namely Fair LD at Lahad Datu.
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	Harus Abadi 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 this audit. For Harus Abadi Div. the land was previously owned by Sabah Land Development and HASB has buy and develop the land in 1989. For First Rain Tree Div., the land was previously owned by company of several villagers which obtained the land from Sabah Land Development 1997-98. The Company sold their land to the First Rain Tree 2000. There were clear land ownership documents available for review. The original copies of the documents were kept in the Central Office, Lahad Datu.

Clause	Indicators	Comply Yes/No	Findings
			Spark Glory 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. At Spark Glory the land was previously owned by a group of smallholders where they bought the land from Sabah Land Development Board in 1987 and they developed the land in 2002 with planting of Oil Palm. In 2008 Spark Glory Sdn Bhd purchased the land. There were clear land ownership documents available for review. The original copies of the documents were kept in Spark Glory office in Lahad Datu. Copies of land titles for Spark Glory were also sighted at Estate office.
	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 has now legitimately owned by HASB since 1989. The audit team had confirmed that there were no land issues related to previous owners.
	4.4.2a Evidence that a plan has been developed through consultation and discussion in good faith with all affected groups in the communities, with particular assurance that vulnerable, minorities' and gender groups are consulted, and that information has been provided to all affected groups, including information on the steps that are taken to involve them in decision making.	YES	
	4.4.2b Evidence that the unit of certification has respected communities' decisions to give or withhold their consent to the operation at the time that these decisions were taken.	YES	
	4.4.2c Evidence that the legal, economic, environmental and social implications of permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the unit of certification's title, concession or lease on the land.	YES	

Clause	Indicators	Comply Yes/No	Findings
	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.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by HASB since 1989. All the related documentation regarding the land acquisition was kept in HASB HQ Office, Lahad Datu and the copy in the estate was verified by the auditor. At Spark Glory the land was previously owned by a group of smallholders where they bought the land from Sabah Land Development Board in 1987 and they developed the land in 2002 with planting of Oil Palm.
	4.4.4 All relevant information is available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.	YES	This requirement in this indicator does not apply to the Group.
	4.4.5 (C) Evidence is available to show that communities are represented through institutions or representatives of their own choosing, including by legal counsel if they so choose.	YES	
	4.4.6 There is evidence that implementation of agreements negotiated through FPIC is annually reviewed in consultation with affected parties.	YES	
4.5 No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their FPIC. This is dealt with through a documented system that enables these and other stakeholders to express their views through their own representative institutions.	4.5.1 (C) Documents showing identification and assessment of demonstrable legal, customary and user rights are available.	YES	Based on Social Impact Assessment (SIA) Report for HASB and land title, there were no new plantings established on local peoples' land. It has been verified that the land is legitimately owned by the Group.
	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 the Group.

Clause	Indicators	Comply Yes/No	Findings
	4.5.3 Evidence is available that affected local peoples understand they have the right to say 'no' to operations planned on their lands before and during initial discussions, during the stage of information gathering and associated consultations, during negotiations, and up until an agreement with the unit of certification is signed and ratified by these local peoples. Negotiated agreements are non-coercive and entered into voluntarily and carried out prior to new operations.	YES	Based on Social Impact Assessment (SIA) Report for HASB and land title, there were no new plantings established on local peoples' land. It has been verified that the land is legitimately owned by the Group.
	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	
	4.5.5 Evidence is available that the affected communities and rights holders have had the option to access to information and advice that is independent of the project proponent, concerning the legal, economic, environmental and social implications of the proposed operations on their lands.	YES	
	4.5.6 Evidence is available that the communities (or their representatives) gave consent to the initial planning phases of the operations prior to the issuance of a new concession or land title to the operator.	YES	
	4.5.7 New lands are not acquired for plantations and mills after 15	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
	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.		
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 Office HASB. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.
	4.6.2 (C) A mutually agreed procedure for calculating and distributing fair and gender-equal compensation (monetary or otherwise) is established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation.	YES	In accordance with the '*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 staff and workers at visited estate.
	4.6.3 Evidence is available that equal opportunities are provided to both men and women to hold land titles for scheme small holdings.	YES	Not applicable since HASB is consider as Group Small grower
	4.6.4 The process and outcomes of any negotiated agreements, compensation and payments are documented, with evidence of the participation of affected parties, and made publicly available to them.	YES	There was no process and outcomes of any negotiated agreements, compensation and payments to any affected parties.
4.7 For new planting, where it can be demonstrated that local peoples have legal, customary or user rights, they are compensated for any agreed land acquisitions and relinquishment of rights, subject to	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 ". 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 HASB HQ. The procedure stipulates the involvement of the respective estate management, Land Office, NGOs and the affected parties in the negotiation procedures.
	4.7.2 (C) A mutually agreed procedure for calculating and distributing fair compensation (monetary or otherwise) is in place and documented and made available to affected parties.	YES	There was no issue regarding compensation (monetary or otherwise) with villagers, local community and neighbouring estate. The audit team has also interviewed relevant stakeholder and from the interviews, it can be concluded that there was no evidence of any land dispute at HASB, hence the evidence required under this clause was not available.

Clause	Indicators	Comply Yes/No	Findings
their FPIC and negotiated agreements.	4.7.3 Communities that have lost access and rights to land for plantation expansion are given opportunities to benefit from plantation development.	YES	As reported in 4.4.1 of this checklist, it has been verified that the land is now legitimately owned by the Group. There were no issues regarding land with villagers, local community and neighboring estate.
4.8 The right to use the land is demonstrated and is not legitimately contested by local people who can demonstrate that they have legal, customary, or user rights.	4.8.1 Where there are or have been disputes, proof of legal acquisition of title and evidence that mutually agreed compensation has been made to all people who held legal, customary, or user rights at the time of acquisition is available and provided to parties to a dispute, and that any compensation was accepted following a documented process of FPIC.	YES	
	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	
	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.	YES	There was no evidence of acquisition through dispossession or forced abandonment of customary and user rights prior to the current operations.
	4.8.4 For any conflict or dispute over the land, the extent of the disputed area is mapped out in a participatory way with involvement of affected parties.	YES	There was no conflict or dispute over the land. It has been further confirmed through interviewed relevant stakeholders and it can be concluded that there was no evidence of any land dispute at HASB.

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 Group of Small Grower and no Mill has included.
	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 Group of Small Grower and no Mill has included.
	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 Group of Small Grower and no Mill has included.
	5.1.4 (C) Evidence is available that all parties, including women and independent representative organisations assisting smallholders where requested, are involved in decision-making processes and understand the contracts. These include those involving finance, loans/credits, and repayments through FFB price reductions for replanting and or other support mechanisms where applicable.	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
	5.1.5 Contracts are fair, legal and transparent and have an agreed timeframe.	NA	Not Applicable since this Assessment is for Group of Small Grower and noMill has included.
	5.1.6 (C) Agreed payments are made in a timely manner and receipts specifying price, weight, deductions and amount paid are given.	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
	5.1.7 Weighing equipment is verified by an independent third party on a regular basis (this can be government).	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
	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	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.

Clause	Indicators	Comply Yes/No	Findings
	runs the internal control system (ICS), who holds the certificates, and who holds and sells the certified material.		
	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.	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
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.	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
	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).	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
	5.2.3 Where applicable, the unit of certification provides support to smallholders to promote legality of FFB production.	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
	5.2.4 (C) Evidence exists that the unit of certification trains Scheme Smallholders on pesticide handling.	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.
	5.2.5 The unit of certification regularly reviews and publicly reports on the progress of the smallholder support programme.	NA	Not Applicable since this Assessment is for Group of Small Grower and no Mill has included.

Principle 6: Respect workers' rights and conditions

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

Clause	Indicators	Comply Yes/No	Findings
6.1 Any form of discrimination is prohibited.	6.1.1 (C) A publicly available non-discrimination and equal opportunity policy is implemented in such a way to prevent discrimination based on ethnic origin, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age.	YES	The company has an Equal Opportunity Policy, available in English and Malay language and posted on the company notice board at the office. As stated in the policy, the company commits to ensuring equal opportunities in the workplace. Hiring, renumeration, access to training, promotion, termination or retirement will be implemented based on business needs, job requirements and individual qualifications regardless to ethnic origins, caste, national origin, religion, disability, gender, sexual orientation, gender identity, union membership, political affiliation or age. There is no evidence of discrimination based on feedback provided by sampled employees interviewed.
	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	Interviews with workers at HASB and at SGSB confirmed that there were no discriminatory recruitment fees imposed on them. They stated that they only pay fees for passport, visa, medical expenses, food, transportation from the village, and flight tickets. The workers also indicated their understanding that they must fulfill these requirements to travel to Malaysia. The estate has already provided them with explanations regarding the type of work they will be engaged in, specifically in the oil palm plantation.
	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	Records of hiring were reviewed during the audit. It was noted that the hiring was based on skills, capabilities, qualities and medical fitness. This was confirmed by the employees who were interviewed during the audit. Interview of candidates was done by management staff where an evaluation form is filled up to determine the suitability of the candidate.
	6.1.4 Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated. Alternative equivalent employment is offered for pregnant women.	YES	Currently, there were 2 female workers at HASB, no female workers employed by SGSB. Feedback from interviewed, there are no pregnant worker at the time of audit. Pregnancy testing is not conducted as a discriminatory measure and is only permissible when it is legally mandated.
	6.1.5 (C) A gender committee is in place specifically to raise awareness, identify and address issues of concern, as well as opportunities and improvements for women.	YES	The number of female workers hired by HASB was not significant enough to form a gender committee. Nevertheless, the estate managed to establish a gender committee and communicated the latest updates on 22/4/2023 through a meeting. The purpose of the committee is to raise awareness, identify and address issues of concern, as well as explore opportunities and improvements for women, including dependents.
	6.1.6 There is evidence of equal pay for the same work scope.	YES	There is no discrimination based on religion, gender, nationality, etc., during the recruitment process. Hiring decisions are made based on skills, capabilities, medical fitness, and other relevant qualifications. This commitment was affirmed during stakeholder consultations, worker interviews, complaints recorded in the book, and meetings with worker representatives. Notably, the job description for each worker remains consistent, irrespective of factors such as skin color, religion, race, or caste. Equality in pay is evident through the pay slips reviewed for workers at HASB and at SGSB.

Clause	Indicators	Comply Yes/No	Findings
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	For the CU, pay documentation takes the form of monthly payslips, and the conditions of pay are outlined in the respective employment contracts of the workers. Samples of the monthly payslips and employment contracts were made available and reviewed. Labour laws, detailing payments and other conditions, were provided in languages understood by the workers and explained to them by management during the induction process. Each payslip includes the employee's name, month of pay, income breakdown (basic pay, overtime, allowances), and any deductions, if applicable. Interviews with workers revealed that they understand the contents of the payslips and seek clarification from the office whenever needed.
	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	Contracts and conditions of employment are contained in employment contracts signed between the management on one hand, and their workers on the other. The employment contracts sampled were prepared in Bahasa. Among others, the contracts defined the regular working hours, deductions, overtime, sick leave, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc. Conditions of pay are contained in the workers' respective employment contracts. Labour laws, detailing payments and other conditions, were made available in the languages understood by the workers and explained to them by a management staff during induction. Each payslip includes detailed information on payments and conditions, such as the employee's name, the month of pay, working hours, sick leave, holiday entitlement, and income breakdown (basic pay, overtime, allowances). It also outlines any deductions, if applicable. In interviews with workers, it was found that they comprehend the contents of their payslips and seek clarification from the office when needed.
	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 legal compliance for regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, and reasons for dismissal, period of notice and other legal labour requirements .in the CU Letter of Employment Offer to its workers. The CU has complied with legal requirements of Sabah Labour Ordinance on regular working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice and other legal labour requirements. The working hours as per regulation was for 8 hours and 0.5 hours break in the between However, it was found that, based on the pay slip verification from December 2022 to December 2023, there is no evidence of payment for annual leave and work on rest days as stated in the pay slips. Additionally, there is no record of working days, absences, or sick leave in the payroll system. Thus Major NCR DA 01 2024 has been raised against this Indicator.
	6.2.4 (C) The unit of certification provides adequate housing, sanitation facilities, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible. National laws, or in their absence the ILO Guidance on Workers' Housing Recommendation No. 115, are used. In the case of acquisitions	YES	The CU has provided adequate housing, water supplies, medical and welfare amenities. The houses were all in good condition, and each house has between 2 – 3 bedrooms. The houses are generally well-maintained with not more than 6 people live in each house. They are also furnished with necessities such as cupboards, mattresses, pillows and cooking facilities. Workers interviewed confirmed that the houses and amenities provided are adequate, comfortable and requests for repairs were attended to in a timely manner. Housing inspection was conducted weekly by the field supervisor and using the *"Residential & Utility Buildings Inspection Report*". Any issues found during the inspection were noted down in the checklist and action will be taken accordingly. The workers are entitled to free medical facilities at the Hap Seng Estate clinic. The CU

<table>
<tr><th>Clause</th><th>Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td></td><td>of non-certified units, a plan is developed detailing the upgrade of infrastructure. A reasonable time (5 years) is allowed to upgrade the infrastructure.</td><td></td><td>has made arrangement with Hap Seng Plantation Management to debit it for treatment received by its workers.</td></tr>
<tr><td></td><td>6.2.5 The unit of certification makes efforts to improve workers' access to adequate, sufficient and affordable food.</td><td>YES</td><td>There is no grocery shop available in the CU, however the management has the initiative to collect the order from workers and buy from supermarket outside for food and everything. Sometimes workers also buy the food and groceries at nearby Plantation estate. Sometimes workers also go to Lahad Datu for buy their food. They also have access to affordable food from close by Litang Estate canteen/sundry shops.</td></tr>
<tr><td></td><td>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 pilot will then be evaluated and adapted before an eventual scale-up of the living wage implementation</td><td>YES</td><td>Based on the suggested method(s) by RSPO guideline, an assessment of the Prevailing Wage was found to be as follows:

<table><tr><th>HASB</th><th>Local Worker</th><th>Foreign Worker</th></tr><tr><td>Total Value of Prevailing Wage (RM)</td><td>1957.01</td><td>1617.00</td></tr></table>
<table><tr><th>SGSB</th><th>Local Worker</th><th>Foreign Worker</th></tr><tr><td>Total Value of Prevailing Wage (RM)</td><td>2303.40</td><td>2802.68</td></tr></table>
Verification of the Salary slips for the workers confirmed that Minimum Wage Order 2022 had been complied with for monthly, daily and piece rate salary/wages at the CU.</td></tr>
</table>

Clause	Indicators	Comply Yes/No	Findings
	Until such time where the Malaysian version of "decent living wage" has been endorsed by RSPO and implemented by the unit of certification, the Malaysian minimum wage has to be paid.		
	6.2.7 Permanent, full-time employment is used for all core work performed by the unit of certification. Casual, temporary and day labour is limited to jobs that are temporary or seasonal.	YES	At the current employment, core tasks such as harvesting, manuring, and spraying are carried out by permanent and full-time workers. There are no temporary workers or contractor workers were employed at the CU.
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 CU has subscribed to the documented policy on Freedom of Association and Right to Collective Bargaining, signed on 01/09/2018 (HASB), 01/03/2020 (SGSB). This Policy is available in dual language, i.e. Bahasa Malaysia and English and it recognizes and respects of employees to join trade union of their choice and to bargain collectively subject to the provisions of relevant national legislations. 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 CU, workers had appointed their own representatives to sit on the Workers Representative Committee. The Workers Representative Committee (JCC) is comprised of worker and management representatives.
	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	Interviews with the workers' representatives in the CU confirmed that the management did not interfere in the formation of the association. All representatives were freely elected by the workers through a confirmed election process, as conferred during the interview session. Evidence of the election, as well as appointment letters, was observed. The workers' representatives include individuals representing gender, nationality, and ethnicity.
6.4 Children are not employed or exploited.	6.4.1 A formal policy for the protection of children, including prohibition of child labour and remediation is in place, and included into service contracts and supplier agreements.	YES	The formal policy for the protection of children, including prohibition of child labour and remediation was established and publicly available at the notice board. The policy statements emphasized on child under 18 years must not be employed to work in hazardous areas. This policy is posted on notice boards in the housing and estate office. Audit team has verified employment card, copies of passports of Indonesian workers, and List of Foreign Workers. No record of person's underage of eighteen at the CU.
	6.4.2 (C) There is evidence that minimum age requirements are met. Personnel files show that all workers are above the national minimum age or above company policy minimum age, whichever is higher.	YES	There is evidence confirming that the minimum age requirements are met at the CU. No evidence was found indicating that the CU has employed anyone under the age of 18 years. This was verified by scrutinizing the Workers Master Lists, personal files, employment contracts, and payslips of all workers, where details such as the workers' IC numbers and dates of birth are available. The absence of any indication that the CU had

Clause	Indicators	Comply Yes/No	Findings
	There is a documented age screening verification procedure.		employed anyone below the age of 18 years.
	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 was found indicating that the CU has employed anyone below the age of 18 years.
	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 unit of certification effectively communicates its commitment to a no-child-labor policy, highlights the adverse effects of child labor, and promotes child protection to supervisors, key staff, smallholders, FFB suppliers, and communities where workers reside. This communication occurs through stakeholders' consultations, including Joint Consultative Committee (Estate Level) meetings and a joint session with HSPB groups.
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 Sustainable Agriculture Policy statement. The policy is displayed on the notice boards at the CU notice board offices and housing area. As at todate, there is no evidence or acts that contradict this policy were observed as interviewed the women workers at HASB. Nevertheless, the estate managed to establish a gender committee and communicated the latest updates on 22/4/2023 through a meeting. The purpose of the committee is to raise awareness, identify and address issues of concern, as well as explore opportunities and improvements for women, including dependents.
	6.5.2 (C) A policy to protect the reproductive rights of all, especially of women, is implemented and communicated to all levels of the workforce.	YES	The CU has developed a Sustainable Agriculture Policy statement which includes provisions for the protection of the reproductive rights of all workers. The Labour Standard specifies that the company acknowledges the rights of employees to reproduction and reproductive health, granting them the right to make decisions regarding reproduction. Through interviews with female workers, evidence indicates that this standard is being implemented, with female workers entitled to 60 days of paid maternity leave, and pregnant women assigned lighter duties.
	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	There is no new mother at the CU. Thus, this indicator not applicable.
	6.5.4 A grievance mechanism, which respects anonymity and protects complainants where requested, is established, implemented and communicated to all levels of the workforce.	YES	The company has a Grievance Procedure made available in both English and Malay languages, which include grievance procedure process flow charts for external and internal stakeholders. The procedure states that grievances from internal stakeholders shall be resolved within 7 working days while complaints from external stakeholders shall be acknowledged within 7 working days and resolved within 30 days. The procedure allows all stakeholders to communicate to management either by phone, email, letter or complaints form. The procedure states a commitment to ensuring the anonymity of complainants, Human Rights Defenders, community spokes persons and whistleblowers where requested, without risk of reprisal or intimidation and follows the RSPO policy on respect for HRD.

Clause	Indicators	Comply Yes/No	Findings
			Records of complaints received from internal stakeholders are recorded in the Grievance Logbook for Internal stakeholders. For year 2023, all complaints received were only related to damaged housing facilities that needed repair, and it is confirmed by workers that all complaints were addressed in a timely manner.
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 • Lack of freedom of workers to resign • Penalty to the workers for termination of employment • Debt bondage • Withholding of wages	YES	All workers in the CU have entered employment voluntarily via walk in process; it was verified during the interview with all Indonesian, Philippines, and Local workers. The Indonesian and Philippines foreign workers were previously already working in Malaysia and recruited through word of mouth on job vacancies by other workers. HASB have undergone *Kelulusan Bersyarat Pekerja Asing Regularisasi Sabah* for their migrant workers. Immigration Department Sabah has issued the approval letter. The CU has engaged Sri Balung Sdn. Bhd. as regulation services and work permit for their workers. None were brought in directly from Indonesia or Philippine by the company or employed through recruitment agencies, hence they did not pay any recruitment fees. The CU had not withheld foreign worker's passport as verified during worker's interviews. Workers also confirmed that there is no involuntary overtime as work is paid on piece rate basis and working hours is limited to 8 hours a day with no work on rest days. They understand that in their contract, if they resign from the CU prior to 14 days of notice, they will not have debt of bondage. Foreign workers also confirmed they pay service fee and the others for passport, visa, medical, food, transportation from village and flight ticket. There was no contract substitution, debt bondage and withheld wages. Interview with sampled workers confirmed they also understood that they need to do all the above to go to Malaysia, and the agent also already explained to them regarding the work they should get in Malaysia which is in oil palm plantation.
	6.6.2 (C) Where temporary or migrant workers are employed, a specific labour policy and/or procedures are established and implemented.	YES	The CU has established a Foreign Workers Policy Statement under the Sustainable Agriculture Policy that stipulates that all foreign employees should be treated fairly in terms of recruitment, terms and conditions of work, and provided with decent living conditions. The company strictly adheres to no contract substitution, among other provisions. The CU maintains a specific procedure/flowchart for the employment of foreign workers, which is implemented for any foreign worker-related employment. The company ensures no contractor substitution and no discrimination against foreign workers. Moreover, the company complies with the Minimum Wage Order of Malaysia and provides orientation to workers to acquaint them with the language, safety regulations in Malaysia, and cultural norms. Decent housing is provided for foreign workers.
	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	YES	Emergency Response Plan (ERP) was established. Copies of procedures and telephone numbers were sighted on notice boards and muster grounds. Accident and emergency procedures were available and updated at both estates has been samples. During the site visit, it was sighted Emergency Response Plan was available at Chemical Store, Workshop and Lubricant Store. During interviews with workers, it was noted that all workers understand ERP. Site inspection at weeding operation, harvesting operation, workshop, chemical & fertilizers store for both estates, 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 boxes is regularly checked and refilled, when necessary, by Estate Managers.

Clause	Indicators	Comply Yes/No	Findings
	aid equipment is available at worksites. Records of all accidents are kept and periodically reviewed.		Telephone numbers and names of the members of the Emergency Response Team (ERT) were communicated to all employees and displayed at notice boards. Telephone numbers of the PIC, Police Station, Fire Brigade, and *Klinik Kesihatan* were also included. Accident statistics were being maintained in a satisfactory manner and periodically reviewed. Accident/injury records were recorded using Lost Time Accident Frequently Rate (AFR) by monthly basis. A quarterly review of accident cases had been carried out during the quarterly OSH committee meeting.
	6.7.3 (C) Workers use appropriate personal protective equipment (PPE), which is provided free of charge to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, land preparation, and harvesting. Sanitation facilities for those applying pesticides are available, so that workers can change out of PPE, wash and put on their personal clothing.	YES	All staff and workers such as the storekeepers, harvesters and sprayers/manurers were continuously trained in safe working practices including SOP for PPE related to their job function. Appropriate PPE were given to workers based on HIRARC and SOP recommendations suitable for the job position or hazardous operation undertaken. This was verified in the PPE issuance records viewed. During site visit at harvesting operation, circle spraying operation and manuring operation for all estates, sighted they were seen to wearing PPE such as face masks respirators, goggles, rubber boots, nitrile/cotton gloves, apron and hard hat, to cover all potentially hazardous operations. The condition of each PPE item and their validity lifespan were found good. Interview of workers showed they know when to change to a new set, either by expiry date or when they are damaged or rendered ineffective to use.
	6.7.4 All workers are provided with medical care and covered by accident insurance. Costs incurred from work-related incidents leading to injury or sickness are covered in accordance with Malaysian law.	YES	SOCCSO also has been used to cover for both local and foreign workers - sighted employer code: F9500001993X cover for 4 employees
	6.7.5 Occupational injuries are recorded using Lost Time Accident (LTA) metrics.	YES	Form JKKP 8 for 2023 was submitted to DOSH timely in Jan 2024 via MyKKP System. Accident statistics were being maintained in a satisfactory manner and periodically reviewed.

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	7.1.1 (C) IPM plans are implemented and monitored to ensure effective pest control.	YES	HASB continued to implement Integrated Pest Management (IPM) in both division and continued to manage pests, disease, weeds and invasive introduced species using appropriate IPM techniques guided by the "Code of Good Agricultural Practice For Oil Palm Estate and Smallholdings" from MPOB and SOP on Agricultural Practices Doc Ref No GAP MS 1784:2016 on harvesting, integrated pest management and upkeep of mature oil palms were also referred. Contents of the manual were disseminated to the workers through morning roll call and training. The manual was kept in the administration office for reference. The IPM program among others includes pest management of rats, bagworms, nettle

Clause	Indicators	Comply Yes/No	Findings
Management (IPM) techniques.			caterpillars, rhinoceros beetles and ganoderma. For bagworm control the program includes the planting of beneficial plants such as *and Turnera subulata*. In order to minimize use of pesticides the estates had planted beneficial plants mainly *Tunera subulata,* with maps indicating areas planted.
	7.1.2 Species referenced in the Global Invasive Species Database and CABI.org are not to be used in managed areas, unless plans to prevent and monitor their spread are implemented.	YES	Species referenced in the Global Invasive Species Database and CABI.org. was not used in managed areas of the Spark Glory and Harus Abadi
	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 open burning at the Group.
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	HASB continued to use agrochemicals based on its technical guidelines such as the "Code of Good Agricultural Practice For Oil Palm Estate and Smallholdings" from MPOB and SOP on Agricultural Practices Doc Ref No GAP MS 1784:2016 on harvesting, integrated pest management and upkeep of mature oil palms were also referred, where written justifications had been provided for various fields operations. The Manual has included a chemical register list which indicates the use of selective products that are specific to the targeted pest, weed or disease. The procedures also covered the use of PPE when handling the chemicals. The estates continued to use pesticides as per the SOPs.
	7.2.2 (C) Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) are provided.	YES	HASB 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 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 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 HASB 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	YES	Not applicable because HASB 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.

Clause	Indicators	Comply Yes/No	Findings
	diligence process, or when authorised by government authorities for pest outbreaks. The due diligence refers to:		
	7.2.5a Judgment of the threat and verify why this is a major threat.	YES	
	7.2.5b Why there is no other alternative which can be used.	YES	
	7.2.5c Which process was applied to verify why there is no other less hazardous alternative.	YES	
	7.2.5d What is the process to limit the negative impacts of the application.	YES	
	7.2.5e Estimation of the timescale of the application and steps taken to limit application to the specific outbreak.	YES	
	7.2.6 (C) Pesticides are only handled, used or applied by persons who have completed the necessary training and are always applied in accordance with the product label. All precautions attached to the products are properly observed, applied, and understood by workers (see Criterion 3.6). Personnel applying pesticides must show evidence of regular updates on the knowledge about the activity they carry out.	YES	Both estates have the Group Standard Operating Procedures such as (premixing herbicide, transportation of premix chemical to spraying area, transportation and handling FFB, chemical, fertilizer, wastes and workers, SW, triple rinse, spraying chemical, etc) for use of PPE during working. All workers involved in pesticide application were provided with appropriate PPE and replaced when damaged. PPE issue and replacements records were verified by the auditors. It was also observed that PPE was used by workers working in the fields. The estate and mill had a SOP for handling of chemical/pesticides. The employees involved in the chemical handling such as the storekeepers, sprayers, fertilizer and rat bait workers were trained in chemical handling and they understood the hazards of the chemicals and how the chemicals should be used in a safe manner. The trade and generic names of the chemicals were made known to them through the SDS training. It was also noted that SDS are available at chemical and fertilizers during the audit.
	7.2.7 (C) Storage of all pesticides is in accordance with recognised best practices.	YES	Pesticides selected for use were those officially registered under the Pesticides Act 1974 (Act 149) and the relevant provision (Section 53A); and in accordance with OSH USECHH Regulations (2000). At all visited estates the storage of pesticides was in accordance with recognized best practices. They were stored in accordance to the Occupational Safety and Health Act 1994 (Act 514) and Regulations and Orders and Pesticides Act 1974 (Act 149) and Regulations. All information regarding the chemicals affixed as product label and the accompanying Safety Data Sheet (see OHS CLASS 2013 Regulations) with details of its usage, hazards, trade and generic names were found available in Bahasa Malaysia language understood by workers or explained carefully to them by a CU management. A proper premixing area with eye wash facilities and bathing area is available near to the chemical stores. The wastewater from the washing of empty chemical containers and PPE, and chemical mixing was pumped to a storage tank for reuse in chemical mixing. This is to avoid any contamination of chemicals to the ground. Triple rinsing activities continued to be

<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>implemented for empty pesticide containers. The detailed procedure for this purpose is available in SOP for Scheduled Wastes Management and SOP for Triple Rinsing.
At all estates visited, their chemical stores were inspected.</td></tr>
<tr><td></td><td>7.2.8 All pesticide containers are properly disposed of and/or handled responsibly if used for other purposes.</td><td>YES</td><td>Empty pesticides containers were triple rinsed, holes punched and stored separately in the SW store. The containers were then disposed of through DOE approved contractor “Pentas Flora Sdn Bhd”.</td></tr>
<tr><td></td><td>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.</td><td>YES</td><td>Aerial spraying of pesticides is not a practice on all visited Estates There was no evidence to show that such a method being used in the 2 Estates. This was also supported through interviews with executives, field staffs and workers. No such activities were witnessed during the site/field visit.</td></tr>
<tr><td></td><td>7.2.10 (C) Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</td><td>YES</td><td>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, is demonstrated.</td></tr>
<tr><td></td><td>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.</td><td>YES</td><td>The Harus Abadi Estate and Spark Glory Estate had stated they will have complied with pesticide act “No work with pesticides shall be undertaken by pregnant or breast-feeding women”. As per stated in the List of Legal register. There was also no evidence that work with pesticides was undertaken by pregnant or breast-feeding women. The Estates maintained List of sprayers.</td></tr>
<tr><td>7.3
Waste is reduced, recycled, reused and disposed of in an environmentally and socially responsible manner.</td><td>7.3.1 A waste management plan which includes reduction, recycling, reusing, and disposal based on toxicity and hazardous characteristics, is documented and implemented.</td><td>YES</td><td>Waste management and disposal plan to avoid or reduce pollution had been documented. Procedures and guideline were used to guide the waste disposal activities and to reduce pollution during routine operation.

Among the waste and mitigation action been identified were:
<table>
<tr><td>No</td><td>Type of waste</td><td>Mitigation measure</td></tr>
<tr><td>1</td><td>Solid waste</td><td>Kept at landfill</td></tr>
<tr><td>2</td><td>Empty chemical container</td><td>Reuse / proper SW management / disposed to DOE contractor</td></tr>
<tr><td>3</td><td>Lubricant/used oil engine</td><td>Proper SW management / disposed to DOE contractor</td></tr>
</table></td></tr>
<tr><td></td><td>7.3.2 Proper disposal of waste material, according to procedures that are fully understood by workers and managers, is demonstrated.</td><td>NO</td><td>In both estates, domestic waste from the housing area is well managed and all domestic wastes are disposed at Lahad Datu waste are (Spark Glory Estate) and at Block 03 at (Harus Abadi Estate). However, during site visit at Harus Abadi Estate was found that domestic waste (plasctic, bottles, etc) has been dump at the drainage area near the</td></tr>
</table>

Clause	Indicators	Comply Yes/No	Findings
			housing areas. Thus, #Minor NCR RAR 01 2024 has been raised.
	7.3.3 The unit of certification does not use open fire for waste disposal.	NO	during site visit at housing area at Harus Abadi (housing areas) Sighted an evidence open fire were used for domestic waste disposal. Thus, #Minor NCR RAR 02 2024 has been raised
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	HASB 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 the soil fertility is guided by the organization SOPs content among others as stated in sections of the following documents i.e. manuring reference GAP MS1784:2016. The process of the fertilizer application follows a flow chart 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. The periodic tissue and soil sampling were carried out in the estates to monitor changes in nutrient status. The results formed the basis for the fertilizers input recommendation. The soil analysis provided the indication of soil health and monitors the changes in the organic carbon and total nitrogen. Soil samplings are made on a year basis to detect the following analysis PH, Carbon and Total N, P, K, Ca, Mg, Na.
	7.4.2 Periodic tissue and soil sampling is carried out to monitor and manage changes in soil fertility and plant health.	YES	Carried out annual foliar and soil sampling on a 5 yearly cycle basis to monitor changes in nutrient status. The annual foliar sampling to determine Ash levels and nutrients levels of N, P, K, Mg, Ca, B, Cu & Zn was conducted in June 2021 by Agronomy Department Hap Seng Plantations. dated 6/3/23 by Hap Seng Plantation (River Estates) Sdn. Bhd- Plantation Central Laboratory. The latest soil sampling was also carried out in May 2023. Report No: TR/L/023/23 dated 19/5/23 for PH, K, Ca, Mg, C.E.C., P, Org. C and N. The soil analysis was carried out by Hap Seng Plantation (River Estates) Sdn. Bhd- Plantation Central Laboratory. The results of the foliar and soil analysis formed the basis for the fertilizer recommendations to maintain and to improve soil fertility.
	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	<u>Harus Abadi</u> All 2 estates division 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. No EFB application sighted and recorded. <u>Spark Glory</u> A nutrient recycling strategy was in place which included stacking pruned fronds and manually weeded weeds / grass that were left to decompose in the respective fields. There was no application of Empty Fruit Bunches (EFB) and Palm Oil Mill Effluent (POME) in Spark Glory Sdn Bhd.
	7.4.4 Records of fertiliser inputs are maintained.	YES	Harus Abadi Periodic tissue and soil sampling were carried out in the estates to monitor changes in nutrient status. The latest leaf sampling has been carried out on 2/3/23 by Agromate (M) Sdn Bhd. The results formed the basis for the fertilizers input recommendation. The soil analysis provided the indication of soil health and monitors the changes in the organic carbon and total nitrogen. Soil samplings are made on a year basis to detect the following.

Clause	Indicators	Comply Yes/No	Findings
7.5 Practices minimise and control erosion and degradation of soils.	7.5.1 (C) Maps identifying marginal and fragile soils, including steep terrain, are available.	YES	Based on soil maps, provided by agronomists Hap Seng Plantation was identified no marginal and fragile soil in both division estates, the soil series at both estate division were Kretam Series.
	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	No replanting until the year of 2026 based on replanting program provided. Based on soil maps, slope map, and site visits there was no steep terrain (greater than 25°) in both estates division.
	7.5.3 There is no new planting of oil palm on steep terrain.	YES	Based on the assessment, it was confirmed that there were no new planting or new development of areas at HASB. 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 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 assessments at HASB on the assessment, it was confirmed that there were no new planting or new development of areas at HASB. 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. As mentioned under Indicator 7.5.1 Spark Glory Sdn Bhd had prepared both soil map dated 14/11/2018 and slope maps dated 18/11/2018 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
	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	No replanting until the year of 2024 based on replanting program provided. Based on soil maps (kretam series), slope map, and site visits there was no fragile and marginal soils located in CU.
	7.6.3 Soil surveys and topographic information guide the planning of drainage and irrigation systems, roads and other infrastructure.	YES	soil map, topography maps, was available for CU used as a guidance for planning the roads, infrastructure and drainage construction.
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	Based on soil map and site visit, there was no peat soil in both estates.
	7.7.2 Areas of peat within the managed areas are inventoried, documented and reported (effective from 15 November 2018) to RSPO Secretariat. PROCEDURAL NOTE: Maps and other documentation of peat soils are provided, prepared and shared in line with RSPO Peat land Working Group	YES	Based on soil map and site visit, there was no peat soil in both estates.

Clause	Indicators	Comply Yes/No	Findings
	(PLWG) audit guidance (see Procedural Note for 7.7.5 below).		
	7.7.3 (C) Subsidence of peat is monitored, documented and minimised.	YES	Based on soil map and site visit, there was no peat soil in both estates.
	7.7.4 (C) A documented water and ground cover management programme is in place.	YES	Based on soil map and site visit, there was no peat soil in both estates.
	7.7.5 (C) For plantations planted on peat, drainability assessments are conducted following the RSPO Drainability Assessment Procedure, or other RSPO recognised methods, at least five years prior to replanting. The assessment result is used to set the timeframe for future replanting, as well as for phasing out of oil palm cultivation at least 40 years, or two cycles, whichever is greater, before reaching the natural gravity drainability limit 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.	YES	Based on soil map and site visit, there was no peat soil in both estates.
	7.7.6 (C) All existing plantings on peat are managed according to the 'RSPO Manual on Best Management Practices (BMPs) for existing oil palm cultivation on peat', version 2 (2018) and associated audit guidance.	YES	Based on soil map and site visit, there was no peat soil in both estates.
	7.7.7 (C) All areas of unplanted and set-aside peatlands in the managed area (regardless of depth) are protected as "peatland conservation areas"; new drainage, road building and power lines by the unit of certification on peat	YES	Based on soil map and site visit, there was no peat soil in both estates.

<table>
<tr><th>Clause</th><th>Indicators</th><th>Comply Yes/No</th><th>Findings</th></tr>
<tr><td></td><td>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.</td><td></td><td></td></tr>
<tr><td rowspan="3">7.8
Practices maintain the quality and availability of surface and groundwater.</td><td>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:</td><td>YES</td><td>Water Management Plan has been reviewed and updated in Dec 2023. This plan is confined to, covering only the water used for daily operation. Among the water management plans are:
1) Soil Moisture Conservation Programmed
2) Buffer zone / riparian reserve of the streams
3) Water for domestic use
4) Contingency plan during drought season
5) Sewage and septic tank
6) Lubricant and fertilizer store
7) Rainfall records
Water for domestic use is supplied from the rainwater for washing and shower. Proper filtration and treatment are yet to be installed. The company has provided a tank or jar for a worker to get treated water from Bukit Mas Palm Oil Mill (Hap Seng plantation). Besides that, the estate also provided the mineral bottle as access to clean water with average 15 to 19 cotton per month for the workers. There was no natural waterways or river passing through the estate.</td></tr>
<tr><td>7.8.1a The unit of certification does not restrict access to clean water or contribute to pollution of water used by communities.</td><td>YES</td><td>There was no river passing through the Harus Abadi Main Division and First Raintree Division. At Spark Glory River water analysis has been carried out by accredited laboratory from Hap Seng Plantation on 14/02/2023, 16/06/2023, and 02/11/2023 for Tagas Tagas River (upstream and downstream). Summary results as per below:
<table>
<tr><th>Parameter</th><th>Result upstream</th><th>Result downstream</th><th>national quality standard</th></tr>
<tr><td>pH</td><td>7.3</td><td>7.35</td><td>6-9</td></tr>
<tr><td>Turbidity</td><td>18</td><td>25</td><td><50</td></tr>
<tr><td>Totals suspend solid</td><td>9</td><td>14</td><td><50</td></tr>
<tr><td>COD</td><td>21</td><td>20</td><td><25</td></tr>
<tr><td>BOD`</td><td><1</td><td><1</td><td><3</td></tr>
<tr><td>AN</td><td>0.06</td><td>0.06</td><td><0.3</td></tr>
<tr><td>DO</td><td>8.53</td><td>8.47</td><td>>7</td></tr>
<tr><td>Oil & grease</td><td><2</td><td><2</td><td>NA</td></tr>
</table>
All parameters within the class 11B specification of National Water Quality Standard for Malaysia.</td></tr>
<tr><td>7.8.1b Workers have adequate access to clean water.</td><td>YES</td><td>Water for domestic use is supplied from the rainwater for washing and showering. Proper filtration and treatment are yet to be installed. The company has provided a tank or jar for a</td></tr>
</table>

<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>worker to get treated water from Bukit Mas POM. Besides that, the estate also provided the mineral bottle as access to clean water with average 15 to 19 cotton per months for the workers.</td></tr>
<tr><td></td><td>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’.</td><td>YES</td><td>During site inspection at buffer zones at river and natural waterways area at both estates (Harus Abadi Block 2, 3) and (Lebijaya Estate- block 02), sighted the 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).</td></tr>
<tr><td></td><td>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.</td><td>YES</td><td>Not applicable.</td></tr>
<tr><td></td><td>7.8.4 Mill water use per tonne of FFB is monitored and recorded.</td><td>YES</td><td>Not applicable.</td></tr>
<tr><td>7.9
Efficiency of fossil fuel use and the use of renewable energy is optimised.</td><td>7.9.1 A plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented.</td><td>YES</td><td>The plan for efficiency of the use of fossil fuels and to optimise renewable energy is in place, monitored and documented. Record on energy consumption for both renewable and non-renewable sources were kept and documented. It is monitored to optimise use of renewable energy. Data is being compiled for comparison and control for future improvement. Among the plan for improving fossil fuel are:
Regular servicing of the generator set for smooth running of engine and prevent excessive emission of greenhouse gas
Drivers are required to inspect their vehicle on daily basis and recorded inside the vehicle inspection checklist.
Site visit to both estates, showed evident that they are compiling the data by monthly basis and document it for further action to improve on their efficiency of using the renewable and non-renewable energy.</td></tr>
<tr><td>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>During the audit in January 2024, auditor was unable to approved through Palm GHG Version 4. This was due to some error in the system. An email has been sent to the RSPO secretariat informed on the problem and RSPO secretariat acknowledged on the matter. However, auditor can log in and verify the data in the Palm GHG Version 4. The data for year 2023 was as follows:

Harus Abadi Estate
<table>
<tr><th>Description</th><th>Unit</th><th>Value</th></tr>
<tr><td>Oil palm planted on mineral soil</td><td>Ha</td><td>564.67</td></tr>
<tr><td>Oil palm planted on peat</td><td>Ha</td><td>0</td></tr>
<tr><td>Total oil palm planted</td><td>Ha</td><td>564.67</td></tr>
<tr><td>Conservation area (Forested)</td><td>Ha</td><td>0</td></tr>
</table></td></tr>
</table>

Clause	Indicators	Comply Yes/No	Findings

Conservation area (Non-forested)	Ha	0.01
FFB supplied to this mill	Mt	8094
FFB produced by this estate/plantation	Mt	8094
FFB production per hectarage	Mt/ha	14.33

Description	Total emission (tCO2e)	tCO2e/ha	tCO2e/mt FFB	Emission allocated to this mill (tCO2e)
Land conversion	2381.95	4.22	0.29	2381.95
Crop sequestration	-2257.35	-4.00	-0.26	-2257.35
*CO2 emissions from fertilizer	97.18	0.17	0.01	97.18
N2O emissions from peat	0	0	0	0
N2O emissions from fertiliser	157.52	0.28	0.02	157.52
Fuel consumption	206.19	0.37	0.03	206.19
Peat oxidation	0	0	0	0
Sequestration in conservation area	0	0	0	0
TOTAL	585.48	1.04	0.07	585.48

Spark Glory Estate

Description	Unit	Value
Oil palm planted on mineral soil	Ha	121.46
Oil palm planted on peat	Ha	0
Total oil palm planted	Ha	121.46
Conservation area (Forested)	Ha	0
Conservation area (Non-forested)	Ha	0
FFB supplied to this mill	Mt	953.60
FFB produced by this estate/plantation	Mt	953.60
FFB production per hectarage	Mt/ha	7.85

<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>
<table>
<tr><td>Description</td><td>Total emission (tCO2e)</td><td>tCO2e/ha</td><td>tCO2e/mt FFB</td><td>Emission allocated to this mill (tCO2e)</td></tr>
<tr><td>Land conversion</td><td>1199.62</td><td>9.88</td><td>1.26</td><td>1199.62</td></tr>
<tr><td>Crop sequestration</td><td>-1137.08</td><td>-9.36</td><td>-1.19</td><td>-1137.08</td></tr>
<tr><td>*CO2 emissions from fertilizer</td><td>7.23</td><td>0.06</td><td>0.01</td><td>7.23</td></tr>
<tr><td>N2O emissions from peat</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>N2O emissions from fertiliser</td><td>11.72</td><td>0.10</td><td>0.01</td><td>12.64</td></tr>
<tr><td>Fuel consumption</td><td>12.64</td><td>0.10</td><td>0.01</td><td>11.72</td></tr>
<tr><td>Peat oxidation</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>Sequestration in conservation area</td><td>0</td><td>0</td><td>0</td><td>0</td></tr>
<tr><td>TOTAL</td><td>94.12</td><td>0.77</td><td>0.10</td><td>94.12</td></tr>
</table>
</td></tr>
<tr><td></td><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>Auditor has verified through checking the www.globalforestwatch.com, Google Maps, Estate Maps and also through site visit to the sampled estates areas. Based on the observation during the audit, it is confirmed that there was no new planting or new development of areas at both estates. Hence, RSPO GHG Assessment Procedure for New Development was not applicable.</td></tr>
<tr><td></td><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. Plans to reduce or minimize them are in place.</td></tr>
<tr><td>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>HASB complied to the strict Zero Burning Policy. There was no evidence to show that fire had been used for preparing land for replanting.</td></tr>
<tr><td></td><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>HASB had established fire prevention and control measures for the areas under its direct management. Fire emergency procedures were available in adherence to the HASB policy on ‘Emergency Response’ plan–updated Jan 2021. Important telephone contact numbers were also provided therein. HASB had valid fire extinguishers at the office, worker’s quarters, chemical & fertiliser stores, diesel skid tank, etc.
For Spark Glory, the 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 08/07/2023.</td></tr>
<tr><td></td><td>7.11.3 The unit of certification engages with adjacent stakeholders on fire</td><td>YES</td><td>HASB had engaged its adjacent stakeholders on fire prevention and control measures with Hap Seng Plantations. Sighted the meeting dated 11/9/23 has been discussed related to fire prevention.</td></tr>
</table>

Clause	Indicators	Comply Yes/No	Findings
	prevention and control measures.		
7.12 Land clearing does not cause deforestation or damage any area required to protect or enhance High Conservation Values (HCVs) or High Carbon Stock (HCS) forest. HCVs and HCS forests in the managed area are identified and protected or enhanced.	7.12.1 (C) Land clearing since November 2005 has not damaged primary forest or any area required to protect or enhance HCVs. Land clearing since 15 November 2018 has not damaged HCVs or HCS forests. A historic Land Use Change Analysis (LUCA) is conducted prior to any new land clearing, in accordance with the RSPO LUCA guidance document.	N/A	No new land clearing since Nov 2015 available at HASB, thus this Indicator was not Applicable.
	7.12.2 (C) HCVs, HCS forests and other conservation areas are identified as follows:	YES	<u>Harus Abadi</u> The report "Potential High Conservation Value Area Assessment Report of Harus Abadi Sdn Bhd" was made available to the auditor. It was noted that the report was prepared by the Sustainable Unit of Hap Seng. The report was completed on 25/1/19. Based on the assessment, there was no identified RTE at Harus Abadi estate. Harus Abadi had identified a HCV 3 (Mud Volcano) which the estate has conserved and maintained. Sighted also the new Report namely "HCV-HCSA Assessment Report of Harus Abadi Sdn Bhd" which was made available to the auditor. It was noted that the report was prepared by the Sustainable Unit of Hap Seng. The report included the HCV Management/Action Plan for the Year. The assessment was last carried out on 16/11/23 and next review on November 2024. Based on the assessment, there was no identified RTE at Harus Abadi estate. Harus Abadi had identified a HCV 3 which the estate has conserved and maintained the Mud Volcano. <u>Spark Glory</u> The report "Potential High Conservation Value Area Assessment Report of Spark Glory Sdn Bhd" was made available to the auditor. It was noted that the report was prepared by the Sustainable Unit of Hap Seng. The report was completed on 25/1/19 and review on 17 November 2022 and next review on November 2023. Based on the assessment, there was no identified RTE at Spark Glory estate. Spark Glory had identified a Potential HVC4 which the estate has controlled and maintained the river buffer zone for Sg. Tagas Tagas. The Assessor also identified that Estate was adjacent to Tabin Wildlife forest reserve. The total area is 1.19 Ha. Sighted also the new Report namely "HCV-HCSA Assessment Report of Spark Glory Sdn Bhd" was made available to the auditor. It was noted that the report was prepared by the Sustainable Unit of Hap Seng. The assessment was carried out on 17 November 2022 and next review in November 2023.
	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,	YES	<u>Harus Abadi</u> Identification and assessment of HCV habitats or protected areas is done prior the main assessment through. The report "Potential High Conservation Value Area Assessment Report of Harus Abadi" is available. The study was conducted by the Sustainable Unit of Hap Seng. The assessment was carried out on 10-12/1/19. The report was completed on 25/1/19 and plan was revised on 16/11/23 after consultation with stakeholder dated

Clause	Indicators	Comply Yes/No	Findings
	peatland and other conservation areas is developed, implemented and adapted where necessary, and contains monitoring requirements. The integrated management plan is reviewed at least once every five years. The integrated management plan is developed in consultation with relevant stakeholders and includes the directly managed area and any relevant wider landscape level considerations (where these are identified).		11/9/23. The study had covered all the High Conservation Value (HCV) within and adjacent to the 2 Estate under Harus Abadi Sdn Bhd. Based on the assessment, there was no identified RTE at Harus Abadi. The Assessor had identified potential HCV 3 in the estate which is Mud Volcano i.e. 0.0015 Ha. Nevertheless, the assessor has outlined several recommendations for HCV management by estate among others as follows: • Continue prohibiting workers from entering the area • Continue to prohibit indiscriminate spraying at the area • To put up signboard prohibiting entrance of workers to the area. The area must be properly marked or designated • For RTE continue prohibiting illegal Hunting • Continue to conduct yearly training to educate the workers on RTE species The 'Annual HCV Management Plan' was in the above 'HCV-HCSA Assessment Report' updated on 16 November 2023 and made available for verification. It outlined the HCV protection and maintenance measures to be taken in FY 2024 at HASB <u>Spark Glory</u> Spark Glory estate has established HCV action plan for Sg Tagas Tagas titled "HCV areas Management Action Plans' dated 11/12/2023. 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 Tabin Wildlife reserve by: • Prohibition workers entrance to this area • Signboard are erected at the boundary • Constantly briefed workers regarding RTE • Prohibition of logging at the estate boundary • Prohibition of illegal hunting • Periodic monitoring to the reserve boundary
	7.12.5 Where rights of local communities have been identified in HCV areas, HCS forest after 15 November 2018, peatland and other conservation areas, there is no reduction of these rights without evidence of a negotiated agreement, obtained through FPIC, encouraging their involvement in the maintenance and management of these conservation areas.	YES	There were no local communities living nearby with Harus Abadi. So, this indicator was not applicable with this CU.

Clause	Indicators	Comply Yes/No	Findings
	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	Harus Abadi HASB has develop an HCV Management Plan 2024 in the 'HCV-HCSA Assessment Report' based on assessment by the Assessor, the plan name last updated on 16 November 2023 with objectives to protect the HCV 3 in the CU. Harus Abadi is committed to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signage to prohibit hunting were erected at border. Patrolling by mandore for Illegal hunting is also being implemented to control the illegal activities. HASB has conducted training on HCV and wildlife for the staffs and field workers on 13/7/22 and 15/8/2022. The Company also has established disciplinary measures titled 'Dilarang Memburu' i.e., disciplinary action on staff and workers found to conduct illegal 'hunting'. Spark Glory Spark Glory 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. Tagas Tagas, and • No hunting and no illegal activities at forest border with Tabin Wildlife forest reserve. Spark Glory Sdn Bhd has conducted training on HCV and wildlife for field workers on 21/3/23. The Company also has established a disciplinary measure titled ''*Dilarang Memburu di Kawasan ini*' dated 3/1/2019.
	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	Harus Abadi HASB also is committed to discourage any illegal or inappropriate hunting, fishing or collecting activities. Evidence was seen during the site review that signage to prohibit hunting were erected at border. Patrolling by mandora for Illegal hunting is also being implemented to control the illegal activities. Monthly monitoring for RTE and Mud Volcano was conducted by Harus Abadi Sdn. Bhd. Spark Glory Spark Glory 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. Tagas Tagas,
	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

ATTACHMENT 5

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
6.2.3 DA 01 2024	Major	Finding: There is no evidence indicating legal compliance with the Sabah Labour Ordinance regarding the implementation of annual leave payment (Section 104C) and entitlement for work on rest day payment (Section 104D) for the workers at Harus Abadi Sdn. Bhd. Furthermore, there is no record of working days, absences, or sick leave in the payroll system. Objective evidence: Based on the pay slip verification from December 2022 to December 2023, there is no evidence of payment for annual leave and work on rest days as stated in the pay slips. Additionally, there is no record of working days, absences, or sick leave in the payroll system.	The issue: No record for relevant sick days and leaves in the payroll system. The root cause: Firstly, management of Harus Abadi actually paid their annual leave and rest day as per evidence given during the Audit, but the management did not detailing the payment in workers pay slip and management admit the mistakes did not detailing the work on rest day and annual leave in the payslip. Correction: Management has implemented new format of payroll system. Refer attachment evidence. Corrective action: HASB management will continuously monitor on the payroll system.	Auditor has verified the root cause given and accept the root cause given by the Harus Abadi Management, Auditor also verify the evidence given by the management of Harus Abadi and accepted the evidence of new Pay slip given. **Status: Closed**
7.3.2 RAR 01 2024	Minor	Finding: disposal of waste material was not accordance to the procedures. Objective evidence: During the site visit at Harus Abadi Estate, it was found that domestic waste, including plastics and bottles, has been dumped in the drainage area near the housing areas.	The issue: Plastics and bottles sighted in the housing area drainage. The root cause: The management actually has briefed the workers to dump their waste in designated bins and dump area however, Lack of understanding from workers and some of workers are not obey the management directions and still throw their waste near the housing areas. Correction: Management has conducted waste materials handling training with workers and management has asked to workers to pick up and clean their housing area. Corrective action: to train workers weekly related to proper waste handling and To reiterate to workers on the awareness of proper waste materials handlings. Management has decided, To conduct weekly housing checklist.	The Root cause and Corrective action plan has been reviewed and deemed to be satisfactory to address the Minor Nonconformity. Evidence of the CAP will be verified during next assessment. **Status: Open**

7.3.3 RAR 02 2024	Minor	Finding: certification Unit use open fire for waste disposal. Objective evidence: During the site visit to the housing area at Harus Abadi Estate, evidence was observed of open fires being used for domestic waste disposal	The issue: Sighted open fires being used for waste disposal. The root cause: The management actually has briefed the workers to dump their waste in designated bins and dump area however, Lack of understanding from workers and some of workers are not obey the management directions and still using fire to dispose their domestic waste. Correction: Management has conducted waste materials handling training with workers and management has asked workers to pick up and clean their housing area. Warning has been given to workers, so they did not use Fire for waste disposal. Corrective action: to train workers weekly related to proper waste handling and To reiterate to workers on the awareness of proper waste materials handling. Management has decided, To conduct weekly housing checklist.	The Root cause and Corrective action plan has been reviewed and deemed to be satisfactory to address the Minor Nonconformity. Evidence of the CAP will be verified during next assessment. **Status: Open**
3.3.2 RAR 03 2024	Minor	Finding: mechanism to check consistent implementation of safety procedures at premix areas (emergency shower) was not in place. Objective evidence: During the site visit to the premix area at Harus Abadi Estate, it was observed that the location of the emergency shower is far from the premix areas. This could potentially pose a hazard to premix operators	The issue: Location of emergency shower is not ideal. The root cause: Actually, the Emergency shower is designed for workshop operator and Fertilizer store, before this the premix area is designated at another area, but recently management has built new premix area and forgot to build a new emergency shower for this premix area. Correction: Management has relocated the location of the emergency shower to a more ideal place. Corrective action: HASB management will continuously monitor on the accessibility towards the emergency shower.	The Root cause and Corrective action plan has been reviewed and deemed to be satisfactory to address the Minor Nonconformity. Evidence of the CAP will be verified during next assessment. **Status: Open**

ATTACHMENT 6

STATUS OF NON-CONFORMITIES PREVIOUSLY IDENTIFIED

P & C Indicator	Specification Major/Minor	Detail Non-conformances	Verification by Assessor
MZK 01 2022 6.2.2 (SPARK GLORY NCR)	Major	Finding: Pay slip at Spark Glory not detailing payments and conditions of employment (e.g. regular working hours, overtime, sick leave, holiday entitlement in compliance with national legal requirements). Objective evidence: Sighted Records of Payroll documents (Payslip) was not detailing payments and conditions of employment e.g. regular working hours, overtime, sick leave, holiday entitlement, Absent.	Each payslip includes detailed information on payments and conditions, such as the employee's name, the month of pay, working hours, sick leave, holiday entitlement, and income breakdown (basic pay, overtime, allowances). It also outlines any deductions, if applicable. In interviews with workers, it was found that they comprehend the contents of their payslips and seek clarification from the office when needed. Samples of payslips for 7 workers at HASB and 4 workers at SGSB were reviewed, confirming that workers are being remunerated in compliance with the requirements outlined in the Minimum Wages Order 2022 and the Sabah Labour Ordinance. Consequently, the previous Major NCR was satisfactorily closed. Status: CLOSED
3.6.2 DA 01 2022 (HARUS ABADI NCR)	Major	Finding: The effectiveness of the H&S plan to address health and safety risks to people was not fully monitored. Objective evidence: Noise Risk Assessment Report were available, and the assessment was conducted on 29/09/2021 (First Raintree Division) and 30/09/2021 (Harus Abadi) by Utlus Venture (M) Sdn. Bhd. The assessor was Balamurali Raman (NRA Registration no.: #HQ/18/PEB/00/28). From this assessment work unit i.e., harvesting, mature oil palm upkeep maintenance, FFB evacuation, genset house, mist blower, heavy machinery, farm tractor has been risk assessed. Baseline audiometric testing shall be conducted for heavy machinery operator, FFB evacuation and mist blower operator as per the recommendation. However, baseline audiometric testing yet to be carried out as per NRA Report recommendation.	Noise Risk Assessment Report was available and the assessment was conducted on 29/09/2021 (First Raintree Division) and 30/09/2021 (Harus Abadi) by Utlus Venture (M) Sdn. Bhd. and the assessor is Balamurali Raman (NRA Registration no.: #HQ/18/PEB/00/28). This assessment was carried out to identify and explain the finding of noise risk assessment at estate operation. From this assessment 3 work unit i.e. harvesting, mature oil palm upkeep maintenance, FFB evacuation, genset house, mist blower, heavy machinery, farm tractor have been risk assessed. Baseline audiometric testing shall be conducted for heavy machinery operator, FFB evacuation and mist blower operator only as per the recommendations. Baseline audiometric testing has been conducted on 29/12/2022 and for year 2023 has been conducted at Klinik Mabello (Paris) Sdn. Bhd. by OHD - however, report not yet available, thus previous NCR was satisfactory closed **Status: Closed**
6.3.3 ISMA 01 2022 (HARUS ABADI NCR)	Minor	Finding: Worker's representation in the (JCC) i.e., Joint Consultation Committee (HASB and workers) was not adequate. Objective evidence: Worker's representation in the JCC (Joint Consultation Committee) established for HASB was not adequate due to the following: 1) Representatives for workers were not chosen freely by the workers themselves (no supporting documents on free selection of representatives) Workers Representatives are not representative (i.e., by Gender, Country of origin, type of work etc.)	Interviews with the workers' representatives in the CU confirmed that the management did not interfere in the formation of the association. All representatives were freely elected by the workers through a confirmed election process, as conferred during the interview session. Evidence of the election, as well as appointment letters, was observed. The workers' representatives include individuals representing gender, nationality, and ethnicity. Consequently, the previously outstanding Minor NCR ISMA 01 2022 was satisfactorily closed. **Status: Closed**

The group member listing:

ID No.	Group member (Name of registered member as per land title)	Site location address	GPS Location	Total certified area (ha)	Date joined	FFB production (MT/yr)	Year of planting
1	Harus Abadi Sdn. Bhd.	Jalan Jeroco, Lahad Datu, Sabah.	Lat: 5º 26' 24'' N Long: 118º 32' 24" E	566.89	15 December 2023	8000.00	1994-1998
2	Spark Glory Sdn Bhd	CL 095333467/476/458, 421/430/412/449, Sg Segama, 91117 Kinabatangan District, Lahad Datu, Sabah.	Lat: 5º 18' 52'' N Long:118º 34' 34" E	126.83	15 December 2023	1400.00	2002
Total				693.72		9400.00	